

1 **NOTC**
2 STEVEN L. DAY, ESQ.
3 Nevada Bar No. 3708
4 COHEN, JOHNSON & DAY
5 1060 Wigwam Parkway
6 Henderson, NV 89074
7 (702) 309-3333

8 Attorneys for Defendants

FILED
Jul 26 3 50 PM '07

[Signature]
CLERK OF THE COURT

9 **DISTRICT COURT**
10 **CLARK COUNTY, NEVADA**

11 GHOLAMREZA ZANDIAN JAZI,)
12 Plaintiff,)
13 vs.)
14 RAY KOROGHLI, individually, FAIRBORZ)
15 FRED SADRI, individually and as Trustee of)
16 the Star Living Trust, WENDOVER PROJECT,)
17 LLC, a Nevada limited liability company; BIG)
18 SPRING RANCH, LLC, a Nevada limited)
19 liability company, and NEVADA LAND AND)
20 WATER RESOURCES, LLC, a Nevada)
21 limited liability company,)
22 Defendants.)

No. 49924
CASE NO. A511131
DEPT. NO. XI

FILED

AUG 01 2007

JANETTE M. BLOOM
CLERK OF SUPREME COURT
BY *[Signature]*
DEPUTY CLERK

23 **NOTICE OF APPEAL**

24 NOTICE IS HEREBY GIVEN that Defendants Ray Koroghli, Fairborz Fred Sadri,
25 Wendover Project, LLC, Big Spring Ranch, LLC, and Nevada Land and Water Resources,
26 LLC, hereby appeal to the Supreme Court of Nevada from that certain "Order" of July 19,
27 2007 denying Defendants' Motion for Re-Hearing and Motion to Amend or Alter

28 Judgment Pursuant to NRCPC 59(a). The Order was filed July 20, 2007. Notice of Entry

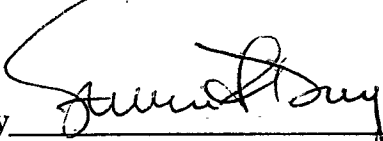
COHEN, JOHNSON & DAY
1060 Wigwam Parkway
Henderson, NV 89074
(702) 309-3333

RECEIVED
AUG 01 2007
CLERK OF SUPREME COURT

1 of Order has not yet been filed by Plaintiff.

2 DATED this 26th day of July, 2007.

3 COHEN, JOHNSON & DAY

4
5 By 

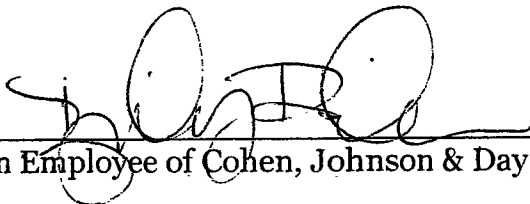
6 STEVEN L. DAY, ESQ.
7 Nevada Bar No. 3708
8 JAMES R. NANCE, ESQ.
9 Nevada Bar No. 9878
10 1060 Wigwam Parkway
11 Henderson, NV 89074
12 Attorneys for Defendants

11 **CERTIFICATE OF MAILING**

12 I HEREBY CERTIFY that on the 26th day of July, 2007, I served a copy of the
13 foregoing NOTICE OF APPEAL, by causing a copy of the same to be deposited in the
14 United States mail, postage prepaid, addressed as follows:

15
16 John Peter Lee, Esq.
17 JOHN PETER LEE, LTD.
18 830 Las Vegas Blvd. South
19 Las Vegas, NV 89101
20 Attorneys for Plaintiff/Counterdefendant

21 John M. Netzorg, Esq.
22 2810 W. Charleston Blvd., #H-81
23 Las Vegas, NV 89102
24 Attorney for Defendants

25
26
27
28 
An Employee of Cohen, Johnson & Day

FILED

JUL 26 3 50 PM '07

Chad [Signature]
CLERK OF THE COURT

1 STEVEN L. DAY, ESQ.
2 Nevada Bar No. 3708
3 JAMES R. NANCE, ESQ.
4 Nevada Bar No. 9878
5 COHEN, JOHNSON & DAY
6 1060 Wigwam Parkway
7 Henderson, NV 89074
8 (702) 309-3333

Attorneys for Defendants

DISTRICT COURT

CLARK COUNTY, NEVADA

11 GHOLAMREZA ZANDIAN JAZI,)

12 Plaintiff,)

13 vs.)

14 RAY KOROGHLI, individually, FAIRBORZ)
15 FRED SADRI, individually and as Trustee of)
16 the Star Living Trust, WENDOVER PROJECT,)
17 LLC, a Nevada limited liability company; BIG)
18 SPRING RANCH, LLC, a Nevada limited)
19 liability company, and NEVADA LAND AND)
20 WATER RESOURCES, LLC, a Nevada)
21 limited liability-company,)

22 Defendants.)

CASE NO. A511131
DEPT. NO. XI

CASE APPEAL STATEMENT

- 22 1. **Name of appellant filing this case appeal statement:** Ray Koroghli,
- 23 Fairborz Fred Sadri, Wendover Project, LLC, Big Spring Ranch, LLC and
- 24 Nevada Land and Water Resources, LLC.
- 25 2. **District Court Judge:** Honorable Elizabeth Gonzalez
- 26 3. **All parties to the District Court proceedings are as follows:**
- 27
- 28

COHEN, JOHNSON & DAY
1060 Wigwam Parkway
Henderson, NV 89074
(702) 309-3333

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Gholamreza Zandian Jazi, Ray Koroghli, Fairborz Fred Sadri, Wendover Project, LLC, Big Spring Ranch, LLC and Nevada Land and Water Resources, LLC.

4. **All parties involved in this appeal are as follows:** Theresa Davis, Tracy Roberts, and Ellison Lores as plaintiffs. Richard A. Snowden d/b/a Tally Ho and King Arthur Enterprises, Inc, d/b/a Rick's Tally Ho as defendants.

5. **The following are all parties and their counsel involved in this appeal:**

John Peter Lee, Esq.
JOHN PETER LEE, LTD.
830 Las Vegas Blvd. South
Las Vegas, NV 89101
Attorneys for Plaintiff/
Counterdefendant

Steven L. Day, Esq.
COHEN, JOHNSON & DAY
1060 Wigwam Parkway
Henderson, NV 89074
Attorneys for Defendants/
Counterclaimants

6. **Appellants' counsel:** Appellants were represented by retained counsel in the district court.

7. **Appellants' counsel on appeal:** Appellants are represented by retained counsel on appeal.

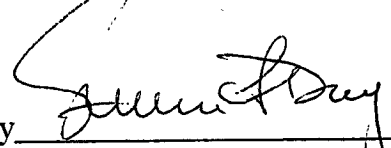
8. **Forma Pauperis:** Appellant was not granted leave to proceed into forma pauperis.

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9. **Commencement of action in district court:** October 5, 2005,
Complaint (Case No. A511131) filed against Defendants.

DATED this 26th day of July, 2007.

COHEN, JOHNSON & DAY

By 

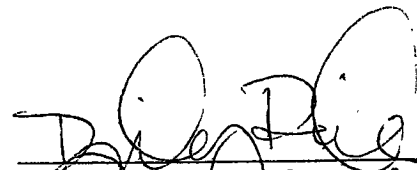
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Nevada Bar No. 3708
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Nevada Bar No. 9878
1060 Wigwam Parkway
Henderson, NV 89074
Attorneys for Defendants

CERTIFICATE OF MAILING

I HEREBY CERTIFY that on the 26th day of July, 2007, I served a copy of the
foregoing CASE APPEAL STATEMENT, by causing a copy of the same to be deposited in
the United States mail, postage prepaid, addressed as follows:

John Peter Lee, Esq.
JOHN PETER LEE, LTD.
830 Las Vegas Blvd. South
Las Vegas, NV 89101
Attorneys for Plaintiff/Counterdefendant

John M. Netzorg, Esq.
2810 W. Charleston Blvd., #H-81
Las Vegas, NV 89102
Attorney for Defendants


An Employee of Cohen, Johnson & Day

DATE: 07/27/07
CASE NO. 05-A-511131-C

I N D E X

TIME 8:44 AM
JUDGE:Gonzalez, Elizabeth

Jazi, Gholamreza Z [E] vs Koroghli, Ray [E]

0001 P1 Gholamreza Z Jazi 001768 Lee, John P.
NO. 1 John Peter Lee, Ltd
830 Las Vegas Blvd. S.
Las Vegas, NV 89101

0002 D1 Ray Koroghli 003708 Day, Steven L.
NO. 1 Cohen Johnson & Day
1060 Wigwam Parkway
Henderson, NV 89074

0003 D Fariborz F Sadri 003708 Day, Steven L.
NO. 1 Cohen Johnson & Day
1060 Wigwam Parkway
Henderson, NV 89074

0004 D Star Living Trust 003708 Day, Steven L.
NO. 1 Cohen Johnson & Day
1060 Wigwam Parkway
Henderson, NV 89074

0005 D Wendover Project LLC 003708 Day, Steven L.
NO. 1 Cohen Johnson & Day
1060 Wigwam Parkway
Henderson, NV 89074

0006 D Big Spring Ranch LLC 003708 Day, Steven L.
NO. 1 Cohen Johnson & Day
1060 Wigwam Parkway
Henderson, NV 89074

0007 D Nevada Land And Water Resources LLC 003708 Day, Steven L.
NO. 1 Cohen Johnson & Day
1060 Wigwam Parkway
Henderson, NV 89074

0008 CO Wendover Project LLC 001335 Netzorg, John M.
NO. 1 Netzorg & Caschette
2810 W Charleston Blvd #81
Las Vegas, NV 89102-1910

0009 DC Gholamrez Z Jazi ?????? ## UNKNOWN ##

NO.	FILED/REC CODE	REASON/DESCRIPTION	FOR	OC	SCH/PER	C
0001	10/05/05	COMP/COMPLAINT FILED Fee \$148.00	0001			
0002	10/05/05	CONS/CONSENT TO SERVICE BY ELECTONIC MEANS	AL		10/05/05	
0003	10/05/05	IAFD/INITIAL APPEARANCE FEE DISCLOSURE	0001			
0004	10/12/05	SUMM/SUMMONS	0003	SV	10/06/05	
0005	10/12/05	SUMM/SUMMONS	0004	SV	10/06/05	
0006	10/14/05	LISP/NOTICE OF LIS PENDENS	AL			
0007	10/14/05	LISP/NOTICE OF LIS PENDENS	AL		10/14/05	

(Continued to page 2)

WFZ0240

NO.	FILED/REC	CODE	REASON/DESCRIPTION	FOR	OC	SCH/PER	C
0008	10/14/05	ERR	/ERRATA TO COMPLAINT	0001			
0009	10/21/05	MOT	/PLTF'S MTN TO DISMISS COMPLAINT OR COMPEL ARBITRATION /01	AL	MR	11/28/05	
0010	10/26/05	ROC	/RECEIPT OF COPY	0001		10/21/05	
0011	10/31/05	REQT	/PLAINTIFFS RULE 56 (F) MOTION TO CONTINUE SUMMARY JUDGMENT	AL		11/28/05	
0012	10/31/05	REQT	/MOTION TO DISQUALIFY ATTORNEY FOR DEFENDANTS	AL		11/28/05	
0013	11/08/05	COMP	/FIRST AMENDED COMPLAINT	0001			
0014	11/16/05	LISP	/NOTICE OF LIS PENDENS	0001			
0015	11/23/05	RPLY	/REPLY TO OPPOSITION TO MOTION TO DISMISS	0001		11/23/05	
0016	11/23/05	OPPS	/OPPOSITION TO MOTION TO DISQUALIFY	0001			
0017	11/28/05	STIP	/STIPULATION FOR ARBITRATION	0001			
0018	12/08/05	ANS	/DEFENDANTS' RAY KOROCHELI AND FARIBORZ SADRI'S ANSWER AND COUNTERCLAIM	0002		12/08/05	
0019	12/08/05	ANS	/DEFENDANTS' RAY KOROGHLI AND FARIBORZ SADRI'S ANSWER AND COUNTERCLAIM	0003		12/08/05	
0020	12/08/05	TRCT	/RECEIPT #217853 \$400.00	0002		12/08/05	
0021	12/08/05	IAFD	/INITIAL APPEARANCE FEE DISCLOSURE	0002			
0022	12/08/05	DEMD	/DEMAND FOR JURY TRIAL	0002			
0023	12/09/05	OBJ	/PLAINTIFFS OBJECTION TO DEMAND FOR JURY TRIAL	0001			
0024	12/27/05	RPLY	/REPLY TO COUNTERCLAIM	AL			
0025	01/30/06	LISP	/NOTICE OF LIS PENDENS	AL		01/30/06	
0026	02/02/06	ORDR	/ORDER GRANTING APPLICATION TO EXTEND TIME TO EFFECTUATE SERVICE OF PROCESS	AL		02/02/06	
0027	02/02/06	APPL	/APPLICATION TO EXTEND TIME TO EFFECTUATE SERVICE OF PROCESS	0001			
0028	02/03/06	NOTC	/NOTICE OF ENTRY OF ORDER GRANTING APPLICATION TO EXTEND TIME TO EFFECTUATE SERVICE OF PROCESS	AL		02/02/06	Y
0029	02/15/06	SERV	/ACCEPTANCE OF SERVICE	0005	SV	02/15/06	
0030	02/15/06	SERV	/ACCEPTANCE OF SERVICE	0006	SV	02/15/06	
0031	02/15/06	SERV	/ACCEPTANCE OF SERVICE	0007	SV	02/15/06	
0032	02/15/06	NOTC	/NOTICE OF TAKING THE DEPOSITION OF DEFENDANT COUNTERCLAIMANT RAY KOROGHLI	AL	SH	03/06/06	
0033	02/15/06	NOTC	/NOTICE OF TAKING DEPOSITION OF DEFENDANT COUNTERCLAIMANT FARIBORZ FRED SADRI	AL	SH	03/03/06	Y
0034	02/24/06	NOTC	/RENOTICE OF TAKING DEPOSITION OF PLAINTIFF DUCES TECUM	AL	SH	03/06/06	
0035	02/24/06	NOTC	/NOTICE OF TAKING DEPOSITION OF PLAINTIFF DUCES TECUM	AL	SH	03/02/06	
0036	02/28/06	NOTC	/NOTICE OF TAKING THE DEPOSITION OF CRAIG K PERRY ESQ	AL	SH	03/20/06	
0037	03/03/06	SUBP	/SUBPOENA	0001	SH	03/20/06	
0038	03/14/06	APPR	/APPEARANCE	0001	SV	03/01/06	
0039	03/14/06	APPR	/APPEARANCE	0005			
0040	03/14/06	APPR	/APPEARANCE	0006			
0041	03/14/06	MOT	/DEFT'S MTN TO DISMISS COMPLAINT /02	0007			
			(Continued to page 3)	AL	OC	04/17/06	

NO.	FILED/REC CODE	REASON/DESCRIPTION	FOR	OC	SCH/PER	C
0042	03/14/06	IAFD/INITIAL APPEARANCE FEE DISCLOSURE	0005			
0043	03/16/06	NOTC/NOTICE OF TAKING THE DEPOSITION OF RON LANGLEY	AL	SH	03/31/06	
0044	03/16/06	NOTC/NOTICE OF TAKING THE DEPOSITION OF JOHN R HART	AL	SH	03/31/06	
0045	03/16/06	NOTC/NOTICE OF TAKING THE DEPOSITION OF MATTHEW SWAN CPA	AL	SH	03/30/06	
0046	03/16/06	APPL/APPLICATION FOR ISSUANCE OF COMMISSION TO TAKE DEPOSITION OF RON LANGLEY	0001 0001	SH	03/31/06	Y
OUT OF STATE						
0047	03/16/06	APPL/APPLICATION FOR ISSUANCE OF COMMISSION TO TAKE DEPOSITION OF	0001 0001			Y
JOHN R HART OUT OF STATE						
0048	03/23/06	SUBP/SUBPOENA	0001	SH	03/30/06	
			0001	SV	03/21/06	
0049	03/24/06	CERT/CERTIFICATION OF SERVICE VIA FACSIMILE	0001	SH	04/17/06	
0050	03/24/06	NOTC/NOTICE CONTINUING THE DEPOSITIONS OF JOHN R HART AND RON LANGLEY	AL	SH	03/31/06	
0051	03/27/06	OPPS/PLAINTIFFS OPPOSITION TO MOTION TO DISMISS	0002 0002	SH	04/17/06	
0052	03/28/06	NOTC/RENOTICE OF TAKING THE DEPOSITION OF MATTHEW SWAN CPA	AL	SH	04/06/06	
0053	04/06/06	NOTC/NOTICE CONTINUING THE DEPOSITION OF MATTHEW SWAN CPA	AL	SH	04/06/06	
0054	04/11/06	RSPN/RESPONSE TO REPLY TO OPPOSITION TO MOTION TO DISMISS	0001 0001			
0055	04/13/06	RPLY/REPLY TO OPPOSITION TO MOTION TO DISMISS	0002 0002			
0056	04/25/06	NOTC/RENOTICE OF TAKING THE DEPOSITION OF MATTHEW SWAN CPA	AL	SH	05/01/06	
			AL			
0057	04/27/06	NOTC/NOTICE OF INTENT TO TAKE DEFAULT	*D			
0058	04/28/06	NOTC/NOTICE OF TAKING DEPOSITIONS		SH	05/12/06	
0059	04/28/06	SUBP/SUBPOENA	0001	SH	05/01/06	
			0001	SV	04/26/06	
					04/26/06	
0060	04/28/06	CERT/CERTIFICATION OF SERVICE				
0061	05/01/06	ERR /ERRATA TO NOTICE OF INTENT TOTAKE DEFAULT	AL		05/01/06	
			AL			
0062	05/08/06	ANS /ANSWER OF WENDOVER PROJECT LLC BIG SPRING RANCH LLC AND NEVADA LAND AND WATER RESOURCES LLC TO PLAINTIFFS COMPLAINT	0005 0005			Y
0063	05/08/06	ANS /ANSWER OF WENDOVER PROJECT LLC BIG SPRING RANCH LLC AND NEVADA LAND AND WATER RESOURCES LLC TO PLAINTIFFS COMPLAINT	0006 0006			Y
0064	05/08/06	ANS /ANSWER OF WENDOVER PROJECT LLC BIG SPRING RANCH LLC AND NEVADA LAND AND WATER RESOURCES LLC TO PLAINTIFFS COMPLAINT	0007 0007			Y
0065	05/08/06	NOTC/NOTICE OF CONTINUATION OF DEPOSITIONS	AL	SH	05/12/06	
0066	05/08/06	SUBP/SUBPOENA DUCES TECUM	*D	SH	05/12/06	
			*D	SV	04/27/06	
0067	05/09/06	ANS /REPLY TO COUNTERCLAIM	0009		05/09/06	
0068	05/16/06	NOTC/NOTICE OF TAKING DEPOSITIONS	AL	SH	06/01/06	
0069	05/16/06	APPL/APPLICATION FOR ISSUANCE OF COMMISSION TO TAKE OUT OF STATE DEPOSITION OF	MP MP			Y

(Continued to page 4)

NO.	FILED/REC CODE	REASON/DESCRIPTION	FOR	OC	SCH/PER	C
ELI ABRISHAMI						
0070	05/16/06	APPL/APPLICATION FOR ISSUANCE OF COMMISSION TO TAKE OUT OF STATE DEPOSITION OF	MP MP			Y
MAXIM C W WEBB						
0071	05/16/06	NOTC/NOTICE OF TAKING DEPOSITIONS	AL	SH	06/08/06	
0072	05/19/06	CERT/CERTIFICATION OF SERVICE			05/16/06	
0073	05/30/06	SUBP/SUBPOENA DUCES TECUM	0002 0002	SH SV	06/01/06 05/18/06	
0074	05/30/06	NOTC/RE-NOTICE OF TAKING DEPOSITIONS	AL	SH	06/01/06	
0075	05/30/06	NOTC/NOTICE OF TAKING DEPOSITION	AL	SH	06/23/06	
0076	05/30/06	SUBP/SUBPOENA DUCES TECUM	0002 0002	SH SV	06/01/06 05/18/06	
0077	05/30/06	APPL/APPLICATION FOR ISSUANCE OF COMMISSION TO TAKE OUT OF STATE DEPOSITION OF	0002 0002			Y
EZRI NAMVAR						
0078	05/30/06	NOTC/NOTICE OF TAKING DEPOSITION	AL	SH	06/13/06	
0079	06/05/06	NOTC/NOTICE OF TAKING THE DEPOSITION OF MARK CUTCHEN	AL AL	SH	06/21/06	
0080	06/07/06	SUBP/SUBPOENA DUCES TECUM-DON PATTALOCK			06/01/06	
0081	06/07/06	CERT/CERTIFICATE OF SERVICE	0001		05/31/06	
0082	06/07/06	SUBP/SUBPOENA DUCES TECUM	0002 0002	SH SV	06/13/06 05/26/06	
0083	06/07/06	PSER/PROOF OF SERVICE OF SUBPOENA DUCES TECUM ON MAXIM C W WEBB	AL AL	SV	05/24/06	
0084	06/07/06	PSER/PROOF OF SERVICE OF SUBPOENA DUCES TECUM ON ELI ABRISHAMI	AL AL	SV	05/27/06	
0085	06/08/06	SUBP/SUBPOENA DUCES TECUM-REZAI GHASSEM		SH SV	06/13/06 06/01/06	
0086	06/08/06	APPL/APPLICATION FOR ISSUANCE OF COMMISSION TO TAKE OUT OF STATE DEPOSITION OF JOHN	AL AL			Y
HART						
0087	06/08/06	NOTC/NOTICE OF TAKING DEPOSITION	AL	SH	06/22/06	
0088	06/08/06	NOTC/RENOTICE OF TAKING DEPOSITION OF ELI ABRISHAMI	AL AL	SH	06/23/06	
0089	06/22/06	DOW /DESIGNATION OF EXPERT WITNESS	*D			
0090	06/22/06	CRTF/CERTIFICATE OF SERVICE	0009		06/13/06	
0091	06/22/06	NOTC/NOTICE OF TAKING DEPOSITION OF THOMAS CLIMO PH D	AL AL	SH	06/29/06	
0092	06/22/06	SUBP/SUBPOENA DUCES TECUM	*D *D	SH SV	06/22/06 06/09/06	
0093	06/22/06	SUBP/SUBPOENA FOR DEPOSITION	0002 0002	SH SV	06/23/06 06/06/06	
0094	06/22/06	NOTC/NOTICE OF INTENT TO TAKE DEFAULT	AL		06/22/06	
0095	07/03/06	SUBP/SUBPOENA DUCES TECUM		SH	06/29/06	
0096	07/03/06	RPLY/REPLY OF WENDOVER PROJECT LLC TO PLAINTIFFS COUNTERCLAIM TO COUNTERCLAIM	AL AL			
0097	07/05/06	SCCR/PLAINTIFF COUNTERDEFENDANTS SUPPLEMENTAL TO 16.1 PRODUCTION OF DOCUMENTS	0001 0001			
0098	07/13/06	NOTC/RENOTICE OF TAKING DEPOSITION OF THOMAS CLIMO PH D	AL AL	SH	07/28/06	
0099	07/13/06	SUPP/DEFENDANTS SUPPLEMENT TO 16.1 DISCLOSURES				

(Continued to page 5)

WFZ0243

NO.	FILED/REC	CODE	REASON/DESCRIPTION	FOR	OC	SCH/PER	C
0100	07/21/06		SUBP/SUBPOENA FOR ARBITRATION	0002	SH	08/22/06	
				0002	SV	07/19/06	
0101	07/21/06		SUBP/SUBPOENA FOR ARBITRATION		SH	08/22/06	
					SV	07/19/06	
0102	07/21/06		SUBP/SUBPOENA FOR ARBITRATION	0001	SH	08/22/06	
0103	07/25/06		SUBP/SUBPOENA FOR ARBITRATION		SH	08/22/06	
					SV	07/20/06	
0104	08/08/06		SCCR/PLAINTIFF COUNTERDEFENDANTS SECOND SUPPLEMENT TO 16.1 PRODUCTION OF	AL			Y
				AL			
DOCUMENTS							
0105	09/28/06		ATLN/NOTICE OF ATTORNEY LIEN	AL		09/28/06	
0106	12/04/06		REQT/REQUEST FOR BUSINESS COURT	AL			
0107	12/05/06		ASSG/REASSIGNMENT OF JUDGE Denton TO JUDGE Gonzalez				
0108	12/13/06		MOT /PLTF/CNTRDEFT JAZI MTN FOR CONFIRMATION & ENTRY OF JGMNT ON ARBITRATION AWARD/03	AL		01/11/07	
				AL			
0109	12/13/06		ROC /RECEIPT OF COPY OF ZANDIANS MOTION FOR CONFIRMATION AND ENTRY OF JUDGMENT ON	*D		12/13/06	Y
				*D			
ARBITRATION AWARD							
0110	12/16/06		ASSG/Reassign Case From Judge Gonzalez To Judge JOHNSON				
0111	12/18/06		MOT /DEFT'S MTN TO VACATE ARBITRATION AWARD/MTN TO MODIFY OR CORRECT /04	AL		01/11/07	
				AL			
0112	12/18/06		ASSG/REASSIGNMENT OF JUDGE JOHNSON TO JUDGE Gonzalez				
0113	12/22/06		OCAL/MINUTE ORDER RE: INCORRECT CASE REASSIGNMENT	NP		12/22/06	
				NP			
0114	12/22/06		ASSG/REASSIGNMENT OF JUDGE Gonzalez TO JUDGE Denton				
0115	12/22/06		CMMT/PER MINUTES 12/22/06				
0116	12/22/06		PRMT/PEREMPTORY CHALLENGE Denton CASE REASSIGNED TO Halverson				
0117	12/22/06		ASSG/REASSIGNMENT OF JUDGE Halverson TO JUDGE Gonzalez				
0118	12/22/06		CMMT/RE-ASSIGNED TO GONZALEZ (BUS CRT CASE)				
0119	12/22/06		NDR /NOTICE OF DEPARTMENT REASSIGNMENT			12/22/06	Y
			001335001768001335001335001768FC				
			001335001335001335????????001768001335001335001768001335001335001335001335				
0120	12/21/06		ROC /RECEIPT OF COPY OF MOTION TO VACATE ARBITRATION AWARD OR IN THE ALTERNATIVE	0001		12/19/06	Y
				0001			
TO MODIFY OR CORRECT							
0121	12/21/06		EXPT/EX PARTE APPLICATION FOR ORDER ORDER SHORTENING TIME AND REQUEST FOR	AL			Y
				AL			
ORAL ARGUMENT							
0122	12/26/06		NOEV/NOTICE OF EXHIBIT(S) IN THE VAULT	AL		12/18/06	
0123	12/26/06		NOEV/NOTICE OF EXHIBIT(S) IN THE VAULT	AL		12/13/06	
0124	12/27/06		CERT/CERTIFICATION OF SERVICE			12/21/06	
0125	12/28/06		OPPS/OPPOSITION TO MOTION TO VACATE ARBITRATION AWARD OR IN THE	AL		01/11/07	Y
				AL			
ALTERNATIVE MOTION TO MODIFY OR CORRECT							
0126	12/29/06		NOEV/PLTF'S OPPTS TO MTN TO VACATE ARB AWARD	AL			
0127	01/05/07		OPPS/OPPOSITION TO MOTION FOR CONFIRMATION AND ENTRY OFJUDGMENT ON ARBITRATINO			01/11/07	Y

(Continued to page 6)

WFZ0244

NO.	FILED/REC CODE	REASON/DESCRIPTION	FOR	OC	SCH/PER	C
AWARD AND REPLY TO OPPOSITION TO MOTION TO VACATE						
0128	01/11/07	MOT /ALL PENDING MOTIONS (1/11/07)	AL		01/11/07	
0129	01/09/07	RPLY/REPLY TO OPPOSITION TO MOTION FOR CONFIRMATION AND ENTRY OF JUDGMENT ON	0001			Y
ARBITRATION AWARD						
0130	01/16/07	TRAN/REPORTER'S TRANSCRIPT OF PROCEEDINGS	AL		01/11/07	
0131	01/19/07	NOEV/NOTICE OF EXHIBIT(S) IN THE VAULT	AL			
0132	01/19/07	ORDR/ORDER ON MOTION TO CONFIRM ARBITRATION AWARD AND MOTION TO VACATE ARBITRATION	AL			Y
AWARD						
0133	01/22/07	NOTC/NOTICE OF ENTRY OF ORDER ON MOTION TO CONFIRM ARBITRATION AWARD AND MOTION TO	AL		01/19/07	Y
VACATE ARBITRATION AWARD						
0134	03/08/07	SUPP/SUPPLEMENT TO NOTICE OF ATTORNEYS LIEN	AL			
0135	03/22/07	MOT /PLTF'S MTN FOR REFERRAL TO ARBITRATOR/07	NP	DN	04/24/07	
0136	04/05/07	OPPS/OPPOSITION TO PLTF'S MOTION FOR REFERRAL TO ARBITRATOR	0001		04/24/07	
0137	03/26/07	RAR /ARBITRATOR REPORT AND RECOMMENDATION TO DISTRICT COURT	AL			
0138	04/16/07	RPLY/REPLY TO OPPOSITION TO PLAINTIFFS MOTION FOR REFERRAL TO ARBITRATOR	0001			
0139	04/24/07	REQT/REQUEST FOR ORAL ARGUMENT ON THE PLAINTIFFS MOTION FOR REFERRAL TO	AL	SH	04/24/07	Y
ARBITRATOR						
0140	04/25/07	OBJ /PLTF'S OBJECTION TO DEFTS REQUEST FOR ORAL ARGUMENT ON PLTF'S MOTIN FOR	*D		04/25/07	Y
REFERRAL TO ARBITRATOR						
0141	05/16/07	MOT /ZANDIAN'S MTN FOR CONFIRMATION/ENTRY OF JGMNT ON ARBITRATION AWARD AND OST /08	AL	GR	06/05/07	
0142	05/16/07	ROC /RECEIPT OF COPY OF ZANDIANS MOTION FOR CONFIRMATION AND ENTRY OF JUDGMENT ON	*D		05/16/07	Y
ARBITRATION AWARD AND ORDER SHORTENING TIME						
0143	05/25/07	OPPS/OPPOSITION TO PLAINTIFFS MOTION FOR CONFIRMATION AND ENTRY OF JUDGMENT ON	0001	SH	06/05/07	Y
ARBITRATION AWARD COUNTER MOTION TO VACATE ARBITRATION AWARD AS AMENDED						
0144	05/31/07	RPLY/REPLY TO OPPOSITION TO MOTION FOR CONFIRMATION AND ENTRY OF JUDGMENT	AL			Y
ON ARBITRATION AWARD						
0145	06/06/07	OCAL/STATUS CHECK: COMPLIANCE (VJ 07-17-07)	AL	VC	07/24/07	
0146	06/08/07	NOTC/NOTICE OF ENTRY OF JUDGMENT CONFIRMING ARBITRATION AWARD	AL		06/08/07	
0147	06/13/07	MOT /DEFT'S MTN TO STAY /10	AL	GR	06/21/07	
0148	06/13/07	HEAR/DEFT'S MTN FOR REHEARING/11	AL	DN	07/17/07	
0149	06/08/07	JMNT/JUDGMENT UPON ARBITRATION AWARD	0003		06/15/07	
0150	06/08/07	JMNT/JUDGMENT UPON ARBITRATION AWARD	0004		06/15/07	
0151	06/15/07	MOT /DEFT'S MTN TO AMEND JUDGMENT/12	AL	DN	07/17/07	
0152	06/18/07	ROC /RECEIPT OF COPY	0001		06/15/07	
0153	06/18/07	ROC /RECEIPT OF COPY	AL		06/15/07	
0154	06/18/07	ORDR/ORDER SHORTENING TIME	*D	SH	06/21/07	
0155	06/19/07	OPPS/OPPOSITION TO MOTION FOR HEARING	*D		06/21/07	
0156	06/19/07	OPPS/OPPOSITION TO MOTION FOR STAY	*D	SH	06/21/07	
0157	06/20/07	RPLY/REPLY TO OPPOSITION TO MOTION FOR STAY	0001	SH	06/21/07	

(Continued to page 7)


WFZ0245

NO.	FILED/REC CODE	REASON/DESCRIPTION	FOR	OC	SCH/PER	C
0158	06/25/07	MOT /ALL PENDING MOTIONS (06-21-07)	AL		06/21/07	
0159	06/20/07	ERR /ERRATA TO OPPOSITION TO MOTION FOR STAY	AL			
0160	06/20/07	RPLY/REPLY TO OPPOSITION TO MOTION FOR RE- HEARING	AL	SH	06/21/07	
0161	06/21/07	CRTF/CERTIFICATION OF SERVICE OF ORDER SHORTENING TIME FOR HEARINGS	AL		06/19/07	
0162	06/25/07	OPPS/OPPOSITION TO MOTION TO AMEND OR ALTER JUDGMENT PURSUANT TO NRCP 59E OR IN THE ALTERNATIVE MOTION FOR A NEW TRIAL PURSUANT TO NRCP 59A	AL	SH	07/17/07	Y
0163	06/25/07	ORDR/ORDER RE DEFENDANTS MOTION FOR RE HEARING AND MOTION FOR STAY OF	AL	VC	06/21/07	Y
			AL	SH	07/17/07	
PROCEEDINGS						
0164	06/25/07	CHBD/CASH BOND #01365592 \$10,000.00			06/25/07	
0165	06/27/07	NOTC/NOTICE OF ENTRY OF ORDER	AL		06/25/07	
0166	07/03/07	TRAN/REPORTER'S TRANSCRIPT OF HEARING ON MOTION FOR STAY	AL		06/21/07	
0167	07/03/07	RPLY/REPLY TO OPPOSITION TO MOTION TO AMEND OR ALTER JUDGMENT PURUSANT TO NRCP	0001		07/17/07	Y
			0001			
59(E) OR IN THE ALTERANTIVE MOTION FOR NEW TRIAL PURUSANT TO NRCP 59(A)						
0168	07/13/07	NOTC/NOTICE OF APPEARANCE	AL		07/13/07	
0169	07/13/07	BREF/SUPPLEMENTAL BRIEF IN SUPPORT OF DEFTS MOTION TO AMEND OR ALTER JUDGMENT PURSUANT TO NRCP 59(e) OR IN THE ALTERNATIVE MOTIN FOR NEW TRIAL PURSUANT NRCP 59(a)			07/18/07	Y
0170	07/17/07	MOT /ALL PENDING MOTIONS (07-17-07)	AL		07/17/07	
0171	07/17/07	OCAL/STATUS CHECK: COMPLIANCE	AL		08/23/07	
0172	07/16/07	RPLY/PLAINTIFFS REPLY TO DEFENDANTS SUPPLEMENTAL BRIEF TO MOTION TO ALTER OR AMEND JUDGMENT AND COUNTER MOTION TO STRIKE	*D		07/16/07	Y
			*D			
0173	07/19/07	MOT /NETZORG'S MTN TO WITHDRAW AS COUNSEL /16	NP		08/21/07	
0174	07/20/07	ORDR/ORDER ON POST JUDGMENT MOTIONS	AL	HG	07/17/07	
0175	07/23/07	NOTC/NOTICE OF ENTRY OF ORDER	AL		07/20/07	

ORIGINAL

18

1 **ORDR**
 2 JOHN PETER LEE, LTD.
 3 JOHN PETER LEE, ESQ.
 4 Nevada Bar No. 001768
 5 MICHAEL A. REYNOLDS, ESQ.
 6 Nevada Bar No. 008631
 7 830 Las Vegas Boulevard South
 8 Las Vegas, Nevada 89101
 9 (702) 382-4044 Fax: (702) 383-9950
 10 Attorneys for Plaintiff/Counterdefendant
 11 **GHOLAMREZA ZANDIAN JAZI**

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 JUL 20 1 47 PM '07

 CLERK OF THE COURT

DISTRICT COURT
CLARK COUNTY, NEVADA

10 **GHOLAMREZA ZANDIAN JAZI,**)
 11)
 12 Plaintiff,)
 13)
 14 v.)
 15 **RAY KOROGHLI, individually, FARIBORZ FRED**)
 16 **SADRI, individually, and as Trustee of the Star**)
 17 **Living Trust, WENDOVER PROJECT, LLC, a**)
 18 **Nevada limited liability company; BIG SPRING**)
 19 **RANCH, LLC, a Nevada limited liability company,**)
 20 **and NEVADA LAND AND WATER**)
 21 **RESOURCES, LLC, a Nevada limited liability**)
 22 **company,**)
 23)
 24 Defendants.)

CASE NO.: A511131
 DEPT. NO.: XI

ORDER ON POST-JUDGMENT MOTIONS

19 **RAY KOROGHLI, individually and FARIBORZ**)
 20 **FRED SADRI, individually,**)
 21)
 22 Counterclaimants,)
 23)
 24 v.)
 25 **GHOLAMREZA ZANDIAN JAZI,**)
 26)
 27 Counterdefendant.)
 28)
 29 **WENDOVER PROJECT, LLC,**)
 30)
 31 Counterclaimant,)
 32)
 33 v.)
 34 **GHOLAMREZA ZANDIAN JAZI,**)
 35)
 36 Counterdefendant.)

JOHN PETER LEE, LTD.
 ATTORNEYS AT LAW
 830 LAS VEGAS BLVD. SOUTH
 LAS VEGAS, NEVADA 89101
 Telephone (702) 382-4044
 Telecopier (702) 383-9950

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 JUL 20 2007
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GHOLAMREZA ZANDIAN JAZI,
Counterclaimant,
v.
WENDOVER PROJECT, LLC,
Counterdefendant.

1334.022860-sy

ORDER ON POST-JUDGMENT MOTIONS

Defendants' Motion for Re-hearing and Motion to Amend or Alter Judgment Pursuant to NRCP 59 (e), or in the Alternative, Motion for New Trial Pursuant to NRCP 59 (a) came before this Court for hearing on July 17, 2007. Michael A. Reynolds, Esq., and Yvette R. Freedman, Esq., of the law firm of John Peter Lee, Ltd., appeared on behalf of Plaintiff, Gholamereza Zandian Jazi, and Steven L. Day, Esq., of Cohen, Johnson and Day, appeared on behalf of all Defendants.


The Court having considered the pleadings on file and the arguments of counsel,
IT IS HEREBY ORDERED that Defendants' Motions are denied.

Dated this 19 day of July, 2007.


HONORABLE ELIZABETH GONZALEZ
DISTRICT COURT JUDGE, DEPARTMENT 11

RESPECTFULLY SUBMITTED BY:

JOHN PETER LEE, LTD.

BY: 
JOHN PETER LEE, ESQ.
Nevada Bar No. 001768
MICHAEL A. REYNOLDS, ESQ.
Nevada Bar No. 008631
830 Las Vegas Boulevard South
Las Vegas, Nevada 89101
(702) 382-4044 Fax: (702) 383-9950
Attorneys for Plaintiff/Counterdefendant
GHOLAMREZA ZANDIAN JAZI

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BLVD. SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

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CLERK OF THE COURT

1 NEOJ
2 JOHN PETER LEE, LTD.
3 JOHN PETER LEE, ESQ.
4 Nevada Bar No. 001768
5 MICHAEL A. REYNOLDS, ESQ.
6 Nevada Bar No. 008631
7 830 Las Vegas Boulevard South
8 Las Vegas, Nevada 89101
9 (702) 382-4044 Fax: (702) 383-9950
10 Attorneys for Plaintiff/Counterdefendant
11 GHOLAMREZA ZANDIAN JAZI

DISTRICT COURT

CLARK COUNTY, NEVADA

10 GHOLAMREZA ZANDIAN JAZI,)

CASE NO.: A511131
DEPT. NO.: XI

11 Plaintiff,)

12 v.)

13 RAY KOROGHLI, individually, FARIBORZ FRED)
14 SADRI, individually, and as Trustee of the Star)
15 Living Trust, WENDOVER PROJECT, LLC, a)
16 Nevada limited liability company; BIG SPRING)
17 RANCH, LLC, a Nevada limited liability company,)
18 and NEVADA LAND AND WATER)
19 RESOURCES, LLC, a Nevada limited liability)
20 company,)

NOTICE OF ENTRY OF ORDER

17 Defendants.)

19 RAY KOROGHLI, individually and FARIBORZ)
20 FRED SADRI, individually,)

20 Counterclaimants,)

21 v.)

22 GHOLAMREZA ZANDIAN JAZI,)

23 Counterdefendant.)

25 WENDOVER PROJECT, LLC,)

26 Counterclaimant,)

27 v.)

28 GHOLAMREZA ZANDIAN JAZI,)

Counterdefendant.)

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BLVD. SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

RECEIVED
JUL 23 2007

CLERK OF THE COURT

1 GHOLAMREZA ZANDIAN JAZI,)
2 Counterclaimant,)
3 v.)
4 WENDOVER PROJECT, LLC,)
5 Counterdefendant.)

6 1334.022860-sy

7 **NOTICE OF ENTRY OF ORDER**

8 PLEASE TAKE NOTICE the Order On Post-Judgment Motions which is attached hereto was
9 entered on July 20, 2007.

10 Dated this 20 day of July, 2007.

11 JOHN PETER LEE, LTD.

12 BY: Michael A. Reynolds
13 JOHN PETER LEE, ESQ.
14 Nevada Bar No. 001768
15 MICHAEL A. REYNOLDS, ESQ.
16 Nevada Bar No. 008631
17 830 Las Vegas Boulevard South
18 Las Vegas, Nevada 89101
19 Ph: (702) 382-4044/Fax: (702) 383-9950
20 email: info@johnpeterlee.com

21
22
23
24
25
26
27
28
JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BLVD. SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

CERTIFICATE OF MAILING

1
2 HEREBY CERTIFY that on the 20th day of July, 2007, I served a copy of the foregoing
3 NOTICE OF ENTRY OF ORDER ON POST-JUDGMENT MOTIONS in the above captioned
4 matter by enclosing it in a sealed envelope upon which first class postage was fully prepaid
5 addressed to:

6 John M. Netzorg, Esq.
7 2810 West Charleston Blvd., #H-81
8 Las Vegas, Nevada 89102

Steven L. Day
Cohen, Johnson & Day
1060 West Wigman Pkwy
Henderson, Nevada 89074

9
10 
11 An employee of JOHN PETER LEE, LTD.

12 JOHN PETER LEE, LTD.
13 ATTORNEYS AT LAW
14 830 LAS VEGAS BLVD. SOUTH
15 LAS VEGAS, NEVADA 89101
16 Telephone (702) 382-4044
17 Telecopier (702) 383-9950
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Cliff
CLERK OF THE COURT

1 **ORDR**
2 JOHN PETER LEE, LTD.
3 JOHN PETER LEE, ESQ.
4 Nevada Bar No. 001768
5 MICHAEL A. REYNOLDS, ESQ.
6 Nevada Bar No. 008631
7 830 Las Vegas Boulevard South
8 Las Vegas, Nevada 89101
9 (702) 382-4044 Fax: (702) 383-9950
10 *Attorneys for Plaintiff/Counterdefendant*
11 **GHOLAMREZA ZANDIAN JAZI**

8 **DISTRICT COURT**

9 **CLARK COUNTY, NEVADA**

10 **GHOLAMREZA ZANDIAN JAZI,**)
11 **Plaintiff,**)
12 **v.**)
13 **RAY KOROGHLI, individually, FARIBORZ FRED)**
14 **SADRI, individually, and as Trustee of the Star**)
15 **Living Trust, WENDOVER PROJECT, LLC, a**)
16 **Nevada limited liability company; BIG SPRING**)
17 **RANCH, LLC, a Nevada limited liability company,**)
18 **and NEVADA LAND AND WATER**)
19 **RESOURCES, LLC, a Nevada limited liability**)
20 **company,**)
21 **Defendants.**)

CASE NO.: A511131
DEPT. NO.: XI

**ORDER ON POST-JUDGMENT
MOTIONS**

19 **RAY KOROGHLI, individually and FARIBORZ**)
20 **FRED SADRI, individually,**)
21 **Counterclaimants,**)
22 **v.**)
23 **GHOLAMREZA ZANDIAN JAZI,**)
24 **Counterdefendant.**)
25 **WENDOVER PROJECT, LLC,**)
26 **Counterclaimant,**)
27 **v.**)
28 **GHOLAMREZA ZANDIAN JAZI,**)
Counterdefendant.)

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BLVD. SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

1)
2 GHOLAMREZA ZANDIAN JAZI,)
3 Counterclaimant,)
4 v.)
5 WENDOVER PROJECT, LLC,)
6 Counterdefendant.)

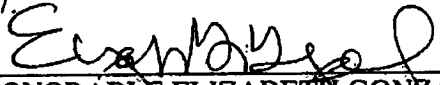
7 1334.022860-sy

8 **ORDER ON POST-JUDGMENT MOTIONS**

9 Defendants' Motion for Re-hearing and Motion to Amend or Alter Judgment Pursuant to
10 NRCPC 59 (e), or in the Alternative, Motion for New Trial Pursuant to NRCPC 59 (a) came before this
11 Court for hearing on July 17, 2007. Michael A. Reynolds, Esq., and Yvette R. Freedman, Esq., of
12 the law firm of John Peter Lee, Ltd., appeared on behalf of Plaintiff, Gholamreza Zandian Jazi, and
13 Steven L. Day, Esq., of Cohen, Johnson and Day, appeared on behalf of all Defendants.


14 The Court having considered the pleadings on file and the arguments of counsel,
15 IT IS HEREBY ORDERED that Defendants' Motions are denied.

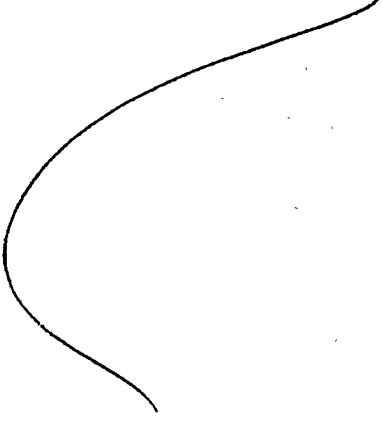
16 Dated this 19 day of July, 2007.

17  JK
18 _____
19 HONORABLE ELIZABETH GONZALEZ
20 DISTRICT COURT JUDGE, DEPARTMENT 11

21 RESPECTFULLY SUBMITTED BY:

22 JOHN PETER LEE, LTD.

23 BY: 
24 JOHN PETER LEE, ESQ.
25 Nevada Bar No. 001768
26 MICHAEL A. REYNOLDS, ESQ.
27 Nevada Bar No. 008631
28 830 Las Vegas Boulevard South
Las Vegas, Nevada 89101
(702) 382-4044 Fax: (702) 383-9950
Attorneys for Plaintiff/Counterdefendant
GHOLAMREZA ZANDIAN JAZI



JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BLVD. SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

CIVIL COURT MINUTES

05-A-511131-C Jazi, Gholamreza Z vs Koroghli, Ray

11/28/05 09:00 AM 00 PLTF'S MTN TO DISMISS COMPLAINT OR
COMPEL ARBITRATION /01

HEARD BY: Mark R. Denton, Judge; Dept. 13

OFFICERS: Sue Burdette, Court Clerk

PARTIES: NO PARTIES PRESENT

John Netzorg, Esq., present.

Mr. Netzorg advised the matter is resolved and there are no other matters to come before the Court today. COURT ORDERED, matter OFF CALENDAR.

CLERK'S NOTE: LATER, it was determined that a Stipulation for arbitration was filed.../sb

04/17/06 09:00 AM 00 DEFT'S MTN TO DISMISS COMPLAINT /02

HEARD BY: Mark R. Denton, Judge; Dept. 13

OFFICERS: Sue Burdette, Court Clerk

PARTIES: NO PARTIES PRESENT

COURT finds there are no appearances; finds that counsel has contacted Chambers and indicated the parties are stipulating to arbitration; and ORDERED, matter OFF CALENDAR.

CIVIL COURT MINUTES

05-A-511131-C Jazi, Gholamreza Z

vs Koroghli, Ray

CONTINUED FROM PAGE: 001

12/22/06 ??:?? ?M 00 MINUTE ORDER RE: INCORRECT CASE REASSIGNMENT

HEARD BY: Elizabeth Gonzalez, Judge; Dept. 11

OFFICERS: Willa Pettice, Court Clerk

PARTIES: NO PARTIES PRESENT

The Court stated this is a Business Court case that was transferred from Dept. 13 in error. Judge Denton is to retain this case. COURT ORDERED, matter referred back to Dept. 13 as a Business Court case.

01/11/07 09:00 AM 00 ALL PENDING MOTIONS (1/11/07)

HEARD BY: Elizabeth Gonzalez, Judge; Dept. 11

OFFICERS: Melissa Swinn, Relief Clerk
Jill Hawkins, Reporter/Recorder

PARTIES: 0001 P1 Jazi, Gholamreza Z
008631 Reynolds, Michael A.
007699 Fic, Holly

N
Y
Y

0002 D1 Koroghli, Ray
001335 Netzorg, John M.

N
Y

PLAINTIFF/COUNTER DEFENDANT JAZI MOTION FOR CONFIRMATION AND ENTRY OF JUDGMENT ON ARBITRATION AWARD . . . DEFT'S MOTION TO VACATE ARBITRATION AWARD/MOTION TO MODIFY OR CORRECT

Arguments by counsel. COURT ORDERED, both motions DENIED. FURTHER, matter REFERRED back to Floyd Hale to resolve the following issues:

- 1 - Spouses need to sign on documents;
- 2 - Obtain waiver from anyone with the first right of refusal;
- 3 - Complete settlement agreement.

Further, it is this Court's recommendation that escrow be opened if real property is being transferred. Counsel advised all parties present that they can return to this Court to either resolve the issues or to assist in implementing the resolution.

CIVIL COURT MINUTES

05-A-511131-C Jazi, Gholamreza Z vs Koroghli, Ray

CONTINUED FROM PAGE: 002

04/24/07 ??:?? ?M 00 PLTF'S MTN FOR REFERRAL TO ARBITRATOR/07

HEARD BY: Elizabeth Gonzalez, Judge; Dept. 11

OFFICERS: Willa Pettice, Court Clerk

PARTIES: NO PARTIES PRESENT

COURT ORDERED, Pltf's Motion for Referral to Arbitrator is DENIED.

05/29/07, 09:00 AM 00 ZANDIAN'S MTN FOR CONFIRMATION/ENTRY OF JGMNT ON ARBITRATION AWARD AND OST /08

HEARD BY: Elizabeth Gonzalez, Judge; Dept. 11

OFFICERS: Denise Trujillo, Court Clerk
Debbie Winn, Reporter/Recorder

PARTIES: NO PARTIES PRESENT

At request of both counsel, COURT ORDERED, matter CONTINUED.

CONTINUED TO: 06/05/07 09:00 AM 01

CIVIL COURT MINUTES

05-A-511131-C Jazi, Gholamreza Z vs Koroghli, Ray

CONTINUED FROM PAGE: 003

06/05/07 09:00 AM 01 ZANDIAN'S MTN FOR CONFIRMATION/ENTRY OF JGMNT ON ARBITRATION AWARD AND OST /08

HEARD BY: Elizabeth Gonzalez, Judge; Dept. 11

OFFICERS: Phyllis Irby/pi, Court Clerk
Jill Hawkins, Reporter/Recorder

REQ. BY: Jazi Gholamreza Z, Plaintiff

PARTIES:	0001 P1	Jazi, Gholamreza Z	N
	007373	Hatfield, Trevor J.	Y
	008631	Reynolds, Michael A.	Y
	0002 D1	Koroghli, Ray	N
	001335	Netzorg, John M.	Y
	0003 D	Sadri, Fariborz F	N
	001335	Netzorg, John M.	Y
	0005 D	Wendover Project LLC	N
	001335	Netzorg, John M.	Y
	0006 D	Big Spring Ranch LLC	N
	001335	Netzorg, John M.	Y
	0007 D	Nevada Land And Water Resources LLC	N
	001335	Netzorg, John M.	Y
	0008 CO	Wendover Project LLC	N
	001335	Netzorg, John M.	Y

Following arguments of counsel. COURT ORDERED, Zandian's Motion is GRANTED; matter set for status check.

7-24-07 9:00 AM STATUS CHECK: COMPLIANCE

CIVIL COURT MINUTES

05-A-511131-C Jazi, Gholamreza Z

vs Koroghli, Ray

CONTINUED FROM PAGE: 004

06/21/07 09:00 AM 00 ALL PENDING MOTIONS (06-21-07)

HEARD BY: Elizabeth Gonzalez, Judge; Dept. 11

OFFICERS: Carol Donahoo, Relief Clerk
Jill Hawkins, Reporter/Recorder

PARTIES: 0001 P1 Jazi, Gholamreza Z
007373 Hatfield, Trevor J.

N
Y

0002 D1 Koroghli, Ray
001335 Netzorg, John M.

N
Y

DRFT.'S MOTION FOR STAY OF PROCEEDINGS TO ENFORCE THE JUDGMENT...DEFT.'S
MOTION FOR REHEARING

Argument on Deft.'s Motion for Stay of Proceedings. COURT ORDERED, Motion
GRANTED during the period of resolution of post-trial motions only. Court
will require a bond in the amount of \$10,000 for that limited period;
however, the Court will reconsider the amount of the bond after resolution
of the pending motions. COURT FURTHER ORDERED, Deft.'s Motion for Rehearing
rescheduled to July 17, 2007, at 9:00 a.m.

CIVIL COURT MINUTES

05-A-511131-C Jazi, Gholamreza Z

vs Koroghli, Ray

CONTINUED FROM PAGE: 005

07/17/07 09:00 AM 00 ALL PENDING MOTIONS (07-17-07)

HEARD BY: Elizabeth Gonzalez, Judge; Dept. 11

OFFICERS: Carol Donahoo, Relief Clerk
Jill Hawkins, Reporter/Recorder

PARTIES: 0001 P1 Jazi, Gholamreza Z
008631 Reynolds, Michael A.

N
Y

0002 D1 Koroghli, Ray
003708 Day, Steven L.

N
Y

DEFT.'S MOTION FOR REHEARING PURSUANT TO E.D.C.R. 2.24...DEFT.'S MOTION TO AMEND OR ALTER JUDGMENT PURSUANT TO NRCP 59(e), OR IN THE ALTERNATIVE, MOTION FOR A NEW TRIAL PURSUANT TO NRCP 59(e)

Arguments by counsel on both Motions. COURT ORDERED, Motions DENIED. Colloquy regarding the July 24 Status Check. COURT FURTHER ORDERED status check VACATED and RESET.

08/23/07 9:00 AM STATUS CHECK: COMPLIANCE

eff: 9/1/96

**CLERK OF COURT
NOTICE OF DEFICIENCY
ON APPEAL TO NEVADA SUPREME COURT**

**STEVEN L. DAY ESQ.
1060 WIGWAM PARKWAY
HENDERSON, NV 89074**

DATE: July 27, 2007

CASE: A511131

**RE CASE: GHOLAMREZA ZANDIAN JAZI vs. RAY KOROGHLI, FAIRBORZ
FRED SADRI; WENDOVER PROJECT, LLC; BIG SPRING RANCH, LLC; NEVADA LAND
AND WATER RESOURCES, LLC.**

NOTICE OF APPEAL FILED: July 26, 2007

RULE 3(e) DOCUMENTS TRANSMITTED: July 27, 2007

RULE 3(e) DOCUMENTS NOT TRANSMITTED/MISSING:

\$24 - FILING FEE

\$250 - COST ON APPEAL BOND

\$250 - SUPREME COURT FILING FEE

EXPLANATION OF POSSIBLE DEFICIENCIES:

DOCUMENTS/FEES:

REFER TO:

PROCEDURE:

NOTICE OF APPEAL

NRAP 3(a)

\$24.00 District Court Filing Fee (if applicable).

CASE APPEAL STATEMENT

NRAP 3(a)(1)

To be filed with Notice of Appeal:
Lists information necessary for docketing in the supreme court: district court case number; party names; counsel names; trial judge; whether trial or appellate counsel was appointed; whether appellant is proceeding in forma pauperis; date the proceedings commenced in the district court {NRAP Form 2}*.

COST ON APPEAL BOND

NRAP 7

To be posted with Notice of Appeal
\$250 (Civil) {No Personal Checks}

\$250.00 FILING FEE

NRAP12
NRS 2.250

Check or money order payable to the Clerk of the Supreme Court for the docket filing fee. **Submit with Notice of Appeal*.**

*Must be mailed directly to Supreme Court if not submitted at time of filing Notice of Appeal

WFZ0260

**SUPREME COURT OF THE STATE OF NEVADA
OFFICE OF THE CLERK**

RAY KOROGHLI, INDIVIDUALLY; FARIBORZ FRED SADRI,
INDIVIDUALLY AND AS TRUSTEE OF THE STAR LIVING TRUST;
WENDOVER PROJECT, LLC, A NEVADA LIMITED LIABILITY
COMPANY; BIG SPRING RANCH, LLC, A NEVADA LIMITED
LIABILITY COMPANY; AND NEVADA LAND AND WATER
RESOURCES, LLC, A NEVADA LIMITED LIABILITY COMPANY,
Appellants,

vs.

GHOLAMREZA ZANDIAN JAZI,
Respondent.

Supreme Court No. 49924

District Court Case No. A511131

RECEIPT FOR DOCUMENTS

TO: Cohen, Johnson & Day and Steven L. Day
John Peter Lee Ltd. and John Peter Lee
Charles J. Short , District Court Clerk

You are hereby notified that the Clerk of the Supreme Court has received and/or filed the following:

08/01/07 Filing Fee due.

08/01/07 Filed Certified Copy of Notice of Appeal.
Notice Re Settlement Conference Program and Suspension of Rules mailed to all
counsel. (The requesting of transcripts and briefing are stayed pursuant to NRAP
16(a)(1). Docketing Statement Form mailed to counsel for appellant(s).)

DATE: August 01, 2007

Janette M. Bloom, Clerk of Court

By: _____

AP
Deputy Clerk

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ORIGINAL

IN THE SUPREME COURT OF THE STATE OF NEVADA

RAY KOROGHLI, individually, FARIBORZ FRED)
SADRI, individually, and as Trustee of the Star)
Living Trust, WENDOVER PROJECT, LLC, a)
Nevada limited liability company; BIG SPRING)
RANCH, LLC, a Nevada limited liability company,)
and NEVADA LAND AND WATER)
RESOURCES, LLC, a Nevada limited liability)
company,)

Supreme Court No.: 49924
District Court No.: A 511131

Appellants,

vs.

GHOLAMREZA ZANDIAN JAZI,

Respondent.

FILED

AUG 06 2007

JANETTE M. BLOOM
CLERK OF SUPREME COURT
BY: *[Signature]*
DEPUTY CLERK

1334.022860-JLR

MOTION TO DISMISS APPEAL

JOHN PETER LEE, LTD.
John Peter Lee, Esq.
Nevada Bar No. 001768
Michael A. Reynolds, Esq.
Nevada Bar No. 008631
Yvette R. Freedman, Esq.
Nevada Bar No. 009898
830 Las Vegas Boulevard South
Las Vegas, Nevada 89101
(702) 382-4044
Attorneys for Respondent,
Gholamreza Zandian Jazi

RECEIVED

AUG 06 2007

JANETTE M. BLOOM
CLERK OF SUPREME COURT
DEPUTY CLERK

07-17189 WEZ0264

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

1 COMES NOW Respondent GHOLAMREZA ZANDIAN JAZI, by and through his counsel,
2 John Peter Lee, Ltd., and files this Motion to Dismiss the Appeal of Appellants RAY KOROGHLI,
3 individually, FARIBORZ FRED SADRI, individually, and as Trustee of the Star Living Trust,
4 WENDOVER PROJECT, LLC, a Nevada limited liability company; BIG SPRING RANCH, LLC,
5 a Nevada limited liability company, and NEVADA LAND AND WATER RESOURCES, LLC, a
6 Nevada limited liability company.

7 This Motion is based on the following points and authorities, all papers on file herein, the
8 record on appeal, and any oral argument to be presented if permitted by the Court.

9 **MEMORANDUM OF**
10 **POINTS AND AUTHORITIES**

11 **INTRODUCTION**

12 The Court should dismiss Appellants' appeal because: (1) the Appellants stipulated in writing
13 that "the arbitration shall be binding with no right to appeal"; (2) the Notice of Appeal erroneously
14 identifies entities or individuals that were never parties to this case at any time; and (3) Appellants
15 failed to file a Cost Bond as required by NRAP 7.

16 **STATEMENT OF FACTS**

17 Respondent, GHOLAMREZA ZANDIAN JAZI and Appellants RAY KOROGHLI and
18 FRED SADRI became involved in various disagreements over their LLC interests. As a result,
19 Zandian filed a lawsuit in the Eighth District Court on October 5, 2005 with a First Amended
20 Complaint on November 8, 2005. Both Respondent and Appellants filed Motions in the District
21 Court before entering into a written stipulation whereby the dispute was submitted to Binding
22 Arbitration before Floyd Hale, Esq. The written Stipulation was filed with the Court on November
23 28, 2005 and stated that "**the arbitration shall be binding with no right to appeal.**" Exhibit 1,
24 Emphasis added).

25 Arbitrator Hale conducted the arbitration which ultimately resulted in a mutually agreed upon
26 arbitration award. Accordingly, the dispute was resolved by Arbitrator Hale's September 20, 2006
27 Arbitration Decision. Exhibit 2. Nevertheless, Appellants immediately filed its first post-arbitration
28 motion challenging the mutually agreed upon arbitration agreement despite their November 2005

1 written stipulation filed in District Court agreeing that arbitration was binding with no right to
2 appeal.

3 The District Court heard Appellants' first post-arbitration motion challenging the arbitration
4 award and referred the matter back to Arbitrator Hale. Exhibit 3. Thereafter, Arbitrator Hale filed
5 his March 26, 2007 Arbitration Report and Recommendation to District Court. Exhibit 4.

6 Appellants responded with their second post-arbitration motion challenging the mutually
7 agreed upon arbitration award. The District Court considered Appellants' second post-arbitration
8 motions and entered Judgment Confirming Arbitration Award. Exhibit 5.

9 On June 15, 2007, Appellants responded with their third post-arbitration motion challenging
10 the mutually agreed upon arbitration award. Once again, the District Court considered Appellants'
11 third post-arbitration award and denied it. Exhibit 6.

12 **LEGAL ARGUMENT**

13 **I. The Appellants' Stipulated In Writing That The Arbitration Shall Be Binding With No**
14 **Right To Appeal.**

15 The Appellants' Notice of Appeal should be dismissed because the parties agreed that the
16 arbitration is "binding with no right to appeal." The Appellants' Appeal is in breach of the parties'
17 Stipulation to arbitrate. The Appellants clearly agreed in a written Stipulation that "the arbitration
18 shall be binding with no right to appeal" and now violate their agreement upon which the
19 Respondent reasonably relied. Appellants participated fully in arbitration proceedings before Floyd
20 Hale and even unsuccessfully requested a modification from Hale. Exhibit 7. Appellants' Appeal
21 is barred because it disregards the "binding" nature of the Arbitration.

22 The parties' stipulation for binding arbitration without appeal was freely entered into without
23 grounds for revocation and is valid under Nevada law. The same rules of construction and
24 interpretation apply to arbitration agreements as apply to contracts generally. See, e.g Platt v.
25 Anderson 6 Cal. 4th 307, 802 P.2d 158 (1993). The plain language of the Stipulation and Award is
26 unambiguous. The Award is binding with no right to appeal. Accordingly, the Notice of Appeal
27 must be dismissed.
28

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

1 Further, the written Stipulation properly limits judicial review by stating that “the arbitration
2 shall be binding with no right to appeal.” In Aerojet-Gen. Corp. v. Am. Arbitration Ass’n, 478 F.2d
3 248, 251 (9th Circuit 1973) the Ninth Circuit Court of Appeals held that parties to an arbitration
4 agreement may eliminate judicial review by the courts. This is true as long as the intention to do so
5 is clear and unequivocal. Here, the parties’ Stipulation clearly states that “the arbitration shall be
6 binding with no right to appeal.”

7 Also, NRS 38.219 provides that the instant Stipulation is valid, enforceable and generally
8 irrevocable. NRS 38.219, “Validity of Agreement to Arbitrate,” states in part that:

9 1. An Agreement contained in a record to submit to
10 Arbitration any existing or subsequent controversy
11 arising between the parties to the Agreement is valid,
12 enforceable and irrevocable except upon a ground that
exist at law or in equity for the revocation of the
contract.

13 Moreover, the District Court re-visited the arbitration award three times, confirmed it three
14 times and denied Appellants’ three post-arbitration motions. Therefore, the Court should dismiss
15 Appellants’ Notice of Appeal.

16 **II. Appellants’ Notice Of Appeal Is Deficient On Its Face.**

17 Appellants filed the Notice of Appeal which is deficient on its face. First, Appellants have
18 filed a case appeal statement which incorrectly listed the following parties: Theresa Davis, Tracy
19 Roberts, and Ellison Lores as Plaintiffs. Richard A. Snowden, d/b/a Tally Ho and King Arthur
20 Enterprises, Inc., d/b/a Rick’s Tally Ho as Defendants. None of these entities or individuals were
21 never parties to this case at any time.

22 Second, Appellants have not filed a Cost Bond as required by NRAP 7. NRAP 7 provides:

23 unless an appellant is exempted by law, or has filed a
24 supersedeas bond or other undertaking which includes
25 security for the payment of costs on appeal, in civil cases
a bond for costs on appeal or equivalent security shall be
filed by the appellant in the district court with the notice
of appeal . . .

26 ...
27 ...
28 ...

1 Here, Appellants have not filed a Cost Bond and are not exempted by law. Therefore, the Notice of
2 Appeal is deficient and the Appellants' appeal should be dismissed.

3 CONCLUSION

4 Based on the foregoing, Respondent Zandian respectfully request that this Court dismiss the
5 Appeal.

6 Dated this 3rd day of August, 2007.

7 JOHN PETER LEE, LTD.

8
9 BY: 

10 JOHN PETER LEE, ESQ.
11 Nevada Bar No. 001768
12 MICHAEL A. REYNOLDS, ESQ.,
13 Nevada Bar No. 008631
14 YVETTE R. FREEDMAN, ESQ.
15 Nevada Bar No. 009898
16 830 Las Vegas Boulevard South
17 Las Vegas, Nevada 89101
18 (702) 382-4044/ Fax (702) 383-9950
19 e-mail: info@johnpeterlee.com
20 Attorneys for Respondent

21
22
23
24
25
26
27
28
JOHN PETER LEE, LTD.

ATTORNEYS AT LAW

830 LAS VEGAS BOULEVARD SOUTH

LAS VEGAS, NEVADA 89101

Telephone (702) 382-4044

Telecopier (702) 383-9950

JOHN PETER LEE, LTD.

ATTORNEYS AT LAW

830 LAS VEGAS BOULEVARD SOUTH

LAS VEGAS, NEVADA 89101

Telephone (702) 382-4044

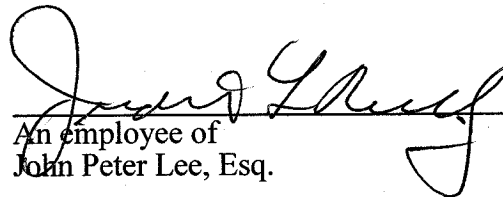
Telecopier (702) 383-9950

CERTIFICATE OF MAILING

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I HEREBY CERTIFY that on the 3 day of August, 2007, I served a copy of the above and foregoing MOTION TO DISMISS APPEAL upon the appropriate parties hereto, by enclosing it in a sealed envelope, deposited in the United States mail, upon which first class postage was fully prepaid addressed to:

Steven L. Day, Esq.
Cohen, Johnson & Day
1060 West Wigwam Parkway
Henderson, Nevada 89074


An employee of
John Peter Lee, Esq.

1 JOHN PETER LEE, LTD.
2 JOHN PETER LEE, ESQ.
3 Nevada Bar No. 001768
4 MICHAEL A. REYNOLDS, ESQ.
5 Nevada Bar No. 008631
6 830 Las Vegas Boulevard South
7 Las Vegas, NV 89101
8 (702) 382-4044 Fax: (702) 383-9950
9 Attorneys for Plaintiff

FILED

NOV 28 4 29 PM '05

Shirley L. Angione
CLERK

DISTRICT COURT

CLARK COUNTY, NEVADA

10 GHOLAMREZA ZANDIAN JAZI,

11 Plaintiff,

12 v.

13 RAY KOROGHLI, individually, FARIBORZ FRED)
14 SADRI, individually, and as Trustee of the Star
15 Living Trust, WENDOVER PROJECT, LLC, a
16 Nevada limited liability company; BIG SPRING
17 RANCH, LLC, a Nevada limited liability company,
18 and NEVADA LAND AND WATER
19 RESOURCES, LLC, a Nevada limited liability
20 company,

21 Defendants.

CASE NO.: A511131
DEPT. NO.: ~~XIII~~ 12

DATE: N/A
TIME: N/A

1334.022860maf

STIPULATION FOR ARBITRATION

21 IT IS HEREBY STIPULATED by Plaintiff ZANDIAN and Defendants KOROGHLI,
22 SADRI, and STAR LIVING TRUST through their respective attorneys of record that this case be
23 submitted to binding arbitration.

24 The parties further stipulate as follows:

25 1. Defendants will postpone the trust deed foreclosure of the 4,485 acre property located
26 in Washoe County until after the arbitration award has been approved by the Court.

27 2. All motions set by the parties to be heard on November 28, 2005 shall be vacated
28 immediately, which include Defendants' Motion to Dismiss Complaint or in the Alternative to

2 Motion to Continue Primary Judgment.

3 JAN 10 [Handwritten initials and date]

- 3 3. Defendants to serve answer and any counter-claim within five (5) days
- 4 4. Parties to select a mutually agreeable arbitrator with a real estate/business
- 5 background.
- 6 5. The arbitration shall be binding with no right to appeal.
- 7 6. Both parties to provide an accounting immediately.
- 8 7. All fees and costs of the arbitration to be equally divided among the parties.
- 9 8. No restrictions on discovery unless mutually agreed or directed by the arbitrator.
- 10 9. Parties will make their best efforts to select an arbitrator and conclude the arbitration
- 11 hearing within forty-five (45) to ninety (90) days.

Arbitrator's or [Handwritten initials]

- 12 10. The arbitration hearing will be held at the offices of Plaintiff's counsel unless
- 13 otherwise agreed,

15 DATED this 23 day of November, 2005.

DATED this ___ day of November, 2005

16 JOHN PETER LEE, LTD.

JOHN M. NETZORG LAW OFFICE

17 By [Handwritten signature]

17 By [Handwritten signature]

18 JOHN PETER LEE, ESQ.
 19 Nevada Bar No. 001768
 20 MICHAEL A. REYNOLDS, ESQ.
 21 Nevada Bar No. 008631
 22 830 Las Vegas Boulevard South
 23 Las Vegas, NV 89101
 24 Ph: (702) 382-4044
 25 Fax: (702) 383-9950
 26 Attorneys for Plaintiff

27 John M. Netzorg, Esq.
 28 Nevada Bar No. 033
 2810 W. Charleston Blvd., #81
 Las Vegas, NV 89102
 Attorneys for Defendants,
 RAY KOROGHLI, FARJORBZ
 FRED SADRI and STAR LIVING
 TRUST

RECEIPT OF COPY

RECEIPT OF COPY of the foregoing OPPOSITION TO MOTION FOR REHEARING is hereby acknowledged this 19th day of June, 2007.

JAMS, The Resolution Experts

By: Floyd A. Hale
Floyd A. Hale, Esq.
2300 West Sahara Avenue #900
Las Vegas, Nevada 89102

John M. Netzorg
John M. Netzorg, Esq.
2810 West Charleston Boulevard #81
Las Vegas, Nevada 89102
Attorneys for Defendants

ATTORNEYS AT LAW
830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

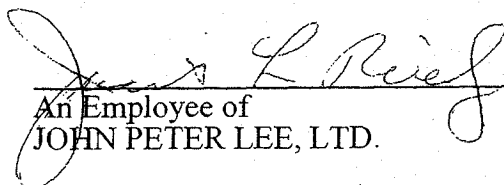
AFFIRMATION
Pursuant to NRS 289B.008
The undersigned does hereby affirm that the preceding
OPPOSITION TO REHEARING
filed in District Court case number 17-51113-1
DOES NOT contain the social security number of any person.
Date 6/19/07

CERTIFICATE OF MAILING

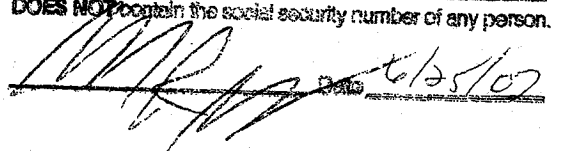
I HEREBY CERTIFY that on the 25th day of June, 2007, the foregoing OPPOSITION TO MOTION TO AMEND OR ALTER JUDGMENT PURSUANT TO NRCP 59(e), OR IN THE ALTERNATIVE, MOTION FOR A NEW TRIAL PURSUANT TO NRCP 59(a) was served upon the appropriate parties hereto, by enclosing it in a sealed envelope, deposited in the United States mail, upon which first class postage was fully prepaid addressed to:

Floyd A. Hale, Esq.
JAMS The Resolution Experts
2300 West Sahara Avenue Suite #900
Las Vegas, Nevada 89102
Arbitrator

John M. Netzorg, Esq.
Law Offices of John M. Netzorg
2810 West Charleston #81
Las Vegas, Nevada 89102
Attorney for Defendants


An Employee of
JOHN PETER LEE, LTD.

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

AFFIRMATION
Pursuant to NRS 239B.030
The undersigned does hereby affirm that the preceding
OPPN - MOTION TO ALTER OR AMEND
filed in District Court case number 151131
DOES NOT contain the social security number of any person.
 6/25/07

RECEIVED
SEP 22 2006
JOHN PETER LEE, LTD.

1 ARB
2 FLOYD A. HALE, ESQ.
3 Nevada Bar No. 1873
4 JAMS
5 2300 W. Sahara, #900
6 Las Vegas, NV 89102
7 Ph: (702) 457-5267
8 Fax: (702) 437-5267
9 Arbitrator

DISTRICT COURT

CLARK COUNTY, NEVADA

10 GHOLAMREZA ZANDIAN JAZI,) Case No. A511131
11) Dept. No. XII
12 Plaintiff,)
13 vs.)
14 RAY KOROGHLI, individually,)
15 FABIRORZ FRED SADRI, individually,)
16 and as Trustee of the Star Living Trust,)
17 WENDOVER PROJECT, LLC, a Nevada)
18 limited liability company; BIG SPRING)
19 RANCH, LLC, a Nevada limited liability)
20 company, and NEVADA LAND AND)
21 WATER RESOURCES, LLC, a Nevada)
22 limited liability company,)
23 Defendants.)

ARBITRATION DECISION

24 Arbitration Hearings in this matter were conducted for two full days. The parties
25 submitted voluminous exhibits, depositions and briefs to the Arbitrator. Having reviewed the
26 documentation submitted and having heard the testimony and representations of the parties, the
27 following Arbitration Decision is entered:

- 28 1. The entire interest in the Pah Rah, LLC, property will be transferred to Gholamreza

SPECIAL MASTER
2300 W. SAHARA, SUITE 900
LAS VEGAS, NEVADA 89102
PHONE (702) 457-5267 EMAIL fhaale@floydahale.com

1 Zandian Jazi, free and clear of all encumbrances, including the promissory note secured by Deed
2 of Trust issued for the benefit of Fariborz Fred Sadri; any obligation owed to Jeff Codega, related
3 to work that was performed as to the Pah Rah real estate will be the obligation of Gholamreza
4 Zandian Jazi;
5

6 2. The 320 acres referenced in the briefs and this lawsuit will be transferred free and clear
7 to Gholamreza Zandian Jazi without any obligation to the other litigants or parties to this
8 Arbitration or to any other party who may profess to have an interest in the 320 acres that are
9 bound by this lawsuit and Arbitration;
10

11 3. Fariborz Fred Sadri and Ray Koroghli will, within 30 days from the service of this
12 Arbitration Decision, pay Gholamreza Zandian Jazi \$250,000.00 in return for Gholamreza
13 Zandian Jazi waiving any claims or any rights as to the Big Springs Ranch, LLC or any of its
14 assets;
15

16 4. That Gholamreza Zandian Jazi will transfer any interest in the Wendover project, LLC,
17 including all assets and real estate to Fariborz Fred Sadri and Ray Koroghli;

18 5. All of the entities and properties that are the subject of this Arbitration and lawsuit,
19 including Pah Rah, LLC, the owners of the 300 acres referenced above, the Big Springs Ranch,
20 LLC, and the Wendover purchase or Wendover Project, LLC, referenced in this lawsuit and
21 Arbitration waive any claims to reimbursement or participation in any consulting fees previously
22 paid to Gholamreza Zandian Jazi from the seller of the real estate to those entities;
23

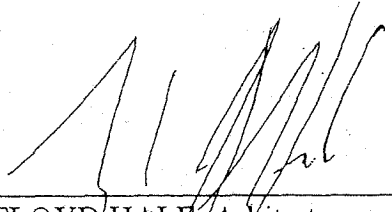
24 6. That the parties, through counsel, will prepare all necessary documents to effect the
25 transfers of the real estate assets and LLC entities and the parties to this lawsuit and Arbitration
26 will execute all necessary documents to effect this Arbitration Order, including a mutual Release
27 to be executed by all parties.
28

SPECIAL MASTER
2300 W. LAS VEGAS AVE. SUITE 900
LAS VEGAS, NEVADA 89102
PHONE (702) 457-5267 EMAIL fhale@floydhale.com

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7. That each party pay their own fees and costs incurred herein.

DATED this 20th day of September, 2006.

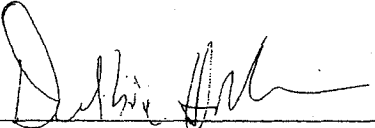
By: 
FLOYD HALE, Arbitrator
2300 West Sahara Avenue, #900
Las Vegas, NV 89102

CERTIFICATE OF FACSIMILE AND MAIL

I hereby certify that on the 21 day of September, 2006, I faxed and mailed a true and correct copy of the foregoing addressed to:

John Peter Lee, Esq.
830 Las Vegas Boulevard South
Las Vegas, NV 89101
Attorneys for Plaintiffs
Fax No. 383-9950

John Netzorg, Esq.
2810 West Charleston Blvd. #H-81
Las Vegas, NV 89102
Attorneys for Defendants
Fax No. 878-1255

By: 
Employee of Jams

SPEC... MASTER
2300 W.S.
L.V.E. SUITE 900
LAS VEG.
NVADA 89102
PHONE (702) 457-5267
EMAIL fhale@floydhale.com

JOHN PETER LEE, LTD.
ATTORNF AT LAW
830 LAS VEGA. LVD. SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

1 **ORD**
JOHN PETER LEE, LTD.
2 JOHN PETER LEE, ESQ.
Nevada Bar No. 001768
3 MICHAEL A. REYNOLDS, ESQ.
Nevada Bar No. 008631
4 830 Las Vegas Boulevard South
Las Vegas, Nevada 89101
5 (702) 382-4044 Fax: (702) 383-9950
Attorneys for Plaintiff/Counterdefendant
6 **GHOLAMREZA ZANDIAN JAZI**

7 **DISTRICT COURT**
8 **CLARK COUNTY, NEVADA**

9 **GHOLAMREZA ZANDIAN JAZI,**)
10 **Plaintiff,**)
11 **v.**)
12 **RAY KOROGHLI, individually, FARIBORZ FRED**)
13 **SADRI, individually, and as Trustee of the Star**)
14 **Living Trust, WENDOVER PROJECT, LLC, a**)
15 **Nevada limited liability company; BIG SPRING**)
16 **RANCH, LLC, a Nevada limited liability company,**)
17 **and NEVADA LAND AND WATER**)
18 **RESOURCES, LLC, a Nevada limited liability**)
19 **company,**)
20 **Defendants.**)

18 **RAY KOROGHLI, individually and FARIBORZ**)
19 **FRED SADRI, individually,**)
20 **Counterclaimants,**)

21 **v.**)
22 **GHOLAMREZA ZANDIAN JAZI,**)
23 **Counterdefendant.**)

24 **WENDOVER PROJECT, LLC,**)
25 **Counterclaimant,**)

26 **v.**)
27 **GHOLAMREZA ZANDIAN JAZI,**)
28 **Counterdefendant.**)

CRJ SR
CLERK OF THE COURT

JAN 19 4 10 PM '07

FILED

CASE NO.: A511131
DEPT. NO.: XI

**ORDER ON MOTION TO
CONFIRM ARBITRATION AWARD
AND MOTION TO VACATE
ARBITRATION AWARD**

CC TO CLIENT
INITIALS
1/19/07
S
WFZ0280

JOHN PETER LEE, L.L.D.
ATTORNEY AT LAW
830 LAS VEGAS, L.V.D. SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

1 GHOLAMREZA ZANDIAN JAZI,)
2 Counterclaimant,)
3 v.)
4 WENDOVER PROJECT, LLC,)
5 Counterdefendant.)

6 1334.022860-sy

7
8 **ORDER ON MOTION TO CONFIRM ARBITRATION AWARD AND MOTION TO**
9 **VACATE ARBITRATION AWARD**

10 Plaintiff, Gholamreza Zandian Jazi's Motion for Confirmation and Entry of Judgment on
11 Arbitration Award, and Defendants' Ray Koroghli and Fred Sadri's Motion to Vacate Arbitration
12 Award/Motion to Modify or Correct, came before this Court for hearing January 11, 2007. Holly
13 A. Fic, Esq., and Michael A. Reynolds, Esq., of the law firm of John Peter Lee, Ltd., appeared on
14 behalf of Plaintiff and John Netzorg, Esq., appeared on behalf of Defendants.

15 The Court having considered all of the pleadings and papers on file herein and the
16 representations and arguments of counsel,

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JOHN PETER LEE, LTD.

ATTORNEYS AT LAW

830 LAS VEGAS BLVD. SOUTH

LAS VEGAS, NEVADA 89101

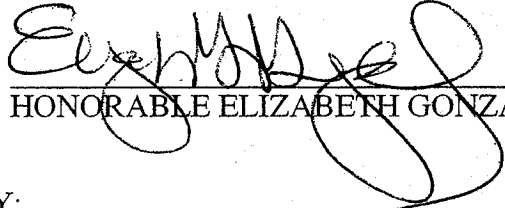
Telephone (702) 382-4044

Telecopier (702) 383-9950

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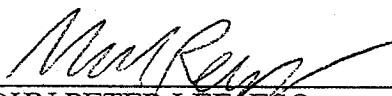
IT IS HEREBY ORDERED that both Motions are denied. The matter is referred back to Arbitrator Floyd Hale to consider the issues set forth in the oral decision, a copy of which is attached hereto as Exhibit "A."

Dated this 18th day of January, 2007.


HONORABLE ELIZABETH GONZALEZ

RESPECTFULLY SUBMITTED BY:

JOHN PETER LEE, LTD.

BY: 
JOHN PETER LEE, ESQ.
Nevada Bar No. 001768
MICHAEL A. REYNOLDS, ESQ.
Nevada Bar No. 008631
830 Las Vegas Boulevard South
Las Vegas, Nevada 89101
Attorneys for Plaintiff/Counterdefendant

COPY

DISTRICT COURT
CLARK COUNTY, NEVADA

Jan 16 10 39 AM '07

GHOLAMREZA Z. JAZI, et al.

Plaintiffs

vs.

RAY KOROGHLI, et al.

Defendants

FILED

CASE NO. A-511131

DEPT. NO. XI
CLERK OF THE COURT

Transcript of
Proceedings

BEFORE THE HONORABLE ELIZABETH GONZALEZ, DISTRICT JUDGE

HEARING ON MOTIONS

THURSDAY, JANUARY 11, 2007

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APPEARANCES:

FOR THE PLAINTIFFS:

HOLLY FIC, ESQ.
MICHAEL A. REYNOLDS, ESQ.

FOR THE DEFENDANTS:

JOHN M. NETZORG, ESQ.

COURT RECORDER:

TRANSCRIPTION BY:

JILL HAWKINS
District Court

FLORENCE HOYT
Las Vegas, Nevada 89146
(702) 221-0246

Proceedings recorded by audio-visual recording, transcript produced by transcription service.

WFZ0283

1 LAS VEGAS, NEVADA, THURSDAY, JANUARY 11, 2007, 10:23 A.M.

2 (Court was called to order)

3 THE COURT: Okay. A-511131, Jazi versus Koroghli.

4 (Pause in the proceedings)

5 MS. FIC: Holly Fic, Your Honor, for the plaintiff.

6 Bar Number 7699.

7 MR. REYNOLDS: And Mike Reynolds, also.

8 MR. NETZORG: Good morning, Your Honor. John

9 Netzorg on behalf of the defendants.

10 (Off-record colloquy - Court and Clerk)

11 THE COURT: Okay. Which motion do you want to do
12 first, the motion to vacate, or the motion to confirm the
13 arbitration award?

14 MS. FIC: Since our motion is first, Your Honor, I'd
15 like to argue first. And I promise I won't be that long. I
16 have an 11:00 o'clock, actually a settlement conference, to go
17 to.

18 THE COURT: You saw that the gentleman who was here
19 earlier kept saying he was going to be brief, and even though
20 he's not a lawyer, he talked for a really, really long time.

21 MS. FIC: I promise you I won't be --

22 (Off-record colloquy)

23 MS. FIC: Your Honor, hopefully, I mean, I consider
24 -- you know, we have our motion to confirm an entry of
25 judgment. We've got a simple premise here. We've got an

1 11/28, 2005, stipulation to arbitration. Not for mediation,
2 it's for arbitration. The defendants fully agreed to submit
3 to arbitration and that the arbitration shall be binding with
4 no right of appeal. It's Exhibit 2. And it shows that the
5 defendants actually, you know, participated in the language,
6 because they hand-wrote certain notes that they did or did not
7 agree to and initialled any changes. But they left the
8 provision that the arbitration shall be binding with no right
9 of appeal as unmarked, and therefore it stands. And it is our
10 stipulation for arbitration.

11 We also had an arbitration scheduling order. The
12 parties agreed -- specifically, defendants agreed to Mr. Hale
13 to arbitrate the matter, who, after having heard two full days
14 of testimony, having reviewed all the exhibits, the
15 depositions that were submitted, and arguments of counsel on
16 9/8/06, set forth the parties' stipulation on the record. And
17 he even stated that -- Mr. Hale stated that he would file an
18 arbitration decision, to which none of the parties objected.
19 He fully asked the parties if they would want to participate
20 in any changes. He asked on two occasions. He invited the
21 parties to add any additional terms, and they were set on the
22 record. The court reporter recorded the terms of the
23 agreement as if it was a stipulated judgment. The arbitrator
24 recorded these and memorialized the terms, and he even said,
25 this will completely resolve all claims of the LLCs and the

1 individuals that are involved in this litigation.

2 And consistent with the arbitrator's record of the
3 September 8th, 2006, resolution, Arbitrator Floyd Hale issued
4 the arbitration decision. So not only did the parties have
5 the terms recorded by a court reporter, but this was
6 formalized by a decision by the arbitrator called an
7 "Arbitration Decision."

8 So there's case law out there, Your Honor, that when
9 there's just even the attorneys doing -- who have
10 authorization to settle and they put it down in writing with
11 the court reporter, that's almost like EDCR 7.50, which
12 provides that stipulations should be in writing or entered in
13 the court minutes.

14 Here we had an arbitration which had gone on for
15 some time. It wasn't just a one-shot deal. Parties had given
16 opening testimony -- I mean opening statements, and testimony
17 was taken and everything like that. So here we have it.
18 We've got an agreement on the record with counsel present,
19 with the parties present, and a neutral third-party
20 arbitrator. The terms were recorded by a court reporter, like
21 EDCR 7.50, and then it was actually reduced to a writing in
22 the arbitration decision.

23 And so -- and, you know, and counsel were free to
24 add anything they want. And then we get it down to where
25 we're going to have it down -- put it down to writing, have

1 the parties sign these agreements, and they back out. We
2 prepared everything for them to sign it. And also, too, the
3 parties had gone back and forth with Arbitrator Hale, asking
4 to reopen these issues, asking -- and they were denied. And
5 we did a motion to implement the award, and that was granted
6 by the arbitrator.

7 So what we're seeking, Your Honor, today is to
8 confirm and enter this arbitration award and confirm the
9 decision of the arbitrator, because we don't want to keep
10 going back and forth. The terms were set forth, the parties
11 agreed to them, the parties were present, counsel was present,
12 and we had an arbitrator there. So we would submit that, Your
13 Honor, please confirm the arbitration decision and enter the
14 judgment so that the parties will sign the release agreements.

15 THE COURT: Mr. Netzorg.

16 MR. NETZORG: Thank you, Your Honor.

17 As we've argued in the briefs rather extensively,
18 this started out as an --

19 THE COURT: Very extensively. My son thought I had
20 more homework than he did last night.

21 MR. NETZORG: I know. And I appreciate it. I know
22 it's rather voluminous. It's very important, obviously, to
23 the client.

24 THE COURT: Okay. I understand. It's important to
25 everybody.

1 MR. NETZORG: And this started out as an
2 arbitration, and that is correct. And then there were a
3 couple items that weren't accurate. There were opening
4 arguments by counsel. The plaintiff gave his direct
5 examination, and then he was cross-examined on about one third
6 of the materials, at which point a mediation started. Counsel
7 argues that as a result of these proceedings that the parties
8 understand it was put on the record. And, Your Honor, this is
9 the only place where you see the defendants' participation.

10 But first and foremost, Your Honor, Arbitrator Hale
11 mentions that he was proud that the parties asked him to
12 mediate instead of arbitrate. He references that the terms
13 and conditions will be in the settlement agreement. We'll go
14 into these in more specifics in a second.

15 But, Your Honor, what has happened is there was a
16 settlement of this case, and the plaintiffs haven't performed
17 material terms and conditions, material terms and conditions
18 that appear in the recorded arbitration statement. And I'd
19 ask the Court -- it's just a few pages, and we might go
20 through that and review it, because it is critically
21 important. This is where the parties' understandings are
22 discussed. It's Exhibit A to our motion to vacate, which
23 makes it the easiest to locate, because it's Exhibit A. But
24 it's attached on numerous occasions. I'm sure the Court's had
25 a chance to review it. The pagination --

1 THE COURT: What page?

2 MR. NETZORG: Our motion to vacate, Exhibit A.

3 THE COURT: But what page on that?

4 MR. NETZORG: I would ask the Court to turn to
5 page 4 at the bottom. And my cross-references will be to the
6 pagination at the bottom of the exhibit, rather -- because for
7 some reason --

8 THE COURT: This is a rough transcript, so its page
9 numbers differ from that which is attached to the other
10 side's, plaintiffs' transcript.

11 MR. NETZORG: Oh. Very good. Very good.

12 THE COURT: I noticed that when I looked at them
13 last night.

14 MR. NETZORG: Well, thank you, Your Honor. Because
15 I -- it was most confusing to counsel, as well.

16 But as we review it, after -- and understand this
17 arbitration lasted for weeks, but that was because we went
18 over our allotted time and Arbitrator Hale had Fridays
19 available. So the fact it went on for weeks was not
20 indicative that the actual -- we were hearing testimony day
21 in, day out.

22 But Mr. Hale went on the record, and he announces
23 the case at page 4 and at page 5, and he says -- he says,
24 "Having heard two full days of testimony and the arguments of
25 counsel, it appears that the resolution of this case will be

1 as follows. And counsel are free to correct me."

2 And the intention was, Your Honor, that because this
3 was a settlement and we were putting it on the record, that
4 the people's intentions -- the parties intentions be added.
5 This wasn't a decision on the merits. It was exactly what it
6 was, a settlement, as if I were to come in here and say, Your
7 Honor, we've settled today, we want to put the terms and
8 conditions on the record.

9 What were those terms and conditions? Very first
10 thing -- page 5, Your Honor, of Exhibit A. Very first thing,
11 to make sure that there was no confusion. "This is pursuant
12 to a stipulation, obviously, so we want to make sure there is
13 a universal and complete resolution of all issues." That was
14 a material consideration.

15 THE COURT: That's you talking, as opposed to Mr.
16 Hale?

17 MR. NETZORG: That's me, talking, yes. That's the
18 very first thing after -- after -- just to make sure that that
19 was on the record, that there wasn't any confusion later and
20 that someone would try and deny us the benefits of why it was
21 that we were going to be tendering over \$5 million in
22 consideration. So this wasn't a situation where we had a car
23 accident and we were worried about the fender. This was a
24 real estate case that involves over 40,000 acres of land over
25 7 square miles of property located in four separate sections

1 that had been acquired at a price in excess of 16 million.

2 And did we not ask to have this recorded?

3 THE COURT: It's always recorded in here.

4 MR. NETZORG: Ah. Very wonderful.

5 THE COURT: Now you're going to get a bill for it.

6 MR. NETZORG: Thank you very much. I appreciate
7 that. Please send me your bill. I'm too old to be forgetting
8 that one. But thank the Court to deferring to business
9 litigants who --

10 Okay. So the defendants were looking for a
11 universal settlement. And the Supreme Court has held on
12 innumerable occasions that obviously a settlement and
13 resolution is a material consideration.

14 Mr. Hale then went on and discussed some portions of
15 it. He talks about Mr. Zandian [phonetic] at page 6, and he's
16 going to get the Pahrah [phonetic] property, and the Pahrah is
17 I believe 4400 -- 4600 acres, and I may be wrong, and he's to
18 receive it free and clear. Well, that was very important,
19 that he receive it free and clear, just as it was important to
20 the defendants that they receive his consideration free and
21 clear. So the Pahrah land -- this is in Fernley, Nevada, and
22 it is 4600 acres, but I may be mistaken, it's over a thousand.
23 At which point on page 7 at line 11 I mention that there's --
24 there's some engineering that hasn't been done.

25 And then Mr. Lee states -- and this is I take

1 umbrage with the position that's been argued that we didn't
2 present the arguments or didn't complain at the time. It
3 says, "John, please do me a favor --" "John" referring to me
4 at page 7 and line 13 at the top "-- let the gentleman finish.
5 Let him finish, and we will put our comments --" So he's
6 asking that we put the comments, I understood it, at the end.

7 So Mr. Hales starts all over and he talks about the
8 Pahrah property at page 7, line 20, is to be free and clear to
9 Mr. Zandian.

10 And then on page 8 he talks about 320 acres, also
11 located in Washoe County, and that's to be free and clear to
12 Mr. Zandian, because it was very important that it be free and
13 clear. "Mr. Sadri and Mr. Koroghli will within 30 days from
14 today pay Mr. Zandian \$250,000." There was nothing about
15 paying Mr. Lee \$250,000. That's what the parties had
16 negotiated. They were to pay Mr. Zandian \$250,000. There is
17 a change subsequently, but that money was money that wasn't
18 fees awarded to Mr. Lee. That was part of the consideration
19 we're talking. And this has serious importance to the
20 defendants because there are tax consequences of this
21 transaction, there are innumerable other parties involved,
22 there are other people that hold ownership interests, and
23 we're -- we address these at a later -- very shortly,
24 actually.

25 Then at page 9 Mr. Hale goes on and talks about, at

1 line 16, all the LLCs and properties that are subject to this
2 arbitration herein, including the Pahrah properties and the
3 Wendover project, waive any claim to reimbursement for
4 consulting fees.

5 And then he states, "The parties will through
6 counsel prepare any necessary documents to effect the
7 transfers of the LLCs and the underlying real estate." This
8 is page 9, lines 21 through 23. So it's understood that
9 there's going to be a preparation of further documents.

10 But going on at page 9 on the rough draft, our
11 Exhibit A, line 24, "And the parties and representatives of
12 these LLCs will execute all necessary documents to effect this
13 settlement and arbitration order." This settlement. This is
14 a settlement and the meeting of the minds. The defendants had
15 an understanding of what they were to get, and it's expressed
16 in this document.

17 Now, "Mr. Lee: We would like to have the check
18 payable to my office for \$250,000." He wants the check made
19 payable to his office. This is Mr. Zandian's \$250,000. He
20 wants it payable to his office. There's nothing about he's
21 supposed to get paid five days in advance, there's nothing
22 about that the defendants are under a unilateral obligation to
23 perform.

24 Then, "Mr. Hale: The settlement check will be
25 payable to John Peter Lee." This is a settlement. This is

1 what we understood. That's what everyone talked about,
2 settlement agreements and settlement.

3 Then finally, "Anything else?" Now, Mr. Lee had
4 requested that we put our items -- or withhold them to the
5 end, so at page 10, line 9, "We would like a mutual release
6 executed by and between the parties." And Mr. Hale agrees to
7 that.

8 Then below that we talk about -- page 10, line 13 --
9 "We need a warranty from the parties that the properties and
10 interests being transferred haven't been previously
11 transferred --" this is typical; you're not going to take some
12 interest not of record with no warranty "-- that the parties
13 in fact do currently hold these interests --" we want to know
14 that there hasn't been a conveyance, typical, it would be
15 boilerplate warranties "-- and that they are capable of
16 transferring the interests that are subject to this order free
17 and clear of claims by any third parties." This is at pages
18 10 and 11 of Exhibit A. Free and clear.

19 Well, Your Honor, we've provided the Court with
20 Exhibit C1, which is the rights of first refusal that the
21 plaintiff has assigned all of his LLC interest, he has given a
22 prior transfer to a limited number of members. In the Big
23 Springs Ranch, LLC, which is 35,000 acres, there's one other
24 member, Mr. Abershombie. With the Wendover Project, which is
25 approximately 67 acres located outside of Wendover, I think

1 there may be 13 other members of the LLC. He was under an
2 obligation to deliver this free and clear. He has never
3 tendered his property free and clear. Every tender has been
4 subject to rights of first refusal in third parties.

5 It is customary -- we went to West, we went to
6 business transactions and filled out a form assignment of an
7 LLC or limited partnership interest, and the form assignment
8 necessarily is the consent from the other parties that hold
9 rights of first refusal. There are two reasons. One, even
10 absent a right of first refusal, a transfer without the
11 consent would liquidate the limited partnership. Mr. Zandian
12 was receiving thousands of acres free and clear, and he was to
13 deliver the consideration free and clear. And he has not.

14 And so under the proposed -- you know, why they
15 would try and cram this thing down, why -- why in the world
16 would the defendants be required to transfer their assets
17 encumbered subject to rights of first refusal in third parties
18 while the plaintiff would receive them free and clear? It
19 clearly was not the intention. And they have refused to sign
20 this document. It is in here. We are asking that which is
21 customary. These are standard, customary requirements.
22 There's nothing exceptional.

23 Your Honor, also in 100 percent of all escrows
24 handled in Nevada and everywhere else in the United States of
25 America the parties to the real estate escrow are required

1 under federal law, 26 USC, Section 1445, to make a declaration
2 to the Internal Revenue Service of their non-foreign residency
3 status. That is federal law. Typically that appears in a
4 separate document.

5 The only change we made to the form document was to
6 eliminate a number of the provisions and to include the non-
7 foreign resident declaration because this involved transfers
8 of interest in real property. Those --

9 MS. FIC: I don't mean to interrupt. Can we
10 clarify? I don't -- how are we in an escrow? I mean, I don't
11 think escrow even applies. I mean, I --

12 THE COURT: You've got to do an escrow.

13 MS. FIC: You do?

14 THE COURT: You have land that you're transferring;
15 right?

16 MS. FIC: Okay.

17 THE COURT: So --

18 MS. FIC: Well, because we -- we did quitclaim
19 deeds, and we sent over all the paperwork and --

20 MR. NETZORG: Excuse me. I'm sorry. I waited
21 for --

22 THE COURT: Somebody not going to tell the IRS about
23 this transaction? Because that would be bad.

24 MS. FIC: I just didn't think there had to be
25 escrow.

1 THE COURT: That's all right.

2 MR. NETZORG: Then -- so this -- this is the essence
3 of the transaction. Why would we -- why would we take
4 interests that were encumbered by third parties so that we
5 could invite future litigation when the whole -- the very
6 first thing I said is, Your Honor, we need a universal
7 settlement? This is a universal settlement. We don't -- we
8 want the property free and clear. They have consistently
9 refused.

10 On that issue, we were provided blank quitclaim
11 deeds with runoffs from some database, no legal description
12 incorporated in them, where we would just sign them in blank
13 and hand them to the defendant. We're supposed to give five
14 days before we get anything a quarter of a million dollars to
15 the attorney. Where this requirement came from I cannot
16 fathom. "I'll let the two of you to work out the language."

17 Well, Your Honor, I didn't think taking a --
18 whatever. I took a form document as I would have done in any
19 other transaction for an assignment of an LLC interest,
20 especially -- this wasn't -- if it was five or ten dollars,
21 maybe you could do it on a cocktail napkin like the one the
22 plaintiffs put together, but any other document would have
23 necessarily have required, you know, the representations to
24 which the parties had agreed.

25 Then looking at page 11, line 2, I mentioned that

1 they were speaking of three married guys, we want to know if
2 they're speaking for the community interest of their spouses
3 on each and every one that is transferred. This was
4 specifically in the -- in the transcript. And why was this
5 important?

6 We've given you the history of the Dutch Shipyard.
7 The testimony -- cross-examination of Mr. Zandian had simply
8 covered the Dutch Shipyard transaction. We hadn't even gotten
9 much beyond that. This is a case where in 1997 he had signed
10 off for \$2.1 Dutch guilders. He settled with his Dutch
11 partner to sell his interest. One year later he rescinds that
12 transaction, that settlement, that global release, premised on
13 the fact his wife hadn't signed. So with that track history
14 these were documents in there. It was critically important
15 that the wife sign, because we knew that the last major
16 settlement that he was involved in, he'd used that for
17 rescission. And he testified that eight years later he still
18 had that Dutch Shipyard tied up in litigation over the wife
19 issue and his French bankruptcy.

20 Then he showed up at the hearing with a liquidacione
21 fiduciare [phonetic], a personal bankruptcy filing that he had
22 in France. And he testified that this litigation involved his
23 -- his -- he said it was his corporate bankruptcy in France,
24 so we, having been alerted to that, as with anyone, as if --
25 if he'd been in bankruptcy in Oklahoma and the consideration

1 that he paid for the interest was in litigation in bankruptcy
2 court, we asked for an order from the court verifying that
3 they had no interest -- this was subsequently, but, I mean,
4 yeah, we wanted it free and clear, and one of the things was
5 free and clear of the bankruptcy interest.

6 "Mr. Lee: With regard to the spouses issue --" at
7 page 12, line 6 "-- we can work out the form of the details.
8 I'm not concerned about this." This is in response to
9 Arbitrator Hale's, "We may want spouses to sign."

10 So it wasn't even an issue. It wasn't an issue
11 until four days later, when Mr. Lee said the spouses weren't
12 going to sign. And that's where the problems started, when
13 the plaintiff immediately reneged on the agreement and how has
14 come in and said, well, gee, the arbitrator wrote a form
15 that's completely inconsistent with everyone's understanding
16 and the record and we're going to cram that down your throat,
17 we're not going to have the spouses sign, we're not going to
18 provide clear title to the LLC interests, we're going to give
19 you an assignment subject to rights of first refusal that will
20 guarantee the liquidation of your entities.

21 There's another provision in the LLC agreements that
22 provides on the resignation that the LLC shall dissolve. So
23 without -- they prepared a separate resignation form to
24 guarantee that they would have that resolved.

25 So the defendants are asked to transfer what

1 arguably could be millions of dollars in assets and in
2 consideration for nothing. And that was not the
3 understanding.

4 Then once again I point at page 12, lines 16 and 17,
5 "That is fine. That can be in the settlement agreement."
6 Once again we're talking about the settlement agreement. This
7 is page 12, lines 16 and 17, when I'm talking about the
8 warranties and satisfaction. So the notion that this was not
9 a settlement agreement, we're calling it a settlement
10 agreement, here it's the settlement agreement, everybody knew
11 there was going to be a settlement agreement -- no one in
12 their wildest imaginations dreamed that something would be
13 concocted completely inconsistent with this, denying the
14 defendants any of the benefits that they'd negotiated for.

15 At the next page, page 13, line 22, "We want to do
16 an allocation of the purchase price." If we were transferring
17 five and a half million dollars or more in assets and there
18 was potentially rights of first refusal, we couldn't have the
19 situation which the defendants have intentionally engineered.
20 Big Springs Ranch, for instance. There's a recital that
21 \$250,000 is to go for the waiver of the Big Springs Ranch
22 issue. There are four members -- or there -- of Big Springs
23 Ranch, arguably. If you just waived the interest, then all
24 those members, even Mr. Abershombie, who's not a party to the
25 litigation and not paying any consideration, would be the

1 beneficiary of that grandess.

2 The parties paid \$2.8 million for that property, and
3 to say, well, we're going to allocate a \$250,000 value? No.
4 I mean, for tax purposes, for basis purposes it was important
5 that the consideration that the defendants were tendered would
6 be allocated and there'd be some correlation between the
7 values and the allocation made. What do we get? \$250,000 for
8 a waiver of the Big Springs Ranch interest. So that in effect
9 gives us nothing. It permits the other partner to, arguably,
10 I guess, under that resolution exercise a right of first
11 refusal, which would allow him to buy an interest for a
12 fraction of what it cost three years previously. "Mr. Lee:
13 You can allocate anything you want to." "Mr. Netzorg: That
14 is good, as long as you understand." It was important to us.

15 And then finally, on page 14 -- and I'd mentioned
16 the candy's been excellent because the arbitrator had candy
17 there and we were going on and on, eating this candy. "And
18 then there is -- with the understanding that those items --
19 thank you very much for the excellent job you did."

20 Your Honor, I've said those items were all important
21 to us. This is a part and parcel of our consideration. We
22 have not been provided it. There have been quitclaim deeds,
23 there've been grant, bargain and sale deeds. There's no
24 spouses. The assignments contained -- are subject to rights
25 of first refusal. So obviously, Your Honor, there was no

1 meeting of the minds. The plaintiff steadfastly refuses to
2 perform any of those. And this is -- these were material
3 consideration which was not provided.

4 When we filed -- and under the rules, Your Honor,
5 there's a requirement that you file within 20 days of the
6 decision. All of a sudden here comes the decision. So --

7 THE COURT: Which one? Because I've got three.

8 MR. NETZORG: The first one.

9 So within 20 days you have to move to modify under
10 the rules. That's what we did. We put our motion to modify
11 in, it was delivered to the arbitrator's office, and an hour
12 later we had a decision denying our motion. There was never a
13 settlement agreement.

14 Then there was a motion to enforce the award. The
15 arbitrator correctly said he had no authority to enforce the
16 award, take it to District Court, I believe was --

17 And then finally there was a motion to implement the
18 award. It went under advisement. Out of the blue here comes
19 an implementation order from the plaintiff, which doesn't deal
20 with the spouses, doesn't deal with our rights of first
21 refusal, doesn't deal with the fact that the LLCs will be
22 dissolved by the documents that have been prepared, doesn't
23 even address our request that they sign our form assignment
24 provision and get the consent. And the next day that comes
25 back basically signed by the arbitrator.

1 Now we have these motions in here, and we're
2 pretending the apples are oranges. It was a settlement
3 agreement, everyone knew it was a settlement agreement, the
4 settlement's put on the record. Even today the argument is
5 they put the settlement on the record. And the plaintiffs
6 haven't performed.

7 So if we were to stuff this down the defendants'
8 throats and give them nothing when their intention was clearly
9 to the contrary, then these are the very items which are
10 reviewable under NRS Chapter 38. You look for modification of
11 the award; was there an evident mathematical miscalculation or
12 an evident mistake in the description of a person, thing or
13 property; the arbitrator's made a award on a claim not
14 submitted to him; the award is imperfect in matter of form not
15 affecting the merits. "The motion to modify or correct an
16 award pursuant to this section may be joined with a motion to
17 vacate the award."

18 Well, the reason that you put things on the record
19 is so you have a record of it. And that reflects what the
20 parties' intentions were. And the other, later items do not.
21 There wasn't any substantive changes. There is a
22 misinterpretation of that which was clear and unambiguous.
23 And it's so one-sided. Why are these requirements that we
24 transfer our assets free and clear and they transfer them to
25 us -- well, they don't even transfer them to us. They give us

1 their title subject to third parties' rights and interests and
2 potentially bankruptcy court's ownership.

3 And, Your Honor, also, additionally, if you look at
4 it, I mean, just for the purposes of doing the analysis on the
5 vacation, the process itself, you know, was there fraud or was
6 this an undue process. Well, this was an undue process. You
7 don't have people do a settlement, tell them it's a
8 settlement, tell them there's going to be a settlement
9 agreement, and then say, oh, here's an award -- here's an
10 award and we're going to treat this as if I'd actually
11 conducted the trials.

12 The defendants had numerous witnesses that they were
13 going to call. None of them were called. One of the
14 plaintiffs' witnesses was -- the plaintiff was called and
15 direct examination. There was no testimony from the other
16 witnesses. There was no testimony by the defendants.

17 So, Your Honor, for these reasons there just has
18 been no meeting of the minds. And this is reflected -- the
19 statutory grounds for the vacation are met. This settlement
20 has not been fulfilled. And, Your Honor, basically we had a
21 mediation, obviously there was not a meeting of the minds and
22 material consideration. We would ask that the matter be
23 reverted with a new arbitrator. Because if the parties
24 haven't decided, then let them go arbitrate. If all these
25 plaintiffs are going to give us is clouded title to the assets

1 that we were to pay five and a half million dollars for, then
2 obviously there's no meeting of the minds, go arbitrate.

3 Under the circumstances, Your Honor, it should be in
4 front of a new arbitrator because of the involvement in the
5 mediation. And the other bases are articulated in our motion.
6 And the other issues that this -- you know, the fact that for
7 some reason why when we submitted our documents they were
8 summarily denied without even consideration and without -- we
9 do our motion for -- to modify, we have our form assignment
10 agreement with no oppositions filed, nothing, just, bam,
11 denied. You know, we have our final motion, implementation,
12 which we consider as under consideration raising many of these
13 issues. I mean, how can we just arbitrarily not comply with
14 federal law? How can we leave the spouses out? How can we
15 ignore the rights of first refusal? We can't. That
16 invalidates the procedure.

17 The only question is what's the remedy. And the
18 remedy under the circumstances where the arbitrator has
19 performed a mediation is to send it to a new arbitrator and
20 let the parties finalize it, give the defendants an
21 opportunity to testify. The defendants have not. The
22 defendants were told repeatedly the settlement, settlement,
23 this is a settlement, there'll be an agreement, put your items
24 at the end. They were put there at the end without objection,
25 and then summarily eliminated, the very consideration that

1 formed the basis of the settlement removed.

2 So the defendants were denied under the statutes,
3 NRS 38, basically what amounts to their day in court. And
4 there's no pretense that this was a complete, full and fair
5 hearing, nor did the parties intend that it be such. They
6 settled it, they put the settlement on the record. The
7 plaintiffs are now disagreeing and started immediately, our
8 spouses won't sign, that'll be confusing. Well, we didn't get
9 the benefit -- had they notified us the day that we were
10 putting it on the record, it never would have happened.

11 And the other items I detailed in my opposition to
12 their motion and their reply. So thank you, Your Honor.

13 THE COURT: Okay.

14 MS. FIC: Your Honor, I have a suggestion, okay.
15 Because what I keep hearing is settlement, settlement,
16 settlement. We agree there was a settlement. I did say
17 settlement, okay. But the settlement terms were -- the terms
18 -- essential terms were put in -- recorded by a -- on the
19 transcript by the court reporter. So we have the essential
20 terms, okay.

21 THE COURT: You do.

22 MS. FIC: What I'm hearing is --

23 THE COURT: And you're missing some of the things in
24 the documents you have as to those essential terms.

25 MS. FIC: Okay. And that's -- okay, Your Honor, so

1 fine. So if we have the essential terms, if we've got
2 disputes with this, why don't we -- okay. I don't want to do
3 a new arbitrator, because that's going to be costs to both
4 parties. It's not going to be efficient. Arbitrator Hale was
5 agreed to --

6 THE COURT: I'm going to solve your problem. It's
7 really easy. I'm going to refer the matter back to Floyd Hale
8 for further proceedings, consistent with the 9/8/06
9 transcript. Those will include getting the mechanism for the
10 spouses of the parties to sign the documents, getting a
11 mechanism for the waiver of the release of the rights of first
12 refusal that exist, entering into the settlement agreement the
13 parties entered into. If he is unable to reach an agreement
14 among the parties, then I will have the final word. I --

15 MS. FIC: Because, Your Honor --

16 THE COURT: Wait, wait, wait. I'm not done.

17 MS. FIC: Okay. Sorry, Your Honor.

18 THE COURT: Okay. I recommend -- this is not an
19 order -- that an escrow be opened for the transfers of the
20 real property. If you are merely transfer interests in an
21 LLC, which has different tax consequences to both of your
22 clients, I don't think it's necessary for an escrow to be
23 opened. But if you're transferring real property, which is
24 what it currently looks like to me you were trying to do based
25 upon the settlement, then an escrow needs to be opened.

1 I'm referring it back to Mr. Hale, since I would
2 typically in a case where a settlement was reached and there
3 was a mediator or arbitrator involved refer it to that
4 individual for some additional work with you to try and
5 resolve those disputed issues, since they were there at the
6 time you reached the settlement. Hopefully I have a
7 transcript that helps me. If you are unable to reach an
8 accommodation after speaking to Mr. Hale, then I will reach an
9 accommodation, because I have a transcript, and I'll make a
10 decision. And it won't be one that anybody's tax benefits are
11 in favor of, because there's no indication in the transcript
12 that you're going to work together to minimize tax
13 consequences to each other, which sometimes I see in
14 settlement agreements. And I didn't see that in this one.

15 MS. FIC: Yeah. 'Cause the only concern was I
16 didn't want to have like maybe one wife not sign, because
17 there's a lot of -- you know, one wife not signing upset the
18 whole thing.

19 THE COURT: The wives have to sign. That was part
20 of the deal you guys cut. You cut a deal the wives are going
21 to sign. The wife's have got to sign.

22 MS. FIC: We --

23 THE COURT: That was part of the discussion on
24 September 8th during the --

25 MS. FIC: Floyd Hale said that, but then it was not

1 added to at the end of it that we were required to have all
2 the wives sign. Because here's the thing, they're non-
3 parties. And what happens if one --

4 THE COURT: How are you going to -- wait now. This
5 is just really common sense.

6 MS. FIC: Okay.

7 THE COURT: How are you going to transfer an
8 interest in real property which may be owned by both of the
9 people and the wife has a claim, especially in places where it
10 is voidable if you do not have the spouse sign? How are you
11 going to transfer that property free and clear?

12 MS. FIC: Because the husbands -- I mean, there's
13 NRS statutes --

14 THE COURT: Okay. I'm going to send you back to Mr.
15 Hale, and the wives need to sign. Spouses need to sign, and
16 the people who have the first right of refusal need to waive.

17 MS. FIC: So we'll come back to you if one of the
18 wives refuse. That's the only thing. I just don't want to --

19 THE COURT: You're going to come back to me if you
20 are unable to reach an agreement, if you need me to confirm an
21 order. You are also going to come back to me if there is any
22 problem in the implementation of the agreement.

23 But you reached a settlement, it was put on the
24 record. You've got to have a settlement agreement. I know
25 that Mr. Hale drafted an arbitration award, because he

1 conducted a portion of the arbitration. And I don't really
2 have a problem with that, but we need to have the
3 documentation consistent with the discussions that were --
4 that occurred on September 8th, 2006, which are a part of the
5 actual record the court reporter made, at which time both
6 parties stipulated in front of the arbitrator that they had
7 agreed to go to as part of the extrajudicial proceedings,
8 which in my mind makes it an enforceable settlement. Okay.

9 MR. NETZORG: Thank you, Your Honor.

10 THE COURT: Have a lovely day.

11 MR. NETZORG: We appreciate it. Happy New Year.

12 MS. FIC: Thank you, Your Honor.

13 MR. NETZORG: Happy to have business court back.

14 THE COURT: Any more business court cases you want
15 to send me, send them along.

16 (Off-record colloquy)

17 THE PROCEEDINGS CONCLUDED AT 9:59 A.M.

18 * * * * *

19

20

21

22

23

24

25

CERTIFICATION

I CERTIFY THAT THE FOREGOING IS A CORRECT TRANSCRIPT FROM THE AUDIO-VISUAL RECORDING OF THE PROCEEDINGS IN THE ABOVE-ENTITLED MATTER.

AFFIRMATION

I AFFIRM THAT THIS TRANSCRIPT DOES NOT CONTAIN THE SOCIAL SECURITY OR TAX IDENTIFICATION OF ANY PERSON OR ENTITY.

FLORENCE HOYT
LAS VEGAS, NEVADA 89146
(702) 221-0246

Florence M. Hoyt

FLORENCE HOYT, TRANSCRIBER

1/16/07

DATE

AFFIRMATION
Pursuant to NRS 239B.030

The undersigned does hereby affirm that the preceding _____

Order on Motion to Confirm Arbitration Award and Motion to Vacate
Arbitration Award

(Title of Document)

filed in District Court Case number A511131

Does not contain the social security number of any person.

-OR-

Contains the social security number of a person as required by:

A. A specific state or federal law, to wit: _____

(State specific law)

OR-

B. For the administration of a public program or for an application for a federal or state grant.



Signature

January 17, 2007

Date

Michael A. Reynolds, Esq.

Print Name

Attorney for Plaintiff, Gholamrez Zandian

Title

1 ARB
2 FLOYD A. HALE, ESQ.
3 Nevada Bar No. 1873
4 JAMS
5 2300 W. Sahara, #900
6 Las Vegas, NV 89102
7 Ph: (702) 457-5267
8 Fax: (702) 437-5267
9 Arbitrator.

RECEIVED
MAR 02 2007
JOHN PETER LEE, LTD.

10 DISTRICT COURT
11 CLARK COUNTY, NEVADA

12 GHOLAMREZA ZANDIAN JAZI,) Case No. A511131
13) Dept. No. XII
14 Plaintiff,)
15 vs.)
16 RAY KOROGHLI, individually,)
17 FABIRORZ FRED SADRI, individually,)
18 and as Trustee of the Star Living Trust,)
19 WENDOVER PROJECT, LLC, a Nevada)
20 limited liability company; BIG SPRING)
RANCH, LLC, a Nevada limited liability)
company, and NEVADA LAND AND)
WATER RESOURCES, LLC, a Nevada)
limited liability company,)
Defendants.)

21 ARBITRATOR REPORT AND RECOMMENDATION TO
22 DISTRICT COURT

23 This matter was submitted to Arbitration and Arbitration Hearings were conducted for two
24 days, as well as the submission of voluminous exhibits, depositions and briefs. During the
25 Arbitration proceeding, the parties agreed to meet with the Arbitrator in an effort to resolve the
26 dispute. With agreement of counsel, the parties met directly with the Arbitrator and an agreement
27 for a final conclusion of this matter was read into the record, being recorded by a court reporter.
28

SPECI STER
2300 W. SAHARA, SUITE 900
LAS VEGAS, NEVADA 89102
PHONE (702) 457-5267 EMAIL fhaale@floydahale.com

1 The undersigned then issued an Arbitration Decision based upon the evidence submitted as well
2 as the agreement of the parties.

3
4 On January 11, 2007, counsel for the parties conducted a hearing before this Court
5 regarding confirmation of the Arbitration Award. Counsel for the parties could not reach an
6 agreement as to what documents needed to be signed to effect the Arbitration Decision. For that
7 reason, the matter was referred back to the Arbitrator for further proceedings. The actual
8 reference, contained in page 25, line 6-14 of the January 11, 2007, transcript is as follows:

9
10 THE COURT: I'm going to resolve your problem. Its real easy. I am
11 going to refer the matter back to Floyd Hale for further proceedings,
12 consistent with the 9/8/06 transcript. Those will include getting the
13 mechanism for the spouses of the parties to sign the documents, getting
14 a mechanism for the waiver of the release of the rights of first refusal
15 that exist, entering into the settlement agreement the parties entered
16 into. If he is unable to reach an agreement among the parties, then I
17 will have the final word.

18 The District Court has already indicated that wives of the principals will need to sign
19 documents. The following report and recommendation will reference the parties to the
20 Arbitration with the understanding that the District Court has already indicated that wives for
21 those parties will be required to sign all necessary documents.

22 IT IS REPORTED AND RECOMMENDED to the Court that the following documents
23 will need to be executed by the parties and their wives:

24 4,400 acres of real estate, owned by Poh Rah, LLC: The only members of the Pah Rah,
25 LLC are the parties to this action: Zandian Jazi; Ray Koroghli and Fred Sadri. These parties will
26 be required to sign a Grant Bargain Sale Deed to transfer the 4,400 acres of real estate to Zandian
27 Jazi. Fred Sadri will need to execute a full reconveyance of the Deed of Trust and release the
28 Promissory Note which was secured by the Deed of Trust as to this property. The parties will also

1 have to sign a waiver of any right of first refusal to this property.

2 320 acres owned by Big Springs Ranch, LLC. The only members of the Big Springs
3 Ranch LLC, are the parties to this action and Mr. Abrishami. If Mr. Zandian Jazi can obtain the
4 signature of Mr. Abrishami on a Deed to transfer this property, then the parties to this action must
5 all execute a Grant Bargain Sale Deed transferring this real estate to Zandian Jazi. If Mr. Jandian
6 Jazi is unable to obtain the signature of Mr. Abrishami, then Mr. Sadri and Mr. Koroghli are
7 required to sign a Quit Claim Deed from Big Springs Ranch, LLC to Zandian Jazi to sign waivers
8 of rights of first refusal.
9

10 \$250,000.00 Payment to Zandian Jazi: There has been a dispute as to what entity is
11 responsible for making this payment. During the Arbitration Proceedings, as well as during prior
12 meetings with the parties, it was represented to the Arbitrator that Mr. Sadri and Mr. Koroghli
13 would make this payment. It is Recommended that either Mr. Sadri or Mr. Koroghli, or both, are
14 individually responsible for this payment. Sadri and Koroghli may, however, execute the
15 payment check or draft in whatever representative capacity that they believe is the most
16 appropriate.
17

18 Transfer of Wendover Project, LLC Interest: Zandian Jazi has agreed to waive or transfer
19 any interest that he has, if any, in the Wendover Project, LLC. Mr. Netzorg has argued that it is
20 incumbent upon Mr. Zandian Jazi to obtain signatures on waivers of rights of first refusal from
21 all members of the LLC. This was not part of the settlement agreement and the District Court
22 should be aware that the Defendants contested that Zandian Jazi even owned rights in the
23 Wendover Project, LLC at the time of the arbitration.
24

25 It is the Report and Recommendation of the Arbitrator that Zandian Jazi sign a transfer
26 of all interest that he owns in the Wendover Project, LLC directly to: "Wendover Project, LLC."
27
28

FLUJIA MALE
SPECI STER
2300 W. SAHARA, SUITE 900
LAS VEGAS, NEVADA 89102
PHONE (702) 457-5267 EMAIL fmaie@floydhale.com

1 Zandian Jazi must also sign a waiver of any right of first refusal that he has as to that LLC.

2 The remaining managing members of the Wendover Project LLC are responsible for
3 determining the appropriate allocation of the Zandian Jazi interest. If they believe that it is
4 necessary to obtain waivers of rights of first refusal to make that allocation of interest, then it is
5 their responsibility to do so. Before distributing Mr. Zandian Jazi's interest, the managing
6 members of the LLC should either distribute that interest in accordance with the operating
7 agreements or, alternatively, obtain whatever signatures that the managing members determine
8 are necessary to make a different distribution or allocation of that interest. It would seem unfair
9 to place this burden on the transferring party who is merely transferring his interest to the entire
10 Wendover Project, LLC.

11
12 Big Springs Ranch, LLC: As with the Wendover Project, LLC, Mr. Zandian Jazi will be
13 required to execute a transfer of interest and waiver of any interest of the Big Springs Ranch,
14 LLC, directly to: "Big Springs Ranch, LLC." He must also execute a waiver of right of first
15 refusal that he would have under that LLC. As stated with the Wendover Project, LLC, it is the
16 duty of the managing members of the Big Springs Ranch, LLC, to make an appropriate
17 distribution or allocation of this interest. The remaining managing members of the Big Springs
18 Ranch, LLC must either transfer the property as required by the operating agreement or obtain
19 whatever waivers of rights of first refusal that are necessary to make a transfer which they believe
20 are necessary.

21
22 **CONCLUSION:**

23
24
25 Mr. Netzorg has contested the requirement that the receiving LLC entities are required to
26 obtain waivers of rights of first refusal. Actually, waivers are not necessary if the receiving
27 interest is transferred pursuant to the operating agreement. If the managing members want to
28

LLUIU TALE
SPECII ITER
2300 W. SAHARA, E. SUITE 900
LAS VEGAS, NEVADA 89102
PHONE (702) 457-5267 EMAIL ffrate@fraydhole.com

1 obtain waivers of rights of first refusal to make a different distribution, they are certainly free to
2 do so. That should not be the burden of Mr. Zandian Jazi.

3
4 Mr. Netzorg has also asked for numerous documents regarding a purported transfer of Mr.
5 Zandian Jazi's shipyard stock. There was absolutely no evidence that any entity related to these
6 proceedings acknowledged receipt of that stock or issued any credit related to receipt of that
7 stock. Although that stock was discussed during the Arbitration proceedings, there was no
8 competent evidence regarding that stock being relevant to the Arbitration proceedings.

9
10 RESPECTFULLY SUBMITTED this 28th day of February, 2007.

11
12 By: 

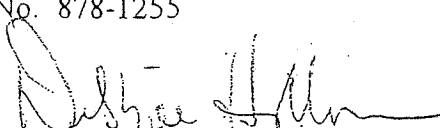
13 FLOYD A. HALE
14 2300 W. Sahara, #900
15 Las Vegas, NV 89102
16 Arbitrator

17 CERTIFICATE OF FACSIMILE AND MAIL

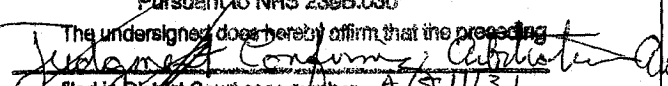
18 I hereby certify that on the 28th day of February, 2007, I faxed and mailed a true and
19 correct copy of the foregoing addressed to:

20 John Peter Lee, Esq.
21 830 Las Vegas Boulevard South
22 Las Vegas, NV 89101
23 Attorneys for Plaintiffs
24 Fax No. 383-9950

25 John Netzorg, Esq.
26 2810 West Charleston Blvd. #H-81
27 Las Vegas, NV 89102
28 Attorneys for Defendants
29 Fax No. 878-1255

30 By: 
Employee of Jams

31 **AFFIRMATION**
32 Pursuant to NRS 239B.030

33 The undersigned does hereby affirm that the preceding
34 
35 filed in District Court case number 4:0711731
36 **DOES NOT** contain the social security number of any person.

37 Date 6/8/07

WFZ0318

FLOYD A. HALE
SPECIFIC LETTER
2300 W. SAHARA, #900, SUITE 900
LAS VEGAS, NEVADA 89102
PHONE (702) 457-5267 EMAIL fhale@floydahale.com

JOHN PETER LEE, LTD.

ATTORNEYS AT LAW
830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

1 NOEJ
JOHN PETER LEE, LTD.
2 JOHN PETER LEE, ESQ.
Nevada Bar No. 001768
3 MICHAEL A. REYNOLDS, ESQ.
Nevada Bar No. 008631
4 830 Las Vegas Boulevard South
Las Vegas, Nevada 89101
5 (702) 382-4044 Fax: (702) 383-9950
Attorneys for Plaintiff/Counterdefendant
6

FILED

JUN 8 4 27 PM '07

Clark
CLERK OF THE COURT

7 DISTRICT COURT

8 CLARK COUNTY, NEVADA

9 GHOLAMREZA ZANDIAN JAZI,

10 Plaintiff,

11 v.

12 RAY KOROGHLI, individually, FARIBORZ FRED)
SADRI, individually, and as Trustee of the Star
Living Trust, WENDOVER PROJECT, LLC, a
13 Nevada limited liability company; BIG SPRING
RANCH, LLC, a Nevada limited liability company,
14 and NEVADA LAND AND WATER
RESOURCES, LLC, a Nevada limited liability
15 company,

16 Defendants.

18 RAY KOROGHLI, individually and FARIBORZ
FRED SADRI, individually,

19 Counterclaimants,

20 v.

21 GHOLAMREZ ZANDIAN JAZI,

22 Counterdefendant.

24 WENDOVER PROJECT, LLC,

25 Counterclaimant,

26 v.

27 GHOLAMREZ ZANDIAN JAZI,

28 Counterdefendant.

CASE NO.: A511131
DEPT. NO.: XI

g
NOTICE OF ENTRY OF
JUDGMENT CONFIRMING
ARBITRATION AWARD

DATE: 6-5-07
TIME: 9:00 a.m.

sent to client
6/8/07
WFZ0320

1 GHOLAMREZ ZANDIAN JAZI,
2 Counterclaimant,
3 v.
4 WENDOVER PROJECT, LLC,
5 Counterdefendant,

6 1334 022860-JLR

7 PLEASE TAKE NOTICE that an JUDGMENT CONFIRMING ARBITRATION was filed
8 in the above matter on the 8th day of June, 2007. A copy of said JUDGMENT is attached hereto.

9 DATED this 8th day of June, 2007.

10 JOHN PETER LEE, LTD.

11 BY: 

12 JOHN PETER LEE, ESQ.

13 Nevada Bar No. 001768

14 MICHAEL A. REYNOLDS, ESQ.

15 Nevada Bar No. 008631

16 830 Las Vegas Boulevard South

17 Las Vegas, Nevada 89101

18 Ph: (702) 382-4044/Fax: (702) 383-9950

19 Attorneys for Plaintiff/Counterdefendant

20 Gholamreza Zandian Jazi

JOHN PETER LEE, LTD.

ATTORNEYS AT LAW

830 LAS VEGAS BOULEVARD SOUTH

LAS VEGAS, NEVADA 89101

Telephone (702) 382-4044

Telecopier (702) 383-9950

RECEIPT OF COPY

RECEIPT OF COPY of the foregoing NOTICE OF ENTRY OF JUDGMENT
CONFIRMING ARBITRATION AWARD is hereby acknowledged this 8 day of June, 2007.

JAMS, The Resolution Experts

By:

Floyd A. Hale, Esq.
2300 West Sahara Avenue #900
Las Vegas, Nevada 89102

John M. Netzorg, Esq.
2810 West Charleston Boulevard #81
Las Vegas, Nevada 89102
Attorneys for Defendants.

ATTORNEYS AT LAW
830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

AFFIRMATION

Pursuant to NRS 239B.030

The undersigned does hereby affirm that the preceding

NOE JUDGMENT

filed in District Court case number 251131

DOES NOT contain the social security number of any person.

Date 6/8/07

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1 JUDG
JOHN PETER LEE, LTD.
2 JOHN PETER LEE, ESQ.
Nevada Bar No. 001768
3 MICHAEL A. REYNOLDS, ESQ.
Nevada Bar No. 008631
4 830 Las Vegas Boulevard South
Las Vegas, Nevada 89101
5 (702) 382-4044 Fax: (702) 383-9950
Attorneys for Plaintiff/Counterdefendant
6

FILED
JUN 8 10 50 AM '07
[Signature]
CLERK OF THE COURT

7 DISTRICT COURT
8 CLARK COUNTY, NEVADA

9 GHOLAMREZA ZANDIAN JAZI,
10 Plaintiff,
11 v.
12 RAY KOROGHLI, individually, FARIBORZ FRED
SADRI, individually, and as Trustee of the Star
13 Living Trust, WENDOVER PROJECT, LLC, a
Nevada limited liability company; BIG SPRING
14 RANCH, LLC, a Nevada limited liability company,
and NEVADA LAND AND WATER
15 RESOURCES, LLC, a Nevada limited liability
company,
16 Defendants.

CASE NO.: A511131
DEPT. NO.: XI

**JUDGMENT CONFIRMING
ARBITRATION AWARD**

18 RAY KOROGHLI, individually and FARIBORZ
FRED SADRI, individually,
19 Counterclaimants,
20 v.
21 GHOLAMREZA ZANDIAN JAZI,
22 Counterdefendant.

DATE: 6-5-07
TIME: 9:00 a.m.

24 WENDOVER PROJECT, LLC,
25 Counterclaimant,

26 v.
27 GHOLAMREZA ZANDIAN JAZI,
28 Counterdefendant.

ALLIANCE LAW
830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

1 GHOLAMREZ ZANDIAN JAZI,
2 Counterclaimant,
3 v.
4 WENDOVER PROJECT, LLC,
5 Counterdefendant,

6 1334.022860-JLR

7 PLEASE TAKE NOTICE that an JUDGMENT CONFIRMING ARBITRATION was filed
8 in the above matter on the 8th day of June, 2007. A copy of said JUDGMENT is attached hereto.

9 DATED this 8th day of June, 2007.

10 JOHN PETER LEE, LTD.

11
12 BY: 

13 JOHN PETER LEE, ESQ.

14 Nevada Bar No. 001768

15 MICHAEL A. REYNOLDS, ESQ.

16 Nevada Bar No. 008631

17 830 Las Vegas Boulevard South

18 Las Vegas, Nevada 89101

19 Ph: (702) 382-4044/Fax: (702) 383-9950

20 Attorneys for Plaintiff/Counterdefendant

21 Gholamreza Zandian Jazi

830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950
ATTORNEYS AT LAW

RECEIPT OF COPY

RECEIPT OF COPY of the foregoing NOTICE OF ENTRY OF JUDGMENT CONFIRMING ARBITRATION AWARD is hereby acknowledged this ____ day of June, 2007.

JAMS, The Resolution Experts

By: Floyd A. Hale, Esq.
2300 West Sahara Avenue #900
Las Vegas, Nevada 89102

John M. Netzorg, Esq.
2810 West Charleston Boulevard #81
Las Vegas, Nevada 89102
Attorneys for Defendants

ATTOR S AT LAW
830 LAS VEG BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

AFFIRMATION

Pursuant to NRS 239B.030

The undersigned does hereby affirm that the preceding

NOE / JUDGMENT

filed in District Court case number 2511131

DOES NOT contain the social security number of any person.

[Signature] Date 6/8/07

JOHN PETER LEE, L.L.D.
ATTORNEY AT LAW
830 LAS VEGAS ULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

1 JUDGE
JOHN PETER LEE, LTD.
2 JOHN PETER LEE, ESQ.
Nevada Bar No. 001768
3 MICHAEL A. REYNOLDS, ESQ.
Nevada Bar No. 008631
4 830 Las Vegas Boulevard South
Las Vegas, Nevada 89101
5 (702) 382-4044 Fax: (702) 383-9950
Attorneys for Plaintiff/Counterdefendant
6

7 DISTRICT COURT

8 CLARK COUNTY, NEVADA

9 GHOLAMREZA ZANDIAN JAZI,
10 Plaintiff,

CASE NO.: A511131
DEPT. NO.: XI

11 v.

12 RAY KOROGHLI, individually, FARIBORZ FRED
SADRI, individually, and as Trustee of the Star
13 Living Trust, WENDOVER PROJECT, LLC, a
Nevada limited liability company; BIG SPRING
14 RANCH, LLC, a Nevada limited liability company,
and NEVADA LAND AND WATER
15 RESOURCES, LLC, a Nevada limited liability
company,

16 Defendants.

**JUDGMENT CONFIRMING
ARBITRATION AWARD**

17
18 RAY KOROGHLI, individually and FARIBORZ
FRED SADRI, individually,

19 Counterclaimants,

DATE: 6-5-07
TIME: 9:00 a.m.

20 v.

21 GHOLAMREZA ZANDIAN JAZI,

22 Counterdefendant.

23
24 WENDOVER PROJECT, LLC,

25 Counterclaimant,

26 v.

27 GHOLAMREZA ZANDIAN JAZI,

28 Counterdefendant.

1 GHOLAMREZA ZANDIAN JAZI,
2 Counterclaimant,
3 v.
4 WENDOVER PROJECT, LLC,
5 Counterdefendant.

6 1334.022860-JLR

7 ZANDIAN'S MOTION FOR CONFIRMATION AND ENTRY OF JUDGMENT ON
8 ARBITRATION AWARD and the Defendants' COUNTERMOTION TO VACATE
9 ARBITRATION AWARD having come before this Court on Tuesday, June 5, 2007, the Honorable
10 Elizabeth Gonzalez presiding, and the Court being fully apprised in the premises and good cause
11 appearing, it is hereby

12 ORDERED that Plaintiff's MOTION FOR CONFIRMATION AND ENTRY OF
13 JUDGMENT ON ARBITRATION AWARD is granted, and Defendants' COUNTERMOTION TO
14 VACATE ARBITRATION AWARD is denied.

15 IT IS FURTHER ORDERED that this Court confirms the Arbitration Awards made and
16 entered by Floyd A. Hale, Esq., and enters judgment on the Arbitration Awards as follows:

17 IT IS ORDERED, ADJUDGED AND DECREED that all of the relief granted by the
18 aforesaid Arbitrator in his Arbitration Decision dated the 20th day of September, 2006, a copy of
19 which is attached hereto as Exhibit "1" is granted by this Court.

20 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that the Arbitrator's Decision
21 Denying Defendants' Motion to Change Award dated the 11th day of October, 2006, a copy of which
22 is attached hereto as Exhibit "2" is granted by this Court.

23 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that all relief granted in the
24 Implementation Award dated the 29th day of November, 2006, a copy of which is attached hereto
25 as Exhibit "3" is granted by this Court.

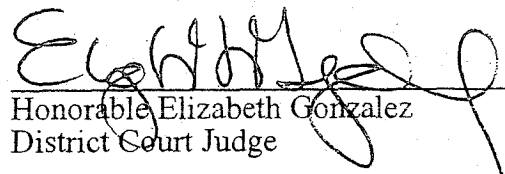
26 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that the Arbitrator's Report
27 and Recommendation to District Court dated the 28th day of February, 2007, a copy of which is
28 attached hereto as Exhibit "4" is granted by this Court.

JOHN PEIFFER LEE, LTD.
ATTOR AT LAW
830 LAS VEGAS BLVD. JULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

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IT IS FURTHER ORDERED, ADJUDGED AND DECREED that this Court retains jurisdiction to implement this Judgment.

Dated this 7 day of June, 2007.


Honorable Elizabeth Gonzalez
District Court Judge

SUBMITTED BY:

JOHN PETER LEE, LTD.

BY: 

JOHN PETER LEE, ESQ.
Nevada Bar No. 001768
MICHAEL A. REYNOLDS, ESQ.
Nevada Bar No. 008631
830 Las Vegas Boulevard South
Las Vegas, Nevada 89101
Ph: (702) 382-4044/Fax: (702) 383-9950
Attorneys for Plaintiff/Counterdefendant

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

RECEIVED
SEP 22 2006
JOHN PETER LEE, LTD.

1 ARB
2 FLOYD A. HALE, ESQ.
3 Nevada Bar No. 1873
4 JAMS
5 2300 W. Sahara, #900
6 Las Vegas, NV 89102
7 Ph: (702) 457-5267
8 Fax: (702) 437-5267
9 Arbitrator

DISTRICT COURT

CLARK COUNTY, NEVADA

10 GHOLAMREZA ZANDIAN JAZI,) Case No. A511131
11) Dept. No. XII
12 Plaintiff,)
13 vs.)
14 RAY KOROGHLI, individually,)
15 FABIRORZ FRED SADRI, individually,)
16 and as Trustee of the Star Living Trust,)
17 WENDOVER PROJECT, LLC, a Nevada)
18 limited liability company; BIG SPRING)
19 RANCH, LLC, a Nevada limited liability)
20 company, and NEVADA LAND AND)
21 WATER RESOURCES, LLC, a Nevada)
22 limited liability company,)
23 Defendants.)

ARBITRATION DECISION

24 Arbitration Hearings in this matter were conducted for two full days. The parties
25 submitted voluminous exhibits, depositions and briefs to the Arbitrator. Having reviewed the
26 documentation submitted and having heard the testimony and representations of the parties, the
27 following Arbitration Decision is entered:

- 28 1. The entire interest in the Pah Rah, LLC, property will be transferred to Gholamreza

2300 W. SAHARA, SUITE 900
LAS VEGAS, NV 89102
PHONE (702) 457-5267
FAX (702) 437-5267
EMAIL fhaile@floydahale.com

1 Zandian Jazi, free and clear of all encumbrances, including the promissory note secured by Deed
2 of Trust issued for the benefit of Fariborz Fred Sadri; any obligation owed to Jeff Codega, related
3 to work that was performed as to the Pah Rah real estate will be the obligation of Gholamreza
4 Zandian Jazi;
5

6 2. The 320 acres referenced in the briefs and this lawsuit will be transferred free and clear
7 to Gholamreza Zandian Jazi without any obligation to the other litigants or parties to this
8 Arbitration or to any other party who may profess to have an interest in the 320 acres that are
9 bound by this lawsuit and Arbitration;
10

11 3. Fariborz Fred Sadri and Ray Koroghli will, within 30 days from the service of this
12 Arbitration Decision, pay Gholamreza Zandian Jazi \$250,000.00 in return for Gholamreza
13 Zandian Jazi waiving any claims or any rights as to the Big Springs Ranch, LLC or any of its
14 assets;
15

16 4. That Gholamreza Zandian Jazi will transfer any interest in the Wendover project, LLC,
17 including all assets and real estate to Fariborz Fred Sadri and Ray Koroghli;
18

19 5. All of the entities and properties that are the subject of this Arbitration and lawsuit,
20 including Pah Rah, LLC, the owners of the 300 acres referenced above, the Big Springs Ranch,
21 LLC, and the Wendover purchase or Wendover Project, LLC, referenced in this lawsuit and
22 Arbitration waive any claims to reimbursement or participation in any consulting fees previously
23 paid to Gholamreza Zandian Jazi from the seller of the real estate to those entities;
24

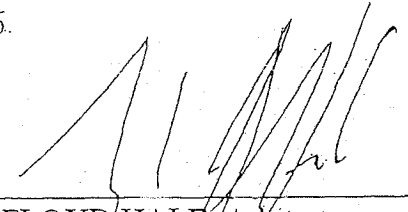
25 6. That the parties, through counsel, will prepare all necessary documents to effect the
26 transfers of the real estate assets and LLC entities and the parties to this lawsuit and Arbitration
27 will execute all necessary documents to effect this Arbitration Order, including a mutual Release
28 to be executed by all parties.

SPECIAL MASTER
2300 W. S.
E. SUITE 900
LAS VEGAS
ADA 89102
PHONE (702) 457-5
EMAIL fhale@floydhale.com

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7. That each party pay their own fees and costs incurred herein.

DATED this 20th day of September, 2006.

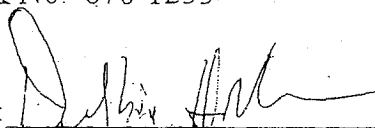
By: 
FLOYD HALE, Arbitrator
2300 West Sahara Avenue, #900
Las Vegas, NV 89102

CERTIFICATE OF FACSIMILE AND MAIL

I hereby certify that on the 21 day of September, 2006, I faxed and mailed a true and correct copy of the foregoing addressed to:

John Peter Lee, Esq.
830 Las Vegas Boulevard South
Las Vegas, NV 89101
Attorneys for Plaintiffs
Fax No. 383-9950

John Netzorg, Esq.
2810 West Charleston Blvd. #H-81
Las Vegas, NV 89102
Attorneys for Defendants
Fax No. 878-1255

By: 
Employee of Jams

1 ARB
2 FLOYD A. HALE, ESQ.
3 Nevada Bar No. 1873
4 JAMS
5 2300 W. Sahara, #900
6 Las Vegas, NV 89102
7 Ph: (702) 457-5267
8 Fax: (702) 437-5267
9 Arbitrator

DISTRICT COURT

CLARK COUNTY, NEVADA

10 GHOLAMREZA ZANDIAN JAZI,) Case No. A511131
11) Dept. No. XII
12 Plaintiff,)
13 vs.)
14 RAY KOROGHILI, individually,)
15 FABIRORZ FRED SADRI, individually,)
16 and as Trustee of the Star Living Trust,)
17 WENDOVER PROJECT, LLC, a Nevada)
18 limited liability company; BIG SPRING)
19 RANCH, LLC, a Nevada limited liability)
20 company, and NEVADA LAND AND)
21 WATER RESOURCES, LLC, a Nevada)
22 limited liability company,)
23 Defendants.)
24)
25)
26)
27)
28)

ARBITRATION DECISION

On October 11, 2006, the Arbitrator received the Defendant's **MOTION TO CHANGE AWARD BY ARBITRATOR PURSUANT TO NRS 38.237**. The Motion requests that Zandian Jazi: Execute documents necessary to have the property transferred as required by the Arbitration Decision; issue guarantees that he has not made transfers to third parties; assign shares of shipyard stock; warrant and verify that he is in a position to execute documents required by the

SPEC LISTER
2000 W. S. Suite 900
LAS VEGAS, NV 89102
PHONE (702) 457-5267 EMAIL fhaile@floydahale.com

1 Arbitration Decision and verify other factual issues that were the subject of the Arbitration
2 Agreement.

3
4 The Motion goes well beyond the Arbitration Decision asking to reopen evidentiary
5 matters which are unnecessary at this time. Furthermore, paragraph 6 of the Arbitration Decision
6 indicates as follows:

7 6. That the parties, through counsel, will prepare all necessary
8 documents to effect the transfers of the real estate assets and LLC
9 entities and the parties to this lawsuit and Arbitration will execute all
10 necessary documents to effect this Arbitration Order, including a
mutual Release to be executed by all parties.

11 The Defendant's MOTION TO CHANGE AWARD BY ARBITRATOR PURSUANT
12 TO NRS 38.237 is denied.

13 DATED this 11th day of October, 2006.

14
15
16 By: 

FLOYD A. HALE
2300 W. Sahara, #900
Las Vegas, NV 89102
Arbitrator

17
18
19 CERTIFICATE OF FACSIMILE

20
21 I hereby certify that on the 11th day of October, 2006, I faxed and mailed a true and
22 correct copy of the foregoing addressed to:

23 John Peter Lec, Esq.
24 830 Las Vegas Boulevard South
25 Las Vegas, NV 89101
26 Attorneys for Plaintiffs
27 Fax No. 383-9950

John Netzorg, Esq.
2810 West Charleston Blvd. #H-81
Las Vegas, NV 89102
Attorneys for Defendants
Fax No. 878-1255

26
27
28 By: 

Employee of Jams

SPECIAL SERVICE UNIT
2300 W. SAHARA, SUITE 900
LAS VEGAS, NV 89102
PHONE (702) 457-4267 FAX (702) 457-4267
E-MAIL: fhaale@floydahale.com

ATTORNEY AT LAW
830 LAS VEGAS BLVD. SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9957

1 AWD
JOHN PETER LEE, LTD.
2 JOHN PETER LEE, ESQ.
Nevada Bar No. 001768
3 MICHAEL A. REYNOLDS, ESQ.
Nevada Bar No. 008631
4 830 Las Vegas Boulevard South
Las Vegas, Nevada 89101
5 (702) 382-4044 Fax: (702) 383-9950
Attorneys for Plaintiff/Counterdefendant
6 GHOLAMREZA ZANDIAN JAZI

RECEIVED
NOV 30 2006
JOHN PETER LEE, LTD.

7 DISTRICT COURT
8 CLARK COUNTY, NEVADA

9 GHOLAMREZA ZANDIAN JAZI,)
10 Plaintiff,)
11 v.)
12 RAY KOROGHLI, individually, FARIBORZ FRED)
SADRI, individually, and as Trustee of the Star)
13 Living Trust, WENDOVER PROJECT, LLC, a)
Nevada limited liability company; BIG SPRING)
14 RANCH, LLC, a Nevada limited liability company,)
and NEVADA LAND AND WATER)
15 RESOURCES, LLC, a Nevada limited liability)
company,)
16 Defendants.)

CASE NO.: A511131
DEPT. NO.: XIII

BEFORE ARBITRATOR
FLOYD A. HALE

IMPLEMENTATION AWARD

18 RAY KOROGHLI, individually and FARIBORZ)
FRED SADRI, individually,)
19 Counterclaimants,)
20 v.)
21 GHOLAMREZA ZANDIAN JAZI,)
22 Counterdefendant.)
23
24 WENDOVER PROJECT, LLC,)
25 Counterclaimant,)
26 v.)
27 GHOLAMREZA ZANDIAN JAZI,)
28 Counterdefendant.)

1 GHOLAMREZA ZANDIAN JAZI,)
 2 Counterclaimant,)
 3 v.)
 4 WENDOVER PROJECT, LLC,)
 5 Counterdefendant.)

6 1334.022860-sy

7 **IMPLEMENTATION AWARD**

8 On September 20, 2006, an Arbitration Decision was issued in this dispute. Plaintiff
 9 GHOLAMREZA ZANDIAN JAZI filed his Motion to Enforce Arbitration Decision on September
 10 25, 2006. On October 24, 2006, Plaintiff filed his Motion to Implement Arbitration Award. On
 11 October 26, 2006, Plaintiff filed his Amendment to Motion to Implement Arbitration Award and
 12 Request for Expedited Hearing. On October 31, 2006, Defendants Sadri and Koroghli filed their
 13 Opposition to Motion to Implement Arbitration Award. Plaintiff filed his Reply Re: Motion to
 14 Implement Arbitration Award on November 2, 2006.

15 After considering the papers filed by both parties including draft transfer documents;

16 **THE FOLLOWING IMPLEMENTATION AWARD IS ENTERED:**

- 17 1. Defendants shall pay to John Peter Lee, Ltd., the sum of \$250,000 within five (5)
- 18 days.
- 19 2. Defendants are to execute and deliver to Plaintiff's Counsel within ten days of this
- 20 Award a Quitclaim Deed of the 320 acre parcel provided as Exhibit "1" by Plaintiff
- 21 on the 2nd day of November, 2006.
- 22 3. Defendants are to execute and deliver to Plaintiff's counsel within ten days of this
- 23 Award the Grant, Bargain and Sale Deed of the 320 acre parcel provided by Plaintiff
- 24 as Exhibit "2" on the 2nd of November, 2006.
- 25 4. Defendants are to execute and deliver to Plaintiff's counsel within ten days of this
- 26 Award the Quitclaim Deed of the 320 acre parcel provided by Plaintiff as Exhibit "3"
- 27 on November 2, 2006.
- 28 5. Defendants are to execute and deliver to Plaintiff's counsel within ten days of this

ATTORNEY AT LAW
 830 LAS VEGAS BLVD. SOUTH
 LAS VEGAS, NEVADA 89101
 Telephone (702) 382-4044
 Telecopier (702) 383-9953

ATTORNEY AT LAW
830 LAS VEGAS, NEVADA 89101
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

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- Award the Grant, Bargain and Sale Deed of the Pah-Rah parcel provided by Plaintiff as Exhibit "4" on November 2, 2006.
- 6. Mr. Sadri is to execute and deliver to Plaintiff's counsel within ten days of this Award the Request for Full Reconveyance concerning the \$333,000 Note provided by Plaintiff as Exhibit "5" on November 2, 2006.
- 7. Mr. Zandian is to execute and deliver to Defendants' counsel within ten days of this Award the Quitclaim Deed of the Wendover parcel provided by Plaintiff as Exhibit "6" on November 2, 2006.
- 8. Mr. Zandian is to execute and deliver to Defendants' counsel within ten days of this Award the Assignment of Interest in Wendover Project, LLC, provided by Plaintiff as Exhibit "7" on November 2, 2006.
- 9. Mr. Zandian is to execute and deliver to Defendants' counsel within ten days of this Award the Quitclaim Deed of the Big Spring Ranch parcel provided by Plaintiff as Exhibit "8" on November 2, 2006.
- 10. Mr. Zandian is to execute and deliver to Defendant's counsel within ten days of this Award the Assignment of Interest in Big Spring Ranch, LLC., provided by Plaintiff as Exhibit "9" on November 2, 2006.
- 11. Mr. Zandian is to execute and deliver to Defendants' counsel within ten days of this Award the Assignment of Interest in Nevada Land and Water Resources, LLC., provided by Plaintiff as Exhibit "10" on November 11, 2006.
- 12. Mr. Zandian is to record and deliver to Defendants' counsel within ten days of this Award the four (4) Releases of Lis Pendens provided by Plaintiff as Exhibit "11" on November 2, 2006.
- 13. Mr. Zandian is to execute, file and deliver to Defendants' counsel within ten days of this Award the Certificate of Resignation concerning Wendover Project, LLC., provided by Plaintiff as Exhibit "12" on November 2, 2006.
- 14. Mr. Zandian is to execute, file and deliver to Defendants' counsel within ten days of this Award the Certificate of Resignation concerning Nevada Land and Water

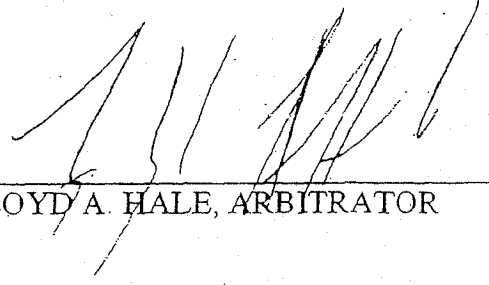
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Resources, LLC, provided as Exhibit "13" on November 2, 2006.

15. Mr. Zandian is to execute, file and deliver to Defendants' counsel within ten days of this Award the Certificate of Resignation concerning Big Spring Ranch, LLC., provided by Plaintiff as Exhibit "14" on November 2, 2006.

16. All parties are to sign the Mutual Release of Claims provided by Plaintiff as Exhibit "16" on November 2, 2006, and deliver a Counterpart to the other party's counsel within ten (10) from this Award.

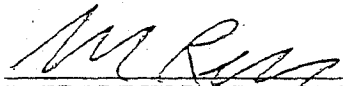
Dated this 29th day of November, 2006.



FLOYD A. HALE, ARBITRATOR

Respectfully submitted

JOHN PETER LEE, LTD.


JOHN PETER LEE, ESQ.
Nevada Bar No. 001768
MICHAEL A. REYNOLDS, ESQ.
Nevada Bar No. 008631
830 Las Vegas Boulevard South
Las Vegas, Nevada 89101
(702) 382-4044 Fax: (702) 383-9950
Attorneys for Plaintiff/Counterdefendant

ATTORNEY AT LAW
830 LAS VEGAS BLVD. SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

CERTIFICATE OF FACSIMILE AND MAILING

I hereby certify that on the 29th day of November 2006, I faxed and mailed a true and correct copy of the foregoing Implementation Award addressed to:

John Peter Lee, Esq.
830 Las Vegas Boulevard South
Las Vegas, NV 89101
Attorneys for Plaintiffs
Fax No. 383-9950

John Netzorg, Esq.
2810 West Charleston Blvd. #H-81
Las Vegas, NV 89102
Attorneys for Defendants
Fax No. 878-1255

By: 

Employee of Jams

1 ARB
2 FLOYD A. HALE, ESQ.
3 Nevada Bar No. 1873
4 JAMS
5 2300 W. Sahara, #900
6 Las Vegas, NV 89102
7 Ph: (702) 457-5267
8 Fax: (702) 437-5267
9 Arbitrator:

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MAR 02 2007

JOHN PETER LEE, LTD.

DISTRICT COURT

CLARK COUNTY, NEVADA

10 GHOLAMREZA ZANDIAN JAZI,) Case No. A511131
11) Dept. No. XII
12 Plaintiff,)
13 vs.)
14 RAY KOROGHLI, individually,)
15 FABIRORZ FRED SADRI, individually,)
16 and as Trustee of the Star Living Trust,)
17 WENDOVER PROJECT, LLC, a Nevada)
18 limited liability company, BIG SPRING)
19 RANCH, LLC, a Nevada limited liability)
20 company, and NEVADA LAND AND)
21 WATER RESOURCES, LLC, a Nevada)
22 limited liability company,)
23 Defendants.)

ARBITRATOR REPORT AND RECOMMENDATION TO
DISTRICT COURT

23 This matter was submitted to Arbitration and Arbitration Hearings were conducted for two
24 days, as well as the submission of voluminous exhibits, depositions and briefs. During the
25 Arbitration proceeding, the parties agreed to meet with the Arbitrator in an effort to resolve the
26 dispute. With agreement of counsel, the parties met directly with the Arbitrator and an agreement
27 for a final conclusion of this matter was read into the record, being recorded by a court reporter.
28

FLOYD A. HALE
SPECI STPO 900
2300 W. SA
LAS VEG. VAL. 102
PHONE (702) 457-5267 EMAIL fhaile@floydthale.com

1 The undersigned then issued an Arbitration Decision based upon the evidence submitted as well
2 as the agreement of the parties.

3
4 On January 11, 2007, counsel for the parties conducted a hearing before this Court
5 regarding confirmation of the Arbitration Award. Counsel for the parties could not reach an
6 agreement as to what documents needed to be signed to effect the Arbitration Decision. For that
7 reason, the matter was referred back to the Arbitrator for further proceedings. The actual
8 reference, contained in page 25, line 6-14 of the January 11, 2007, transcript is as follows:

9
10 THE COURT: I'm going to resolve your problem. Its real easy. I am
11 going to refer the matter back to Floyd Hale for further proceedings,
12 consistent with the 9/8/06 transcript. Those will include getting the
13 mechanism for the spouses of the parties to sign the documents, getting
14 a mechanism for the waiver of the release of the rights of first refusal
15 that exist, entering into the settlement agreement the parties entered
16 into. If he is unable to reach an agreement among the parties, then I
17 will have the final word.

18
19 The District Court has already indicated that wives of the principals will need to sign
20 documents. The following report and recommendation will reference the parties to the
21 Arbitration with the understanding that the District Court has already indicated that wives for
22 those parties will be required to sign all necessary documents.

23
24 IT IS REPORTED AND RECOMMENDED to the Court that the following documents
25 will need to be executed by the parties and their wives:

26
27 4,400 acres of real estate, owned by Poh Rah, LLC: The only members of the Pah Rah,
28 LLC are the parties to this action: Zandian Jazi; Ray Koroghli and Fred Sadri. These parties will
be required to sign a Grant Bargain Sale Deed to transfer the 4,400 acres of real estate to Zandian
Jazi. Fred Sadri will need to execute a full reconveyance of the Deed of Trust and release the
Promissory Note which was secured by the Deed of Trust as to this property. The parties will also

1 have to sign a waiver of any right of first refusal to this property.

2 320 acres owned by Big Springs Ranch, LLC. The only members of the Big Springs
3 Ranch LLC, are the parties to this action and Mr. Abrishami. If Mr. Zandian Jazi can obtain the
4 signature of Mr. Abrishami on a Deed to transfer this property, then the parties to this action must
5 all execute a Grant Bargain Sale Deed transferring this real estate to Zandian Jazi. If Mr. Jandian
6 Jazi is unable to obtain the signature of Mr. Abrishami, then Mr. Sadri and Mr. Koroghli are
7 required to sign a Quit Claim Deed from Big Springs Ranch, LLC to Zandian Jazi to sign waivers
8 of rights of first refusal.
9

10 \$250,000.00 Payment to Zandian Jazi: There has been a dispute as to what entity is
11 responsible for making this payment. During the Arbitration Proceedings, as well as during prior
12 meetings with the parties, it was represented to the Arbitrator that Mr. Sadri and Mr. Koroghli
13 would make this payment. It is Recommended that either Mr. Sadri or Mr. Koroghli, or both, are
14 individually responsible for this payment. Sadri and Koroghli may, however, execute the
15 payment check or draft in whatever representative capacity that they believe is the most
16 appropriate.
17
18

19 Transfer of Wendover Project, LLC Interest: Zandian Jazi has agreed to waive or transfer
20 any interest that he has, if any, in the Wendover Project, LLC. Mr. Netzorg has argued that it is
21 incumbent upon Mr. Zandian Jazi to obtain signatures on waivers of rights of first refusal from
22 all members of the LLC. This was not part of the settlement agreement and the District Court
23 should be aware that the Defendants contested that Zandian Jazi even owned rights in the
24 Wendover Project, LLC at the time of the arbitration.
25
26

27 It is the Report and Recommendation of the Arbitrator that Zandian Jazi sign a transfer
28 of all interest that he owns in the Wendover Project, LLC directly to: "Wendover Project, LLC."

FLOYD ^ HALE
SPECI ST
2300 W. SAH E. 300
LAS VEGAS, NV 89102
PHONE: (702) 457-5267 EMAIL: fhaile@floyd hale.com

1 Zandian Jazi must also sign a waiver of any right of first refusal that he has as to that LLC.

2 The remaining managing members of the Wendover Project LLC are responsible for
3 determining the appropriate allocation of the Zandian Jazi interest. If they believe that it is
4 necessary to obtain waivers of rights of first refusal to make that allegation of interest, then it is
5 their responsibility to do so. Before distributing Mr. Zandian Jazi's interest, the managing
6 members of the LLC should either distribute that interest in accordance with the operating
7 agreements or, alternatively, obtain whatever signatures that the managing members determine
8 are necessary to make a different distribution or allocation of that interest. It would seem unfair
9 to place this burden on the transferring party who is merely transferring his interest to the entire
10 Wendover Project, LLC.
11

12 Big Springs Ranch, LLC: As with the Wendover Project, LLC, Mr. Zandian Jazi will be
13 required to execute a transfer of interest and waiver of any interest of the Big Springs Ranch,
14 LLC, directly to: "Big Springs Ranch, LLC." He must also execute a waiver of right of first
15 refusal that he would have under that LLC. As stated with the Wendover Project, LLC, it is the
16 duty of the managing members of the Big Springs Ranch, LLC, to make an appropriate
17 distribution or allocation of this interest. The remaining managing members of the Big Springs
18 Ranch, LLC must either transfer the property as required by the operating agreement or obtain
19 whatever waivers of rights of first refusal that are necessary to make a transfer which they believe
20 are necessary.
21

22 **CONCLUSION:**

23 Mr. Netzorg has contested the requirement that the receiving LLC entities are required to
24 obtain waivers of rights of first refusal. Actually, waivers are not necessary if the receiving
25 interest is transferred pursuant to the operating agreement. If the managing members want to
26
27
28

1 obtain waivers of rights of first refusal to make a different distribution, they are certainly free to
2 do so. That should not be the burden of Mr. Zandian Jazi.

3
4 Mr. Netzorg has also asked for numerous documents regarding a purported transfer of Mr.
5 Zandian Jazi's shipyard stock. There was absolutely no evidence that any entity related to these
6 proceedings acknowledged receipt of that stock or issued any credit related to receipt of that
7 stock. Although that stock was discussed during the Arbitration proceedings, there was no
8 competent evidence regarding that stock being relevant to the Arbitration proceedings.

9
10 RESPECTFULLY SUBMITTED this 28th day of February, 2007.

11
12 By: 

13 FLOYD A. HALE
14 2300 W. Sahara, #900
15 Las Vegas, NV 89102
16 Arbitrator

17 CERTIFICATE OF FACSIMILE AND MAIL

18 I hereby certify that on the 28th day of February, 2007, I faxed and mailed a true and
19 correct copy of the foregoing addressed to:

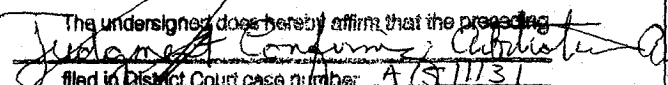
20 John Peter Lee, Esq.
21 830 Las Vegas Boulevard South
22 Las Vegas, NV 89101
23 Attorneys for Plaintiffs
24 Fax No. 383-9950

25 John Netzorg, Esq.
26 2810 West Charleston Blvd. #H-81
27 Las Vegas, NV 89102
28 Attorneys for Defendants
29 Fax No. 878-1255

30 By: 

Employee of Jams

AFFIRMATION
Pursuant to NRS 230B.030

The undersigned does hereby affirm that the preceding

filed in District Court case number A-511131
DOES NOT contain the social security number of any person.

Date 6/8/07

FLOYD A. HALE
SPECIAL TER
2300 W. SAHARA, SUITE 900
LAS VEGAS, NV 89102
PHONE (702) 457-5267 EMAIL fhale@floydhale.com

RECEIPT OF COPY

RECEIPT OF COPY of the foregoing NOTICE OF ENTRY OF JUDGMENT
CONFIRMING ARBITRATION AWARD is hereby acknowledged this 8th day of June, 2007.

JAMS, The Resolution Experts

By: Floyd A. Hale, Esq.
Floyd A. Hale, Esq.
2300 West Sahara Avenue #900
Las Vegas, Nevada 89102

John M. Netzorg, Esq.
John M. Netzorg, Esq.
2810 West Charleston Boulevard #81
Las Vegas, Nevada 89102
Attorneys for Defendants

JOHN FEELEK LEE, L.L.D.
ATTORNEY AT LAW
830 LAS VEGAS BLVD. SUITE 200
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

AFFIRMATION
Pursuant to NRS 239B.030
The undersigned does hereby affirm that the preceding
NOE JUDGMENT
filed in District Court case number 251131
DOES NOT contain the social security number of any person.
[Signature] Date 6/8/07

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_____)
GHOLAMREZA ZANDIAN JAZI,)

Counterclaimant,)

v.)

WENDOVER PROJECT, LLC,)

Counterdefendant.)
_____)

1334.022860-sy

ORDER ON POST-JUDGMENT MOTIONS

Defendants' Motion for Re-hearing and Motion to Amend or Alter Judgment Pursuant to NRCPC 59 (e), or in the Alternative, Motion for New Trial Pursuant to NRCPC 59 (a) came before this Court for hearing on July 17, 2007. Michael A. Reynolds, Esq., and Yvette R. Freedman, Esq., of the law firm of John Peter Lee, Ltd., appeared on behalf of Plaintiff, Gholamereza Zandian Jazi, and Steven L. Day, Esq., of Cohen, Johnson and Day, appeared on behalf of all Defendants.

The Court having considered the pleadings on file and the arguments of counsel, IT IS HEREBY ORDERED that Defendants' Motions are denied.


Dated this 19 day of July, 2007.



HONORABLE ELIZABETH GONZALEZ
DISTRICT COURT JUDGE, DEPARTMENT 11

RESPECTFULLY SUBMITTED BY:

JOHN PETER LEE, LTD.

BY: 

JOHN PETER LEE, ESQ.
Nevada Bar No. 001768
MICHAEL A. REYNOLDS, ESQ.
Nevada Bar No. 008631
830 Las Vegas Boulevard South
Las Vegas, Nevada 89101
(702) 382-4044 Fax: (702) 383-9950
Attorneys for Plaintiff/Counterdefendant
GHOLAMREZA ZANDIAN JAZI

JOHN PETER LEE, LTD.
ATTORNI AT LAW
830 LAS VEGAS BLVD. SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

FLOYD A. HALE
SPECIAL MASTER
2000 W. SAH
LAS VEGAS,
PHONE (702) 457-5267
E. SUITE 900
ADA 89102
EMAIL fhalet@floydahale.com

1 ARB
2 FLOYD A. HALE, ESQ.
3 Nevada Bar No. 1873
4 JAMS
5 2300 W. Sahara, #900
6 Las Vegas, NV 89102
7 Ph: (702) 457-5267
8 Fax: (702) 437-5267
9 Arbitrator

7 DISTRICT COURT
8
9 CLARK COUNTY, NEVADA

10 GHOLAMREZA ZANDIAN JAZI,) Case No. A511131
11)) Dept. No. XII
12 Plaintiff,)
13 vs.)
14 RAY KOROGHILI, individually,)
15 FABIRORZ FRED SADRI, individually,)
16 and as Trustee of the Star Living Trust,)
17 WENDOVER PROJECT, LLC, a Nevada)
18 limited liability company; BIG SPRING)
19 RANCH, LLC, a Nevada limited liability)
20 company, and NEVADA LAND AND)
21 WATER RESOURCES, LLC, a Nevada)
22 limited liability company,)
23 Defendants.)

21 ARBITRATION DECISION

22 On October 11, 2006, the Arbitrator received the Defendant's **MOTION TO CHANGE**
23 **AWARD BY ARBITRATOR PURSUANT TO NRS 38.237.** The Motion requests that
24 Zandian Jazi: Execute documents necessary to have the property transferred as required by the
25 Arbitration Decision; issue guarantees that he has not made transfers to third parties; assign shares
26 of shipyard stock; warrant and verify that he is in a position to execute documents required by the
27
28

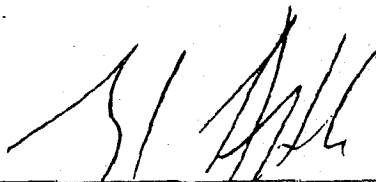
1 Arbitration Decision and verify other factual issues that were the subject of the Arbitration
2 Agreement.

3
4 The Motion goes well beyond the Arbitration Decision asking to reopen evidentiary
5 matters which are unnecessary at this time. Furthermore, paragraph 6 of the Arbitration Decision
6 indicates as follows:

7
8 6. That the parties, through counsel, will prepare all necessary
9 documents to effect the transfers of the real estate assets and LLC
10 entities and the parties to this lawsuit and Arbitration will execute all
11 necessary documents to effect this Arbitration Order, including a
12 mutual Release to be executed by all parties.

11 The Defendant's MOTION TO CHANGE AWARD BY ARBITRATOR PURSUANT
12 TO NRS 38.237 is denied.

13 DATED this 11th day of October, 2006.

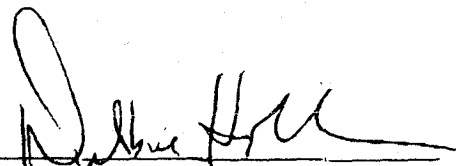
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15
16 By: 
17 FLOYD A. HALE
18 2300 W. Sahara, #900
19 Las Vegas, NV 89102
20 Arbitrator

21 CERTIFICATE OF FACSIMILE

22 I hereby certify that on the 11th day of October, 2006, I faxed and mailed a true and
23 correct copy of the foregoing addressed to:

24 John Peter Lec, Esq.
25 830 Las Vegas Boulevard South
26 Las Vegas, NV 89101
27 Attorneys for Plaintiffs
28 Fax No. 383-9950

John Netzorg, Esq.
2810 West Charleston Blvd. #H-81
Las Vegas, NV 89102
Attorneys for Defendants
Fax No. 878-1255

26
27 By: 
28 Employee of Jams

FLOYD A. HALE
SPEC. MASTER
2000 W. SAHARA, SUITE 900
LAS VEGAS, NV 89102
PHONE (702) 457-5267 EMAIL fhaa@bydhaile.com

EXHIBIT THREE

WFZ0351

1 AWD
JOHN PETER LEE, LTD.
2 JOHN PETER LEE, ESQ.
Nevada Bar No. 001768
3 MICHAEL A. REYNOLDS, ESQ.
Nevada Bar No. 008631
4 830 Las Vegas Boulevard South
Las Vegas, Nevada 89101
5 (702) 382-4044 Fax: (702) 383-9950
Attorneys for Plaintiff/Counterdefendant
6 GHOLAMREZA ZANDIAN JAZI

RECEIVED
NOV 30 2006
JOHN PETER LEE, LTD.

7 DISTRICT COURT
8 CLARK COUNTY, NEVADA

9 GHOLAMREZA ZANDIAN JAZI,
10 Plaintiff,

CASE NO.: A511131
DEPT. NO.: XIII

11 v.

12 RAY KOROGHLI, individually, FARIBORZ FRED)
SADRI, individually, and as Trustee of the Star)
13 Living Trust, WENDOVER PROJECT, LLC, a)
Nevada limited liability company; BIG SPRING)
14 RANCH, LLC, a Nevada limited liability company,)
and NEVADA LAND AND WATER)
15 RESOURCES, LLC, a Nevada limited liability)
company,)

BEFORE ARBITRATOR
FLOYD A. HALE

16 Defendants.

IMPLEMENTATION AWARD

17
18 RAY KOROGHLI, individually and FARIBORZ)
FRED SADRI, individually,)

19 Counterclaimants,

20 v.

21 GHOLAMREZA ZANDIAN JAZI,

22 Counterdefendant.

23
24 WENDOVER PROJECT, LLC,

25 Counterclaimant,

26 v.

27 GHOLAMREZA ZANDIAN JAZI,

28 Counterdefendant.

ATTORNEYS AT LAW
830 LAS VEGAS BLVD. SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9951

1 GHOLAMREZA ZANDIAN JAZI,)
 2 Counterclaimant,)
 3 v.)
 4 WENDOVER PROJECT, LLC,)
 5 Counterdefendant.)

6 1334.022860-sy

7 **IMPLEMENTATION AWARD**

8 On September 20, 2006, an Arbitration Decision was issued in this dispute. Plaintiff
 9 GHOLAMREZA ZANDIAN JAZI filed his Motion to Enforce Arbitration Decision on September
 10 25, 2006. On October 24, 2006, Plaintiff filed his Motion to Implement Arbitration Award. On
 11 October 26, 2006, Plaintiff filed his Amendment to Motion to Implement Arbitration Award and
 12 Request for Expedited Hearing. On October 31, 2006, Defendants Sadri and Koroghli filed their
 13 Opposition to Motion to Implement Arbitration Award. Plaintiff filed his Reply Re: Motion to
 14 Implement Arbitration Award on November 2, 2006.

15 After considering the papers filed by both parties including draft transfer documents;
 16 THE FOLLOWING IMPLEMENTATION AWARD IS ENTERED:

- 17 1. Defendants shall pay to John Peter Lee, Ltd., the sum of \$250,000 within five (5)
 18 days.
- 19 2. Defendants are to execute and deliver to Plaintiff's Counsel within ten days of this
 20 Award a Quitclaim Deed of the 320 acre parcel provided as Exhibit "1" by Plaintiff
 21 on the 2nd day of November, 2006.
- 22 3. Defendants are to execute and deliver to Plaintiff's counsel within ten days of this
 23 Award the Grant, Bargain and Sale Deed of the 320 acre parcel provided by Plaintiff
 24 as Exhibit "2" on the 2nd of November, 2006.
- 25 4. Defendants are to execute and deliver to Plaintiff's counsel within ten days of this
 26 Award the Quitclaim Deed of the 320 acre parcel provided by Plaintiff as Exhibit "3"
 27 on November 2, 2006.
- 28 5. Defendants are to execute and deliver to Plaintiff's counsel within ten days of this

JOHN PETER LEE, LTD.
 ATTORNEYS AT LAW
 830 LAS VEGAS BLVD. SOUTH
 LAS VEGAS, NEVADA 89101
 Telephone (702) 382-4044
 Telecopier (702) 383-9953

JOHN E. LEE, FID.
ATTORNEY AT LAW
830 LAS VEGAS BLVD. SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9983

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- Award the Grant, Bargain and Sale Deed of the Pah-Rah parcel provided by Plaintiff as Exhibit "4" on November 2, 2006.
- 6. Mr. Sadri is to execute and deliver to Plaintiff's counsel within ten days of this Award the Request for Full Reconveyance concerning the \$333,000 Note provided by Plaintiff as Exhibit "5" on November 2, 2006.
- 7. Mr. Zandian is to execute and deliver to Defendants' counsel within ten days of this Award the Quitclaim Deed of the Wendover parcel provided by Plaintiff as Exhibit "6" on November 2, 2006.
- 8. Mr. Zandian is to execute and deliver to Defendants' counsel within ten days of this Award the Assignment of Interest in Wendover Project, LLC, provided by Plaintiff as Exhibit "7" on November 2, 2006.
- 9. Mr. Zandian is to execute and deliver to Defendants' counsel within ten days of this Award the Quitclaim Deed of the Big Spring Ranch parcel provided by Plaintiff as Exhibit "8" on November 2, 2006.
- 10. Mr. Zandian is to execute and deliver to Defendant's counsel within ten days of this Award the Assignment of Interest in Big Spring Ranch, LLC., provided by Plaintiff as Exhibit "9" on November 2, 2006.
- 11. Mr. Zandian is to execute and deliver to Defendants' counsel within ten days of this Award the Assignment of Interest in Nevada Land and Water Resources, LLC., provided by Plaintiff as Exhibit "10" on November 11, 2006.
- 12. Mr. Zandian is to record and deliver to Defendants' counsel within ten days of this Award the four (4) Releases of Lis Pendens provided by Plaintiff as Exhibit "11" on November 2, 2006.
- 13. Mr. Zandian is to execute, file and deliver to Defendants' counsel within ten days of this Award the Certificate of Resignation concerning Wendover Project, LLC., provided by Plaintiff as Exhibit "12" on November 2, 2006.
- 14. Mr. Zandian is to execute, file and deliver to Defendants' counsel within ten days of this Award the Certificate of Resignation concerning Nevada Land and Water

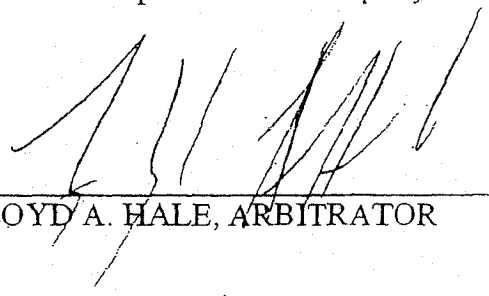
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Resources, LLC, provided as Exhibit "13" on November 2, 2006.

15. Mr. Zandian is to execute, file and deliver to Defendants' counsel within ten days of this Award the Certificate of Resignation concerning Big Spring Ranch, LLC., provided by Plaintiff as Exhibit "14" on November 2, 2006.

16. All parties are to sign the Mutual Release of Claims provided by Plaintiff as Exhibit "16" on November 2, 2006, and deliver a Counterpart to the other party's counsel within ten (10) from this Award.


Dated this 29th day of November, 2006.



FLOYD A. HALE, ARBITRATOR

Respectfully submitted

JOHN PETER LEE, LTD.


JOHN PETER LEE, ESQ.
Nevada Bar No. 001768
MICHAEL A. REYNOLDS, ESQ.
Nevada Bar No. 008631
830 Las Vegas Boulevard South
Las Vegas, Nevada 89101
(702) 382-4044 Fax: (702) 383-9950
Attorneys for Plaintiff/Counterdefendant

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEG. BLVD. SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

CERTIFICATE OF FACSIMILE AND MAILING

I hereby certify that on the 29th day of November 2006, I faxed and mailed a true and correct copy of the foregoing Implementation Award addressed to:

John Peter Lee, Esq.
830 Las Vegas Boulevard South
Las Vegas, NV 89101
Attorneys for Plaintiffs
Fax No. 383-9950

John Netzorg, Esq.
2810 West Charleston Blvd. #H-81
Las Vegas, NV 89102
Attorneys for Defendants
Fax No. 878-1255

By: 

Employee of Jams

Exhibit 1

APN: 076-100-19

WHEN RECORDED, RETURN TO
JOHN PETER LEE, LTD.
830 Las Vegas Boulevard South
Las Vegas, Nevada 89101

GRANTEE/MAIL TAX STATEMENTS TO:
JOHN PETER LEE, LTD.
830 Las Vegas Boulevard South
Las Vegas, Nevada 89101

320 acre parcel

QUITCLAIM DEED

By this instrument dated this ____ day of _____, 2006, for a valuable consideration, Ray Koroghli, individually, and Fariborz Fred Sadri, individually and as Trustee of the Star Living Trust, do hereby remise, release and forever quitclaim to Gholamreza Zandian Jazi, the following described real property in the State of Nevada, County of Washoe:

Set forth in Exhibit A attached and incorporated herein by this reference

RAY KOROGHLI, individually

FARIBORZ FRED SADRI, individually

FARIBORZ FRED SADRI, as Trustee of the
Star Living Trust

STATE OF NEVADA)
) SS.:
COUNTY OF CLARK)

On _____, 2006, before me the undersigned, a Notary Public in and for said County and State, personally appeared Ray Koroghli, known to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.

NOTARY PUBLIC

STATE OF NEVADA)
) SS.:
COUNTY OF CLARK)

On _____, 2006, before me the undersigned, a Notary Public in and for said County and State, personally appeared Fariborz Fred Sadri, known to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.

NOTARY PUBLIC

STATE OF NEVADA)
) SS.:
COUNTY OF CLARK)

On _____, 2006, before me the undersigned, a Notary Public in and for said County and State, personally appeared Fariborz Fred Sadri, Trustee of the Star Living Trust, known to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.

NOTARY PUBLIC

County Home => Assessor's Office => Property Assessment Data => Parcel QuickInfo

WASHOE COUNTY QUICK INFO (Summary data may not be complete representation of property) 10/18/2006

Owner Information & Legal Description				Building Information			
APN 076-100-19				Property Name:			
Parcel Map | Map Warehouse				Quality		Bldg Type	
Card 1 of 1				Stories			
Situs	SPANISH SPRINGS RD			Year Built	0	Square Feet 0	
Owner 1	BIG SPRING RANCH LLC			W.A.Y.	0	Square Feet does not include Bsmt or Garage Conversion area click for details	
Mail Address	P O BOX 81624			Bedrooms	0		
	LAS VEGAS NV 89180-1624			Full Baths	0	Finished Bsmt 0	
Owner 2				Half Baths	0	Unfin Bsmt 0	
Owner 3				Fixtures	0	Bsmt Type	
Rec Doc No	02957442	Rec Date	11/21/2003	Fireplaces	0	Gar Conv Sq Foot 0	
Prior Owner	GRAHAM,EARL L & JONI			Heat Type		Total Gar Area 0	
Prior Doc	02623847 11/30/2001			Sec Heat Type		Gar Type	
Legal Desc	34-1-1-2			Ext Walls		Det Garage 0	
Subdivision	34-1-1-2			Sec Ext Walls		Bsmt Gar Door 0	
	Lot	Block	Sub Map#	Roof Cover		Sub Floor	
				%Incomplete	0	Frame	
	Record of Survey Map		Parcel Map#	Obso/Bldg Adj	0	Units/Bldg 0	
	Section 34	Township 21	Range 21	Construction Mod	0	Units/Parcel 0	
			SPC	Last Activity	CEM 04/08/1996	Last Permit	
Tax Dist	4400	Add'l Tax Info	Prior APN				

Land Information											
Land Use	012	Zoning	GR	Sewer	NONE	Value Year	2007	Reason	Reappraisal	Factor Dist	586R
Size	320 Ac	Water	NONE	Street	NONE			Reapp Years	2002-2007		

Valuation Information			2005/2006 FV	2006/2007 FV	Sales/Transfer Information/Recorded Document					
					V-Code	LUC	Doc Date	Value	Grantor	
Taxable Land Value			78,304	86,917	1SVR	012	11/21/2003	95,000	GRAHAM,EARL L & JONI	
Txble Improvement Value			0	0	3NTT	012	11/30/2001	0	LONDON,DALE R	
Secured Personal Property (rounded)			0	0	3NTT	012	11/30/2001	0	GRAHAM,EARL L & JONI	
Taxable Total			78,304	86,917			07/07/1997	0		
Assessed Land Value			27,406	30,421	1GCR	012	06/03/1997	70,000		
Assessed Improvement Value			0	0			08/01/1976	10,980		

All data on this form is for use by the Washoe County Assessor for

Assessed Personal Prop		0	assessment purposes only. Zoning information should be verified with the appropriate planning agency.
Total Assessed	27,406	30,421	
Supplemental New Const	0	0	

We are currently experiencing some problems with our photo and sketch database which can cause the wrong sketch or photo to display, please review any sketches and photos carefully.

Sketch Is Not Available On-Line.	Property Photo Is Not Available On-Line.
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99052

:: return to original page ::

Exhibit 2

APN: 076-100-19

WHEN RECORDED, RETURN TO

JOHN PETER LEE, LTD.
830 Las Vegas Boulevard South
Las Vegas, Nevada 89101

GRANTEE/MAIL TAX STATEMENTS TO:

JOHN PETER LEE, LTD.
830 Las Vegas Boulevard South
Las Vegas, Nevada 89101

320 acre parcel

GRANT, BARGAIN AND SALE DEED

THIS INDENTURE, made this ____ day of _____, 2006, by and between Big Spring Ranch, LLC, as Grantor, and Gholamreza Zandian Jazi, as Grantee:

WITNESSETH

That Grantor, in consideration of the sum of Ten Dollars (\$10.00) lawful money of the United States, and good and valuable consideration, paid to Grantor by Grantee, the receipt whereof is hereby acknowledged, does by these presents grant, bargain and sell to Grantee and to Grantee's successors and assigns, all those certain lots, pieces, or parcels of land situated in the County of Washoe, State of Nevada, and more particularly described as follows:

Set forth in Exhibit A attached and incorporated herein by this reference

TOGETHER WITH all and singular the tenements, hereditaments, and appurtenances thereunto belonging or in anywise appertaining, and the reversion and reversions, remainder or remainders, rents, issues, and profits thereof.

SUBJECT TO rights, reservations and restrictions of record.

TO HAVE AND TO HOLD all and singular the premises, together with the appurtenances, unto Grantee and to Grantee's successors and assigns forever.

IN WITNESS WHEREOF, Grantor have executed this conveyance the day and year first above written.

BIG SPRING RANCH, LLC

BY: _____
RAY KOROGHLI, Member/Manager

BY: _____
FARIBORZ FRED SADRI, Member/Manager

STATE OF NEVADA)
) SS.:
COUNTY OF CLARK)

On _____, 2006, before me the undersigned, a Notary Public in and for said County and State, personally appeared Ray Koroghli, known to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.

NOTARY PUBLIC

STATE OF NEVADA)
) SS.:
COUNTY OF CLARK)

On _____, 2006, before me the undersigned, a Notary Public in and for said County and State, personally appeared Fariborz Fred Sadri, known to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.

NOTARY PUBLIC

County Home => Assessor's Office => Property Assessment Data => Parcel QuickInfo

WASHOE COUNTY QUICK INFO (Summary data may not be complete representation of property) 10/18/2006

Owner Information & Legal Description				Building Information			
APN 076-100-19				Property Name:			
Parcel Map | Map Warehouse				Bldg Type			
Card 1 of 1				Quality			
Situs SPANISH SPRINGS RD				Stories			
Owner 1 BIG SPRING RANCH LLC				Year Built 0			
Mail Address P O BOX 81624				W.A.Y. 0			
LAS VEGAS NV 89180-1624				Bedrooms 0			
Owner 2				Full Baths 0			
Owner 3				Half Baths 0			
Rec Doc No 02957442	Rec Date 11/21/2003		Square Feet does not include Bsmt or Garage Conversion area click for details				
Prior Owner GRAHAM,EARL L & JONI				Finished Bsmt 0			
Prior Doc 02623847 11/30/2001				Unfin Bsmt 0			
Legal Desc 34-1-1-2				Fixtures 0			
Subdivision 34-1-1-2				Fireplaces 0			
Lot	Block	Sub Map#	Heat Type				
Record of Survey Map			Sec Heat Type				
Section 34 Township 21 Range 21			Ext Walls				
SPC			Sec Ext Walls				
Tax Dist 4400 Add'l Tax Info			Roof Cover				
Prior APN			%Incomplete 0				
				Obso/Bldg Adj 0			
				Construction Mod 0			
				Last Activity CEM 04/08/1996			
				Last Permit			

Land Information									
Land Use 012	Zoning GR	Sewer NONE	Value Year 2007	Reason Reappraisal	Factor Dist 586R				
Size 320 Ac	Water NONE	Street NONE	Reapp Years 2002-2007						

Valuation Information			2005/2006 FV		2006/2007 FV		Sales/Transfer Information/Recorded Document					
Taxable Land Value	78,304	86,917						V-Code	LUC	Doc Date	Value	Grantor
Txble Improvement Value	0	0						1SVR	012	11/21/2003	95,000	GRAHAM,EARL L & JONI
Secured Personal Property (rounded)	0	0						3NTT	012	11/30/2001	0	LONDON,DALE R
Taxable Total	78,304	86,917						3NTT	012	11/30/2001	0	GRAHAM,EARL L & JONI
Assessed Land Value	27,406	30,421								07/07/1997	0	
Assessed Improvement Value	0	0						1GCR	012	06/03/1997	70,000	
										08/01/1976	10,980	

All data on this form is for use by the Washoe County Assessor for

Exhibit 3

STATE OF NEVADA)
) SS.:
COUNTY OF CLARK)

On the ____ day of _____, 2006, before me the undersigned, a Notary Public in and for said County and State, personally appeared Fariborz Fred Sadri, known to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.

NOTARY PUBLIC

County Home => Assessor's Office => Property Assessment Data => Parcel QuickInfo

WASHOE COUNTY QUICK INFO (Summary data may not be complete representation of property)				10/18/2006	
Owner Information & Legal Description			Building Information		
APN	076-100-19		Property Name:		
Parcel Map | Map Warehouse			Quality	Bldg Type	
Card 1 of 1			Stories		
Situs	SPANISH SPRINGS RD		Year Built	0	Square Feet 0
Owner 1	BIG SPRING RANCH LLC		W.A.Y.	0	Square Feet does not include Bsmt or Garage Conversion area click for details
Mail Address	P O BOX 81624		Bedrooms	0	
	LAS VEGAS NV 89180-1624		Full Baths	0	Finished Bsmt 0
Owner 2			Half Baths	0	Unfin Bsmt 0
Owner 3			Fixtures	0	Bsmt Type
Rec Doc No	02957442	Rec Date	11/21/2003	Fireplaces	0
Prior Owner	GRAHAM,EARL L & JONI		Heat Type		Total Gar Area 0
Prior Doc	02623847	11/30/2001		Sec Heat Type	Gar Type
Legal Desc	34-1-1-2		Ext Walls		Det Garage 0
Subdivision	34-1-1-2		Sec Ext Walls		Bsmt Gar Door 0
	Lot Block	Sub Map#	Roof Cover		Sub Floor
	Record of Survey Map	Parcel Map#	%Incomplete	0	Frame
Section 34	Township 21	Range 21	Obso/Bldg Adj	0	Units/Bldg 0
		SPC	Construction Mod	0	Units/Parcel 0
Tax Dist	4400	Add'l Tax Info	Last Activity	CEM 04/08/1996	Last Permit
		Prior APN			

Land Information											
Land Use	012	Zoning	GR	Sewer	NONE	Value Year	2007	Reason	Reappraisal	Factor Dist	586R
Size	320 Ac	Water	NONE	Street	NONE			Reapp Years	2002-2007		

Valuation Information			Sales/Transfer Information/Recorded Document				
	2005/2006 FV	2006/2007 FV	Y-Code	LUC	Doc Date	Value	Grantor
Taxable Land Value	78,304	86,917	1SVR	012	11/21/2003	95,000	GRAHAM,EARL L & JONI
Txble Improvement Value	0	0	3NTT	012	11/30/2001	0	LANDON,DALE R
Secured Personal Property (rounded)	0	0	3NTT	012	11/30/2001	0	GRAHAM,EARL L & JONI
Taxable Total	78,304	86,917			07/07/1997	0	
Assessed Land Value	27,406	30,421	1GCR	012	06/03/1997	70,000	
Assessed Improvement Value	0	0			08/01/1976	10,980	

All data on this form is for use by the Washoe County Assessor for

Assessed Personal Prop		0	assessment purposes only. Zoning information should be verified with the appropriate planning agency.
Total Assessed	27,406	30,421	
Supplemental New Const	0	0	

We are currently experiencing some problems with our photo and sketch database which can cause the wrong sketch or photo to display, please review any sketches and photos carefully.

Sketch Is Not Available On-Line.	Property Photo Is Not Available On-Line.
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Exhibit 4

APN: 079-150-09, 079-150-10, 07-150-13
084-040-02, 084-040-04, 084-040-06
084-040-10, 084-130-07, -84-140-17

WHEN RECORDED, RETURN TO

JOHN PETER LEE, LTD.
830 Las Vegas Boulevard South
Las Vegas, Nevada 89101

GRANTEE/MAIL TAX STATEMENTS TO:

JOHN PETER LEE, LTD.
830 Las Vegas Boulevard South
Las Vegas, Nevada 89101

Pah Rah parcel

GRANT, BARGAIN AND SALE DEED

THIS INDENTURE, made this ____ day of _____, 2006, by and between Ray Koroghli, individually, and Fariborz Fred Sadri, individually and as Trustee of the Star Living Trust, as Grantors, and Gholamreza Zandian Jazi, as Grantee:

WITNESSETH

That Grantors, in consideration of the sum of Ten Dollars (\$10.00) lawful money of the United States, and good and valuable consideration, paid to Grantors by Grantee, the receipt whereof is hereby acknowledged, does by these presents grant, bargain and sell to Grantee and to Grantee's successors and assigns, all those certain lots, pieces, or parcels of land situated in the County of Washoe, State of Nevada, and more particularly described as follows:

Set forth in Exhibit A attached and incorporated herein by this reference

TOGETHER WITH all and singular the tenements, hereditaments, and appurtenances thereunto belonging or in anywise appertaining, and the reversion and reversions, remainder or remainders, rents, issues, and profits thereof.

SUBJECT TO rights, reservations and restrictions of record.

TO HAVE AND TO HOLD all and singular the premises, together with the appurtenances, unto Grantee and to Grantee's successors and assigns forever.

WFZ0373

IN WITNESS WHEREOF, Grantors have executed this conveyance the day and year first above written.

RAY KOROGHLI, individually

FARIBORZ FRED SADRI, individually

FARIBORZ FRED SADRI, as Trustee of the
Star Living Trust

STATE OF NEVADA)
) SS.:
COUNTY OF CLARK)

On _____, 2006, before me the undersigned, a Notary Public in and for said County and State, personally appeared Ray Koroghli, known to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.

NOTARY PUBLIC

STATE OF NEVADA)
) SS.:
COUNTY OF CLARK)

On _____, 2006, before me the undersigned, a Notary Public in and for said County and State, personally appeared Fariborz Fred Sadri, known to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.

NOTARY PUBLIC

STATE OF NEVADA)
) SS.:
COUNTY OF CLARK)

On _____, 2006, before me the undersigned, a Notary Public in and for said County and State, personally appeared Fariborz Fred Sadri, Trustee of the Star Living Trust, known to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.

NOTARY PUBLIC



any rights of ingress and egress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded February 22, 1991 in Book 3216, Page 526 as Document No. 1461483 of Official Records.

PARCEL C:

A.P.N. 079-150-13

The Northeast $\frac{1}{4}$; South $\frac{1}{2}$ of the Northwest $\frac{1}{4}$; South $\frac{1}{2}$ of Section 27, Township 21 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with any rights of ingress and egress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded January 09, 1990 in Book 3019, Page 756 as Document No. 1373452 of Official Records.

PARCEL D:

A.P.N. 084-040-02

Section 5, Township 20 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with any rights of ingress and egress in, upon or over the property and to make such



use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded February 22, 1991 in Book 3216, Page 526 as Document No. 1461483 of Official Records.

PARCEL E:

A.P.N. 084-040-04

Section 3, Township 20 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with any rights of ingress and egress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded January 03, 1992 in Book 3391, Page 840 as Document No. 1534872 of Official Records.

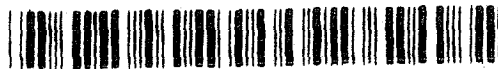
PARCEL F:

A.P.N. 084-040-06

Section 1, Township 20 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with any rights of ingress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection



therewith, as reserved in the Deed recorded January 03, 1992 in Book 3391, Page 840 as Document No. 1534872 of Official Records.

PARCEL G:

A.P.N. 084-040-10

The North $\frac{1}{2}$ and the North $\frac{1}{2}$ of the Northwest $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ and the Southwest $\frac{1}{4}$ of the Northwest $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ and the North $\frac{1}{2}$ of the Northeast $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ and the North $\frac{1}{2}$ of the Northwest $\frac{1}{4}$ of the Southeast $\frac{1}{4}$, all in Section 11, Township 20 North, Range 23 East, M.D.B.&M.

ALSO EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with any rights of ingress and egress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded January 03, 1992 in Book 3391, Page 840 as Document No. 1534872 of Official Records.

PARCEL H:

A.P.N. 084-130-07

The Northwest $\frac{1}{4}$ and the North $\frac{1}{2}$ of the Southwest $\frac{1}{4}$ and Government Lot 1 in the Southwest $\frac{1}{4}$ of Section 15, Township 20 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with



2988592
08/06/2003
2 of 7

any rights of ingress and egress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded January 03, 1992 in Book 3391, Page 840 as Document No. 1534872 of Official Records.

PARCEL I:

A.P.N. 084-140-17

The Northeast $\frac{1}{4}$ of Section 15, Township 20 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with any rights of ingress and egress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded January 03, 1992 in Book 3391, Page 840 as Document No. 1534872 of Official Records.

Exhibit 5

REQUEST FOR FULL RECONVEYANCE

TO: Western Title Company, Inc., Trustee

The undersigned is the legal owner and holder of the Note or Notes, and of all other indebtedness secured by the attached Deed of Trust. Said Note or Notes, together with all other indebtedness secured by said Deed of Trust, have been fully paid and satisfied, and you are hereby requested and directed to cancel said note or notes above mentioned, and all other evidences of indebtedness secured by said Deed of Trust delivered to you herewith, together with the Deed of Trust, and to reconvey, without warranty, to Gholamreza Zandian Jazi all the estate now held by you under the same.

DATED this _____ day of _____, 2006.

Fariborz Fred Sadri

STAR LIVING TRUST

BY: _____
Fariborz Fred Sadri, Trustee

Pah Rah parcel

APN: 079-150-09,10,13 084-040-02,04,06,10 084-130-07

084-140-17

DOC # 2900594

08/08/2003 03:48P Fee: 45.00

BK1

Requested By

WESTERN TITLE COMPANY INC

Washoe County Recorder

Kathryn L. Burke - Recorder

Pg 1 of 10 RPT 0.00

RECORDING REQUESTED BY:

Western Title Company, Inc.

WHEN RECORDED MAIL TO:

Name STAR LIVING TRUST, FRED SADRI
Street 2827 S. MONTE CRISTO
City,State LAS VEGAS, NV 89117
Zip
Order No. 00025269-501-DBR -ACCOMMODATION



(SPACE ABOVE THIS LINE FOR RECORDERS USE)

DEED OF TRUST WITH ASSIGNMENT OF RENTS

This DEED OF TRUST, made on July 31, 2003, between REZA ZANDIAN, a married man as his sole and separate property, TRUSTOR, whose address is 9550 W. Sahara Ave., Apt 2148
Las Vegas 89117, NV 89117 Western Title Company, Inc.,
a Nevada Corporation, TRUSTEE, and FARIBORZ SADRI, TRUSTEE OF THE STAR LIVING TRUST, DATED APRIL 14, 1997, BENEFICIARY,

WITNESSETH: That Trustor grants to Trustee in Trust, with Power of Sale, that property in the City of N/A, County of Washoe, Nevada, described as:

SEE ATTACHED FOR LEGAL DESCRIPTION

In the event the herein described property or any part thereof, or any interest therein is sold, agreed to be sold, conveyed or alienated by the trustor, or by the operation of law or otherwise, all obligations secured by this instrument, irrespective of the maturity dates expressed therein, at the option of the holder hereof and without demand or notice shall immediately become due and payable.

Together with the rents, issues and profits thereof, subject, however, to the right, power and authority hereinafter given to and conferred upon Beneficiary to collect and apply such rents, issues and profits.

For the Purpose of Securing (1) payment of the sum of \$333,996.56 with interest thereon according to the terms of a promissory note or notes of even date herewith made by Trustor, payable to order of Beneficiary, and extensions or renewals thereof; (2) the performance of each agreement of Trustor incorporated by reference or contained herein or reciting it is so secured; (3) Payment of additional sums and interest thereon which may hereafter be loaned to Trustor, or his successors or assigns, when evidenced by a promissory note or notes reciting that they are secured by this Deed of Trust.

To protect the security of this Deed of Trust, and with respect to the property above described, Trustor expressly makes each and all of the agreements, and adopts and agrees to perform and be bound by each

and all of the terms and provisions set forth in subdivision A and it is mutually agreed that each and all of the terms and provisions set forth in subdivision B of the Fictitious Deed of trust recorded in the office of



each County Recorder in the State of Nevada on January 30, 1968, in the book and at the page thereof, or under the document or file number, noted below opposite the name of such county, namely: COUNTY

	BOOK	PAGE	DOC. NO.	COUNTY	BOOK	PAGE	DOC. NO.
Churchill	39	363	115384	Lincoln			45902
Clark	Mortgages 850 Off. Rec.		682747	Lyon	37 Off. Rec.	341	100661
Douglas	57 Off. Rec.	115	40050	Mineral	11 Off. Rec.	129	89073
Elko	192 Off. Rec.	652	35747	Nye	105 Off. Rec.	107	04823
Esmeralda	3-X Deeds	195	35922	Ormsby	72 Deeds	537	32867
Eureka	22 Off. Rec.	138	45941	Pershing	11 Off. Rec.	249	66107
Humboldt	28 Off. Rec.	124	131075	Storey	"S" Off. Rec.	206	31506
Lander	24 Off. Rec.	168	50782	Washoe	300 Off. Rec.	517	107192
				White Pine	295 R.E. Records	258	

shall insure to and bind the parties hereto, with respect to the property above described. Said agreements, terms and provisions contained in said subdivisions A and B (identical in all counties, and printed on the reverse side hereof) are by the within reference thereto, incorporated herein and made a part of Deed of Trust for all purposes as fully as if set forth at length herein, and Beneficiary may charge for a statement regarding the obligation secured hereby, provided the charge therefor does not exceed a reasonable amount.



The undersigned Trustor, requests that a copy of any notice of default and any notice of sale hereunder be mailed to him at this address herein before set forth.

STATE OF NEVADA

COUNTY OF CLARK

} ss

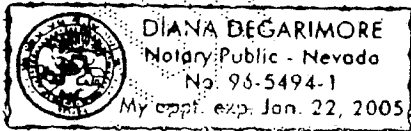
This instrument was acknowledged before me on

AUGUST 5th, 2003

by REZA ZANDIAN

REZA ZANDIAN

Diana DeGarimore
Notary Public





DO NOT RECORD

A. TO PROTECT THE SECURITY OF THIS DEED OF TRUST, TRUSTOR AGREES,

- (1) To keep said property in good condition and repair; not to remove or demolish any building thereon; to complete or restore promptly and in good and workmanlike manner any building which may be constructed, damaged or destroyed thereon; and to pay when due all claims for labor performed and materials furnished therefor; to comply with all laws affecting said property or requiring any alterations or improvements to be made thereon; not to commit or permit waste thereof; not to commit suffer or permit any act upon said property in violation of law; to cultivate, irrigate, fertilize, fumigate, prune and do all other acts which from the character or use of said property may be reasonably necessary; the specific enumerations herein not excluding the general.
- (2) Trustor covenants to keep all buildings that may now or at any time be on said property during the continuance of this trust in good repair and insured against loss by fire, with extended coverage endorsement, in a company or companies authorized to issue such insurance in the State of Nevada, and as may be approved by Beneficiary, for such sum or sums as shall equal the total indebtedness secured by this Deed of Trust and all obligations having priority over this Deed of Trust and shall be payable to Beneficiary to the amount of the unsatisfied obligation to Beneficiary hereby secured, and to deliver the policy to Beneficiary, or to collection agent of Beneficiary, and in default hereof, Beneficiary may procure such insurance and/or make such repairs, and expend for either of such purposes such SLDM or sums as Beneficiary shall deem proper.
- (3) To appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee; and to pay all costs and expenses, including cost of evidence of title and attorney's fees in a reasonable sum, in any such action or proceeding in which Beneficiary or Trustee may appear, and in any suit brought by Beneficiary to foreclose this Deed of Trust.
- (4) To pay at least ten days before delinquency all taxes and assessments affecting said property, including assessments on appurtenant water stock, water rights and grazing privileges; when due, all encumbrances, charges and liens, with interest, on said property or any part thereof, which appear to be prior or superior hereto, and all costs, fees and expenses of this trust.

Should Trustor fail to make any payment, or to do any act as herein provided, then Beneficiary or Trustee, but without obligation so to do and without notice to or demand upon Trustor, and without releasing Trustor from any obligation hereof, may make or do the same in such manner and to such extent as either may deem necessary to protect the security hereof. Beneficiary or Trustee being authorized to enter upon said property for such purposes; appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee; pay, purchase, contest or compromise any encumbrance, charge or lien which in the judgment of either appears to be prior or superior hereto; and, in exercising any such powers, pay necessary expenses, employ counsel and pay his reasonable fees.

- (5) To pay immediately, and without demand all sums so expended by Beneficiary or Trustee, with interest from date of expenditure at ten percent per annum.
- (6) At Beneficiary's option, Trustor will pay a "late charge" as indicated in the Promissory Note to cover the extra expense involved in handling delinquent payments; of such "late charge" shall not be payable out of the proceeds of any sale made to satisfy the indebtedness secured hereby, unless such proceeds are sufficient to discharge the entire indebtedness and all proper costs and expenses secured thereby.

B. IT IS MUTUALLY AGREED

- (1) That any award of damages in connection with any condemnation for public use or injury to said property or any part thereof is hereby assigned and shall be paid to Beneficiary who may apply or release such moneys received by him in the same manner and with the same effect as above provided for disposition of proceeds of fire or other insurance.
- (2) That by accepting payment of any sum secured hereby after its due date, Beneficiary does not waive his right either to require prompt payment when due of all other sums so secured or to declare default for failure so to pay.
- (3) That at any time or from time to time, without liability therefor and without notice, upon written request of Beneficiary and presentation of this deed and said note for endorsement, and without affecting the personal liability of any person for payment of the indebtedness secured hereby, Trustee may reconvey any part of said property; consent to the making of any map or plat thereof; join in granting any easement thereon; or join in any extension agreement of any agreement subordinating the lien or charge hereof.
- (4) That upon written request of Beneficiary stating that all sums secured hereby have been paid, and upon surrender of this deed and said note to Trustee for cancellation and retention or other disposition as Trustee in its sole discretion may choose, and upon payment of its fees, Trustee shall reconvey, without warranty, the property then held hereunder. The recitals in such reconveyance of any matters or facts shall be conclusive proof of the truthfulness thereof. The grantee in such reconveyance may be described as "the person or persons legally entitled thereto".
- (5) That as additional security, Trustor hereby gives to and confers upon Beneficiary the right, power and authority, during the continuance of these trusts, to collect the rents, issues and profits of said property, reserving unto Trustor the right, prior to any default by Trustor in payment of any indebtedness secured hereby or in performance of any agreement hereunder, to collect and retain such rents, issues and profits as they become due and payable. Upon any such default, Beneficiary may at any time without notice, either in person, by a agent, or by a receiver to be appointed by a court, and without regard to the adequacy of any security for the indebtedness hereby secured, enter upon and take possession of said property or any part thereof, in his own name sue for or otherwise collect such rents, issues, and profits, including those past due, and unpaid, and apply the same, less costs and expenses of operation and collection, including reasonable attorney's fees, upon any indebtedness secured hereby, and in such order as Beneficiary may determine. The entering upon and taking possession of said property, the collection of such rents, issues and profits and the application thereof as aforesaid, shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice.
- (6) That upon default by Trustor in payment of any indebtedness secured hereby or in performance of any agreement hereunder, Beneficiary may declare all sums secured hereby immediately due and payable by delivery to Trustee of written notice of default and of election to cause to be sold said property, which notice Trustee shall cause to be recorded. Beneficiary also shall deposit with Trustee this Deed of Trust, said note and all documents evidencing expenditures secured hereby.

After the lapse of such time as may then be required by law following the recordation of said notice of default, and notice of sale having been given as then required by law for the sale of real property under writ of execution, Trustee, without demand on Trustor, shall sell said property or any part thereof at the time and place fixed by it in said notice of sale, either as a whole or in separate parcels, and in such order as it may determine, at public auction to the highest bidder for cash in lawful money of the United States, payable at time of sale. Trustee may postpone sale of all or any portion of said property by public announcement at such time and place of sale, and from time to time thereafter may postpone such sale by public announcement at the time fixed by the preceding postponement. In the event that any indebtedness secured hereby shall not have been fully satisfied by said sale, Trustee may give notice of sale of any property not previously noticed for sale in the manner set forth above and sell the same in the manner set forth above.

Trustee shall deliver to any purchaser its deed conveying the property so sold, but without any covenant or warranty, express or implied. The recitals in such deed of any matters or facts shall be conclusive proof of the truthfulness thereof. Any person, including Trustor, Trustee, or Beneficiary as hereinafter defined, may purchase at such sale.

After deducting all costs, fees and expenses of Trustee, including a reasonable fee for the attorney of Trustee, and of this trust, including cost evidence of title in connection with sale, Trustee shall apply the proceeds of sale to payment of: all sums expended under the terms hereof, not then repaid, with accrued interest at ten percent per annum; all other sums then secured hereby; and the remainder, if any, to the person or persons legally entitled thereto.



- (7) That Beneficiary, or his assignee, may from time to time, by instrument in writing, substitute a successor or successors to any Trustee named herein or acting hereunder, which instrument, executed and acknowledged and recorded in the office of the recorder of the county or counties where said property is situated, shall be conclusive proof of proper substitution of such successor Trustee or Trustees, who shall, without conveyance from the Trustee predecessor, succeed to all its title, estate, rights, powers and duties. Said instrument must contain the name of the original Trustor, Trustee and Beneficiary hereunder, the book and page where, or document or file number under which, this Deed of Trust is recorded, and the name and address of the new Trustee. If notice of default shall have been recorded, this power of substitution cannot be exercised until after the costs, fees and expenses of the then acting Trustee shall have been paid to such Trustee, who shall endorse receipt thereof upon such instrument of substitution. The procedure herein provided for substitution of Trustee shall be exclusive of all other provisions for substitution, statutory or otherwise.
- (8) The following covenants: Nos. 1, 3, 4, (interest 10%) 5, 6, 8 and 9 of Nevada Revised Statutes 107.030, when not inconsistent with other covenants and provisions herein contained, are hereby adopted and made a part of this Deed of Trust.
- (9) The rights and remedies hereby granted shall not exclude any other rights or remedies granted by law, and all rights and remedies granted hereunder or permitted by law shall be concurrent and cumulative. A violation of any of the covenants herein expressly set forth shall have the same effect as the violation of any covenant herein adopted by reference.
- (10) It is expressly agreed that the trust created hereby is irrevocable by Trustor.
- (11) That this Deed of Trust applies to, insures to the benefit of, and binds all parties hereto, their heirs, legatees, devisees, administrators, executors, successors and assigns. The term Beneficiary shall mean the owner and holder, including pledges, of the note secured hereby, whether or not named as Beneficiary herein. In this Deed of Trust, whenever the context so requires, the masculine gender includes the feminine and/or neuter, and the singular number includes the plural.
- (12) That Trustee accepts this trust when this Deed of Trust, duly executed and acknowledged, is made a public record as provided by law. Trustee is not obligated to notify any party hereto of pending sale under any other Deed of Trust or of any action or proceeding in which Trustor, Beneficiary or Trustee shall be a party unless brought by Trustee.
- (13) Trustor agrees to pay any deficiency arising from any cause after application of the proceeds of the sale held in accordance with the provisions of the covenants herein above adopted by reference.

The undersigned Trustor requests that a copy of any notice of default and any notice of sale hereunder be mailed to him at his address herein before set forth.

REQUEST FOR FULL RECONVEYANCE

DO NOT RECORD

TO TRUSTEE

The undersigned is the legal owner and holder of the note or notes, and of all other indebtedness secured by the foregoing Deed of Trust. Said note or notes, together with all other indebtedness secured by said Deed of Trust, have been fully paid and satisfied and you are hereby requested and directed, on payment to you of any sums owing to you under the terms of said Deed of Trust, to cancel said note or notes above mentioned, and all other evidences of indebtedness secured by said Deed of Trust delivered to you herewith, together with the said Deed of Trust, and to reconvey, without warranty, to the parties designated by the terms of said Deed of Trust, all the estate now held by you under the same.

Dated: _____

Please mail Deed of Trust,
Note and Reconveyance to _____

Do not lose or destroy this Deed of Trust OR THE NOTE which it secures. Both must be delivered to the Trustee for cancellation before reconveyance will be made.



EXHIBIT "A"

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

PARCEL A:

A.P.N. 079-150-09

The Northeast $\frac{1}{4}$ and the South $\frac{1}{2}$ of the Northwest $\frac{1}{4}$ and the South $\frac{1}{2}$ in Section 33, Township 21 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with any rights of ingress and egress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded January 09, 1990 in Book 3019, Page 756 as Document No. 1373452 of Official Records.

PARCEL B:

A.P.N. 079-150-10

Section 31, Township 21 North, Range 23 East, M.D.B. &M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with



any rights of ingress and egress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded February 22, 1991 in Book 3216, Page 526 as Document No. 1461483 of Official Records.

PARCEL C:

A.P.N. 079-150-13

The Northeast $\frac{1}{4}$; South $\frac{1}{2}$ of the Northwest $\frac{1}{4}$; South $\frac{1}{2}$ of Section 27, Township 21 North, Range 23 East, M.D.B. & M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada

FURTHER EXCEPTING and reserving any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with any rights of ingress and egress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded January 09, 1990 in Book 3019, Page 756 as Document No. 1373452 of Official Records.

PARCEL D:

A.P.N. 084-040-02

Section 5, Township 20 North, Range 23 East, M.D.B. & M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with any rights of ingress and egress in, upon or over the property and to make such



use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded February 22, 1991 in Book 3216, Page 526 as Document No. 1461483 of Official Records.

PARCEL E:

A.P.N. 084-040-04

Section 3, Township 20 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with any rights of ingress and egress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded January 03, 1992 in Book 3391, Page 840 as Document No. 1534872 of Official Records.

PARCEL F:

A.P.N. 084-040-06

Section 1, Township 20 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with any rights of ingress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection



therewith, as reserved in the Deed recorded January 03, 1992 in Book 3391, Page 840 as Document No. 1534872 of Official Records.

PARCEL G:

A.P.N. 084-040-10

The North $\frac{1}{2}$ and the North $\frac{1}{2}$ of the Northwest $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ and the Southwest $\frac{1}{4}$ of the Northwest $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ and the North $\frac{1}{2}$ of the Northeast $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ and the North $\frac{1}{2}$ of the Northwest $\frac{1}{4}$ of the Southeast $\frac{1}{4}$, all in Section 11, Township 20 North, Range 23 East, M.D.B.&M.

ALSO EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with any rights of ingress and egress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded January 03, 1992 in Book 3391, Page 840 as Document No. 1534872 of Official Records.

PARCEL H:

A.P.N. 084-130-07

The Northwest $\frac{1}{4}$ and the North $\frac{1}{2}$ of the Southwest $\frac{1}{4}$ and Government Lot 1 in the Southwest $\frac{1}{4}$ of Section 15, Township 20 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with



any rights of ingress and egress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded January 03, 1992 in Book 3391, Page 840 as Document No. 1534872 of Official Records.

PARCEL I:

A.P.N. 084-140-17

The Northeast $\frac{1}{4}$ of Section 15, Township 20 North, Range 23 East, M.D.B. & M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with any rights of ingress and egress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded January 03, 1992 in Book 3391, Page 840 as Document No. 1534872 of Official Records.

Exhibit 6

APN: 010-510-001; 010-520-001; 010-730-001;
010-740-0BG; 010-740-110; 010-740-111;
010-740-113; 010-740-202

WHEN RECORDED, RETURN TO

GRANTEE/MAIL TAX STATEMENTS TO:

Wendover Parcel

QUITCLAIM DEED

By this instrument dated this ____ day of _____, 2006, for a valuable consideration, Gholamreza Zandian Jazi does hereby remise, release and forever quitclaim to Ray Koroghli, individually and Fariborz Fred Sadri, individually, and as Trustee of the Star Living Trust, the following described real property in the State of Nevada, County of Elko:

Set forth in Exhibit A attached and incorporated herein by this reference

GHOLAMREZA ZANDIAN JAZI

STATE OF NEVADA)
) SS.:
COUNTY OF CLARK)

On _____, 2006, before me the undersigned, a Notary Public in and for said County and State, personally appeared Gholamreza Zandian Jazi, known to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.

NOTARY PUBLIC

45 94 92 512362
FEE FILED
REQUEST OF

2003 DEC 30 PM 4:09

Stewart Title Co.
JERRY D. REYNOLDS
ELKO CO. REGISTER

When recorded, return to:
JAMES R. CAVILIA, ESQ.
ALLISON, MacKENZIE, RUSSELL,
PA VLAKIS, WRIGHT & FAGAN, LTD.
402 North Division Street
P.O. Box 646
Carson City, NV 89702

0301167

A.P.N. Nos.: 010-510-001; 010-520-001; 010-730-001; 010-740-0BG; 010-740-110;
010-740-111; 010-740-113; 010-740-202

GRANT, BARGAIN, AND SALE DEED

THIS INDENTURE, made this 29th day of December, 2003, by and between BIG SPRINGS LAND & RESOURCE COMPANY, LLC, a Nevada limited liability company ("BIG SPRINGS"), Grantor, and WENDOVER PROJECT, L.L.C., a Nevada limited liability company, as to an undivided 91.67% and THE STAR LIVING TRUST, Fariborz Sadri, Trustee, as to an undivided 8.33%, Grantee.

WITNESSETH:

That the Grantor, in consideration of the sum of TEN DOLLARS (\$10.00), lawful money of the United States, and other good and valuable consideration to it in hand paid by the Grantee, the receipt whereof is hereby acknowledged, does by these presents grant, bargain and sell to the Grantee, and to its successors and assigns forever, all those certain lots, pieces or parcels of land situate, lying and being in Elko County, Nevada, and more particularly described in Exhibit "A" attached hereto and incorporated herein by reference.

TOGETHER WITH all and singular the tenements, hereditaments and appurtenances thereunto belonging or in anywise appertaining and the reversion and reversions,

remainder and remainders, rents, issues and profits thereof, including but not limited to any right title and interest in any and all grazing rights or allotments appurtenant thereto.

TO HAVE AND TO HOLD all and singular the premises, together with the appurtenances, unto the said Grantee and to its successors and assigns forever.

IN WITNESS WHEREOF, the Grantor has executed this conveyance the day and year first above written.

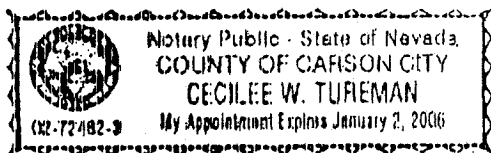
Big Springs Land & Resource Company,
a Nevada limited liability company

By: Vidler Water Company, Inc., a
Delaware corporation
Its Manager

By: *Dorothy A. Timian-Palmer*
DOROTHY A. TIMIAN-PALMER
Chief Operating Officer/Director

STATE OF NEVADA)
 : ss.
CARSON CITY)

On December 29, 2003, DOROTHY A. TIMIAN-PALMER, personally appeared before me, a notary public, personally known to me to be the person whose name is subscribed to the foregoing instrument and who acknowledged to me that she is the Chief Operating Officer and a Director of Vidler Water Company, a Delaware corporation, and who acknowledged to me that she executed the foregoing GRANT, BARGAIN AND SALE DEED on behalf of said corporation.



Cecilee W. Tureman
NOTARY PUBLIC

TWP	R14G	SEC	ALIQUOT PARTS	ACREAGE
32N	65E	01	Lots 1-3, S/2 N/2, S/2	600.34
32N	65E	02	S/2 N/2, S/2	480.00
32N	70E	05	Lots 4, 6, 7, 10, 12, 13, SW/4 NW/4	164.62
33N	69E	01	S/2	320.00
33N	69E	12	All	640.00
33N	69E	25	All	640.00
33N	69E	35	N/2, N/2 S/2	480.00
33N	69E	36	N/2, N/2 SW/4, SE/4, SE/4 SW/4	600.00
33N	70E	08	Lots 2, 8, 9 and 11	35.00
33N	70E	15	Lots 12, 13, 15, 18, 20, 23-25, and 28-30, NE/4 SW/4 SE/4 NW/4, E/2 SE/4 SE/4 NW/4, NW/4 SE/4 SE/4 NW/4	46.23
33N	70E	17	S/2 S/2	160.00
33N	70E	19	All	640.00
33N	70E	20	Lots 2, 3, 6, 11, NW/4 NE/4, N/2 SW/4 NE/4, SE/4 SW/4 NE/4, N/2 SW/4 SW/4 NE/4, NW/4, N/2 SW/4, SW/4 SW/4	416.61
33N	70E	20	Lots 8, 9 and S/2 SW/4 SW/4 NE/4	73.07
33N	70E	21	Lot 2	13.21
33N	70E	29	Lots 3, 5, 8, NW/4 NW/4	73.11
33N	70E	29	Lot 2	16.01
33N	70E	30	Lots 2, 3, NE/4, W/2, W/2 SE/4	612.50
33N	70E	31	Lots 2, 4, 5, 8, 10, 11, NW/4, W/2 SW/4	372.91
33N	70E		Prts of 9 and 10 (Parcel 2 of recorded parcel map #485646)	4.21
33N	70E		Prts of 9 and 10 (Parcel 1 of recorded parcel map #485646)	3.87
33N	70E		Prts of 9, 10 and 15 (Parcel 4 of recorded parcel map #485646)	65.11

* These parcels cover more than one section

6,457.24

Exhibit "A"
Big Springs Ranch Windcover Property Legal Descriptions

T1/4	RNG	SEC	ALLOTMENT PARTS	ACREAGE
32N	69E	01	Lots 1-3, S/2 N/2, S/2	600.34
32N	69E	02	S/2 N/2, S/2	480.00
32N	70E	06	Lots 4, 6, 7, 10, 12, 13, SW/4 NW/4	164.72
33N	69E	01	S/2	320.00
33N	69E	12	All	640.00
33N	69E	25	All	640.00
33N	69E	35	N/2, N/2 S/2	480.00
33N	69E	36	N/2, N/2 SW/4, SE/4, SE/4 SW/4	600.00
33N	70E	01	Lots 2-5, 9 and 11	35.00
33N	70E	15	Lots 12, 13, 15, 18, 20, 23-25, and 28-30, NE/4 SW/4 SE/4 NW/4, E/2 SE/4 SE/4 NW/4, NW/4 SE/4 SE/4 NW/4	46.23
33N	70E	17	S/2 S/2	160.00
33N	70E	19	All	640.00
33N	70E	20	Lots 2, 3, 6, 11, NW/4 NE/4, N/2 SW/4 NE/4, SE/4 SW/4 NE/4, N/2 SW/4 SW/4 NE/4, NW/4, N/2 SW/4, SW/4 SW/4	416.61
33N	70E	20	Lots 8, 9 and S/2 SW/4 SW/4 NE/4	73.01
33N	70E	21	Lot 2	13.21
33N	70E	29	Lots 3, 5, 8, NW/4 NW/4	73.16
33N	70E	29	Lot 2	16.01
33N	70E	30	Lots 2, 3, NE/4, W/2, W/2 SE/4	612.56
33N	70E	31	Lots 2, 4, 5, 8, 10, 11, NW/4, W/2 SW/4	372.01
33N	70E	*	Plns of 9 and 10 (Parcel 2 of recorded parcel map #485646)	4.21
33N	70E	*	Plns of 9 and 10 (Parcel 1 of recorded parcel map #485646)	3.87
33N	70E	*	Plns of 9, 10 and 16 (Parcel 4 of recorded parcel map #485646)	65.31

* These parcels cover more than one section

6,457.24

3 72542

100763
WFZ0397

Order No.: 03011167

LEGAL DESCRIPTION

The land referred to herein is situated in the State of Nevada,
County of ELKO COUNTY, described as follows:

PARCEL 1:

TOWNSHIP 32 NORTH, RANGE 69 EAST, M.D.B.&M.

Section 1: Lots 1, 2 and 3; S1/2NW1/2; S1/2;
Section 2: S1/2NW1/2; S1/2;

TOWNSHIP 33 NORTH, RANGE 69 EAST, M.D.B.&M.

Section 1: S1/2;
Section 12: All;
Section 25: All;
Section 35: N1/2; N1/2S1/2;
Section 36: N1/2; N1/2SW1/4; SE1/4; SE1/4SW1/4;

TOWNSHIP 32 NORTH, RANGE 70 EAST, M.D.B.&M.

Section 6: Lots 4, 5, 7, 10, 12 and 13; SW1/4NW1/4;

TOWNSHIP 33 NORTH, RANGE 70 EAST, M.D.B.&M.

Section 8: Lots 2, 3, 4, 5, 6, 9 and 11;
Section 9: SE1/4SE1/4; N1/2SW1/4SW1/4SE1/4; E1/2SW1/4SE1/4;
Section 10: Lot 4;
Section 15: Lots 12, 13, 15, 18, 20, 23, 24, 25, 26,
28, 29 and 30; NE1/4SW1/4SE1/4NW1/4;
E1/2SE1/4SE1/4NW1/4; NW1/4SE1/4SE1/4NW1/4;
Section 16: N1/2NE1/4NE1/4NE1/4;
Section 17: S1/2S1/2;
Section 19: All;
Section 20: Lots 2, 3, 6 and 11; NW1/4NE1/4; N1/2SW1/4NE1/4;
SE1/4SW1/4NE1/4; N1/2SW1/4SW1/4NE1/4; NW1/4;
N1/2SW1/4; SW1/4SW1/4;
Section 21: Lot 2;
Section 29: Lots 3, 5 and 8; NW1/4NW1/4;
Section 30: Lots 2 and 3; NE1/4; W1/2; W1/2SE1/4;
Section 31: Lots 2, 4, 5, 8, 10 and 11; NW1/4; W1/2SW1/4;

EXCEPTING FROM Sections 9, 10 and 16, Parcels 1, 2, 3 and 4 as
shown on Parcel Map for Big Springs Land & Resource Co., filed
in the Office of the Elko County Recorder on July 16, 2002 as

Continued on next page

-1-

3 72543

Order No. 03011167

File Number 485646.

PARCEL 2:

Parcel 1, 2 and 4 as shown on that certain Parcel Map for Big Springs Land & Resource Co. filed in the office of the County Recorder of Elko County, State of Nevada, on July 16, 2002, as File No. 485646, being a portion of Sections 9, 10 and 16, Township 33 North, Range 70 East, M.D.B.&M..

EXCEPTING FROM Parcels 1 and 2 all the oil and gas and geothermal resources in the lands so patented as reserved by the UNITED STATES OF AMERICA in Patent recorded May 26, 1999 in Book 1100, Page 615, Official Records, Elko County, Nevada.

FURTHER EXCEPTING FROM Parcels 1 and 2 those portions lying within the railroad right-of-ways.

PARCEL 3:

TOWNSHIP 33 NORTH, RANGE 70 EAST, M.D.B.&M.

Section 20: Lots 8 and 9; S1/2SW1/4SW1/4NE1/4;
Section 29: Lot 2;

EXCEPTING THEREFROM all the oil and gas and geothermal resources in the lands so patented as reserved by the UNITED STATES OF AMERICA in Patent recorded August 15, 2003 in Book 3, Page 45700, Official Records, Elko County, Nevada.

Exhibit 7

ASSIGNMENT OF INTEREST IN WENDOVER PROJECT, LLC

The undersigned Assignor, GHOLAMREZA ZANDIAN JAZI, currently holds an interest in WENDOVER PROJECT, LLC, a Nevada limited liability company, consisting of a membership, as well as a management right, and, in consideration of value received, GHOLAMREZA ZANDIAN JAZI herewith transfers and assigns to RAY KOROGHLI, individually, and FARIBORZ FRED SADRI, individually, and as Trustee of the Star Living Trust, all of the Assignor's right as Member or Manager in WENDOVER PROJECT, LLC, a Nevada LLC effective as of the _____ day of _____, 2006.

The Assignor represents that the interest herewith assigned has not been transferred, assigned, encumbered, the subject of any agreement, or security interest and that he holds the full and complete rights, the subject of this Assignment. The Assignor irrevocably appoints the Assignee as the Attorney in Fact to transfer such interests on the books and records of WENDOVER PROJECT, LLC, a Nevada LLC, the Assignor agrees to separately execute a resignation as a Member and Manager of WENDOVER PROJECT, LLC, a Nevada LLC.

The undersigned executes this Assignment on the _____ day of _____, 2006.

GHOLAMREZA ZANDIAN JAZI

Exhibit 8

APN: 009-530-001; 009-540-001; 009-550-001; 009-560-004
009-570-011; 010-090-001; 010-090-003; 010-110-001
010-120-001; 010-130-001; 010-320-001

WHEN RECORDED, RETURN TO

GRANTEE/MAIL TAX STATEMENTS TO:

Big Spring Ranch Parcel

QUITCLAIM DEED

By this instrument dated this ____ day of _____, 2006, for a valuable consideration, Gholamreza Zandian Jazi does hereby remise, release and forever quitclaim to Ray Koroghli, individually and Fariborz Fred Sadri, individually, and as Trustee of the Star Living Trust, the following described real property in the State of Nevada, County of Elko:

Set forth in Exhibit A attached and incorporated herein by this reference

GHOLAMREZA ZANDIAN JAZI

STATE OF NEVADA)
) SS.:
COUNTY OF CLARK)

On _____, 2006, before me the undersigned, a Notary Public in and for said County and State, personally appeared Gholamreza Zandian Jazi, known to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.

NOTARY PUBLIC

512358

FILE #
PROJECT OF

2003 DEC 30 PM 4:08

Stewart Title Co.

JERRY D. SYMPOUS
ELKO COUNTY RECORDER

When recorded, return to:
JAMES R. CAVILLA, ESQ.
ALLISON, MacKENZIE, RUSSELL,
PAVLAKIS, WRIGHT & FAGAN, LTD.
402 North Division Street
P.O. Box 646
Carson City, NV 89702

A.P.N. Nos.: 009-530-001; 009-540-001; 009-550-001; 009-560-004; 009-570-011;
010-090-001; 010-090-003; 010-110-001; 010-120-001; 010-130-001;
010-320-001

GRANT, BARGAIN, AND SALE DEED

03012789

THIS INDENTURE, made this 29th day of December, 2003, by and between BIG SPRINGS LAND & RESOURCE COMPANY, LLC, a Nevada limited liability company ("BIG SPRINGS"), Grantor, and BIG SPRING RANCH, L.L.C., a Nevada limited liability company, as to an undivided 75% interest and THE STAR LIVING TRUST as to an undivided 25% interest, Grantee.

WITNESSETH:

That the Grantor, in consideration of the sum of TEN DOLLARS (\$10.00), lawful money of the United States, and other good and valuable consideration to it in hand paid by the Grantee, the receipt whereof is hereby acknowledged, does by these presents grant, bargain and sell to the Grantee, and to its successors and assigns forever, all those certain lots, pieces or parcels of land situate, lying and being in Elko County, Nevada, and more particularly described in Exhibit "A" attached hereto and incorporated herein by reference.

3 72491

WFZ0404
100766

TOGETHER WITH all and singular the tenements, hereditaments and appurtenances thereunto belonging or in anywise appertaining and the reversion and reversions, remainder and remainders, rents, issues and profits thereof, including but not limited to any right title and interest in any and all grazing rights or allotments appurtenant thereto.

TO HAVE AND TO HOLD all and singular the premises, together with the appurtenances, unto the said Grantee and to its successors and assigns forever.

IN WITNESS WHEREOF, the Grantor has executed this conveyance the day and year first above written.

Big Springs Land & Resource Company,
a Nevada limited liability company

By: Vidler Water Company, Inc., a
Delaware corporation
Its Manager

By: *Dorothy A. Timian-Palmer*
DOROTHY A. TIMIAN-PALMER
Chief Operating Officer/Director

STATE OF NEVADA)
 : ss.
CARSON CITY)

On December 29, 2003, DOROTHY A. TIMIAN-PALMER, personally appeared before me, a notary public, personally known to me to be the person whose name is subscribed to the foregoing instrument and who acknowledged to me that she is the Chief Operating Officer and a Director of Vidler Water Company, a Delaware corporation, and who acknowledged to me that she executed the foregoing GRANT, BARGAIN AND SALE DEED on behalf of said corporation.

Cecile W. Tureman

NOTARY PUBLIC

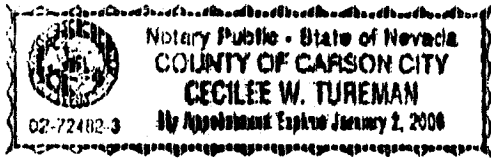


EXHIBIT A

County	APN #	Twn	Rng	Sec	Aliquot Parts	Acreage
Elko	009-530-001	34N	66E	1	All except 0.23 Ac conv to WPR Co.	640.37
Elko	009-530-001	34N	66E	11	All	640.00
Elko	010-090-001	34N	67E	5	All	638.08
Elko	010-090-001	34N	67E	7	E/2 and ptn of W/2 east of the Nevada Northern Railroad as now constructed	366.98

EXHIBIT "A"
Big Springs Ranch Legal Descriptions

County	APN #	Twn	Rng	Sec	Aliquot Parts	Acres
Elko	009-530-001	34N	66E	3	All	643.64
Elko	009-530-001	34N	66E	4	Lots 3 and 4, S/2 NW/4, SW/4 (W/2)	319.92
Elko	009-530-001	34N	66E	5	All	638.12
Elko	009-530-001	34N	66E	9	All	640.00
Elko	009-530-001	34N	66E	15	All	640.00
Elko	009-540-001	35N	66E	1	All	666.40
Elko	009-540-001	35N	66E	2	Lots 3 and 4, S/2 NW/4, SW/4 (W/2)	331.44
Elko	009-540-001	35N	66E	3	All	665.12
Elko	009-540-001	35N	66E	9	All	640.00
Elko	009-540-001	35N	66E	10	E/2 E/2	160.00
Elko	009-540-001	35N	66E	11	All	640.00
Elko	009-540-001	35N	66E	13	All	640.00
Elko	009-540-001	35N	66E	14	W/2 W/2	160.00
Elko	009-540-001	35N	66E	15	All	640.00
Elko	009-540-001	35N	66E	21	All	640.00
Elko	009-540-001	35N	66E	22	NE/4, SE/4 NW/4, N/2 SE/4, SW/4 SE/4, SE/4 SW/4	360.00
Elko	009-540-001	35N	66E	23	All	640.00
Elko	009-540-001	35N	66E	25	All	640.00
Elko	009-540-001	35N	66E	27	All	640.00
Elko	009-540-001	35N	66E	28	SE/4, SE/4 NE/4	200.00
Elko	009-540-001	35N	66E	33	All	640.00
Elko	009-540-001	35N	66E	34	W/2	320.00
Elko	009-540-001	35N	66E	35	All	640.00
Elko	009-550-001	36N	66E	1	All	642.24
Elko	009-550-001	36N	66E	11	All less 70.23 in 1-80 RAW	569.77
Elko	009-550-001	36N	66E	13	All	640.00
Elko	009-550-001	36N	66E	15	All	640.00
Elko	009-550-001	36N	66E	21	E/2	320.00
Elko	009-550-001	36N	66E	22	W/2 NW/4, S/2	400.00
Elko	009-550-001	36N	66E	23	All	640.00
Elko	009-550-001	36N	66E	25	All	640.00
Elko	009-550-001	36N	66E	26	W/2 W/2	160.00
Elko	009-550-001	36N	66E	27	All	640.00
Elko	009-550-001	36N	66E	28	E/2 E/2, W/2 SE/4 less 4.50 Ac to Beaumont in SE/4 SW/4, SW/4 SE/4	235.50
Elko	009-550-001	36N	66E	33	All	640.00
Elko	009-550-001	36N	66E	34	All	640.00
Elko	009-550-001	36N	66E	35	All	640.00
Elko	009-560-004	37N	66E	25	All less 15.22 Ac S1 R1 30 RAW	624.78
Elko	009-560-004	37N	66E	27	SE/4 SE/4	40.00
Elko	009-560-004	37N	66E	35	All	625.34
Elko	009-570-011	38N	66E	23	Ptn 200' south of the CPRR centerline	568.06
Elko	009-570-011	38N	66E	25	Ptn 200' south of the CPRR centerline except 6.44 Ac in N/2 for Wyo tract	591.44
Elko	010-090-001	34N	67E	1	All	638.80
Elko	010-090-001	34N	67E	3	All	638.04
Elko	010-090-001	34N	67E	9	All	640.00
Elko	010-090-001	34N	67E	11	All	640.00

County	APN #	Twn	Rng	Sec	Aliquot Parts	Acreage
Elko	010-090-001	34N	67E	13	All	640.00
Elko	010-090-001	34N	67E	15	All	640.00
Elko	010-090-001	34N	67E	17	All	640.00
Elko	010-090-001	34N	67E	19	NE 1/4, E/2 NW 1/4, Lots 1 and 2 (N/2) except 4.60 Ac conv to Nevada Northern Railroad Co.	306.35
Elko	010-090-001	34N	67E	21	N/2	320.00
Elko	010-090-001	34N	67E	22	All	640.00
Elko	010-090-001	34N	67E	23	N/2	320.00
Elko	010-090-003	34N	67E	7	Ptn of the E/2 W/2 west of the NRR R/W	46.98
Elko	010-110-001	36N	67E	7	All except 12.70 Ac conv to Northern Nevada Railroad Co.	619.98
Elko	010-110-001	36N	67E	19	All except 12.05 Ac conv to Northern Nevada Railroad Co. except ptn conv to State of NV for Hwy	608.15
Elko	010-110-001	36N	67E	31	All except 12.14 Ac conv to Northern Nevada Railroad Co.	627.26
Elko	010-120-001	37N	67E	1	Ptn 200' south of the CPRR centerline less 12.76 Ac to SR-30 R/W	589.64
Elko	010-120-001	37N	67E	5	Ptn 200' south of the CPRR centerline	604.67
Elko	010-120-001	37N	67E	9	NW 1/4, S/2 less 6.70 Ac conv to Northern Nevada Railroad Co. and 15.10 Ac to SR-30 R/W	458.20
Elko	010-120-001	37N	67E	11	Ptn 200' south of the CPRR centerline less 11.07 Ac to SR-30 R/W	611.42
Elko	010-120-001	37N	67E	17	All less 16.33 Ac to SR-30 R/W	623.67
Elko	010-120-001	37N	67E	19	All	628.68
Elko	010-130-001	38N	67E	31	Ptn 200' south of the CPRR centerline	594.40
Elko	010-320-001	35N	68E	7	All except 21.28 Ac conv to Western Pacific Railroad Co. less 45.33 to I-80 R/W	614.35
Elko	010-320-001	35N	68E	17	All north of the WPRR centerline, and all south of the WPRR centerline less 6.89 Ac to I-80 R/W	521.98
Total Acreage:						35,254.34

Order No.: 03012789

LEGAL DESCRIPTION

The land referred to herein is situated in the State of Nevada, County of ELKO COUNTY, described as follows:

PARCEL 1:

TOWNSHIP 34 NORTH, RANGE 67 EAST, M.D.B.&M.

Section 1: All;
Section 3: All;
Section 9: All;
Section 11: All;
Section 13: All;
Section 15: All;
Section 17: All;
Section 19: Lots 1 and 2; E1/2NW1/4; NE1/4;

EXCEPTING THEREFROM all that portion of said land as conveyed to Nevada Northern Railway Company in Deed recorded February 7, 1906 in Book 28, Page 617, Deed Records, Elko County, Nevada.

Section 21: N1/2;
Section 22: All;
Section 23: N1/2;

EXCEPTING FROM Section 22, TOWNSHIP 34 NORTH, RANGE 67 EAST, M.D.B.&M., all the coal and other valuable minerals in the lands so granted as reserved by The United States of America in Patent recorded June 28, 1946 in Book 8, Page 413, Patent Records, Elko County, Nevada.

FURTHER EXCEPTING FROM all of Parcel 1 all right, title and interest to coal, oil, gas and other minerals of every kind and nature whatsoever, lying in and under said land, as reserved by Russell Wilkins, et ux, et al, in Deed recorded December 10, 1946 in Book 55, Page 63, Deed Records, Elko, Nevada.

FURTHER EXCEPTING FROM Section 22, TOWNSHIP 34 NORTH, RANGE 67 EAST, M.D.B.&M., an undivided 1/2 interest in and to all gas, oil, petroleum, minerals and/or mineral rights, lying in and under said land, as reserved by Theodore E. Smith and Pearl Smith, his wife, in Deed recorded August 15, 1958 in Book 74, Page 181, Deed Records, Elko County.

PARCEL 2:

Continued on next page

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3 72497

Order No. 03012789

TOWNSHIP 35 NORTH, RANGE 66 EAST, M.D.B.&M.

Section 1: All;
Section 3: All;
Section 9: All;
Section 11: All;
Section 13: All;
Section 15: All;
Section 21: All;
Section 23: All;
Section 25: All;
Section 27: S1/2;
Section 33: All;
Section 35: All;

EXCEPTING THEREFROM Parcel 2 all petroleum, oil, natural gas, and products derived therefrom, lying in and under said land or that may be produced therefrom, as reserved by Southern Pacific Land Company in Deed recorded August 1, 1949 in Book 57, Page 126, Deed Records, Elko County, Nevada.

PARCEL 3:

TOWNSHIP 35 NORTH, RANGE 68 EAST, M.D.B.&M.

Section 7: All;

EXCEPTING THEREFROM all that portion of said land as conveyed to Western Pacific Railway Company in Deed recorded February 19, 1909 in Book 31, Page 71, Deed Records, Elko County, Nevada.

Section 17: All that portion lying northerly of a line parallel with and one hundred (100) feet northerly of the center center line of Western Pacific Railway Company's railroad known as Arnold "L-1" or "34" line and all that portion lying southerly of a line parallel with and one hundred (100) feet southerly of the center line of Western Pacific Railway Company's railroad known as "R-2" or "44" line, which railroad rights of way were conveyed to Western Pacific Railway Company by Deed No. 126-F, dated November 27, 1908, and recorded February 19, 1909 in Book 31, Page 71, and Deed No. 188-F, dated June 30, 1910, and recorded September 10, 1910 in Book 32, Page 319, Deed Records, Elko County, Nevada.

Continued on next page

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Order No. 03012789

EXCEPTING FROM Parcel 3 all that portion of said land as conveyed to the State of Nevada, acting by and through its Department of Highways in Deed recorded September 7, 1973 in Book 184, Page 44 and recorded June 24, 1976 in Book 230, Page 377, Official Records, Elko County, Nevada, portions of which have been relinquished by Resolution Relinquishing portion of Highway Right of Way recorded October 11, 1985 in Book 504, Page 308, Official Records, Elko County, Nevada.

FURTHER EXCEPTING FROM Parcel 3 all right, title and interest to coal, oil, gas and other minerals of every kind and nature whatsoever, lying in and under said land, as reserved by Russell Wilkins, et ux, et al, in Deed recorded December 10, 1946 in Book 55, Page 63, Deed Records, Elko County, Nevada.

PARCEL 4:

TOWNSHIP 38 NORTH, RANGE 67 EAST, M.D.B.&M.

Section 31: All that portion lying southwesterly of a line two hundred (200) feet southwesterly and parallel with the center line of Central Pacific Railway Company's railroad as now constructed ;

EXCEPTING FROM Parcel 4 all right, title and interest to coal, oil, gas and other minerals of every kind and nature whatsoever, lying in and under said land, as reserved by Russell Wilkins, et ux, et al, in Deed recorded December 10, 1946 in Book 55, Page 63, Deed Records, Elko County, Nevada.

PARCEL 5:

TOWNSHIP 36 NORTH, RANGE 67 EAST, M.D.B.&M.

Section 7: All;
Section 19: All;
Section 31: All;

EXCEPTING FROM Parcel 5 all that portion of said land as conveyed to Nevada Northern Railway Company in Deed recorded February 7, 1906 in Book 28, Page 617, Deed Records, Elko County, Nevada.

FURTHER EXCEPTING FROM Section 19 all that portion of said land as conveyed to the State of Nevada, acting by and through its
Continued on next page

Order No. 03012789

Department of Highways, in Deed recorded September 7, 1973 in Book 184, Page 44, Official Records, Elko County, Nevada, portions of which have been relinquished by Resolution Relinquishing Portion of Highway Right-of-Way recorded October 11, 1985 in Book 504, Page 308, Official Records, Elko County, Nevada.

FURTHER EXCEPTING FROM Parcel 5 all right, title and interest to coal, oil, gas and other minerals of every kind and nature whatsoever, lying in and under said land, as reserved by Russell Wilkins, et ux, et al, in Deed recorded December 10, 1946 in Book 55, Page 63, Deed Records, Elko County, Nevada.

PARCEL 6:

TOWNSHIP 37 NORTH, RANGE 67 EAST, M.D.B.&M.

Section 1: That portion lying southeasterly of a line two hundred (200) feet southeasterly and parallel with the center line of Central Pacific Railway Company's railroad, as now constructed;

Section 5: That portion lying southwesterly of a line two hundred (200) feet southwesterly and parallel with the center line of Central Pacific Railway Company's railroad, as now constructed;

Section 9: NW1/4; S1/2;

EXCEPTING FROM Section 9 all that portion of said land as conveyed to Nevada Northern Railway Company in Deed recorded February 7, 1906 in Book 28, Page 617 and recorded November 15, 1912 in Book 34, Page 130, Deed Records, Elko County, Nevada.

Section 11: That part lying southeasterly of a line two hundred (200) feet southeasterly and parallel with the center line of Central Pacific Railway Company's railroad as now constructed;

Section 17: All;

Section 19: All;

EXCEPTING FROM Parcel 6 all right, title and interest to coal, oil, gas and other minerals of every kind and nature whatsoever, lying in and under said land, as reserved by Russell Wilkins, et ux, et al, in Deed recorded December 10, 1946 in Book 55, Page 63, Deed Records, Elko County, Nevada.

Continued on next page

Order No. 03012789

PARCEL 7:

TOWNSHIP 37 NORTH, RANGE 66 EAST, M.D.B.&M.

Section 25: All;
Section 27: SE1/4SE1/4;
Section 35: All;

TOWNSHIP 38 NORTH, RANGE 66 EAST, M.D.B.&M.

Section 23: That portion southwesterly of a line parallel with and two hundred (200) feet distant southwesterly of center line of Central Pacific Railway Company's railroad as now constructed;
Section 25: That part southwesterly of a line parallel with and two hundred (200) feet distant southwesterly of center line of Central Pacific Railway Company's railroad as now constructed;

EXCEPTING FROM Section 25 a parcel of land in the north half of said Section 25, containing 6.44 acres for Central Pacific Railway Company's Wye track.

FURTHER EXCEPTING FROM Parcel 7 all petroleum, oil, natural gas, and products derived therefrom, lying in and under said land or that may be produced therefrom, as reserved by Southern Pacific Land Company in Deed recorded August 1, 1949 in Book 57, Page 126, Deed Records, Elko County, Nevada.

PARCEL 8:

TOWNSHIP 34 NORTH, RANGE 66 EAST, M.D.B.&M.

Section 3: All;
Section 5: All;
Section 9: All;
Section 15: All;

TOWNSHIP 36 NORTH, RANGE 66 EAST, M.D.B.&M.

Section 1: All;
Section 11: All;

EXCEPTING FROM Section 11 all that portion of said land condemned to the State of Nevada by Final Order of Condemnation recorded

Continued on next page

Order No. 03012789

August 22, 1973 in Book 182, Page 625, Official Records, Elko County, Nevada.

Section 13: All;

EXCEPTING FROM Section 13 all that portion of said land as conveyed to the State of Nevada, acting by and through its Department of Highways, in Deed recorded September 7, 1973 in Book 184, Page 44, Official Records, Elko County, Nevada.

Section 15: All;

Section 23: All;

Section 25: All;

EXCEPTING FROM Parcel 8 all petroleum, oil, natural gas and products derived therefrom, lying in and under said land or that may be produced therefrom, as reserved by Southern Pacific Land Company in Deed recorded August 1, 1949 in Book 57, Page 126, Deed Records, Elko County, Nevada.

PARCEL 9:

TOWNSHIP 36 NORTH, RANGE 66 EAST, M.D.B.&M.

Section 35: All;

EXCEPTING FROM Parcel 9 all petroleum, oil, natural gas, and products derived therefrom, as reserved by Southern Pacific Land Company in Deed recorded August 1, 1949 in Book 57, Page 126, Deed Records, Elko County, Nevada.

PARCEL 10:

TOWNSHIP 34 NORTH, RANGE 66 EAST, M.D.B.&M.

Section 4: Lots 3 and 4; S1/2NW1/4; SW1/4;

EXCEPTING THEREFROM all minerals, mineral rights, gas, oil, coal and other hydrocarbons, in, under or upon said property or that may in any way be produced therefrom as reserved by W.J. Thomas and Grace L. Thomas, his wife, in Deed recorded January 23, 1959 in Book 75, Page 376, Deed Records, Elko County, Nevada.

PARCEL 11:

Continued on next page

Order No. 03012789

TOWNSHIP 35 NORTH, RANGE 66 EAST, M.D.B.&M.

Section 2: Lots 3 and 4; S1/2NW1/4; SW1/4;
Section 10: E1/2E1/2;
Section 14: W1/2W1/2;
Section 22: NE1/4; SE1/4NW1/4; N1/2SE1/4; SW1/4SE1/4; SE1/4SW1/4;
Section 27: N1/2;
Section 28: SE1/4; SE1/4NE1/4;

EXCEPTING FROM Parcel 11 all right, title and interest to coal, oil, gas and other minerals of every kind and nature whatsoever, lying in and under said land, as reserved by Russell Wilkins, et ux, et al, in Deed Recorded December 10, 1946 in Book 55, Page 63, Deed Records, Elko County, Nevada.

PARCEL 12:

TOWNSHIP 36 NORTH, RANGE 66 EAST, M.D.B.&M.

Section 21: E1/2;
Section 22: W1/2NW1/4; S1/2;
Section 26: W1/2W1/2;
Section 27: All;
Section 28: E1/2E1/2; W1/2SE1/4;

EXCEPTING AND RESERVING THEREFROM the following described land:

Beginning at a point from which the Southwest Corner of Section 28, TOWNSHIP 36 NORTH, RANGE 66 EAST, M.D.B.&M., bears South 84°52' West, 2,519.9 feet distant;

THENCE North 25°20' East, 486.81 feet;

THENCE South 64°40' East, 303.07 feet;

THENCE South 25°21' West, 140.51 feet;

THENCE South 64°40' East, 140.00 feet;

THENCE South 25°20' West, 346.30 feet;

THENCE North 64°40' West, 443.07 feet;

Section 33: All;
Section 34: All;

Continued on next page

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Order No. 03012789

EXCEPTING FROM Parcel 12 all right, title and interest to coal, oil, gas and other minerals of every kind and nature whatsoever, lying in and under said land, as reserved by Russell Wilkins, et ux, et al, in Deed recorded December 10, 1946 in Book 55, Page 63, Deed Records, Elko County, Nevada.

PARCEL 13:

TOWNSHIP 35 NORTH, RANGE 66 EAST, M.D.B.&M.

Section 34: W1/2;

EXCEPTING FROM Section 13 all minerals, mineral rights, gas, oil, coal and other hydrocarbons, in, under or upon said property or that may in any way be produced therefrom as reserved by W.J. Thomas and Grace E. Thomas, his wife, in Deed recorded January 23, 1959 in Book 75, Page 376, Deed Records, Elko County, Nevada.

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RECEIVED

When recorded, return to:
JAMES R. CAVILIA, ESQ.
ALLISON, MacKENZIE, RUSSELL,
PA VLAKIS, WRIGHT & FAGAN, LTD.
402 North Division Street
P.O. Box 646
Carson City, NV 89702

2003 DEC 30 PM 4:08

Steward Title Co.
JERRY G. STEWART
CLERK OF RECORD

A.P.N. Nos.: 009-530-001; 010-090-001

03012789

GRANT, BARGAIN, AND SALE DEED

THIS INDENTURE, made this 21st day of December, 2003, by and between NEVADA LAND AND RESOURCE COMPANY, LLC, a Delaware limited liability company ("NLRC"), Grantor, and BIG SPRING RANCH, L.L.C., a Nevada limited liability company, as to an undivided 75% interest and **FARIBOZ SAORI, TRUSTEE** THE STAR LIVING TRUST as to an undivided 25% interest, Grantee.

WITNESSETH:

That the Grantor, in consideration of the sum of TEN DOLLARS (\$10.00), lawful money of the United States, and other good and valuable consideration to it in hand paid by the Grantee, the receipt whereof is hereby acknowledged, does by these presents grant, bargain and sell to the Grantee, and to its successors and assigns forever, all those certain lots, pieces or parcels of land situate, lying and being in Elko County, Nevada, and more particularly described in Exhibit "A" attached hereto and incorporated herein by reference.

TOGETHER WITH all and singular the tenements, hereditaments and appurtenances thereunto belonging or in anywise appertaining and the reversion and reversions,

remainder and remainders, rents, issues and profits thereof, including but not limited to any right title and interest in any and all grazing rights or allotments appurtenant thereto.

TO HAVE AND TO HOLD all and singular the premises, together with the appurtenances, unto the said Grantee and to its successors and assigns forever.

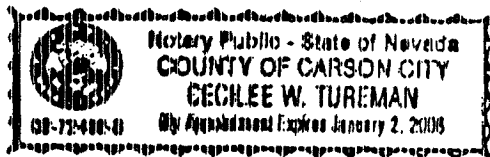
IN WITNESS WHEREOF, the Grantor has executed this conveyance the day and year first above written.

Nevada Land and Resource Company, LLC
a Delaware limited liability company

By: *Dorothy A. Timian-Palmer*
DOROTHY A. TIMIAN-PALMER
Chief Operating Officer/Director

STATE OF NEVADA)
) ss.
CARSON CITY)

On December 29, 2003, DOROTHY A. TIMIAN-PALMER, personally appeared before me, a notary public, personally known to me to be the person whose name is subscribed to the foregoing instrument and who acknowledged to me that she is the Chief Operating Officer and a Director of Nevada Land and Resource Company, a Delaware limited liability company, and who acknowledged to me that she executed the foregoing GRANT, BARGAIN AND SALE DEED on behalf of said corporation.



Cecilee W. Tureman
NOTARY PUBLIC

EXHIBIT A

County	A.P.N.#	Twp	Rng	Sec	Aliquot Parts	Acres
Elko	009-530-001	34N	66E	1	All except 0.23 Ac conv to WPR Co.	640.17
Elko	009-530-001	34N	66E	11	All	640.00
Elko	010-090-001	34N	67E	5	All	638.08
Elko	010-090-001	34N	67E	7	E/2 and ptn of W/2 east of the Nevada Northern Railroad as now constructed	366.98

PARCEL 14:

TOWNSHIP 34 NORTH, RANGE 67 EAST, M.D.B.&M.

Section 5: All;

Section 7: All;

EXCEPTING THEREFROM all that portion of said land as conveyed to Nevada Northern Railway Company, in Deed recorded February 7, 1906 in Book 28, Page 617, Deed Records, Elko County, Nevada.

FURTHER EXCEPTING THEREFROM all that portion of said land as conveyed to Western Pacific Railway Company in Deed recorded February 19, 1909 in Book 31, Page 71, Deed Records, Elko County, Nevada.

FURTHER EXCEPTING THEREFROM that portion of the W1/2W1/2 lying west of the Nevada Northern Railroad as conveyed to Gordon Griswold and Kitty Griswold, his wife, in Deed recorded August 14, 1946 in Book 54, Page 354, Deed Records, Elko County, Nevada.

FURTHER EXCEPTING FROM all of Parcel 14 all right, title and interest to coal, oil, gas and other minerals of every kind and nature whatsoever, lying in and under said land, as reserved by Russell Wilkins, et ux, et al, in Deed recorded December 10, 1946 in Book 55, Page 63, Deed Records, Elko, Nevada.

PARCEL 15:

TOWNSHIP 34 NORTH, RANGE 66 EAST, M.D.B.&M.

Section 11: All;

EXCEPTING THEREFROM all that portion of said land as conveyed to Western Pacific Railway Company in Deed recorded February 19, 1909 in Book 31, Page 71, Deed Records, Elko County, Nevada.

Section 11: ALL;

EXCEPTING FROM Parcel 15 all petroleum, oil, natural gas and products derived therefrom, lying in and under said land or that may be produced therefrom, as reserved by Southern Pacific Land Company in Deed recorded August 1, 1949 in Book 57, Page 126, Deed Records, Elko County, Nevada.

FURTHER EXCEPTING FROM all of the above described land those portion lying within the railroad right-of-way.

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Exhibit 9

ASSIGNMENT OF INTEREST IN BIG SPRING RANCH, LLC

The undersigned Assignor, GHOLAMREZA ZANDIAN JAZI, currently holds an interest in BIG SPRING RANCH, LLC, a Nevada limited liability company, consisting of a membership, as well as a management right, and, in consideration of value received, GHOLAMREZA ZANDIAN JAZI herewith transfers and assigns to RAY KOROGHLI, individually, and FARIBORZ FRED SADRI, individually, and as Trustee of the Star Living Trust, all of the Assignor's right as Member or Manager in BIG SPRING RANCH, a Nevada LLC effective as of the _____ day of _____, 2006.

The Assignor represents that the interest herewith assigned has not been transferred, assigned, encumbered, the subject of any agreement, or security interest and that he holds the full and complete rights, the subject of this Assignment. The Assignor irrevocably appoints the Assignee as the Attorney in Fact to transfer such interests on the books and records of BIG SPRING RANCH, LLC, a Nevada LLC, the Assignor agrees to separately execute a resignation as a Member and Manager of BIG SPRING RANCH, LLC, a Nevada LLC.

The undersigned executes this Assignment on the _____ day of _____, 2006.

GHOLAMREZA ZANDIAN JAZI

Exhibit 10

ASSIGNMENT OF INTEREST IN
NEVADA LAND & WATER RESOURCES, LLC

The undersigned Assignor, GHOLAMREZA ZANDIAN JAZI, currently holds an interest in NEVADA LAND & WATER RESOURCES, LLC, a Nevada limited liability company, consisting of a membership, as well as a management right, and, in consideration of value received, GHOLAMREZA ZANDIAN JAZI herewith transfers and assigns to RAY KOROGHLI, individually, and FARIBORZ FRED SADRI, individually, and as Trustee of the Star Living Trust, all of the Assignor's right as Member or Manager in NEVADA LAND & WATER RESOURCES, LLC, a Nevada LLC effective as of the _____ day of _____, 2006.

The Assignor represents that the interest herewith assigned has not been transferred, assigned, encumbered, the subject of any agreement, or security interest and that he holds the full and complete rights, the subject of this Assignment. The Assignor irrevocably appoints the Assignee as the Attorney in Fact to transfer such interests on the books and records of NEVADA LAND & WATER, LLC, a Nevada LLC, the Assignor agrees to separately execute a resignation as a Member and Manager of NEVADA LAND & WATER RESOURCES, LLC, a Nevada LLC.

The undersigned executes this Assignment on the _____ day of _____, 2006.

GHOLAMREZA ZANDIAN JAZI

Exhibit 11

ATTORNEYS AT LAW
830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

1 RELS
JOHN PETER LEE, LTD.
2 JOHN PETER LEE, ESQ.
Nevada Bar No. 001768
3 MICHAEL A. REYNOLDS, ESQ.
Nevada Bar No. 008631
4 830 Las Vegas Boulevard South
Las Vegas, Nevada 89101
5 (702) 382-4044 Fax: (702) 383-9950
Attorneys for Plaintiff/Counterdefendant
6

7 DISTRICT COURT

8 CLARK COUNTY, NEVADA

9 GHOLAMREZA ZANDIAN JAZI,
10 Plaintiff,

CASE NO.: A511131
DEPT. NO.: XIII

11 v.

12 RAY KOROGHLI, individually, FARIBORZ FRED
SADRI, individually, and as Trustee of the Star
13 Living Trust, WENDOVER PROJECT, LLC, a
Nevada limited liability company; BIG SPRING
14 RANCH, LLC, a Nevada limited liability company,
and NEVADA LAND AND WATER
15 RESOURCES, LLC, a Nevada limited liability
company,

RELEASE OF LIS PENDENS

16 Defendants.

17
18 RAY KOROGHLI, individually and FARIBORZ
FRED SADRI, individually,

19 Counterclaimants,

DATE: N/A
TIME: N/A

20 v.

21 GHOLAMREZ ZANDIAN JAZI,

22 Counterdefendant.
23

24 WENDOVER PROJECT, LLC,

25 Counterclaimant,

26 v.

27 GHOLAMREZ ZANDIAN JAZI,

28 Counterdefendant.

WFZ0427

ATTORNEYS AT LAW
830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

1 GHOLAMREZ ZANDIAN JAZI,
2 Counterclaimant,
3 v.
4 WENDOVER PROJECT, LLC,
5 Counterdefendant,

6 1334.022860-JLR

7 NOTICE is hereby given that the undersigned did, on the 30th day of January, 2006 file a
8 Notice of Lis Pendens with the above-referenced Court, a copy of which was recorded with the Elko
9 County Recorder as Document Number 548113 on February 2, 2006.

10 NOW THEREFORE, for valuable consideration, the undersigned does by these presents
11 release, satisfy and discharge said Lis Pendens.

12 DATED this _____ day of _____, 2006.

13 JOHN PETER LEE, LTD.

14
15 BY: _____
16 John Peter Lee, Esq.
17 Nevada Bar No. 001768
18 Michael A. Reynolds, Esq.
19 Nevada Bar No. 008631
20 830 Las Vegas Boulevard South
21 Las Vegas, Nevada 89101
22 Ph: (702) 382-4044/Fax: (702) 383-9950
23 Attorneys for Plaintiffs
24
25
26
27
28

1 RELS
JOHN PETER LEE, LTD.
2 JOHN PETER LEE, ESQ.
Nevada Bar No. 001768
3 MICHAEL A. REYNOLDS, ESQ.
Nevada Bar No. 008631
4 830 Las Vegas Boulevard South
Las Vegas, Nevada 89101
5 (702) 382-4044 Fax: (702) 383-9950
Attorneys for Plaintiff/Counterdefendant
6

7 DISTRICT COURT

8 CLARK COUNTY, NEVADA

9 GHOLAMREZA ZANDIAN JAZI,

10 Plaintiff,

11 v.

12 RAY KOROGHLI, individually, FARIBORZ FRED)
SADRI, individually, and as Trustee of the Star
13 Living Trust, WENDOVER PROJECT, LLC, a
Nevada limited liability company; BIG SPRING
14 RANCH, LLC, a Nevada limited liability company,
and NEVADA LAND AND WATER
15 RESOURCES, LLC, a Nevada limited liability
company,

16 Defendants.
17

18 RAY KOROGHLI, individually and FARIBORZ
FRED SADRI, individually,

19 Counterclaimants,

20 v.
21

22 GHOLAMREZ ZANDIAN JAZI,

23 Counterdefendant.
24

25 WENDOVER PROJECT, LLC,

26 Counterclaimant,

27 v.
28

GHOLAMREZ ZANDIAN JAZI,

Counterdefendant.

CASE NO.: A511131
DEPT. NO.: XIII

RELEASE OF LIS PENDENS

DATE: N/A
TIME: N/A

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

JULY PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

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GHOLAMREZ ZANDIAN JAZI,
Counterclaimant,
v.
WENDOVER PROJECT, LLC,
Counterdefendant,

1334.022860-JLR

NOTICE is hereby given that the undersigned did, on the 14th day of October, 2005 file a Notice of Lis Pendens with the above-referenced Court, a copy of which was recorded with the Elko County Recorder as Document Number 542563 on October 25, 2005.

NOW THEREFORE, for valuable consideration, the undersigned does by these presents release, satisfy and discharge said Lis Pendens.

DATED this _____ day of _____, 2006.

JOHN PETER LEE, LTD.

BY: _____
John Peter Lee, Esq.
Nevada Bar No. 001768
Michael A. Reynolds, Esq.
Nevada Bar No. 008631
830 Las Vegas Boulevard South
Las Vegas, Nevada 89101
Ph: (702) 382-4044/Fax: (702) 383-9950
Attorneys for Plaintiffs

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
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7 830 Las Vegas Boulevard South
8 Las Vegas, Nevada 89101
9 (702) 382-4044 Fax: (702) 383-9950
10 Attorneys for Plaintiff/Counterdefendant

7 DISTRICT COURT
8 CLARK COUNTY, NEVADA

9 GHOLAMREZA ZANDIAN JAZI,
10 Plaintiff,

CASE NO.: A511131
DEPT. NO.: XIII

11 v.

12 RAY KOROGHLI, individually, FARIBORZ FRED
13 SADRI, individually, and as Trustee of the Star
14 Living Trust, WENDOVER PROJECT, LLC, a
15 Nevada limited liability company; BIG SPRING
16 RANCH, LLC, a Nevada limited liability company,
17 and NEVADA LAND AND WATER
18 RESOURCES, LLC, a Nevada limited liability
19 company,
20 Defendants.

RELEASE OF LIS PENDENS

18 RAY KOROGHLI, individually and FARIBORZ
19 FRED SADRI, individually,
20 Counterclaimants,

DATE: N/A
TIME: N/A

21 v.

22 GHOLAMREZ ZANDIAN JAZI,
23 Counterdefendant.

24 WENDOVER PROJECT, LLC,
25 Counterclaimant,

26 v.

27 GHOLAMREZ ZANDIAN JAZI,
28 Counterdefendant.

1 GHOLAMREZ ZANDIAN JAZI,)
2 Counterclaimant,)
3 v.)
4 WENDOVER PROJECT, LLC,)
5 Counterdefendant,)

6 1334.022860-JLR

7 NOTICE is hereby given that the undersigned did, on the 14th day of October, 2005 file a
8 Notice of Lis Pendens with the above-referenced Court, a copy of which was recorded with the
9 Washoe County Recorder as Document Number 3301912 on November 3, 2005.

10 NOW THEREFORE, for valuable consideration, the undersigned does by these presents
11 release, satisfy and discharge said Lis Pendens.

12 DATED this _____ day of _____, 2006.

13 JOHN PETER LEE, LTD.

14
15 BY: _____
16 John Peter Lee, Esq.
17 Nevada Bar No. 001768
18 Michael A. Reynolds, Esq.
19 Nevada Bar No. 008631
20 830 Las Vegas Boulevard South
21 Las Vegas, Nevada 89101
22 Ph: (702) 382-4044/Fax: (702) 383-9950
23 Attorneys for Plaintiffs
24
25
26
27
28

ATTORNEYS AT LAW
830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

ATTORNEYS AT LAW
830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

1 RELS
JOHN PETER LEE, LTD.
2 JOHN PETER LEE, ESQ.
Nevada Bar No. 001768
3 MICHAEL A. REYNOLDS, ESQ.
Nevada Bar No. 008631
4 830 Las Vegas Boulevard South
Las Vegas, Nevada 89101
5 (702) 382-4044 Fax: (702) 383-9950
Attorneys for Plaintiff/Counterdefendant
6

7 DISTRICT COURT
8 CLARK COUNTY, NEVADA

9 GHOLAMREZA ZANDIAN JAZI,
10 Plaintiff,

CASE NO.: A511131
DEPT. NO.: XIII

11 v.

12 RAY KOROGHLI, individually, FARIBORZ FRED
SADRI, individually, and as Trustee of the Star
13 Living Trust, WENDOVER PROJECT, LLC, a
Nevada limited liability company; BIG SPRING
14 RANCH, LLC, a Nevada limited liability company,
and NEVADA LAND AND WATER
15 RESOURCES, LLC, a Nevada limited liability
company,

RELEASE OF LIS PENDENS

16 Defendants.

18 RAY KOROGHLI, individually and FARIBORZ
FRED SADRI, individually,

19 Counterclaimants,

DATE: N/A
TIME: N/A

21 v.

22 GHOLAMREZ ZANDIAN JAZI,
Counterdefendant.

24 WENDOVER PROJECT, LLC,
25 Counterclaimant,

26 v.

27 GHOLAMREZ ZANDIAN JAZI,
28 Counterdefendant.

1 GHOLAMREZ ZANDIAN JAZI,)
2 Counterclaimant,)
3 v.)
4 WENDOVER PROJECT, LLC,)
5 Counterdefendant,)

6 1334.022860-JLR

7 NOTICE is hereby given that the undersigned did, on the 16th day of November, 2005 file
8 a Notice of Lis Pendens with the above-referenced Court, a copy of which was recorded with the
9 Clark County Recorder in Book/Instrument 20051116-0004202 on November 16, 2005.

10 NOW THEREFORE, for valuable consideration, the undersigned does by these presents
11 release, satisfy and discharge said Lis Pendens.

12 DATED this _____ day of _____, 2006.

13 JOHN PETER LEE, LTD.

14
15 BY: _____
16 John Peter Lee, Esq.
17 Nevada Bar No. 001768
18 Michael A. Reynolds, Esq.
19 Nevada Bar No. 008631
20 830 Las Vegas Boulevard South
21 Las Vegas, Nevada 89101
22 Ph: (702) 382-4044/Fax: (702) 383-9950
23 Attorneys for Plaintiffs
24
25
26
27
28

ATTORNEYS AT LAW
830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

Exhibit 12



DEAN HELLER
 Secretary of State
 202 North Carson Street
 Carson City, Nevada 89701-4201
 (775) 684 5708
 Website: secretaryofstate.biz

Certificate of Resignation of Officer,
 Director, Manager, Member, General
 Partner, Trustee or Subscriber

ABOVE SPACE IS FOR OFFICE USE ONLY

**Certificate of Resignation of
 Officer, Director, Manager, Member,
 General Partner, Trustee or Subscriber**

1. The name and title(s) of person that desires to resign:

GHOLAMREZA ZANDIAN JAZI
 (Name)

Manager
 (Title(s))

2. The name and file number of the entity for which resignation is being made:

WENDOVER PROJECT L.L.C.
 (Name of Entity)

(File Number)

3. Signature: _____

4. Fee: \$75.00 per form. Resignation of one person from one entity per form.

This form must be accompanied by appropriate fees.

Nevada Secretary of State Resignation of Officer 2003
 Revised on: 02/03/05

Exhibit 13



DEAN HELLER
 Secretary of State
 202 North Carson Street
 Carson City, Nevada 89701-4201
 (775) 684 5708
 Website: secretaryofstate.biz

**Certificate of Resignation of Officer,
 Director, Manager, Member, General
 Partner, Trustee or Subscriber**

ABOVE SPACE IS FOR OFFICE USE ONLY

**Certificate of Resignation of
 Officer, Director, Manager, Member,
 General Partner, Trustee or Subscriber**

1. The name and title(s) of person that desires to resign:

GHOLAMREZA ZANDIAN JAZI
 (Name)

Manager
 (Title(s))

2. The name and file number of the entity for which resignation is being made:

NEVADA LAND & WATER RESOURCES, L.L.C.
 (Name of Entity)

(File Number)

3. Signature: _____

4. Fee: \$75.00 per form. Resignation of one person from one entity per form.

This form must be accompanied by appropriate fees.

Nevada Secretary of State Resignation of Officer 2993
 Revised 01/02/03/05

Exhibit 14



DEAN HELLER
 Secretary of State
 202 North Carson Street
 Carson City, Nevada 89701-4201
 (775) 684 5708
 Website: secretaryofstate.biz

**Certificate of Resignation of Officer,
 Director, Manager, Member, General
 Partner, Trustee or Subscriber**

ABOVE SPACE IS FOR OFFICE USE ONLY

**Certificate of Resignation of
 Officer, Director, Manager, Member,
 General Partner, Trustee or Subscriber**

1. The name and title(s) of person that desires to resign:

GHOLAMREZA ZANDIAN JAZI
 (Name)

Manager
 (Title(s))

2. The name and file number of the entity for which resignation is being made:

BIG SPRING RANCH LLC
 (Name of Entity)

(File Number)

3. Signature: _____

4. Fee: \$75.00 per form. Resignation of one person from one entity per form.

This form must be accompanied by appropriate fees.

Nevada Secretary of State Resignation of Officer 2003
 Revised on: 02/03/06

Exhibit 15

ATTORNEYS AT LAW
830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

1 RCPT
JOHN PETER LEE, LTD.
2 JOHN PETER LEE, ESQ.
Nevada Bar No. 001768
3 MICHAEL A. REYNOLDS, ESQ.
Nevada Bar No. 008631
4 830 Las Vegas Boulevard South
Las Vegas, Nevada 89101
5 (702) 382-4044 Fax: (702) 383-9950
Attorneys for Plaintiff/Counterdefendant
6

7 DISTRICT COURT
8 CLARK COUNTY, NEVADA

9 GHOLAMREZA ZANDIAN JAZI,

10 Plaintiff,

11 v.

12 RAY KOROGHLI, individually, FARIBORZ FRED
SADRI, individually, and as Trustee of the Star
13 Living Trust, WENDOVER PROJECT, LLC, a
Nevada limited liability company; BIG SPRING
14 RANCH, LLC, a Nevada limited liability company,
and NEVADA LAND AND WATER
15 RESOURCES, LLC, a Nevada limited liability
company,

16 Defendants.
17

18 RAY KOROGHLI, individually and FARIBORZ
FRED SADRI, individually,

19 Counterclaimants,
20

21 v.

22 GHOLAMREZ ZANDIAN JAZI,

23 Counterdefendant.
24

25 WENDOVER PROJECT, LLC,

26 Counterclaimant,
27

28 v.

GHOLAMREZ ZANDIAN JAZI,

Counterdefendant.

CASE NO.: A511131
DEPT. NO.: XIII

RECEIPT

DATE: N/A
TIME: N/A

WFZ0442

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

1 GHOLAMREZ ZANDIAN JAZI,
2 Counterclaimant,
3 v.
4 WENDOVER PROJECT, LLC,
5 Counterdefendant,

6 1334.022860-JLR

7 RECEIPT of \$250,000 made payable to John Peter Lee, Ltd., in compliance and in
8 conformity with the Award of Floyd Hale, Arbitrator dated September 20, 2006 is acknowledged this
9 ____ day of _____, 2006.

10 JOHN PETER LEE, LTD.

11
12 BY: _____

13 John Peter Lee, Esq.
14 Nevada Bar No. 001768
15 Michael A. Reynolds, Esq.
16 Nevada Bar No. 008631
17 830 Las Vegas Boulevard South
18 Las Vegas, Nevada 89101
19 Ph: (702) 382-4044/Fax: (702) 383-9950
20 Attorneys for Plaintiff/Counterdefendant

MUTUAL RELEASE OF CLAIMS

This Mutual Release of Claims is made this _____ day of _____, 2006 by and between GHOLAMREZA ZANDIAN JAZI ("Zandian"), Ray Koroghli ("Koroghi"), Fariborz Fred Sadri ("Sadri"), Wendover Project, LLC ("Wendover"), Nevada Land and Water Resources, LLC ("Nevada Land") and Big Spring Ranch, LLC, ("Big Spring"). For purposes of this agreement, Zandian is hereinafter called Plaintiff and all of the individuals and LLCs are jointly called Defendants.

RECITALS

WHEREAS disputes have arisen by and between the Plaintiff and the Defendants resulting in litigation which was commenced in the District Court, Clark County Nevada, given Case No. A511131; and

WHEREAS the matter was thereafter referred to arbitration before Floyd A. Hale by an agreement; and

WHEREAS, in addition to the Complaint, the Defendants filed various Counterclaims against the Plaintiff in the District Court action, all of which claims were heretofore referred to Floyd A. Hale to arbitrate; and

WHEREAS the parties to this Release, Plaintiff and the Defendants, commenced the arbitration process before Floyd A. Hale, which commenced on the 22nd day of August, 2006 and ended on the 8th day of September, 2006; and

WHEREAS on the latter date an order was entered on the record concerning settlement of the claims asserted by the Plaintiff, and the counterclaims asserted by the Defendants, which will be reduced to an order entered in the arbitration proceedings; and

WHEREAS the order provides for the release of certain rights by the parties, one against the other, and the payment of sums by certain of the Defendants, all as set forth in separate instruments, and further set forth in the Arbitration Order; and

WHEREAS these parties desire to settle and resolve all issues, allegations, claims, rights, defenses and obligations and causes of action asserted, or which could have been asserted by the Plaintiff against the Defendants and the Defendants against the Plaintiff,

NOW THEREFORE in consideration of these Recitals and the mutual covenants, promises and conditions hereinafter set forth, these parties agree as follows:

1. In consideration of the mutual covenants of the parties hereto, their heirs, executors, administrators, assigns, representative trustees, beneficiaries, directors, officers, employees, agents and attorneys and assigns to enter to this Mutual Release whereby the Plaintiff releases the Defendants and the Defendants release the Plaintiff from any and all demands, claims, damages, lawsuits, causes of action, costs and expenses of whatever character, known or unknown, and whenever occurring in the past, in the present or which will accrue in the future in any way, which are directly or indirectly related to the demands, claims and causes of action alleged, or which could have been alleged by the parties in the Complaint, the Amended Complaint and the various Counterclaims, or any amendments which could have been filed in the underlying proceedings.

2. The parties recognize that the Plaintiff and that the Defendants each may have claims against the others, of which they are unaware, it is the intention of the parties entering into this Mutual Release that this instrument will terminate the claim of the Plaintiff as against the Defendants and the Defendants against the Plaintiff, and prevent them from asserting the same. To this end, the

parties, and each of them, do waive all rights and benefits conferred upon them by statute or common law of any jurisdiction which has provisions which provides generally as follows:

“a general release does not extend to claims which the creditor does know or suspect in his favor at the time of executing the Release, which, if known by him, must have materially effected his settlement with the Debtor.”

The Plaintiff indemnifies the Defendants and the Defendants indemnify the Plaintiff from any and all claims asserted against any of them as a result of, or in connection with, any action or proceeding brought directly or indirectly on behalf, in the name of anyone claiming standing through the Plaintiff or the Defendants, contrary to the provisions of the Releases as provided for in this agreement.

3. This mutual settlement agreement is a compromise of disputed claims and arises out of, connected with, and relating to the underlying action and is not to be constructed as an admission of liability on the part of any party, all of whom expressly deny liability.

4. The construction, effect and validity of this agreement is governed by the laws of the State of Nevada and shall bind and inure to the benefit of each party and constitutes the entire agreement among the parties with respect to the subject hereto and may not be amended, except in writing, executed by the party to be charged.

5. Each party agrees to do anything necessary, and to execute all instruments necessary proper to effectuate the provisions and intent of this agreement, and each party shall mark cancelled and deliver to the other all evidence of any debt or obligation owed to the other, including Notes, Deeds of Trust or promises to pay, including, but not limited to, that certain Promissory Note

executed by Zandian in favor of Fariborz Fred Sadri and the Star Living Trust for \$333,333 secured by a Deed of Trust on 4,400 acres of property in Washoe County, Nevada.

6. Each party warrants that he has the power, capacity and authority to enter into this Mutual Release.

7. The Plaintiff and the Defendants separately acknowledge that their execution of this Release is freely and voluntarily done, and that all Recitals are true and correct, and they have not assigned or transferred to any person the matters released hereunder.

8. All the terms and conditions herein are severable in the event that any terms held are considered unenforceable by any court of competent jurisdiction. This agreement shall be interpreted as if the unenforceable terms were not contained herein.

9. This mutual agreement shall not create any rights in any person who is not a party hereto.

10. This mutual settlement agreement may be signed in multiple originals, each of which is considered a counterpart of the others, and taken together shall constitute one original.

DATED the day above first written.

GHOLAMREZA ZANDIAN JAZI

RAY KOROGHLI, individually

FARIBORZ FRED SADRI, individually and
as Trustee of the Star Living Trust

WENDOVER PROJECT, LLC

BY: _____

NEVADA LAND & WATER RESOURCES, LLC

BY: _____

BIG SPRING RANCH, LLC

BY: _____

Exhibit 16

EXHIBIT FOUR

WFZ0450

ORIGINAL



In the Supreme Court of the State of Nevada

INDICATE FULL CAPTION:

RAY KOROGHLI, individually, FARIBORZ FRED SADRI, individually, and as Trustee of the Star Living Trust, WENDOVER PROJECT, LLC, a Nevada Appellant(s), limited liability company, BIG SPRING RANCH, LLC, a Nevada Limited liability company, and NEVADA LAND AND WATER RESOURCES, LLC, a Nevada limited liability company Respondent(s).

vs.

GHOLAMREZA ZANDIAN JAZI Cross-Appellant(s).

vs.

Cross-Respondent(s).

No. 49924

DOCKETING STATEMENT CIVIL APPEALS

FILED

AUG 10 2007

JANETTE M. BLOOM CLERK OF SUPREME COURT BY [Signature] DEPUTY CLERK

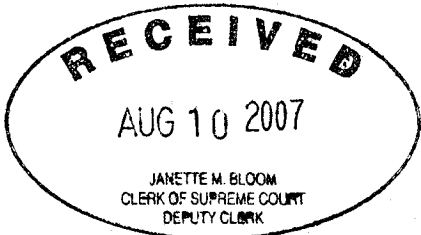
GENERAL INFORMATION

All appellants not in proper person must complete this docketing statement. NRAP 14(a). The purpose of the docketing statement is to assist the Supreme Court in screening jurisdiction, classifying cases for en banc, panel, or expedited treatment, compiling statistical information and identifying parties and their counsel.

WARNING

This statement must be completed fully, accurately and on time. NRAP 14(c). The Supreme Court may impose sanctions on counsel or appellant if it appears that the information provided is incomplete or inaccurate. Id. Failure to attach documents as requested in this statement, completely fill out the statement, or to fail to file it in a timely manner, will constitute grounds for the imposition of sanctions, including a fine and/or dismissal of the appeal.

This court has noted that when attorneys do not take seriously their obligations under NRAP 14 to complete the docketing statement properly and conscientiously, they waste the valuable judicial resources of this court, making the imposition of sanctions appropriate. See KDI Sylvan Pools v. Workman, 107 Nev. 340, 344, 810 P.2d 1217, 1220 (1991). Please use tab dividers to separate any attached documents.



1. Judicial District Eighth Department XI County Clark
Judge Honorable Elizabeth Gonzalez District Ct. Docket No. A511131

2. Attorney filing this docket statement:

Attorney Steven L. Day/James R. Nance Telephone 702-309-3333
Firm Cohen, Johnson & Day
Address 1060 Wigwam Parkway, Henderson, Nevada 89074

Client(s) Ray Koroghli, Fariborz Fred Sadri, Wendover Project, LLC, Big Spring

Ranch, LLC and Nevada Land and Water Resources, LLC
If this is a joint statement completed on behalf of multiple appellants, add the names and addresses of other counsel and the names of their clients on an additional sheet accompanied by a certification that they concur in the filing of this statement.

3. Attorney(s) representing respondent(s):

Attorney John Peter Lee Telephone 702-382-4044
Firm John Peter Lee, Ltd.
Address 830 Las Vegas Blvd., Las Vegas, Nevada 89101

Client(s) Gholamreza Zandian Jazi

Attorney _____ Telephone _____
Firm _____
Address _____

Client(s) _____

(List additional counsel on separate sheet if necessary)

4. Nature of disposition below (check all that apply):

- | | |
|--|--|
| <input type="checkbox"/> Judgment after bench trial | <input type="checkbox"/> Grant/Denial of NRCP 60(b) relief |
| <input type="checkbox"/> Judgment after jury verdict | <input type="checkbox"/> Grant/Denial of injunction |
| <input type="checkbox"/> Summary judgment | <input type="checkbox"/> Grant/Denial of declaratory relief |
| <input type="checkbox"/> Default judgment | <input type="checkbox"/> Review of agency determination |
| <input type="checkbox"/> Dismissal | <input type="checkbox"/> Divorce decree: |
| <input type="checkbox"/> Lack of jurisdiction | <input type="checkbox"/> Original <input type="checkbox"/> Modification |
| <input type="checkbox"/> Failure to state a claim | <input checked="" type="checkbox"/> Other disposition (specify) <u>Judgement confirming arbitration award.</u> |
| <input type="checkbox"/> Failure to prosecute | _____ |
| <input type="checkbox"/> Other (specify) _____ | _____ |

5. Does this appeal raise issues concerning any of the following:

- | | |
|--|--|
| <input type="checkbox"/> Child custody | <input type="checkbox"/> Termination of parental rights |
| <input type="checkbox"/> Venue | <input type="checkbox"/> Grant/denial of injunction or TRO |
| <input type="checkbox"/> Adoption | <input type="checkbox"/> Juvenile matters |

6. Pending and prior proceedings in this court. List the case name and docket number of all appeals or original proceedings presently or previously pending before this court which are related to this appeal: None.

7. **Pending and prior proceedings in other courts.** List the case name, number and court of all pending and prior proceedings in other courts which are related to this appeal (e.g., bankruptcy, consolidated or bifurcated proceedings) and their dates of disposition: None.

8. **Nature of the action.** Briefly describe the nature of the action, including a list of the causes of action pleaded, and the result below: This cases arises out of a dispute over real property interests including interests in several Nevada LLCs

9. **Issues on appeal.** State concisely the principal issue(s) in this appeal: Whether the district court committed error in granting judgment on an arbitration award in a case that was not arbitrated. Whether the district committed error in not amending the judgment and not ordering a new trial/arbitration hearing.

10. **Pending proceedings in this court raising the same or similar issues.** If you are aware of any proceeding presently pending before this court which raises the same or similar issues raised in this appeal, list the case name and docket number and identify the same or similar issues raised: None.

11. **Constitutional issues.** If this appeal challenges the constitutionality of a statute, and the state, any state agency, or any officer or employee thereof is not a party to this appeal, have you notified the clerk of this court and the attorney general in accordance with NRAP 44 and NRS 30.130?

N/A Yes.....No.....

If not, explain.....

12. **Other issues.** Does this appeal involve any of the following issues?
- Reversal of well-settled Nevada precedent (on an attachment, identify the case(s))
 - An issue arising under the United States and/or Nevada Constitutions
 - A substantial issue of first-impression
 - An issue of public policy
 - An issue where en banc consideration is necessary to maintain uniformity of this court's decisions
 - A ballot question

If so, explain.....

13. **Trial.** If this action proceeded to trial, how many days did the trial last? N/A

Was it a bench or jury trial?

14. **Judicial disqualification.** Do you intend to file a motion to disqualify or have a justice recuse him/herself from participation in this appeal. If so, which Justice? Not presently.

TIMELINESS OF NOTICE OF APPEAL

15. Date of entry of written judgment or order appealed from 6/8/07 and 7/20/07. Attach a copy. If more than one judgment or order is appealed from, attach copies of each judgment or order from which an appeal is taken.

(a) If no written judgment or order was filed in the district court, explain the basis for seeking appellate review:

.....
.....

16. Date written notice of entry of judgment or order served 6/8/07. Attach a copy, including proof of service, for each order or judgment appealed from.

(a) Was service by delivery or by mail..... (specify).

17. If the time for filing the notice of appeal was tolled by a post-judgment motion (NRCP 50(b), 52(b), or 59),

(a) Specify the type of motion, and the date and method of service of the motion, and date of filing.

NRCP 50(b)..... Date served..... By delivery..... or by mail..... Date of filing.....
NRCP 52(b)..... Date served..... By delivery..... or by mail..... Date of filing.....
NRCP 59..... Date served 6/15/07 By delivery or by mail..... Date of filing 6/15/07

Attach copies of all post-trial tolling motions.

NOTE: Motions made pursuant to NRCP 60 or motions for rehearing or reconsideration do not toll the time for filing a notice of appeal.

(b) Date of entry of written order resolving tolling motion 7/20/07. Attach a copy.

(c) Date written notice of entry of order resolving motion served 7/20/07. Attach a copy, including proof of service.

(i) Was service by delivery..... or by mail (specify).

18. Date notice of appeal was filed 7/26/07.

(a) If more than one party has appealed from the judgment or order, list date each notice of appeal was filed and identify by name the party filing the notice of appeal:

19. Specify statute or rule governing the time limit for filing the notice of appeal, e.g., NRAP 4(a), NRS 155.190, or other NRAP 4(a)(4)

SUBSTANTIVE APPEALABILITY

20. Specify the statute or other authority granting this court jurisdiction to review the judgment or order appealed from:

NRAP 3A(b)(1) NRS 155.190 (specify subsection) _____
NRAP 3A(b)(2) NRS 38.205 (specify subsection) _____
NRAP 3A(b)(3) _____ NRS 703.376 _____
Other (specify) NRS 38.247(1)(f) _____

Explain how each authority provides a basis for appeal from the judgment or order:

Appellants are appealing from entry of judgment on an alleged arbitration award and from the court's refusal to amend the judgment and grant a new trial/arbitration hearing.

COMPLETE THE FOLLOWING SECTION ONLY IF MORE THAN ONE CLAIM FOR RELIEF WAS PRESENTED IN THE ACTION (WHETHER AS A CLAIM, COUNTERCLAIM, CROSS-CLAIM, OR THIRD-PARTY CLAIM) OR IF MULTIPLE PARTIES WERE INVOLVED IN THE ACTION. Attach separate sheets as necessary.

21. List all parties involved in the action in the district court: Gholamreza Zandian Jazi, Ray Koroghli, Fariborz Fred Sadri, Wendover Project, LLC, Big Spring Ranch, LLC, Nevada Land and Water Resources, LLC.

(a) If all parties in the district court are not parties to this appeal, explain in detail why those parties are not involved in this appeal, e.g., formally dismissed, not served, or other:

22. Give a brief description (3 to 5 words) of each party's separate claims, counterclaims, cross-claims or third-party claims, and the trial court's disposition of each claim, and how each claim was resolved (i.e., order, judgment, stipulation), and the date of disposition of each claim. Attach a copy of each disposition. Respondent and the individual appellants claim interest in three separate properties in Nevada as owners or through membership in a LLC. The parties dispute each others' respective interest. The district court entered judgment on preliminary negotiations through an attempted mediator.

23. Attach copies of the last-filed version of all complaints, counterclaims, and/or cross-claims filed in the district court.

24. Did the judgment or order appealed from adjudicate ALL the claims alleged below and the rights and liabilities of ALL the parties to the action below:

Yes X No

25. If you answered "No" to the immediately previous question, complete the following:

(a) Specify the claims remaining pending below:

(b) Specify the parties remaining below:

(c) Did the district court certify the judgment or order appealed from as a final judgment pursuant to NRCP 54(b):

Yes No If "Yes," attach a copy of the certification or order, including any notice of entry and proof of service.

(d) Did the district court make an express determination, pursuant to NRCP 54(b), that there is no just reason for delay and an express direction for the entry of judgment:

Yes No

26. If you answered "No" to any part of question 25, explain the basis for seeking appellate review (e.g., order is independently appealable under NRAP 3A(b)):

VERIFICATION

I declare under penalty of perjury that I have read this docketing statement, that the information provided in this docketing statement is true and complete to the best of my knowledge, information and belief, and that I have attached all required documents to this docketing statement.

Ray Koroghli, Fariborz Fred Sadri Wendover Project, LLC, Big Spring Ranch, LLC, Nevada Land and Water Resources, LLC

Name of appellant

August 8, 2007

Date

Nevada, Clark County

State and county where signed

Steven L. Day/James R. Nance

Name of counsel of record

James R. Nance

Signature of counsel of record

CERTIFICATE OF SERVICE

I certify that on the 9th day of August, I served a copy of this completed docketing statement upon all counsel of record:

By personally serving it upon him/her; or

By mailing it by first class mail with sufficient postage prepaid to the following address(es):

John Peter Lee, Esq.
JOHN PETER LEE, LTD.
830 Las Vegas Blvd. South
Las Vegas, NV 89101

Dated this 9th day of August


Signature

Table of Exhibits

Exhibit Number	Question	Document
1	15-16	NOTICE OF ENTRY OF JUDGMENT CONFIRMING ARBITRATION AWARD
2	17(a)	MOTION TO AMEND OR ALTER JUDGMENT PURSUANT TO NRCP 59(e), OR IN THE ALTERNATIVE, MOTION FOR A NEW TRIAL PURSUANT TO NRCP 59(a)
3	15 & 17(b)-(c)	NOTICE OF ENTRY OF ORDER ON POST JUDGMENT ORDERS
4	23	FIRST AMENDED COMPLAINT
5	23	DEFENDANTS' RAY KOROGHLI AND FARIBORZ SADRI'S ANSWER AND COUNTERCLAIM
6	23	ANSWER OF WENDOVER PROJECT, LLC, BIG SPRING RANCH, LLC AND NEVADA LAND AND WATER RESOURCES, LLC TO PLAINTIFF'S COMPLAINT
7	23	REPLY TO COUNTERCLAIM OF WENDOVER PROJECT, LLC AND COUNTERCLAIM AGAINST WENDOVER PROJECT, LLC
8	23	REPLY OF WENDOVER PROJECT, LLC TO PLAINTIFF'S COUNTERCLAIM TO COUNTERCLAIM

ORIGINAL

17

1 NOEJ
 JOHN PETER LEE, LTD.
 2 JOHN PETER LEE, ESQ.
 Nevada Bar No. 001768
 3 MICHAEL A. REYNOLDS, ESQ.
 Nevada Bar No. 008631
 4 830 Las Vegas Boulevard South
 Las Vegas, Nevada 89101
 5 (702) 382-4044 Fax: (702) 383-9950
 Attorneys for Plaintiff/Counterdefendant

FILED

JUN 8 4 27 PM '07

Chaf
CLERK OF THE COURT

DISTRICT COURT

CLARK COUNTY, NEVADA

9 GHOLAMREZA ZANDIAN JAZI,
 10 Plaintiff,

CASE NO.: A511131
 DEPT. NO.: XI

11 v.

12 RAY KOROGHLI, individually, FARIBORZ FRED
 13 SADRI, individually, and as Trustee of the Star
 Living Trust, WENDOVER PROJECT, LLC, a
 14 Nevada limited liability company; BIG SPRING
 RANCH, LLC, a Nevada limited liability company,
 15 and NEVADA LAND AND WATER
 RESOURCES, LLC, a Nevada limited liability
 16 company,

NOTICE OF ENTRY OF
JUDGMENT CONFIRMING
ARBITRATION AWARD

17 Defendants.

18 RAY KOROGHLI, individually and FARIBORZ
 19 FRED SADRI, individually,

20 Counterclaimants,

DATE: 6-5-07
 TIME: 9:00 a.m.

21 v.

22 GHOLAMREZ ZANDIAN JAZI,
 Counterdefendant.

24 WENDOVER PROJECT, LLC,
 25 Counterclaimant,

26 v.

27 GHOLAMREZ ZANDIAN JAZI,
 28 Counterdefendant.

JOHN PETER LEE, LTD.
 ATTORNEYS AT LAW
 830 LAS VEGAS BOULEVARD SOUTH
 LAS VEGAS, NEVADA 89101
 Telephone (702) 382-4044
 Telecopier (702) 383-9950

CLERK OF THE COURT

JUN 8 2007

RECEIVED

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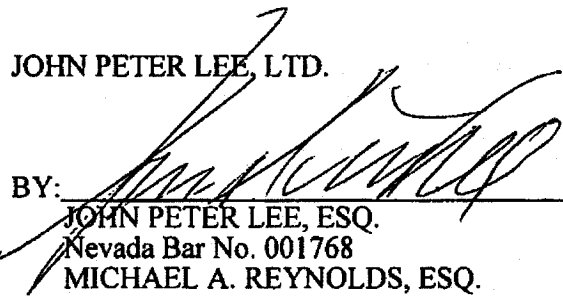
GHOLAMREZ ZANDIAN JAZI,
Counterclaimant,
v.
WENDOVER PROJECT, LLC,
Counterdefendant,

1334.022860-JLR

PLEASE TAKE NOTICE that an JUDGMENT CONFIRMING ARBITRATION was filed
in the above matter on the 8th day of June, 2007. A copy of said JUDGMENT is attached hereto.

DATED this 8th day of June, 2007.

JOHN PETER LEE, LTD.

BY: 

JOHN PETER LEE, ESQ.
Nevada Bar No. 001768
MICHAEL A. REYNOLDS, ESQ.
Nevada Bar No. 008631
830 Las Vegas Boulevard South
Las Vegas, Nevada 89101
Ph: (702) 382-4044/Fax: (702) 383-9950
Attorneys for Plaintiff/Counterdefendant
Gholamreza Zandian Jazi

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

1 JUDGE
JOHN PETER LEE, LTD.
2 JOHN PETER LEE, ESQ.
Nevada Bar No. 001768
3 MICHAEL A. REYNOLDS, ESQ.
Nevada Bar No. 008631
4 830 Las Vegas Boulevard South
Las Vegas, Nevada 89101
5 (702) 382-4044 Fax: (702) 383-9950
Attorneys for Plaintiff/Counterdefendant
6

FILED
Jun 8 10 50 AM '07

Chaf...
CLERK OF THE COURT

7 DISTRICT COURT
8 CLARK COUNTY, NEVADA

9 GHOLAMREZA ZANDIAN JAZI,
10 Plaintiff,

CASE NO.: A5H1131
DEPT. NO.: XI

11 v.

12 RAY KOROGHLI, individually, FARIBORZ FRED
SADRI, individually, and as Trustee of the Star
13 Living Trust, WENDOVER PROJECT, LLC, a
Nevada limited liability company; BIG SPRING
14 RANCH, LLC, a Nevada limited liability company,
and NEVADA LAND AND WATER
15 RESOURCES, LLC, a Nevada limited liability
company,

16 Defendants.

**JUDGMENT CONFIRMING
ARBITRATION AWARD**

17
18 RAY KOROGHLI, individually and FARIBORZ
FRED SADRI, individually,

19 Counterclaimants,

DATE: 6-5-07
TIME: 9:00 a.m.

20 v.

21 GHOLAMREZA ZANDIAN JAZI,

22 Counterdefendant.

23
24 WENDOVER PROJECT, LLC,

25 Counterclaimant,

26 v.

27 GHOLAMREZA ZANDIAN JAZI,

28 Counterdefendant.

JOHN PETER LEE, LTD.

ATTORNEYS AT LAW

830 LAS VEGAS BOULEVARD SOUTH

LAS VEGAS, NEVADA 89101

Telephone (702) 382-4044

Telecopier (702) 383-9950

1 GHOLAMREZA ZANDIAN JAZI,)
2 Counterclaimant,)
3 v.)
4 WENDOVER PROJECT, LLC,)
5 Counterdefendant.)

6 1334.022860-JLR

7 ZANDIAN'S MOTION FOR CONFIRMATION AND ENTRY OF JUDGMENT ON
8 ARBITRATION AWARD and the Defendants' COUNTERMOTION TO VACATE
9 ARBITRATION AWARD having come before this Court on Tuesday, June 5, 2007, the Honorable
10 Elizabeth Gonzalez presiding, and the Court being fully apprised in the premises and good cause
11 appearing, it is hereby

12 ORDERED that Plaintiff's MOTION FOR CONFIRMATION AND ENTRY OF
13 JUDGMENT ON ARBITRATION AWARD is granted, and Defendants' COUNTERMOTION TO
14 VACATE ARBITRATION AWARD is denied.

15 IT IS FURTHER ORDERED that this Court confirms the Arbitration Awards made and
16 entered by Floyd A. Hale, Esq., and enters judgment on the Arbitration Awards as follows:

17 IT IS ORDERED, ADJUDGED AND DECREED that all of the relief granted by the
18 aforesaid Arbitrator in his Arbitration Decision dated the 20th day of September, 2006, a copy of
19 which is attached hereto as Exhibit "1" is granted by this Court.

20 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that the Arbitrator's Decision
21 Denying Defendants' Motion to Change Award dated the 11th day of October, 2006, a copy of which
22 is attached hereto as Exhibit "2" is granted by this Court.

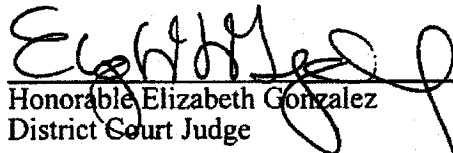
23 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that all relief granted in the
24 Implementation Award dated the 29th day of November, 2006, a copy of which is attached hereto
25 as Exhibit "3" is granted by this Court.

26 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that the Arbitrator's Report
27 and Recommendation to District Court dated the 28th day of February, 2007, a copy of which is
28 attached hereto as Exhibit "4" is granted by this Court.

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IT IS FURTHER ORDERED, ADJUDGED AND DECREED that this Court retains jurisdiction to implement this Judgment.

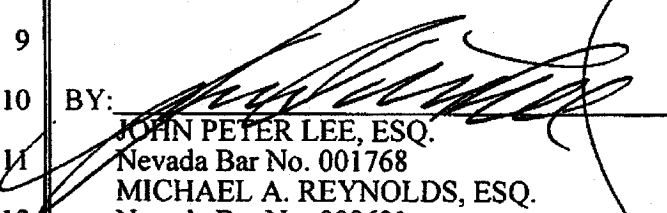
Dated this 7 day of June, 2007.


Honorable Elizabeth Gonzalez
District Court Judge

SUBMITTED BY:

JOHN PETER LEE, LTD.

BY:


JOHN PETER LEE, ESQ.
Nevada Bar No. 001768
MICHAEL A. REYNOLDS, ESQ.
Nevada Bar No. 008631
830 Las Vegas Boulevard South
Las Vegas, Nevada 89101
Ph: (702) 382-4044/Fax: (702) 383-9950
Attorneys for Plaintiff/Counterdefendant

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

RECEIVED
SEP 22 2006
JOHN PETER LEE, LTD.

1 ARB
2 FLOYD A. HALE, ESQ.
3 Nevada Bar No. 1873
4 JAMS
5 2300 W. Sahara, #900
6 Las Vegas, NV 89102
7 Ph: (702) 457-5267
8 Fax: (702) 437-5267
9 Arbitrator

DISTRICT COURT

CLARK COUNTY, NEVADA

10 GHOLAMREZA ZANDIAN JAZI,) Case No. A511131
11)) Dept. No. XII
12 Plaintiff,)
13 vs.)
14 RAY KOROGHLI, individually,)
15 FABIRORZ FRED SADRI, individually,)
16 and as Trustee of the Star Living Trust,)
17 WENDOVER PROJECT, LLC, a Nevada)
18 limited liability company; BIG SPRING)
19 RANCH, LLC, a Nevada limited liability)
20 company, and NEVADA LAND AND)
21 WATER RESOURCES, LLC, a Nevada)
22 limited liability company,)
23 Defendants.)

ARBITRATION DECISION

22 Arbitration Hearings in this matter were conducted for two full days. The parties
23 submitted voluminous exhibits, depositions and briefs to the Arbitrator. Having reviewed the
24 documentation submitted and having heard the testimony and representations of the parties, the
25 following Arbitration Decision is entered:
26

- 27 1. The entire interest in the Pah Rah, LLC, property will be transferred to Gholamreza
28

FLOYD A. HALE
SPECIAL MASTER
2300 W. SAHARA AVE. SUITE 900
LAS VEGAS, NEVADA 89102
PHONE (702) 457-5267
EMAIL fahale@floydahale.com

FLORIAN, MALE
SPECIAL MASTER
2300 W. ... AVE. SUITE 900
LAS VEGAS, NEVADA 89102
PHONE (702) 457-5267 EMAIL: florian@florian.com

1 Zandian Jazi, free and clear of all encumbrances, including the promissory note secured by Deed
2 of Trust issued for the benefit of Fariborz Fred Sadri; any obligation owed to Jeff Codega, related
3 to work that was performed as to the Pah Rah real estate will be the obligation of Gholamreza
4 Zandian Jazi;
5

6 2. The 320 acres referenced in the briefs and this lawsuit will be transferred free and clear
7 to Gholamreza Zandian Jazi without any obligation to the other litigants or parties to this
8 Arbitration or to any other party who may profess to have an interest in the 320 acres that are
9 bound by this lawsuit and Arbitration;
10

11 3. Fariborz Fred Sadri and Ray Koroghli will, within 30 days from the service of this
12 Arbitration Decision, pay Gholamreza Zandian Jazi \$250,000.00 in return for Gholamreza
13 Zandian Jazi waiving any claims or any rights as to the Big Springs Ranch, LLC or any of its
14 assets;
15

16 4. That Gholamreza Zandian Jazi will transfer any interest in the Wendover project, LLC,
17 including all assets and real estate to Fariborz Fred Sadri and Ray Koroghli;

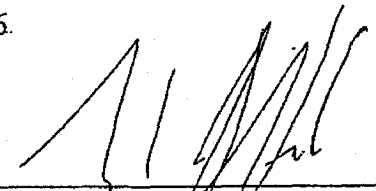
18 5. All of the entities and properties that are the subject of this Arbitration and lawsuit,
19 including Pah Rah, LLC, the owners of the 300 acres referenced above, the Big Springs Ranch,
20 LLC, and the Wendover purchase or Wendover Project, LLC, referenced in this lawsuit and
21 Arbitration waive any claims to reimbursement or participation in any consulting fees previously
22 paid to Gholamreza Zandian Jazi from the seller of the real estate to those entities;
23

24 6. That the parties, through counsel, will prepare all necessary documents to effect the
25 transfers of the real estate assets and LLC entities and the parties to this lawsuit and Arbitration
26 will execute all necessary documents to effect this Arbitration Order, including a mutual Release
27 to be executed by all parties.
28

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7. That each party pay their own fees and costs incurred herein.

DATED this 20th day of September, 2006.

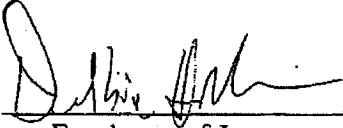
By: 
FLOYD HALE, Arbitrator
2300 West Sahara Avenue, #900
Las Vegas, NV 89102

CERTIFICATE OF FACSIMILE AND MAIL

I hereby certify that on the 21 day of September, 2006, I faxed and mailed a true and correct copy of the foregoing addressed to:

John Peter Lee, Esq.
830 Las Vegas Boulevard South
Las Vegas, NV 89101
Attorneys for Plaintiffs
Fax No. 383-9950

John Netzorg, Esq.
2810 West Charleston Blvd. #H-81
Las Vegas, NV 89102
Attorneys for Defendants
Fax No. 878-1255

By: 
Employee of Jams

FLOYD A. HALE
SPECIAL MASTER
2300 W. S
LAS VEGAS, NV 89102
PHONE (702) 457-5267
WE. SUITE 900
LAS VEGAS, NV 89102
EMAIL: fhaale@floydahale.com



FLOYD A. HALE
SPECIAL MASTER
2000 W. SAHARA, SUITE 900
LAS VEGAS, NEVADA 89102
PHONE (702) 457-5267 EMAIL fhalet@floydahale.com

1 ARB
2 FLOYD A. HALE, ESQ.
3 Nevada Bar No. 1873
4 JAMS
5 2300 W. Sahara, #900
6 Las Vegas, NV 89102
7 Ph: (702) 457-5267
8 Fax: (702) 437-5267
9 Arbitrator

10 DISTRICT COURT

11 CLARK COUNTY, NEVADA

12 GHOLAMREZA ZANDIAN JAZI,) Case No. A511131
13) Dept. No. XII
14 Plaintiff,)
15)
16 vs.)
17)
18 RAY KOROGHLI, individually,)
19 FABIRORZ FRED SADRI, individually,)
20 and as Trustee of the Star Living Trust,)
21 WENDOVER PROJECT, LLC, a Nevada)
22 limited liability company; BIG SPRING)
23 RANCH, LLC, a Nevada limited liability)
24 company, and NEVADA LAND AND)
25 WATER RESOURCES, LLC, a Nevada)
26 limited liability company,)
27)
28 Defendants.)

29 ARBITRATION DECISION

30 On October 11, 2006, the Arbitrator received the Defendant's **MOTION TO CHANGE**
31 **AWARD BY ARBITRATOR PURSUANT TO NRS 38.237.** The Motion requests that
32 Zandian Jazi: Execute documents necessary to have the property transferred as required by the
33 Arbitration Decision; issue guarantees that he has not made transfers to third parties; assign shares
34 of shipyard stock; warrant and verify that he is in a position to execute documents required by the

1 Arbitration Decision and verify other factual issues that were the subject of the Arbitration
2 Agreement.

3
4 The Motion goes well beyond the Arbitration Decision asking to reopen evidentiary
5 matters which are unnecessary at this time. Furthermore, paragraph 6 of the Arbitration Decision
6 indicates as follows:

7 6. That the parties, through counsel, will prepare all necessary
8 documents to effect the transfers of the real estate assets and LLC
9 entities and the parties to this lawsuit and Arbitration will execute all
10 necessary documents to effect this Arbitration Order, including a
mutual Release to be executed by all parties.

11 The Defendant's MOTION TO CHANGE AWARD BY ARBITRATOR PURSUANT
12 TO NRS 38.237 is denied.

13 DATED this 11th day of October, 2006.

14 By: 

15 FLOYD A. HALE
16 2300 W. Sahara, #900
17 Las Vegas, NV 89102
18 Arbitrator

19 CERTIFICATE OF FACSIMILE

20 I hereby certify that on the 11th day of October, 2006, I faxed and mailed a true and
21 correct copy of the foregoing addressed to:

22 John Peter Lec, Esq.
23 830 Las Vegas Boulevard South
24 Las Vegas, NV 89101
25 Attorneys for Plaintiffs
26 Fax No. 383-9950

John Netzorg, Esq.
2810 West Charleston Blvd. #H-81
Las Vegas, NV 89102
Attorneys for Defendants
Fax No. 878-1255

27 By: 

28 Employee of James

FLOYD A. HALE
SPEC MASTER
2300 W. SAHARA, SUITE 500
LAS VEGAS, NV 89102
PHONE (702) 457-6267 FAX: fha@fahale.com



JOHN PETER LEE, LTD.
ATTORNEY AT LAW
830 LAS VEGAS BLVD. SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9951

1 AWD
2 JOHN PETER LEE, LTD.
3 JOHN PETER LEE, ESQ.
4 Nevada Bar No. 001768
5 MICHAEL A. REYNOLDS, ESQ.
6 Nevada Bar No. 008631
7 830 Las Vegas Boulevard South
8 Las Vegas, Nevada 89101
9 (702) 382-4044 Fax: (702) 383-9950
10 Attorneys for Plaintiff/Counterdefendant
11 GHOLAMREZA ZANDIAN JAZI

RECEIVED
NOV 30 2006
JOHN PETER LEE, LTD.

DISTRICT COURT

CLARK COUNTY, NEVADA

9 GHOLAMREZA ZANDIAN JAZI,

CASE NO.: A511131
DEPT. NO.: XIII

10 Plaintiff,

11 v.

12 RAY KOROGHLI, individually, FARIBORZ FRED
13 SADRI, individually, and as Trustee of the Star
14 Living Trust, WENDOVER PROJECT, LLC, a
15 Nevada limited liability company; BIG SPRING
16 RANCH, LLC, a Nevada limited liability company,
17 and NEVADA LAND AND WATER
18 RESOURCES, LLC, a Nevada limited liability
19 company,

BEFORE ARBITRATOR
FLOYD A. HALE

20 Defendants.

IMPLEMENTATION AWARD

18 RAY KOROGHLI, individually and FARIBORZ
19 FRED SADRI, individually,

20 Counterclaimants,

21 v.

22 GHOLAMREZA ZANDIAN JAZI,

23 Counterdefendant.

24 WENDOVER PROJECT, LLC,

25 Counterclaimant,

26 v.

27 GHOLAMREZA ZANDIAN JAZI,

28 Counterdefendant.

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BLVD. SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9953

1 GHOLAMREZA ZANDIAN JAZI,
2 Counterclaimant,
3 v.
4 WENDOVER PROJECT, LLC,
5 Counterdefendant.

6 1334.022860-sy

7 **IMPLEMENTATION AWARD**

8 On September 20, 2006, an Arbitration Decision was issued in this dispute. Plaintiff
9 GHOLAMREZA ZANDIAN JAZI filed his Motion to Enforce Arbitration Decision on September
10 25, 2006. On October 24, 2006, Plaintiff filed his Motion to Implement Arbitration Award. On
11 October 26, 2006, Plaintiff filed his Amendment to Motion to Implement Arbitration Award and
12 Request for Expedited Hearing. On October 31, 2006, Defendants Sadri and Koroghli filed their
13 Opposition to Motion to Implement Arbitration Award. Plaintiff filed his Reply Re: Motion to
14 Implement Arbitration Award on November 2, 2006.

15 After considering the papers filed by both parties including draft transfer documents;

16 **THE FOLLOWING IMPLEMENTATION AWARD IS ENTERED:**

- 17 1. Defendants shall pay to John Peter Lee, Ltd., the sum of \$250,000 within five (5)
18 days.
- 19 2. Defendants are to execute and deliver to Plaintiff's Counsel within ten days of this
20 Award a Quitclaim Deed of the 320 acre parcel provided as Exhibit "1" by Plaintiff
21 on the 2nd day of November, 2006.
- 22 3. Defendants are to execute and deliver to Plaintiff's counsel within ten days of this
23 Award the Grant, Bargain and Sale Deed of the 320 acre parcel provided by Plaintiff
24 as Exhibit "2" on the 2nd of November, 2006.
- 25 4. Defendants are to execute and deliver to Plaintiff's counsel within ten days of this
26 Award the Quitclaim Deed of the 320 acre parcel provided by Plaintiff as Exhibit "3"
27 on November 2, 2006.
- 28 5. Defendants are to execute and deliver to Plaintiff's counsel within ten days of this

JOHN PETER LEE, LTD.

ATTORNEYS AT LAW

830 LAS VEGAS BLVD. SOUTH

LAS VEGAS, NEVADA 89101

Telephone (702) 382-4044

Telecopier (702) 383-9933

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- Award the Grant, Bargain and Sale Deed of the Pah-Rah parcel provided by Plaintiff as Exhibit "4" on November 2, 2006.
6. Mr. Sadri is to execute and deliver to Plaintiff's counsel within ten days of this Award the Request for Full Reconveyance concerning the \$333,000 Note provided by Plaintiff as Exhibit "5" on November 2, 2006.
7. Mr. Zandian is to execute and deliver to Defendants' counsel within ten days of this Award the Quitclaim Deed of the Wendover parcel provided by Plaintiff as Exhibit "6" on November 2, 2006.
8. Mr. Zandian is to execute and deliver to Defendants' counsel within ten days of this Award the Assignment of Interest in Wendover Project, LLC, provided by Plaintiff as Exhibit "7" on November 2, 2006.
9. Mr. Zandian is to execute and deliver to Defendants' counsel within ten days of this Award the Quitclaim Deed of the Big Spring Ranch parcel provided by Plaintiff as Exhibit "8" on November 2, 2006.
10. Mr. Zandian is to execute and deliver to Defendant's counsel within ten days of this Award the Assignment of Interest in Big Spring Ranch, LLC., provided by Plaintiff as Exhibit "9" on November 2, 2006.
11. Mr. Zandian is to execute and deliver to Defendants' counsel within ten days of this Award the Assignment of Interest in Nevada Land and Water Resources, LLC., provided by Plaintiff as Exhibit "10" on November 11, 2006.
12. Mr. Zandian is to record and deliver to Defendants' counsel within ten days of this Award the four (4) Releases of Lis Pendens provided by Plaintiff as Exhibit "11" on November 2, 2006.
13. Mr. Zandian is to execute, file and deliver to Defendants' counsel within ten days of this Award the Certificate of Resignation concerning Wendover Project, LLC., provided by Plaintiff as Exhibit "12" on November 2, 2006.
14. Mr. Zandian is to execute, file and deliver to Defendants' counsel within ten days of this Award the Certificate of Resignation concerning Nevada Land and Water

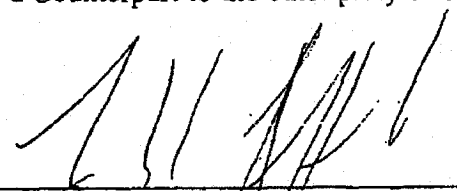
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Resources, LLC, provided as Exhibit "13" on November 2, 2006.

15. Mr. Zandian is to execute, file and deliver to Defendants' counsel within ten days of this Award the Certificate of Resignation concerning Big Spring Ranch, LLC., provided by Plaintiff as Exhibit "14" on November 2, 2006.

16. All parties are to sign the Mutual Release of Claims provided by Plaintiff as Exhibit "16" on November 2, 2006, and deliver a Counterpart to the other party's counsel within ten (10) from this Award.

Dated this 29th day of November, 2006.

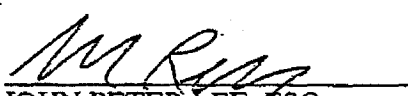


FLOYD A. HALE, ARBITRATOR

Respectfully submitted

JOHN PETER LEE, LTD.

JOHN PETER LEE, LTD.
ATTORNS AT LAW
830 LAS VEG. BLVD. SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950



JOHN PETER LEE, ESQ.
Nevada Bar No. 001768
MICHAEL A. REYNOLDS, ESQ.
Nevada Bar No. 008631
830 Las Vegas Boulevard South
Las Vegas, Nevada 89101
(702) 382-4044 Fax: (702) 383-9950
Attorneys for Plaintiff/Counterdefendant

CERTIFICATE OF FACSIMILE AND MAILING

I hereby certify that on the 29th day of November 2006, I faxed and mailed a true and correct copy of the foregoing Implementation Award addressed to:

John Peter Lee, Esq.
830 Las Vegas Boulevard South
Las Vegas, NV 89101
Attorneys for Plaintiffs
Fax No. 383-9950

John Netzorg, Esq.
2810 West Charleston Blvd. #H-81
Las Vegas, NV 89102
Attorneys for Defendants
Fax No. 878-1255

By: 

Employee of Jams

APN: 076-100-19

WHEN RECORDED, RETURN TO
JOHN PETER LEE, LTD.
830 Las Vegas Boulevard South
Las Vegas, Nevada 89101

GRANTEE/MAIL TAX STATEMENTS TO:
JOHN PETER LEE, LTD.
830 Las Vegas Boulevard South
Las Vegas, Nevada 89101

320 acre parcel

QUITCLAIM DEED

By this instrument dated this ____ day of _____, 2006, for a valuable consideration, Ray Koroghli, individually, and Fariborz Fred Sadri, individually and as Trustee of the Star Living Trust, do hereby remise, release and forever quitclaim to Gholamreza Zandian Jazi, the following described real property in the State of Nevada, County of Washoe:

Set forth in Exhibit A attached and incorporated herein by this reference

RAY KOROGHLI, individually

FARIBORZ FRED SADRI, individually

FARIBORZ FRED SADRI, as Trustee of the
Star Living Trust

STATE OF NEVADA)
) SS.:
COUNTY OF CLARK)

On _____, 2006, before me the undersigned, a Notary Public in and for said County and State, personally appeared Ray Koroghli, known to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.

NOTARY PUBLIC

STATE OF NEVADA)
) SS.:
COUNTY OF CLARK)

On _____, 2006, before me the undersigned, a Notary Public in and for said County and State, personally appeared Fariborz Fred Sadri, known to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.

NOTARY PUBLIC

STATE OF NEVADA)
) SS.:
COUNTY OF CLARK)

On _____, 2006, before me the undersigned, a Notary Public in and for said County and State, personally appeared Fariborz Fred Sadri, Trustee of the Star Living Trust, known to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.

NOTARY PUBLIC

County Home => Assessor's Office => Property Assessment Data => Parcel QuickInfo

WASHOE COUNTY QUICK INFO (Summary data may not be complete representation of property) 10/18/2006

Owner Information & Legal Description				Building Information			
APN	076-100-19			Property Name:			
Parcel Map | Map Warehouse				Quality		Bldg Type	
Card	1 of 1			Stories		Square Feet	0
Situs	SPANISH SPRINGS RD			Year Built	0	Square Feet does not include Bsmt or Garage Conversion area click for details	
Owner 1	BIG SPRING RANCH LLC			W.A.Y.	0		
Mail Address	P O BOX 81624			Bedrooms	0	Finished Bsmt	
	LAS VEGAS NV 89180-1624			Full Baths	0	Unfin Bsmt	
Owner 2				Half Baths	0	Bsmt Type	
Owner 3				Fixtures	0	Gar Conv Sq Foot	
Rec Doc No	02957442	Rec Date	11/21/2003	Fireplaces	0	Total Gar Area	
Prior Owner	GRAHAM, EARL L & JONI			Heat Type		Gar Type	
Prior Doc	02623847 11/30/2001			Sec Heat Type		Det Garage	
Legal Desc	34-1-1-2			Ext Walls		Bsmt Gar Door	
Subdivision	34-1-1-2			Sec Ext Walls		Sub Floor	
	Lot	Block	Sub Map#	Roof Cover		Frame	
	Record of Survey Map		Parcel Map#	%Incomplete	0	Units/Bldg	
	Section 34	Township 21	Range 21	Obso/Bldg Adj	0	Units/Parcel	
			SPC	Construction Mod	0	Last Permit	
Tax Dist	4400	Add'l Tax Info	Prior APN	Last Activity	CEM 04/08/1996		

Land Information											
Land Use	012	Zoning	GR	Sewer	NONE	Value Year	2007	Reason	Reappraisal	Factor Dist	586R
Size	320 AC	Water	NONE	Street	NONE			Reapp Years	2002-2007		

Valuation Information	2005/2006 FV	2006/2007 FV	Sales/Transfer Information/Recorded Document				
			V-Code	LUC	Doc Date	Value	Grantor
Taxable Land Value	78,304	86,917	1SVR	012	11/21/2003	95,000	GRAHAM, EARL L & JONI
Txble Improvement Value	0	0	3NTT	012	11/30/2001	0	LONDON, DALE R
Secured Personal Property (rounded)	0	0	3NTT	012	11/30/2001	0	GRAHAM, EARL L & JONI
Taxable Total	78,304	86,917			07/07/1997	0	
Assessed Land Value	27,406	30,421	1GCR	012	06/03/1997	70,000	
Assessed Improvement Value	0	0			08/01/1976	10,980	

All data on this form is for use by the Washoe County Assessor for

Assessed Personal Prop		0	assessment purposes only. Zoning information should be verified with the appropriate planning agency.
Total Assessed	27,406	30,421	
Supplemental New Const	0	0	

We are currently experiencing some problems with our photo and sketch database which can cause the wrong sketch or photo to display, please review any sketches and photos carefully.

Sketch Is Not Available On-Line. Property Photo Is Not Available On-Line.

99052

[.: return to original page .:](#)

APN: 076-100-19

WHEN RECORDED, RETURN TO

JOHN PETER LEE, LTD.
830 Las Vegas Boulevard South
Las Vegas, Nevada 89101

GRANTEE/MAIL TAX STATEMENTS TO:

JOHN PETER LEE, LTD.
830 Las Vegas Boulevard South
Las Vegas, Nevada 89101

320 acre parcel

GRANT, BARGAIN AND SALE DEED

THIS INDENTURE, made this ____ day of _____, 2006, by and between Big Spring Ranch, LLC, as Grantor, and Gholamreza Zandian Jazi, as Grantee:

WITNESSETH

That Grantor, in consideration of the sum of Ten Dollars (\$10.00) lawful money of the United States, and good and valuable consideration, paid to Grantor by Grantee, the receipt whereof is hereby acknowledged, does by these presents grant, bargain and sell to Grantee and to Grantee's successors and assigns, all those certain lots, pieces, or parcels of land situated in the County of Washoe, State of Nevada, and more particularly described as follows:

Set forth in Exhibit A attached and incorporated herein by this reference

TOGETHER WITH all and singular the tenements, hereditaments, and appurtenances thereunto belonging or in anywise appertaining, and the reversion and reversions, remainder or remainders, rents, issues, and profits thereof.

SUBJECT TO rights, reservations and restrictions of record.

TO HAVE AND TO HOLD all and singular the premises, together with the appurtenances, unto Grantee and to Grantee's successors and assigns forever.

IN WITNESS WHEREOF, Grantor have executed this conveyance the day and year first above written.

BIG SPRING RANCH, LLC

BY: _____
RAY KOROGHLI, Member/Manager

BY: _____
FARIBORZ FRED SADRI, Member/Manager

STATE OF NEVADA)
) SS.:
COUNTY OF CLARK)

On _____, 2006, before me the undersigned, a Notary Public in and for said County and State, personally appeared Ray Koroghli, known to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.

NOTARY PUBLIC

STATE OF NEVADA)
) SS.:
COUNTY OF CLARK)

On _____, 2006, before me the undersigned, a Notary Public in and for said County and State, personally appeared Fariborz Fred Sadri, known to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.

NOTARY PUBLIC

County Home => Assessor's Office => Property Assessment Data => Parcel QuickInfo

WASHOE COUNTY QUICK INFO (Summary data may not be complete representation of property)				10/18/2006	
Owner Information & Legal Description			Building Information		
APN 076-100-19			Property Name:		
Parcel Map | Map Warehouse			Quality		Bldg Type
Card 1 of 1			Stories		
Situs	SPANISH SPRINGS RD		Year Built	0	Square Feet 0
Owner 1	BIG SPRING RANCH LLC		W.A.Y.	0	Square Feet does not include Bsmt or Garage Conversion area click for details
Mail Address	P O BOX 81624		Bedrooms	0	
	LAS VEGAS NV 89180-1624		Full Baths	0	Finished Bsmt 0
Owner 2			Half Baths	0	Unfin Bsmt 0
Owner 3			Fixtures	0	Bsmt Type
Rec Doc No	02957442	Rec Date	11/21/2003	Fireplaces	0
Prior Owner	GRAHAM,EARL L & JONI		Heat Type		Total Gar Area 0
Prior Doc	02623847 11/30/2001		Sec Heat Type		Gar Type
Legal Desc	34-1-1-2		Ext Walls		Det Garage 0
Subdivision	34-1-1-2		Sec Ext Walls		Bsmt Gar Door 0
	Lot	Block	Sub Map#	Roof Cover	Sub Floor
				%Incomplete	0
	Record of Survey Map		Parcel Map#	Obso/Bldg Adj	0
	Section 34	Township 21	Range 21	Construction Mod	0
					Units/Parcel 0
Tax Dist	4400	Add'l Tax Info	Prior APN	Last Activity	CEM 04/08/1996
					Last Permit

Land Information											
Land Use	012	Zoning	GR	Sewer	NONE	Value Year	2007	Reason	Reappraisal	Factor Dist	586R
Size	320 Ac	Water	NONE	Street	NONE			Reapp Years	2002-2007		

Valuation Information			2005/2006 FV	2006/2007 FV	Sales/Transfer Information/Recorded Document				
Taxable Land Value			78,304	86,917	V-Code	LUC	Doc Date	Value	Grantor
Txble Improvement Value			0	0	1SVR	012	11/21/2003	95,000	GRAHAM,EARL L & JONI
Secured Personal Property (rounded)			0	0	3NTT	012	11/30/2001	0	LANDON,DALE R
Taxable Total			78,304	86,917	3NTT	012	11/30/2001	0	GRAHAM,EARL L & JONI
Assessed Land Value			27,406	30,421			07/07/1997	0	
Assessed Improvement Value			0	0	1GCR	012	06/03/1997	70,000	
							08/01/1976	10,980	

All data on this form is for use by the Washoe County Assessor for

Assessed Personal Prop		0	assessment purposes only. Zoning information should be verified with the appropriate planning agency.
Total Assessed	27,406	30,421	
Supplemental New Const	0	0	

We are currently experiencing some problems with our photo and sketch database which can cause the wrong sketch or photo to display, please review any sketches and photos carefully.

Sketch Is Not Available On-Line.	Property Photo Is Not Available On-Line.
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99052

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APN: 076-100-19

WHEN RECORDED, RETURN TO
JOHN PETER LEE, LTD.
830 Las Vegas Boulevard South
Las Vegas, Nevada 89101

GRANTEE/MAIL TAX STATEMENTS TO:
JOHN PETER LEE, LTD.
830 Las Vegas Boulevard South
Las Vegas, Nevada 89101

320 acre parcel

QUITCLAIM DEED

By this instrument dated this ____ day of _____, 2006, for a valuable consideration,
Big Spring Ranch, LLC does hereby remise, release and forever quitclaim to Gholamreza Zandian
Jazi, the following described real property in the State of Nevada, County of Washoe:

Set forth in Exhibit A attached and incorporated
herein by this reference

BIG SPRING RANCH, LLC

BY: _____
RAY KOROGHLI

BY: _____
FARIBORZ FRED SADRI

STATE OF NEVADA)
) SS.:
COUNTY OF CLARK)

On the ____ day of _____, 2006, before me the undersigned, a Notary Public
in and for said County and State, personally appeared Ray Koroghli, known to me to be the person
whose name is subscribed to the within instrument, and acknowledged to me that he executed the
same.

NOTARY PUBLIC

STATE OF NEVADA)
) SS.:
COUNTY OF CLARK)

On the ____ day of _____, 2006, before me the undersigned, a Notary Public in and for said County and State, personally appeared Fariborz Fred Sadri, known to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.

NOTARY PUBLIC

County Home => Assessor's Office => Property Assessment Data => Parcel QuickInfo

WASHOE COUNTY QUICK INFO (Summary data may not be complete representation of property)				10/18/2006	
Owner Information & Legal Description			Building Information		
APN	076-100-19		Property Name:		
Parcel Map | Map Warehouse			Quality		Bldg Type
Card 1 of 1			Stories		
Situs	SPANISH SPRINGS RD		Year Built	0	Square Feet 0
Owner 1	BIG SPRING RANCH LLC		W.A.Y.	0	Square Feet does not include Bsmt or Garage Conversion area click for details
Mail Address	P O BOX 81624		Bedrooms	0	
	LAS VEGAS NV 89180-1624		Full Baths	0	Finished Bsmt 0
Owner 2			Half Baths	0	Unfin Bsmt 0
Owner 3			Fixtures	0	Bsmt Type
Rec Doc No	02957442	Rec Date	11/21/2003	Fireplaces	0
Prior Owner	GRAHAM,EARL L & JONI		Heat Type		Gar Conv Sq Foot 0
Prior Doc	02623847 11/30/2001		Sec Heat Type		Total Gar Area 0
Legal Desc	34-1-1-2		Ext Walls		Gar Type
Subdivision	34-1-1-2		Sec Ext Walls		Det Garage 0
	Lot	Block	Sub Map#	Roof Cover	Bsmt Gar Door 0
				%Incomplete	0
	Record of Survey Map		Parcel Map#	Obso/Bldg Adj	0
	Section 34	Township 21	Range 21	Construction Mod	0
			SPC	Last Activity	CEM 04/08/1996
Tax Dist	4400	Add'l Tax Info	Prior APN		Last Permit

Land Information											
Land Use	012	Zoning	GR	Sewer	NONE	Value Year	2007	Reason	Reappraisal	Factor Dist	586R
Size	320 Ac	Water	NONE	Street	NONE			Reapp Years	2002-2007		

Valuation Information			Sales/Transfer Information/Recorded Document				
	2005/2006 FV	2006/2007 FV	V-Code	LUC	Doc Date	Value	Grantor
Taxable Land Value	78,304	86,917	1SVR	012	11/21/2003	95,000	GRAHAM,EARL L & JONI
Txble Improvement Value	0	0	3NTT	012	11/30/2001	0	LONDON,DALE R
Secured Personal Property (rounded)	0	0	3NTT	012	11/30/2001	0	GRAHAM,EARL L & JONI
Taxable Total	78,304	86,917			07/07/1997	0	
Assessed Land Value	27,406	30,421	1GCR	012	06/03/1997	70,000	
Assessed Improvement Value	0	0			08/01/1976	10,980	

All data on this form is for use by the Washoe County Assessor for

Assessed Personal Prop		0	assessment purposes only. Zoning information should be verified with the appropriate planning agency.
Total Assessed	27,406	30,421	
Supplemental New Const	0	0	

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Sketch Is Not Available On-Line.	Property Photo Is Not Available On-Line.
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APN: 079-150-09, 079-150-10, 07-150-13
084-040-02, 084-040-04, 084-040-06
084-040-10, 084-130-07, -84-140-17

WHEN RECORDED, RETURN TO

JOHN PETER LEE, LTD.
830 Las Vegas Boulevard South
Las Vegas, Nevada 89101

GRANTEE/MAIL TAX STATEMENTS TO:

JOHN PETER LEE, LTD.
830 Las Vegas Boulevard South
Las Vegas, Nevada 89101

Pah Rah parcel

GRANT, BARGAIN AND SALE DEED

THIS INDENTURE, made this ____ day of _____, 2006, by and between Ray Koroghli, individually, and Fariborz Fred Sadri, individually and as Trustee of the Star Living Trust, as Grantors, and Gholamreza Zandian Jazi, as Grantee:

WITNESSETH

That Grantors, in consideration of the sum of Ten Dollars (\$10.00) lawful money of the United States, and good and valuable consideration, paid to Grantors by Grantee, the receipt whereof is hereby acknowledged, does by these presents grant, bargain and sell to Grantee and to Grantee's successors and assigns, all those certain lots, pieces, or parcels of land situated in the County of Washoe, State of Nevada, and more particularly described as follows:

Set forth in Exhibit A attached and incorporated herein by this reference

TOGETHER WITH all and singular the tenements, hereditaments, and appurtenances thereunto belonging or in anywise appertaining, and the reversion and reversions, remainder or remainders, rents, issues, and profits thereof.

SUBJECT TO rights, reservations and restrictions of record.

TO HAVE AND TO HOLD all and singular the premises, together with the appurtenances, unto Grantee and to Grantee's successors and assigns forever.

IN WITNESS WHEREOF, Grantors have executed this conveyance the day and year first above written.

RAY KOROGHLI, individually

FARIBORZ FRED SADRI, individually

FARIBORZ FRED SADRI, as Trustee of the
Star Living Trust

STATE OF NEVADA)
) SS.:
COUNTY OF CLARK)

On _____, 2006, before me the undersigned, a Notary Public in and for said County and State, personally appeared Ray Koroghli, known to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.

NOTARY PUBLIC

STATE OF NEVADA)
) SS.:
COUNTY OF CLARK)

On _____, 2006, before me the undersigned, a Notary Public in and for said County and State, personally appeared Fariborz Fred Sadri, known to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.

NOTARY PUBLIC

STATE OF NEVADA)
) SS.:
COUNTY OF CLARK)

On _____, 2006, before me the undersigned, a Notary Public in and for said County and State, personally appeared Fariborz Fred Sadri, Trustee of the Star Living Trust, known to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.

NOTARY PUBLIC

APN: 079-150-09, 079-150-10, 07-150-13
084-040-02, 084-040-04, 084-040-06,
084-040-10, 084-130-07, 084-140-17

DOC # 2900592
08/06/2003 03:48P Fee: 20.00
BK1
Requested By
WESTERN TITLE COMPANY INC
Washoe County Recorder
Kathryn L. Burke - Recorder
Pg 1 of 7 RPTT 1500.00

RPTT \$1,500.00 130277-TX

RECORDING REQUESTED BY AND
WHEN RECORDED RETURN TO:

Star Living Trust
950 Seven Hills Drive, Ste 1026
Henderson, NV 89052

2827 S. MONTE CRISTO
LAS VEGAS, NV 89117

MAIL FAX STATEMENT TO ABOVE

25269-DAR

00130277

GRANT, BARGAIN AND SALE DEED



THIS GRANT, BARGAIN AND SALE DEED is made this 1st day of AUGUST, 2003 by and between NEVADA LAND AND RESOURCE COMPANY, LLC, a Delaware limited liability company, whose address is 704 W. Nye Lane, Suite 201, Carson City, Nevada, 89703 (referred to as "GRANTOR") and FRED SADRI TRUSTEE OF THE STAR LIVING TRUST, DATED APRIL 14, 1997, AS TO AN UNDIVIDED 1/3 INTEREST, RAY KOROGHLI, AN UNMARRIED MAN, AS TO AN UNDIVIDED 1/3 INTEREST AND REZA ZANDIAN, A MARRIED MAN AS HIS SOLE AND SEPARATE PROPERTY, AS TO AN UNDIVIDED 1/3 INTEREST, AS TENANTS IN COMMON, (referred to as "GRANTEE").

GRANTOR, in consideration of the sum of Ten Dollars (\$10.00), lawful money of the United States, and other good and valuable consideration to GRANTOR paid by the GRANTEE, the receipt of which GRANTOR acknowledges, by these presents grants, bargains and sells to GRANTEE, and to GRANTEE's successors and assigns forever, all right, title and interest in and to that certain real property situated in Washoe County, State of Nevada, and more particularly described on Exhibit A, except the easement and mineral estate and interest reserved to GRANTOR.

Together with all and singular the tenements, hereditaments and appurtenances belonging, or in anywise appertaining, to the real property, and the reversion and reversions, remainder and remainders, rents, issues and profits of the real property;

To have and to hold the real property above described with the appurtenances, unto GRANTEE, and to GRANTEE's heirs, and successors and assigns forever.

GRANTOR reserves to itself and its successors and assigns a 20 foot wide access easement over, through, within, under, across and along the East and South boundaries of Section 3, Township 20 North, Range 23 East.

GRANTOR reserves to itself the exclusive right and privilege to enter on the property for the purposes of exploration and prospecting for the development, extraction, mining, production, removal and sale of all minerals, mineral substances, metals, ore-bearing materials, coal, oil, gas, other hydrocarbons, geothermal steam, liquids or brines, heat, other geothermal resources and rocks of every kind, except sand and gravel. The mineral estate and rights reserved to Grantor include all of the right, title and interest to minerals in, on or under the property, including, but not limited to, the surface and subsurface of the property, all minerals, mineral elements and compounds and ores, together with all easements and rights-of-way reserved or granted in, on or under the property, together with any and all lodes, veins and mineral deposits extending from or into or contained in the

100700



property. The term "minerals" shall include all mineral elements and compounds, including by way of example and not by limitation, all barite, copper, gold, iron, silver and other metals, whether the same are presently known to exist on the property or are subsequently discovered on the property, and regardless of the method of extraction, mining or processing of the same (whether open pit or strip mining, underground mining, surface or subsurface leaching) whether presently or subsequently employed, invented, or developed. Grantor reserves to itself the rights of egress and ingress to and from the property for any and all purposes related to the mineral estate reserved to Grantor. Grantor shall conduct all of its activities in accordance with all applicable laws, regulations, and ordinances, and shall defend, indemnify and hold Grantee from and against all actions, claims, damages and losses resulting from Grantor's exercise of the rights appurtenant to its reserved mineral estate. Grantor shall compensate Grantee for surface damages resulting from Grantor's activities related to Grantor's reserved mineral estate. If Grantee and Grantor are unable to mutually determine the damages resulting to the surface, such damages shall be determined by a mutually acceptable independent appraiser who shall determine the fair market value of the surface damaged as a result of Grantor's activities.

GRANTOR makes no representation or warranty concerning the effect of those Minerals Leases, by and between Southern Pacific Land Company, a California corporation, as lessor, and SFP Minerals Corporation, a Delaware corporation, as lessee, to the degree or the extent that the same applies and is enforceable against the property described in this Grant, Bargain and Sale Deed, if at all.

GRANTOR has executed this Grant, Bargain and Sale Deed the day and year first above written.

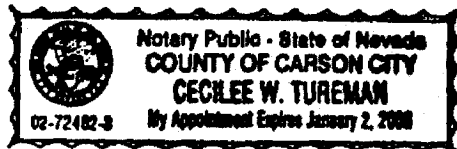
NEVADA LAND AND RESOURCE COMPANY, LLC, A
DELAWARE LIMITED LIABILITY COMPANY

By: *Dorothy A. Timian-Palmer*
Dorothy A. Timian-Palmer
Chief Operating Officer

STATE OF NEVADA)
) ss.
COUNTY OF CARSON CITY)

This instrument was acknowledged before me on August 1, 2003, by Dorothy A. Timian-Palmer its Chief Operating Officer of and for Nevada Land and Resource Company, LLC, a Delaware limited liability company.

Cecily W. Tureman
Notary Public



100701



EXHIBIT " A "

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

PARCEL A:

A.P.N. 079-150-09

The Northeast $\frac{1}{4}$ and the South $\frac{1}{2}$ of the Northwest $\frac{1}{4}$ and the South $\frac{1}{2}$ in
Section 33, Township 21 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar
and other valuable minerals as reserved by the United States of America or the
State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores
within or underlying the property, including, without limitation, oil, natural gas
and hydrocarbon substances, geothermal steam, brines and minerals in solution,
and sand gravel and aggregates, and products derived therefrom, together with
any rights of ingress and egress in, upon or over the property and to make such
use of the property and the surface thereof as is necessary or useful in
connection therewith, as reserved in the Deed recorded January 09, 1990 in
Book 3019, Page 756 as Document No. 1373452 of Official Records.

PARCEL B:

A.P.N. 079-150-10

Section 31, Township 21 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar
and other valuable minerals as reserved by the United States of America or the
State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores
within or underlying the property, including, without limitation, oil, natural gas
and hydrocarbon substances, geothermal steam, brines and minerals in solution,
and sand gravel and aggregates, and products derived therefrom, together with



any rights of ingress and egress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded February 22, 1991 in Book 3216, Page 526 as Document No. 1461483 of Official Records.

PARCEL C:

A.P.N. 079-150-13

The Northeast $\frac{1}{4}$; South $\frac{1}{2}$ of the Northwest $\frac{1}{4}$; South $\frac{1}{2}$ of Section 27,
Township 21 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with any rights of ingress and egress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded January 09, 1990 in Book 3019, Page 756 as Document No. 1373452 of Official Records.

PARCEL D:

A.P.N. 084-040-02

Section 5, Township 20 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with any rights of ingress and egress in, upon or over the property and to make such



use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded February 22, 1991 in Book 3216, Page 526 as Document No. 1461483 of Official Records.

PARCEL E:

A.P.N. 084-040-04

Section 3, Township 20 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with any rights of ingress and egress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded January 03, 1992 in Book 3391, Page 840 as Document No. 1534872 of Official Records.

PARCEL F:

A.P.N. 084-040-06

Section 1, Township 20 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with any rights of ingress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection



therewith, as reserved in the Deed recorded January 03, 1992 in Book 3391, Page 840 as Document No. 1534872 of Official Records.

PARCEL G:

A.P.N. 084-040-10

The North $\frac{1}{2}$ and the North $\frac{1}{2}$ of the Northwest $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ and the Southwest $\frac{1}{4}$ of the Northwest $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ and the North $\frac{1}{2}$ of the Northeast $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ and the North $\frac{1}{2}$ of the Northwest $\frac{1}{4}$ of the Southeast $\frac{1}{4}$, all in Section 11, Township 20 North, Range 23 East, M.D.B.&M.

ALSO EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with any rights of ingress and egress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded January 03, 1992 in Book 3391, Page 840 as Document No. 1534872 of Official Records.

PARCEL H:

A.P.N. 084-130-07

The Northwest $\frac{1}{4}$ and the North $\frac{1}{2}$ of the Southwest $\frac{1}{4}$ and Government Lot 1 in the Southwest $\frac{1}{4}$ of Section 15, Township 20 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with



2988592
08/06/2003
7 of 7

any rights of ingress and egress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded January 03, 1992 in Book 3391, Page 840 as Document No. 1534872 of Official Records.

PARCEL I:

A.P.N. 084-140-17

The Northeast $\frac{1}{4}$ of Section 15, Township 20 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with any rights of ingress and egress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded January 03, 1992 in Book 3391, Page 840 as Document No. 1534872 of Official Records.

REQUEST FOR FULL RECONVEYANCE

TO: Western Title Company, Inc., Trustee

The undersigned is the legal owner and holder of the Note or Notes, and of all other indebtedness secured by the attached Deed of Trust. Said Note or Notes, together with all other indebtedness secured by said Deed of Trust, have been fully paid and satisfied; and you are hereby requested and directed to cancel said note or notes above mentioned, and all other evidences of indebtedness secured by said Deed of Trust delivered to you herewith, together with the Deed of Trust, and to reconvey, without warranty, to Gholamreza Zandian Jazi all the estate now held by you under the same.

DATED this _____ day of _____, 2006.

Fariborz Fred Sadri

STAR LIVING TRUST

BY: _____
Fariborz Fred Sadri, Trustee

Pah Rah parcel

APN: 079-150-09,10,13 084-040-02,04,06,10 084-130-07

084-140-17

DOC # 2900594

08/06/2003 03:46P Fee:48.00

BK1

Requested By

WESTERN TITLE COMPANY INC

Washoe County Recorder

Kathryn L. Burke - Recorder

Pg 1 of 10 RPTT 0.00

RECORDING REQUESTED BY:
Western Title Company, Inc.

WHEN RECORDED MAIL TO:



Name STAR LIVING TRUST, FRED SADRI
Street 2827 S. MONTE CRISTO
City, State LAS VEGAS, NV 89117
Zip
Order No. 00025269-501-DBR - ACCOMMODATION

(SPACE ABOVE THIS LINE FOR RECORDERS USE)

DEED OF TRUST WITH ASSIGNMENT OF RENTS

This DEED OF TRUST, made on July 31, 2003, between REZA ZANDIAN, a married man as his sole and separate property, TRUSTOR, whose address is 9550 W. Sahara Ave., Apt 2148 Las Vegas 89117, NV 89117 Western Title Company, Inc., a Nevada Corporation, TRUSTEE, and FARIBORZ SADRI, TRUSTEE OF THE STAR LIVING TRUST, DATED APRIL 14, 1997, BENEFICIARY.

WITNESSETH: That Trustor grants to Trustee in Trust, with Power of Sale, that property in the City of N/A, County of Washoe, Nevada, described as:

SEE ATTACHED FOR LEGAL DESCRIPTION

In the event the herein described property or any part thereof, or any interest therein is sold, agreed to be sold, conveyed or alienated by the trustor, or by the operation of law or otherwise, all obligations secured by this instrument, irrespective of the maturity dates expressed therein, at the option of the holder hereof and without demand or notice shall immediately become due and payable.

Together with the rents, issues and profits thereof, subject, however, to the right, power and authority hereinafter given to and conferred upon Beneficiary to collect and apply such rents, issues and profits.

For the Purpose of Securing (1) payment of the sum of \$333,996.56 with interest thereon according to the terms of a promissory note or notes of even date herewith made by Trustor, payable to order of Beneficiary, and extensions or renewals thereof; (2) the performance of each agreement of Trustor incorporated by reference or contained herein or reciting it is so secured; (3) Payment of additional sums and interest thereon which may hereafter be loaned to Trustor, or his successors or assigns, when evidenced by a promissory note or notes reciting that they are secured by this Deed of Trust.

To protect the security of this Deed of Trust, and with respect to the property above described, Trustor expressly makes each and all of the agreements, and adopts and agrees to perform and be bound by each

and all of the terms and provisions set forth in subdivision A and it is mutually agreed that each and all of the terms and provisions set forth in subdivision B of the Fictitious Deed of trust recorded in the office of



each County Recorder in the State of Nevada on January 30, 1968, in the book and at the page thereof, or under the document or file number, noted below opposite the name of such county, namely: COUNTY

	BOOK	PAGE	DOC. NO.	COUNTY	BOOK	PAGE	DOC. NO.
Churchill	39	363	115384	Lincoln			45902
Clark	Mortgages 850 Off. Rec.		682747	Lyon	37 Off. Rec.	341	100661
Douglas	57 Off. Rec.	115	40050	Mineral	11 Off. Rec.	129	89073
Elko	192 Off. Rec.	652	35747	Nye	105 Off. Rec.	107	04823
Esmeralda	3-X Deeds	195	35922	Ormsby	72 Deeds	537	32867
Eureka	22 Off. Rec.	138	45941	Pershing	11 Off. Rec.	249	66107
Humboldt	28 Off. Rec.	124	131075	Storey	"S" Off. Rec.	206	31506
Lander	24 Off. Rec.	168	50782	Washoe	300 Off. Rec.	517	107192
				White Pine	295 R.E. Records	258	

shall insure to and bind the parties hereto, with respect to the property above described. Said agreements, terms and provisions contained in said subdivisions A and B (identical in all counties, and printed on the reverse side hereof) are by the within reference thereto, incorporated herein and made a part of Deed of Trust for all purposes as fully as if set forth at length herein, and Beneficiary may charge for a statement regarding the obligation secured hereby, provided the charge therefor does not exceed a reasonable amount.



2900594
08/06/2003
3 of 19

The undersigned Trustor, requests that a copy of any notice of default and any notice of sale hereunder be mailed to him at this address herein before set forth.

STATE OF NEVADA

COUNTY OF CLARK

} ss

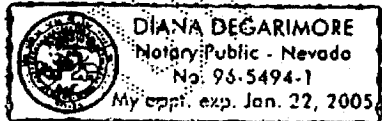
This instrument was acknowledged before me on

AUGUST 5th, 2003

by REZA ZANDIAN

REZA ZANDIAN

Diana DeGarimore
Notary Public



NOTARIAL COPY



DO NOT RECORD

A. TO PROTECT THE SECURITY OF THIS DEED OF TRUST, TRUSTOR AGREES,

- (1) To keep said property in good condition and repair, not to remove or demolish any building thereon; to complete or restore promptly and in good and workmanlike manner any building which may be constructed, damaged or destroyed thereon, and to pay when due all claims for labor performed and materials furnished therefor, to comply with all laws affecting said property, or requiring any alterations or improvements to be made thereon; not to commit or permit waste thereof; not to commit suffer or permit any act upon said property in violation of law; to cultivate, irrigate, fertilize, fumigate, prune and do all other acts which from the character or use of said property may be reasonably necessary, the specific enumerations herein not excluding the general.
- (2) Trustor covenants to keep all buildings that may now or at any time be on said property during the continuance of this trust in good repair and insured against loss by fire, with extended coverage endorsement, in a company or companies authorized to issue such insurance in the State of Nevada, and as may be approved by Beneficiary, for such sum or sums as shall equal the total indebtedness secured by this Deed of Trust and all obligations having priority over this Deed of Trust and shall be payable to Beneficiary to the amount of the unpaid obligation to Beneficiary hereby secured, and to deliver the policy to Beneficiary, or to collection agent of Beneficiary, and in default hereof, Beneficiary may procure such insurance and/or make such repairs, and expend for either of such purposes such SLDM or sums as Beneficiary shall deem proper.
- (3) To appear in and defend any action or proceeding purporting to affect the security hereof or the, rights or powers of Beneficiary or Trustee; and to pay all costs and expenses, including cost of evidence of title and attorney's fees in a reasonable sum, in any such action or proceeding in which Beneficiary or Trustee may appear, and in any suit brought by Beneficiary to foreclose this Deed of Trust.
- (4) To pay at least ten days before delinquency all taxes and assessments effecting said property, including assessments on appurtenant water stock, water rights and grazing privileges; when due, all encumbrances, charges and liens, with interest, on said property or any part thereof, which appear to be prior or superior hereto, and all costs, fees and expenses of this trust.

Should Trustor fail to make any payment, or to do any act as herein provided, then Beneficiary or Trustee, but without obligation so to do and without notice to or demand upon Trustor, and without releasing Trustor from any obligation hereof, may make or do the same in such manner and to such extent as either may deem necessary to protect the security hereof; Beneficiary or Trustee being authorized to enter upon said property for such purposes; appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee; pay, purchase, contest or compromise any encumbrance, charge or lien which in the judgment of either appears to be prior or superior hereto; and, in exercising any such powers, pay necessary expenses, employ counsel and pay his reasonable fees.

- (5) To pay immediately, and without demand all sums so expended by Beneficiary or Trustee, with interest from date of expenditure at ten percent per annum.
- (6) At Beneficiary's option, Trustor will pay a "late charge" as indicated in the Promissory Note to cover the extra expense involved in handling delinquent payments; of such "late charge" shall not be payable out of the proceeds of any sale made to satisfy the indebtedness secured hereby, unless such proceeds are sufficient to discharge the entire indebtedness and all proper costs and expenses secured thereby.

B. IT IS MUTUALLY AGREED

- (1) That any award of damages in connection with any condemnation for public use of or injury to said property or any part thereof is hereby assigned and shall be paid to Beneficiary who may apply or release such moneys received by him in the same manner and with the same effect as above provided for disposition of proceeds of fire or other insurance.
- (2) That by accepting payment of any sum secured hereby after its due date, Beneficiary does not waive his right either to require prompt payment when due of all other sums so secured or to declare default for failure so to pay.
- (3) That at any time or from time to time, without liability therefor and without notice, upon written request of Beneficiary and presentation of this deed and said note for endorsement, and without affecting the personal liability of any person for payment of the indebtedness secured hereby, Trustee may reconvey any part of said property; consent to the making of any map or plat thereof; join in granting any easement thereon; or join in any extension agreement of any agreement subordinating the lien or charge hereof.
- (4) That upon written request of Beneficiary stating that all sums secured hereby have been paid, and upon surrender of this deed and said note to Trustee for cancellation and retention or other disposition as Trustee in its sole discretion may choose, and upon payment of its fees, Trustee shall reconvey, without warranty, the property then held hereunder. The recitals in such reconveyance of any matters or facts shall be conclusive proof of the truthfulness thereof. The grantee in such reconveyance may be described as "the person or persons legally entitled thereto".
- (5) That as additional security, Trustor hereby gives to and confers upon Beneficiary the right, power and authority, during the continuance of these trusts, to collect the rents, issues and profits of said property, reserving unto Trustor the right, prior to any default by Trustor in payment of any indebtedness secured hereby or in performance of any agreement hereunder, to collect and retain such rents, issues and profits as they become due and payable. Upon any such default, Beneficiary may at any time without notice, either in person, by a agent, or by a receiver to be appointed by a court, and without regard to the adequacy of any security for the indebtedness hereby Secured, enter upon and take possession of said property or any part thereof, in his own name sue for or otherwise collect such rents, issues, and profits, including those past due, and unpaid, and apply the same, less costs and expenses of operation and collection, including reasonable attorney's fees, upon any indebtedness secured hereby, and in such order as Beneficiary may determine. The entering upon and taking possession of said property, the collection of such rents, issues and profits and the application thereof as aforesaid, shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice.
- (6) That upon default by Trustor in payment of any indebtedness secured hereby or in performance of any agreement hereunder, Beneficiary may declare all sums secured hereby immediately due and payable by delivery to Trustee of written notice of default and of election to cause to be sold said property, which notice Trustee shall cause to be recorded. Beneficiary also shall deposit with Trustee this Deed of Trust, said note and all documents evidencing expenditures secured hereby.

After the lapse of such time as may then be required by law following the recording of said notice of default, and notice of sale having been given as then required by law for the sale of real property under writ of execution, Trustee, without demand on Trustor, shall sell said property or any part thereof at the time and place fixed by it in said notice of sale, either as a whole or in separate parcels, and in such order as it may determine, at public auction to the highest bidder for cash in lawful money of the United States, payable at time of sale. Trustee may postpone sale of all or any portion of said property by public announcement at such time and place of sale, and from time to time thereafter may postpone such sale by public announcement at the time fixed by the preceding postponement. In the event that any indebtedness secured hereby shall not have been fully satisfied by said sale, Trustee may give notice of sale of any property not previously noticed for sale in the manner set forth above and sell the same in the manner set forth above.

Trustee shall deliver to any purchaser its deed conveying the property so sold, but without any covenant or warranty, express or implied. The recitals in such deed of any matters or facts shall be conclusive proof of the truthfulness thereof. Any person, including Trustor, Trustee, or Beneficiary as hereinafter defined, may purchase at such sale.

After deducting all costs, fees and expenses of Trustee, including a reasonable fee for the attorney of Trustee, and of this trust, including cost of evidence of title in connection with sale, Trustee shall apply the proceeds of sale to payment of all sums expended under the terms hereof, not then repaid, with accrued interest at ten percent per annum; all other sums then secured hereby; and the remainder, if any, to the person or persons legally entitled thereto.



- (7) That Beneficiary, or his assignee, may from time to time, by instrument in writing, substitute a successor or successors to any Trustee named herein or acting hereunder, which instrument, executed and acknowledged and recorded in the office of the recorder of the county or counties where said property is situated, shall be conclusive proof of proper substitution of such successor Trustee or Trustees, who shall, without conveyance from the Trustee predecessor, succeed to all its title, estate, rights, powers and duties. Said instrument must contain the name of the original Trustor, Trustee and Beneficiary hereunder, the book and page where, or document or file number under which, this Deed of Trust is recorded, and the name and address of the new Trustee. If notice of default shall have been recorded, this power of substitution cannot be exercised until after the costs, fees and expenses of the then acting Trustee shall have been paid to such Trustee, who shall endorse receipt thereof upon such instrument of substitution. The procedure herein provided for substitution of Trustee shall be exclusive of all other provisions for substitution, statutory or otherwise.
- (8) The following covenants: Nos. 1, 3, 4, (interest 10%) 5, 6, 8 and 9 of Nevada Revised Statutes 107.030, when not inconsistent with other covenants and provisions herein contained, are hereby adopted and made a part of this Deed of Trust.
- (9) The rights and remedies hereby granted shall not exclude any other rights or remedies granted by law, and all rights and remedies granted hereunder or permitted by law shall be concurrent and cumulative. A violation of any of the covenants herein expressly set forth shall have the same effect as the violation of any covenant herein adopted by reference.
- (10) It is expressly agreed that the trust created hereby is irrevocable by Trustor.
- (11) That this Deed of Trust applies to, insures to the benefit of, and binds all parties hereto, their heirs, legatees, devisees, administrators, executors, successors and assigns. The term Beneficiary shall mean the owner and holder, including pledges, of the note secured hereby, whether or not named as Beneficiary herein. In this Deed of Trust, whenever the context so requires, the masculine gender includes the feminine and/or neuter, and the singular number includes the plural.
- (12) That Trustee accepts this trust when this Deed of Trust, duly executed and acknowledged, is made a public record as provided by law. Trustee is not obligated to notify any party hereto of pending title under any other Deed of Trust or of any action or proceeding in which Trustor, Beneficiary or Trustee shall be a party unless brought by Trustee.
- (13) Trustor agrees to pay any deficiency arising from any cause after application of the proceeds of the sale held in accordance with the provisions of the covenants herein above adopted by reference.

The undersigned Trustor requests that a copy of any notice of default and any notice of sale hereunder be mailed to him at his address herein before set forth.

REQUEST FOR FULL RECONVEYANCE

DO NOT RECORD

TO TRUSTEE

The undersigned is the legal owner and holder of the note or notes, and of all other indebtedness secured by the foregoing Deed of Trust. Said note or notes, together with all other indebtedness secured by said Deed of Trust, have been fully paid and satisfied and you are hereby requested and directed, on payment to you of any sums owing to you under the terms of said Deed of Trust, to cancel said note or notes above mentioned, and all other evidences of indebtedness secured by said Deed of Trust delivered to you herewith, together with the said Deed of Trust, and to reconvey, without warranty, to the parties designated by the terms of said Deed of Trust, all the estate now held by you under the same.

Dated: _____

Please mail Deed of Trust,
Note and Reconveyance to _____

Do not lose or destroy this Deed of Trust OR THE NOTE which it secures. Both must be delivered to the Trustee for cancellation before reconveyance will be made.



EXHIBIT "A"

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

PARCEL A:

A.P.N. 079-150-09

The Northeast $\frac{1}{4}$ and the South $\frac{1}{2}$ of the Northwest $\frac{1}{4}$ and the South $\frac{1}{2}$ in
Section 33, Township 21 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar
and other valuable minerals as reserved by the United States of America or the
State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores
within or underlying the property, including, without limitation, oil, natural gas
and hydrocarbon substances, geothermal steam, brines and minerals in solution,
and sand gravel and aggregates, and products derived therefrom, together with
any rights of ingress and egress in, upon or over the property and to make such
use of the property and the surface thereof as is necessary or useful in
connection therewith, as reserved in the Deed recorded January 09, 1990 in
Book 3019, Page 756 as Document No. 1373452 of Official Records.

PARCEL B:

A.P.N. 079-150-10

Section 31, Township 21 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar
and other valuable minerals as reserved by the United States of America or the
State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores
within or underlying the property, including, without limitation, oil, natural gas
and hydrocarbon substances, geothermal steam, brines and minerals in solution,
and sand gravel and aggregates, and products derived therefrom, together with



any rights of ingress and egress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded February 22, 1991 in Book 3216, Page 526 as Document No. 1461483 of Official Records.

PARCEL C:
A.P.N. 079-150-13

The Northeast $\frac{1}{4}$; South $\frac{1}{2}$ of the Northwest $\frac{1}{4}$; South $\frac{1}{2}$ of Section 27,
Township 21 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with any rights of ingress and egress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded January 09, 1990 in Book 3019, Page 756 as Document No. 1373452 of Official Records.

PARCEL D:
A.P.N. 084-040-02

Section 5, Township 20 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with any rights of ingress and egress in, upon or over the property and to make such



use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded February 22, 1991 in Book 3216, Page 526 as Document No. 1461483 of Official Records.

PARCEL E:

A.P.N. 084-040-04

Section 3, Township 20 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with any rights of ingress and egress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded January 03, 1992 in Book 3391, Page 840 as Document No. 1534872 of Official Records.

PARCEL F:

A.P.N. 084-040-06

Section 1, Township 20 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with any rights of ingress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection



therewith, as reserved in the Deed recorded January 03, 1992 in Book 3391, Page 840 as Document No. 1534872 of Official Records.

PARCEL G:
A.P.N. 084-040-10

The North $\frac{1}{2}$ and the North $\frac{1}{2}$ of the Northwest $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ and the Southwest $\frac{1}{4}$ of the Northwest $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ and the North $\frac{1}{2}$ of the Northeast $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ and the North $\frac{1}{2}$ of the Northwest $\frac{1}{4}$ of the Southeast $\frac{1}{4}$, all in Section 11, Township 20 North, Range 23 East, M.D.B.&M.

ALSO EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with any rights of ingress and egress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded January 03, 1992 in Book 3391, Page 840 as Document No. 1534872 of Official Records.

PARCEL H:
A.P.N. 084-130-07

The Northwest $\frac{1}{4}$ and the North $\frac{1}{2}$ of the Southwest $\frac{1}{4}$ and Government Lot 1 in the Southwest $\frac{1}{4}$ of Section 15, Township 20 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with



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88/88/2883
18 of 18

any rights of ingress and egress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded January 03, 1992 in Book 3391, Page 840 as Document No. 1534872 of Official Records.

PARCEL I:

A.P.N. 084-140-17

The Northeast $\frac{1}{4}$ of Section 15, Township 20 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with any rights of ingress and egress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded January 03, 1992 in Book 3391, Page 840 as Document No. 1534872 of Official Records.

APN: 010-510-001; 010-520-001; 010-730-001;
010-740-0BG; 010-740-110; 010-740-111;
010-740-113; 010-740-202

WHEN RECORDED, RETURN TO

GRANTEE/MAIL TAX STATEMENTS TO:

Wendover Parcel

QUITCLAIM DEED

By this instrument dated this ____ day of _____, 2006, for a valuable consideration, Gholamreza Zandian Jazi does hereby remise, release and forever quitclaim to Ray Koroghli, individually and Fariborz Fred Sadri, individually, and as Trustee of the Star Living Trust, the following described real property in the State of Nevada, County of Elko:

Set forth in Exhibit A attached and incorporated herein by this reference

GHOLAMREZA ZANDIAN JAZI

STATE OF NEVADA)
) SS.:
COUNTY OF CLARK)

On _____, 2006, before me the undersigned, a Notary Public in and for said County and State, personally appeared Gholamreza Zandian Jazi, known to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.

NOTARY PUBLIC

512362
FEE 44 FILED
REQUEST OF

2003 DEC 30 PM 4:09

Stewart Title Co.
JERRY D. MACDONALD
CLERK OF RECORDER

When recorded, return to:
JAMES R. CAVILIA, ESQ.
ALLISON, MacKENZIE, RUSSELL,
PA VLAKIS, WRIGHT & FAGAN, LTD.
402 North Division Street
P.O. Box 646
Carson City, NV 89702

0301167

A.P.N. Nos.: 010-510-001; 010-520-001; 010-730-001; 010-740-0BG; 010-740-110;
010-740-111; 010-740-113; 010-740-202

GRANT, BARGAIN, AND SALE DEED

THIS INDENTURE, made this 29th day of December, 2003, by and between BIG SPRINGS LAND & RESOURCE COMPANY, LLC, a Nevada limited liability company ("BIG SPRINGS"), Grantor, and WENDOVER PROJECT, L.L.C., a Nevada limited liability company, as to an undivided 91.67% and THE STAR LIVING TRUST, Fariborz Sadri, Trustee, as to an undivided 8.33%, Grantee.

WITNESSETH:

That the Grantor, in consideration of the sum of TEN DOLLARS (\$10.00), lawful money of the United States, and other good and valuable consideration to it in hand paid by the Grantee, the receipt whereof is hereby acknowledged, does by these presents grant, bargain and sell to the Grantee, and to its successors and assigns forever, all those certain lots, pieces or parcels of land situate, lying and being in Elko County, Nevada, and more particularly described in Exhibit "A" attached hereto and incorporated herein by reference.

TOGETHER WITH all and singular the tenements, hereditaments and appurtenances thereunto belonging or in anywise appertaining and the reversion and reversions,

3 72539

100760

remainder and remainders, rents, issues and profits thereof, including but not limited to any right title and interest in any and all grazing rights or allotments appurtenant thereto.

TO HAVE AND TO HOLD all and singular the premises, together with the appurtenances, unto the said Grantee and to its successors and assigns forever.

IN WITNESS WHEREOF, the Grantor has executed this conveyance the day and year first above written.

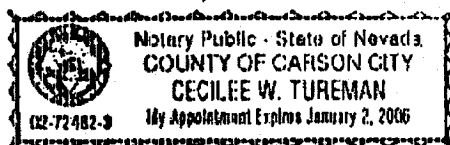
Big Springs Land & Resource Company,
a Nevada limited liability company

By: Vidler Water Company, Inc., a
Delaware corporation
Its Manager

By: *Dorothy A. Timian-Palmer*
DOROTHY A. TIMIAN-PALMER
Chief Operating Officer/Director

STATE OF NEVADA)
 : ss.
CARSON CITY)

On December 29, 2003, DOROTHY A. TIMIAN-PALMER, personally appeared before me, a notary public, personally known to me to be the person whose name is subscribed to the foregoing instrument and who acknowledged to me that she is the Chief Operating Officer and a Director of Vidler Water Company, a Delaware corporation, and who acknowledged to me that she executed the foregoing GRANT, BARGAIN AND SALE DEED on behalf of said corporation.



Cecilee W. Tureman
NOTARY PUBLIC

Exhibit "A"
Big Mjs Birch Woodover Property Legal Descriptions

TWP	RNG	SEC	ALLOTMENT PARTS	ACREAGE
32N	69E	01	Lots 1-3, S/2 N/2, S/2	600.34
32N	69E	02	S/2 N/2, S/2	480.00
32N	70E	05	Lots 4, 6, 7, 10, 12, 13, SW/4 NW/4	164.62
33N	69E	01	S/2	320.00
33N	69E	12	AB	640.00
33N	69E	25	AB	640.00
33N	69E	35	N/2, N/2 S/2	480.00
33N	69E	36	N/2, N/2 SW/4, SE/4, SE/4 SW/4	600.00
33N	70E	08	Lots 2-8, 9 and 11	35.00
33W	70E	15	Lots 12, 13, 15, 18, 20, 23-25, and 28-30, NE/4 SW/4 SE/4 NW/4, E/2 SE/4 SE/4 NW/4, NW/4 SE/4 SE/4 NW/4	46.23
33N	70E	17	S/2 S/2	100.00
33N	70E	19	AB	640.00
33N	70E	20	Lots 2, 3, 6, 11, NW/4 NE/4, N/2 SW/4 NE/4, SE/4 SW/4 NE/4, N/2 SW/4 SW/4 NE/4, NW/4, N/2 SW/4, SW/4 SW/4	436.60
33N	70E	20	Lots 8, 9 and S/2 SW/4 SW/4 NE/4	73.00
33N	70E	21	Lot 2	13.21
33N	70E	29	Lots 3, 5, 6, NW/4 NW/4	73.10
33N	70E	29	Lot 2	16.00
33N	70E	30	Lots 2, 3, NE/4, W/2, W/2 SE/4	612.50
33N	70E	31	Lots 2, 4, 5, 8, 10, 11, NW/4, W/2 SW/4	372.91
33N	70E		Plat of 9 and 10 (Parcel 2 of recorded parcel map #483646)	4.20
33N	70E		Plat of 9 and 10 (Parcel 1 of recorded parcel map #483646)	3.07
33N	70E		Plat of 9, 10 and 16 (Parcel 4 of recorded parcel map #483646)	65.31

* These parcels cover more than one section

6,457.24

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Exhibit "A"
Big Springs Ranch Wendover Property Legal Descriptions

TWN	RNG	SEC	ALLOT/OT PARTS	ACREAGE
32N	69E	01	Lots 1-3, S/2 N/2, S/2	600.34
32N	69E	02	S/2 N/2, S/2	480.00
32N	70E	05	Lots 4, 6, 7, 10, 12, 13, SW/4 NW/4	164.72
32N	69E	01	S/2	320.00
32N	69E	12	All	640.00
32N	69E	25	All	640.00
32N	69E	35	N/2, N/2 S/2	480.00
32N	69E	36	N/2, N/2 SW/4, SE/4, SE/4 SW/4	600.00
32N	70E	04	Lots 3-5, 9 and 11	35.00
32N	70E	15	Lots 12, 13, 15, 18, 20, 23-25, and 28-30, NE/4 SW/4 SE/4 NW/4, E/2 SE/4 SE/4 NW/4, NW/4 SE/4 SE/4 NW/4	46.21
32N	70E	17	S/2 S/2	160.00
32N	70E	19	All	540.00
32N	70E	20	Lots 7, 8, 11, NW/4 NE/4, N/2 SW/4 NE/4, SE/4 SW/4 NE/4, N/2 SW/4 SW/4 NE/4, NW/4, N/2 SW/4, SW/4 SW/4	416.61
32N	70E	20	Lots 8, 9 and S/2 SW/4 SW/4 NE/4	73.01
32N	70E	21	Lot 2	13.21
32N	70E	29	Lots 3, 5, 8, NW/4 NW/4	73.16
32N	70E	29	Lot 2	16.01
32N	70E	30	Lots 2, 3 NE/4, W/2, W/2 SE/4	612.56
32N	70E	31	Lots 2, 4, 5, 8, 10, 11, NW/4, W/2 SW/4	372.01
32N	70E	-	Pins of 9 and 10 (Parcel 7 of recorded parcel map #485646)	4.21
32N	70E	-	Pins of 9 and 10 (Parcel 1 of recorded parcel map #485646)	3.87
32N	70E	-	Pins of 9, 10 and 16 (Parcel 4 of recorded parcel map #485646)	65.31

* These parcels cover more than one section

6,457.24

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WFZ0519

Order No.: 03011167

LEGAL DESCRIPTION

The land referred to herein is situated in the State of Nevada,
County of ELKO COUNTY, described as follows:

PARCEL 1:

TOWNSHIP 32 NORTH, RANGE 69 EAST, M.D.B.&M.

Section 1: Lots 1, 2 and 3; S1/2N1/2; S1/2;
Section 2: S1/2N1/2; S1/2;

TOWNSHIP 33 NORTH, RANGE 69 EAST, M.D.B.&M.

Section 1: S1/2;
Section 12: All;
Section 25: All;
Section 35: N1/2; N1/2S1/2;
Section 36: N1/2; N1/2SW1/4; SE1/4; SE1/4SW1/4;

TOWNSHIP 32 NORTH, RANGE 70 EAST, M.D.B.&M.

Section 6: Lots 4, 5, 7, 10, 12 and 13; SW1/4NW1/4;

TOWNSHIP 33 NORTH, RANGE 70 EAST, M.D.B.&M.

Section 8: Lots 2, 3, 4, 5, 6, 9 and 11;
Section 9: SE1/4SE1/4; N1/2SW1/4SW1/4SE1/4; E1/2SW1/4SE1/4;
Section 10: Lot 4;
Section 15: Lots 12, 13, 15, 18, 20, 23, 24, 25, 26,
28, 29 and 30; NE1/4SW1/4SE1/4NW1/4;
E1/2SE1/4SE1/4NW1/4; NW1/4SE1/4SE1/4NW1/4;
Section 16: N1/2NE1/4NE1/4NE1/4;
Section 17: S1/2S1/2;
Section 19: All;
Section 20: Lots 2, 3, 6 and 11; NW1/4NE1/4; N1/2SW1/4NE1/4;
SE1/4SW1/4NE1/4; N1/2SW1/4SW1/4NE1/4; NW1/4;
N1/2SW1/4; SW1/4SW1/4;
Section 21: Lot 2;
Section 29: Lots 3, 5 and 8; NW1/4NW1/4;
Section 30: Lots 2 and 3; NE1/4; W1/2; W1/2SE1/4;
Section 31: Lots 2, 4, 5, 8, 10 and 11; NW1/4; W1/2SW1/4;

EXCEPTING FROM Sections 9, 10 and 16, Parcels 1, 2, 3 and 4 as
shown on Parcel Map for Big Springs Land & Resource Co., filed
in the Office of the Elko County Recorder on July 16, 2002 as
Continued on next page

-1-

SCHEDULE A
CLTA PRELIMINARY REPORT
(12/92)

3 72543
STEWART TITLE
Guaranty Company

100764

WFZ0520

Order No. 03011167

File Number 485646.

PARCEL 2:

Parcel 1, 2 and 4 as shown on that certain Parcel Map for Big Springs Land & Resource Co. filed in the office of the County Recorder of Elko County, State of Nevada, on July 16, 2002, as File No. 485646, being a portion of Sections 9, 10 and 16, Township 33 North, Range 70 East, M.D.B.&M..

EXCEPTING FROM Parcels 1 and 2 all the oil and gas and geothermal resources in the lands so patented as reserved by the UNITED STATES OF AMERICA in Patent recorded May 26, 1999 in Book 1100, Page 615, Official Records, Elko County, Nevada.

FURTHER EXCEPTING FROM Parcels 1 and 2 those portions lying within the railroad right-of-ways.

PARCEL 3:

TOWNSHIP 33 NORTH, RANGE 70 EAST, M.D.B.&M.

Section 20: Lots 8 and 9; S1/2SW1/4SW1/4NE1/4;
Section 29: Lot 2;

EXCEPTING THEREFROM all the oil and gas and geothermal resources in the lands so patented as reserved by the UNITED STATES OF AMERICA in Patent recorded August 15, 2003 in Book 3, Page 45700, Official Records, Elko County, Nevada.

ASSIGNMENT OF INTEREST IN WENDOVER PROJECT, LLC

The undersigned Assignor, GHOLAMREZA ZANDIAN JAZI, currently holds an interest in WENDOVER PROJECT, LLC, a Nevada limited liability company, consisting of a membership, as well as a management right, and, in consideration of value received, GHOLAMREZA ZANDIAN JAZI herewith transfers and assigns to RAY KOROGHLI, individually, and FARIBORZ FRED SADRI, individually, and as Trustee of the Star Living Trust, all of the Assignor's right as Member or Manager in WENDOVER PROJECT, LLC, a Nevada LLC effective as of the _____ day of _____, 2006.

The Assignor represents that the interest herewith assigned has not been transferred, assigned, encumbered, the subject of any agreement, or security interest and that he holds the full and complete rights, the subject of this Assignment. The Assignor irrevocably appoints the Assignee as the Attorney in Fact to transfer such interests on the books and records of WENDOVER PROJECT, LLC, a Nevada LLC, the Assignor agrees to separately execute a resignation as a Member and Manager of WENDOVER PROJECT, LLC, a Nevada LLC.

The undersigned executes this Assignment on the _____ day of _____, 2006.

GHOLAMREZA ZANDIAN JAZI

APN: 009-530-001; 009-540-001; 009-550-001; 009-560-004
009-570-011; 010-090-001; 010-090-003; 010-110-001
010-120-001; 010-130-001; 010-320-001

WHEN RECORDED, RETURN TO

GRANTEE/MAIL TAX STATEMENTS TO:

Big Spring Ranch Parcel

QUITCLAIM DEED

By this instrument dated this ____ day of _____, 2006, for a valuable consideration, Gholamreza Zandian Jazi does hereby remise, release and forever quitclaim to Ray Koroghli, individually and Fariborz Fred Sadri, individually, and as Trustee of the Star Living Trust, the following described real property in the State of Nevada, County of Elko:

Set forth in Exhibit A attached and incorporated herein by this reference

GHOLAMREZA ZANDIAN JAZI

STATE OF NEVADA)
) SS.:
COUNTY OF CLARK)

On _____, 2006, before me the undersigned, a Notary Public in and for said County and State, personally appeared Gholamreza Zandian Jazi, known to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.

NOTARY PUBLIC

512358
FEE \$50 FILED
PROPERTY

2003 DEC 30 PM 4:08

Stewart Title Co.
JERRY D. SYDOLUS
ELKO CO. RECORDER

When recorded, return to:
JAMES R. CAVILIA, ESQ.
ALLISON, MacKENZIE, RUSSELL,
PAVLAKIS, WRIGHT & FAGAN, LTD.
402 North Division Street
P.O. Box 646
Carson City, NV 89702

A.P.N. Nos.: 009-530-001; 009-540-001; 009-550-001; 009-560-004; 009-570-011;
010-090-001; 010-090-003; 010-110-001; 010-120-001; 010-130-001;
010-320-001

GRANT, BARGAIN, AND SALE DEED

03012789

THIS INDENTURE, made this 29th day of December, 2003, by and between BIG SPRINGS LAND & RESOURCE COMPANY, LLC, a Nevada limited liability company ("BIG SPRINGS"), Grantor, and BIG SPRING RANCH, L.L.C., a Nevada limited liability company, as to an undivided 75% interest and THE STAR LIVING TRUST as to an undivided 25% interest, Grantee.

WITNESSETH:

That the Grantor, in consideration of the sum of TEN DOLLARS (\$10.00), lawful money of the United States, and other good and valuable consideration to it in hand paid by the Grantee, the receipt whereof is hereby acknowledged, does by these presents grant, bargain and sell to the Grantee, and to its successors and assigns forever, all those certain lots, pieces or parcels of land situate, lying and being in Elko County, Nevada, and more particularly described in Exhibit "A" attached hereto and incorporated herein by reference.

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TOGETHER WITH all and singular the tenements, hereditaments and appurtenances thereunto belonging or in anywise appertaining and the reversion and reversions, remainder and remainders, rents, issues and profits thereof, including but not limited to any right title and interest in any and all grazing rights or allotments appurtenant thereto.

TO HAVE AND TO HOLD all and singular the premises, together with the appurtenances, unto the said Grantee and to its successors and assigns forever.

IN WITNESS WHEREOF, the Grantor has executed this conveyance the day and year first above written.

Big Springs Land & Resource Company,
a Nevada limited liability company

By: Vidler Water Company, Inc., a
Delaware corporation
Its Manager

By: *Dorothy A. Timian-Palmer*
DOROTHY A. TIMIAN-PALMER
Chief Operating Officer/Director

STATE OF NEVADA)
 : ss.
CARSON CITY)

On December 29, 2003, DOROTHY A. TIMIAN-PALMER, personally appeared before me, a notary public, personally known to me to be the person whose name is subscribed to the foregoing instrument and who acknowledged to me that she is the Chief Operating Officer and a Director of Vidler Water Company, a Delaware corporation, and who acknowledged to me that she executed the foregoing GRANT, BARGAIN AND SALE DEED on behalf of said corporation.

Cecile W. Tureman

NOTARY PUBLIC

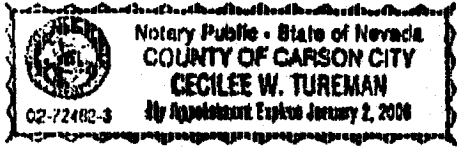


EXHIBIT A

County	APN #	Twn	Rng	Sec	Aliquot Parts	Acreage
Elko	009-530-001	34N	66E	1	All except 0.23 Ac conv to WPR Co.	640.37
Elko	009-530-001	34N	66E	11	All	640.00
Elko	010-090-001	34N	67E	5	All	638.08
Elko	010-090-001	34N	67E	7	E/2 and ptn of W/2 east of the Nevada Northern Railroad as now constructed	366.98

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WFZ0529

EXHIBIT "A"
Big Springs Ranch Legal Descriptions

County	APN #	Tw	Rng	Sec	Aliquot Parts	Acres
Elko	009-530-001	34N	66E	3	All	643.64
Elko	009-530-001	34N	66E	4	Lots 3 and 4, S/2 NW/4, SW/4 (W/2)	319.92
Elko	009-530-001	34N	66E	5	All	638.12
Elko	009-530-001	34N	66E	9	All	640.00
Elko	009-530-001	34N	66E	15	All	640.00
Elko	009-540-001	35N	66E	1	All	666.40
Elko	009-540-001	35N	66E	2	Lots 3 and 4, S/2 NW/4, SW/4 (W/2)	331.44
Elko	009-540-001	35N	66E	3	All	665.12
Elko	009-540-001	35N	66E	9	All	640.00
Elko	009-540-001	35N	66E	10	E/2 E/2	160.00
Elko	009-540-001	35N	66E	11	All	640.00
Elko	009-540-001	35N	66E	13	All	640.00
Elko	009-540-001	35N	66E	14	W/2 W/2	160.00
Elko	009-540-001	35N	66E	15	All	640.00
Elko	009-540-001	35N	66E	21	All	640.00
Elko	009-540-001	35N	66E	22	NE/4, SE/4 NW/4, N/2 SE/4, SW/4 SE/4, SE/4 SW/4	360.00
Elko	009-540-001	35N	66E	23	All	640.00
Elko	009-540-001	35N	66E	25	All	640.00
Elko	009-540-001	35N	66E	27	All	640.00
Elko	009-540-001	35N	66E	28	SE/4, SE/4 NE/4	200.00
Elko	009-540-001	35N	66E	33	All	640.00
Elko	009-540-001	35N	66E	34	W/2	320.00
Elko	009-540-001	35N	66E	35	All	640.00
Elko	009-550-001	36N	66E	1	All	642.24
Elko	009-550-001	36N	66E	11	All less 70.23 in I-80 R/W	569.77
Elko	009-550-001	36N	66E	13	All	640.00
Elko	009-550-001	36N	66E	15	All	640.00
Elko	009-550-001	36N	66E	21	E/2	320.00
Elko	009-550-001	36N	66E	22	W/2 NW/4, S/2	400.00
Elko	009-550-001	36N	66E	23	All	640.00
Elko	009-550-001	36N	66E	25	All	640.00
Elko	009-550-001	36N	66E	26	W/2 W/2	160.00
Elko	009-550-001	36N	66E	27	All	640.00
Elko	009-550-001	36N	66E	28	E/2 E/2, W/2 SE/4 less 4.50 Ac to Easement in SE/4 SW/4, SW/4 SE/4	235.50
Elko	009-550-001	36N	66E	33	All	640.00
Elko	009-550-001	36N	66E	34	All	640.00
Elko	009-550-001	36N	66E	35	All	640.00
Elko	009-560-004	37N	66E	25	All less 15.22 Ac S1 Rt. 30 R/W	624.78
Elko	009-560-004	37N	66E	27	SE/4 SE/4	40.00
Elko	009-560-004	37N	66E	35	All	625.34
Elko	009-570-011	38N	66E	23	Pin 200' south of the CPRR centerline	568.06
Elko	009-570-011	38N	66E	25	Pin 200' south of the CPRR centerline except 6.44 Ac in N/2 for Wyo tract	591.44
Elko	010-090-001	34N	67E	1	All	638.80
Elko	010-090-001	34N	67E	3	All	638.04
Elko	010-090-001	34N	67E	9	All	640.00
Elko	010-090-001	34N	67E	11	All	640.00

County	APN #	Twn	Rng	Sec	Aliquot Parts	Acres
Elko	010-090-001	34N	67E	13	All	640.00
Elko	010-090-001	34N	67E	15	All	640.00
Elko	010-090-001	34N	67E	17	All	640.00
Elko	010-090-001	34N	67E	19	NE/4, E/2 NW/4, Lots 1 and 2 (N/2) except 4.80 Ac conv to Nevada Northern Railroad Co.	306.35
Elko	010-090-001	34N	67E	21	N/2	320.00
Elko	010-090-001	34N	67E	22	All	640.00
Elko	010-090-001	34N	67E	23	N/2	320.00
Elko	010-090-003	34N	67E	7	E/2 of the E/2 W/2 west of the NWRW	46.98
Elko	010-110-001	36N	67E	7	All except 12.70 Ac conv to Northern Nevada Railroad Co.	619.98
Elko	010-110-001	36N	67E	19	All except 12.05 Ac conv to Northern Nevada Railroad Co. except ptn conv to State of NV for Hwy	608.15
Elko	010-110-001	36N	67E	31	All except 12.14 Ac conv to Northern Nevada Railroad Co.	627.26
Elko	010-120-001	37N	67E	1	Ptn 200' south of the CPRR centerline less 12.76 Ac to SR-30 RAW	589.64
Elko	010-120-001	37N	67E	5	Ptn 200' south of the CPRR centerline	604.67
Elko	010-120-001	37N	67E	9	NW/4, S/2 less 6.70 Ac conv to Northern Nevada Railroad Co. and 15.10 Ac to SR-30 RAW	458.20
Elko	010-120-001	37N	67E	11	Ptn 200' south of the CPRR centerline less 11.07 Ac to SR-30 RAW	611.42
Elko	010-120-001	37N	67E	17	All less 16.33 Ac to SR-30 RAW	623.67
Elko	010-120-001	37N	67E	19	All	628.68
Elko	010-130-001	38N	67E	31	Ptn 200' south of the CPRR centerline	594.40
Elko	010-320-001	35N	68E	7	All except 21.28 Ac conv to Western Pacific Railroad Co. less 45.33 to I-80 RAW	614.35
Elko	010-320-001	35N	68E	17	All north of the WPRR centerline, and all south of the WPRR centerline less 6.89 Ac to I-80 RAW	521.98
Total Acres:						35,254.34

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WFZ053

Order No.: 03012789

LEGAL DESCRIPTION

The land referred to herein is situated in the State of Nevada, County of ELKO COUNTY, described as follows:

PARCEL 1:

TOWNSHIP 34 NORTH, RANGE 67 EAST, M.D.B.&M.

Section 1: All;
Section 3: All;
Section 9: All;
Section 11: All;
Section 13: All;
Section 15: All;
Section 17: All;
Section 19: Lots 1 and 2; E1/2NW1/4; NE1/4;

EXCEPTING THEREFROM all that portion of said land as conveyed to Nevada Northern Railway Company in Deed recorded February 7, 1906 in Book 28, Page 617, Deed Records, Elko County, Nevada.

Section 21: N1/2;
Section 22: All;
Section 23: N1/2;

EXCEPTING FROM Section 22, TOWNSHIP 34 NORTH, RANGE 67 EAST, M.D.B.&M., all the coal and other valuable minerals in the lands so granted as reserved by The United States of America in Patent recorded June 28, 1946 in Book 8, Page 413, Patent Records, Elko County, Nevada.

FURTHER EXCEPTING FROM all of Parcel 1 all right, title and interest to coal, oil, gas and other minerals of every kind and nature whatsoever, lying in and under said land, as reserved by Russell Wilkins, et ux, et al, in Deed recorded December 10, 1946 in Book 55, Page 63, Deed Records, Elko, Nevada.

FURTHER EXCEPTING FROM Section 22, TOWNSHIP 34 NORTH, RANGE 67 EAST, M.D.B.&M., an undivided 1/2 interest in and to all gas, oil, petroleum, minerals and/or mineral rights, lying in and under said land, as reserved by Theodore E. Smith and Pearl Smith, his wife, in Deed recorded August 15, 1958 in Book 74, Page 181, Deed Records, Elko County.

PARCEL 2:

Continued on next page

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SCHEDULE A
CLTA PRELIMINARY REPORT
(12/22)

STEWART TITLE
Guaranty Company

100772

WFZ0532

Order No. 03012789

TOWNSHIP 35 NORTH, RANGE 66 EAST, M.D.B.&M.

Section 1: All;
Section 3: All;
Section 9: All;
Section 11: All;
Section 13: All;
Section 15: All;
Section 21: All;
Section 23: All;
Section 25: All;
Section 27: S1/2;
Section 33: All;
Section 35: All;

EXCEPTING THEREFROM Parcel 2 all petroleum, oil, natural gas, and products derived therefrom, lying in and under said land or that may be produced therefrom, as reserved by Southern Pacific Land Company in Deed recorded August 1, 1949 in Book 57, Page 126, Deed Records, Elko County, Nevada.

PARCEL 3:

TOWNSHIP 35 NORTH, RANGE 68 EAST, M.D.B.&M.

Section 7: All;

EXCEPTING THEREFROM all that portion of said land as conveyed to Western Pacific Railway Company in Deed recorded February 19, 1909 in Book 31, Page 71, Deed Records, Elko County, Nevada.

Section 17: All that portion lying northerly of a line parallel with and one hundred (100) feet northerly of the center center line of Western Pacific Railway Company's railroad known as Arnold "L-1" or "3%" line and all that portion lying southerly of a line parallel with and one hundred (100) feet southerly of the center line of Western Pacific Railway Company's railroad known as "R-2" or "4%" line, which railroad rights of way were conveyed to Western Pacific Railway Company by Deed No. 126-F, dated November 27, 1908, and recorded February 19, 1909 in Book 31, Page 71, and Deed No. 188-F, dated June 30, 1910, and recorded September 10, 1910 in Book 32, Page 319, Deed Records, Elko County, Nevada.

Continued on next page

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WFZ0533

Order No. 03012789

EXCEPTING FROM Parcel 3 all that portion of said land as conveyed to the State of Nevada, acting by and through its Department of Highways in Deed recorded September 7, 1973 in Book 184, Page 44 and recorded June 24, 1976 in Book 230, Page 377, Official Records, Elko County, Nevada, portions of which have been relinquished by Resolution Relinquishing portion of Highway Right of Way recorded October 11, 1985 in Book 504, Page 308, Official Records, Elko County, Nevada.

FURTHER EXCEPTING FROM Parcel 3 all right, title and interest to coal, oil, gas and other minerals of every kind and nature whatsoever, lying in and under said land, as reserved by Russell Wilkins, et ux, et al, in Deed recorded December 10, 1946 in Book 55, Page 63, Deed Records, Elko County, Nevada.

PARCEL 4:

TOWNSHIP 38 NORTH, RANGE 67 EAST, M.D.B.&M.

Section 31: All that portion lying southwesterly of a line two hundred (200) feet southwesterly and parallel with the center line of Central Pacific Railway Company's railroad as now constructed ;

EXCEPTING FROM Parcel 4 all right, title and interest to coal, oil, gas and other minerals of every kind and nature whatsoever, lying in and under said land, as reserved by Russell Wilkins, et ux, et al, in Deed recorded December 10, 1946 in Book 55, Page 63, Deed Records, Elko County, Nevada.

PARCEL 5:

TOWNSHIP 36 NORTH, RANGE 67 EAST, M.D.B.&M.

Section 7: All;
Section 19: All;
Section 31: All;

EXCEPTING FROM Parcel 5 all that portion of said land as conveyed to Nevada Northern Railway Company in Deed recorded February 7, 1906 in Book 28, Page 617, Deed Records, Elko County, Nevada.

FURTHER EXCEPTING FROM Section 19 all that portion of said land as conveyed to the State of Nevada, acting by and through its
Continued on next page

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WFZ0534

Order No. 03012789

Department of Highways, in Deed recorded September 7, 1973 in Book 184, Page 44, Official Records, Elko County, Nevada, portions of which have been relinquished by Resolution Relinquishing Portion of Highway Right-of-Way recorded October 11, 1985 in Book 504, Page 308, Official Records, Elko County, Nevada.

FURTHER EXCEPTING FROM Parcel 5 all right, title and interest to coal, oil, gas and other minerals of every kind and nature whatsoever, lying in and under said land, as reserved by Russell Wilkins, et ux, et al, in Deed recorded December 10, 1946 in Book 55, Page 63, Deed Records, Elko County, Nevada.

PARCEL 6:

TOWNSHIP 37 NORTH, RANGE 67 EAST, M.D.B.&M.

Section 1: That portion lying southeasterly of a line two hundred (200) feet southeasterly and parallel with the center line of Central Pacific Railway Company's railroad, as now constructed;

Section 5: That portion lying southwesterly of a line two hundred (200) feet southwesterly and parallel with the center line of Central Pacific Railway Company's railroad, as now constructed;

Section 9: NW1/4; S1/2;

EXCEPTING FROM Section 9 all that portion of said land as conveyed to Nevada Northern Railway Company in Deed recorded February 7, 1906 in Book 28, Page 617 and recorded November 15, 1912 in Book 34, Page 130, Deed Records, Elko County, Nevada.

Section 11: That part lying southeasterly of a line two hundred (200) feet southeasterly and parallel with the center line of Central Pacific Railway Company's railroad as now constructed;

Section 17: All;

Section 19: All;

EXCEPTING FROM Parcel 6 all right, title and interest to coal, oil, gas and other minerals of every kind and nature whatsoever, lying in and under said land, as reserved by Russell Wilkins, et ux, et al, in Deed recorded December 10, 1946 in Book 55, Page 63, Deed Records, Elko County, Nevada.

Continued on next page

-4-

3 72500

100775

WFZ0535

Order No. 03012789

PARCEL 7:

TOWNSHIP 37 NORTH, RANGE 66 EAST, M.D.B.&M.

Section 25: All;
Section 27: SE1/4SE1/4;
Section 35: All;

TOWNSHIP 38 NORTH, RANGE 66 EAST, M.D.B.&M.

Section 23: That portion southwesterly of a line parallel with and two hundred (200) feet distant southwesterly of center line of Central Pacific Railway Company's railroad as now constructed;

Section 25: That part southwesterly of a line parallel with and two hundred (200) feet distant southwesterly of center line of Central Pacific Railway Company's railroad as now constructed;

EXCEPTING FROM Section 25 a parcel of land in the north half of said Section 25, containing 6.44 acres for Central Pacific Railway Company's Wye track.

FURTHER EXCEPTING FROM Parcel 7 all petroleum, oil, natural gas, and products derived therefrom, lying in and under said land or that may be produced therefrom, as reserved by Southern Pacific Land Company in Deed recorded August 1, 1949 in Book 57, Page 126, Deed Records, Elko County, Nevada.

PARCEL 8:

TOWNSHIP 34 NORTH, RANGE 66 EAST, M.D.B.&M.

Section 3: All;
Section 5: All;
Section 9: All;
Section 15: All;

TOWNSHIP 36 NORTH, RANGE 66 EAST, M.D.B.&M.

Section 1: All;
Section 11: All;

EXCEPTING FROM Section 11 all that portion of said land condemned to the State of Nevada by Final Order of Condemnation recorded
Continued on next page

Order No. 03012789

August 22, 1973 in Book 182, Page 625, Official Records, Elko County, Nevada.

Section 13: All;

EXCEPTING FROM Section 13 all that portion of said land as conveyed to the State of Nevada, acting by and through its Department of Highways, in Deed recorded September 7, 1973 in Book 184, Page 44, Official Records, Elko County, Nevada.

Section 15: All;

Section 23: All;

Section 25: All;

EXCEPTING FROM Parcel 8 all petroleum, oil, natural gas and products derived therefrom, lying in and under said land or that may be produced therefrom, as reserved by Southern Pacific Land Company in Deed recorded August 1, 1949 in Book 57, Page 126, Deed Records, Elko County, Nevada.

PARCEL 9:

TOWNSHIP 36 NORTH, RANGE 66 EAST, M.D.B.&M.

Section 35: All;

EXCEPTING FROM Parcel 9 all petroleum, oil, natural gas, and products derived therefrom, as reserved by Southern Pacific Land Company in Deed recorded August 1, 1949 in Book 57, Page 126, Deed Records, Elko County, Nevada.

PARCEL 10:

TOWNSHIP 34 NORTH, RANGE 66 EAST, M.D.B.&M.

Section 4: Lots 3 and 4; S1/2NW1/4; SW1/4;

EXCEPTING THEREFROM all minerals, mineral rights, gas, oil, coal and other hydrocarbons, in, under or upon said property or that may in any way be produced therefrom as reserved by W.J. Thomas and Grace L. Thomas, his wife, in Deed recorded January 23, 1959 in Book 75, Page 376, Deed Records, Elko County, Nevada.

PARCEL 11:

Continued on next page

Order No. 03012789

TOWNSHIP 35 NORTH, RANGE 66 EAST, M.D.B.&M.

Section 2: Lots 3 and 4; S1/2NW1/4; SW1/4;
Section 10: E1/2E1/2;
Section 14: W1/2W1/2;
Section 22: NE1/4; SE1/4NW1/4; N1/2SE1/4; SW1/4SE1/4; SE1/4SW1/4;
Section 27: N1/2;
Section 28: SE1/4; SE1/4NE1/4;

EXCEPTING FROM Parcel 11 all right, title and interest to coal, oil, gas and other minerals of every kind and nature whatsoever, lying in and under said land, as reserved by Russell Wilkins, et ux, et al, in Deed Recorded December 10, 1946 in Book 55, Page 63, Deed Records, Elko County, Nevada.

PARCEL 12:

TOWNSHIP 36 NORTH, RANGE 66 EAST, M.D.B.&M.

Section 21: E1/2;
Section 22: W1/2NW1/4; S1/2;
Section 26: W1/2W1/2;
Section 27: All;
Section 28: E1/2E1/2; W1/2SE1/4;

EXCEPTING AND RESERVING THEREFROM the following described land:

Beginning at a point from which the Southwest Corner of Section 28, TOWNSHIP 36 NORTH, RANGE 66 EAST, M.D.B.&M., bears South 84°52' West, 2,519.9 feet distant;

THENCE North 25°20' East, 486.81 feet;

THENCE South 64°40' East, 303.07 feet;

THENCE South 25°21' West, 140.51 feet;

THENCE South 64°40' East, 140.00 feet;

THENCE South 25°20' West, 346.30 feet;

THENCE North 64°40' West, 443.07 feet;

Section 33: All;
Section 34: All;

Continued on next page

-7-

3 72503

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WFZ0538

Order No. 03012789

EXCEPTING FROM Parcel 12 all right, title and interest to coal, oil, gas and other minerals of every kind and nature whatsoever, lying in and under said land, as reserved by Russell Wilkins, et ux, et al, in Deed recorded December 10, 1946 in Book 55, Page 63, Deed Records, Elko County, Nevada.

PARCEL 13:

TOWNSHIP 35 NORTH, RANGE 66 EAST, M.D.B.&M.

Section 34: W1/2;

EXCEPTING FROM Section 13 all minerals, mineral rights, gas, oil, coal and other hydrocarbons, in, under or upon said property or that may in any way be produced therefrom as reserved by W.J. Thomas and Grace L. Thomas, his wife, in Deed recorded January 23, 1959 in Book 75, Page 376, Deed Records, Elko County, Nevada.

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3 72504

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WFZ0539

512359
FEE 17 FREE REQUEST

2003 DEC 30 PM 4:08

Stewart Title Co.

JERRY W. ...
CLERK OF DISTRICT COURT

When recorded, return to:
JAMES R. CAVILLA, ESQ.
ALLISON, MacKENZIE, RUSSELL,
PA VLAKIS, WRIGHT & FAGAN, LTD.
402 North Division Street
P.O. Box 646
Carson City, NV 89702

A.P.N: Nos.: 009-530-001; 010-090-001

03012789

GRANT, BARGAIN, AND SALE DEED

THIS INDENTURE, made this 21st day of December, 2003, by and between NEVADA LAND AND RESOURCE COMPANY, LLC, a Delaware limited liability company ("NLRC"), Grantor, and BIG SPRING RANCH, L.L.C., a Nevada limited liability company, as to an undivided 75% interest and THE STAR LIVING TRUST as to an undivided 25% interest, Grantee.

WITNESSETH:

That the Grantor, in consideration of the sum of TEN DOLLARS (\$10.00), lawful money of the United States, and other good and valuable consideration to it in hand paid by the Grantee, the receipt whereof is hereby acknowledged, does by these presents grant, bargain and sell to the Grantee, and to its successors and assigns forever, all those certain lots, pieces or parcels of land situate, lying and being in Elko County, Nevada, and more particularly described in Exhibit "A" attached hereto and incorporated herein by reference.

TOGETHER WITH all and singular the tenements, hereditaments and appurtenances thereunto belonging or in anywise appertaining and the reversion and reversions,

3 72505

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remainder and remainders, rents, issues and profits thereof, including but not limited to any right title and interest in any and all grazing rights or allotments appurtenant thereto.

TO HAVE AND TO HOLD all and singular the premises, together with the appurtenances, unto the said Grantee and to its successors and assigns forever.

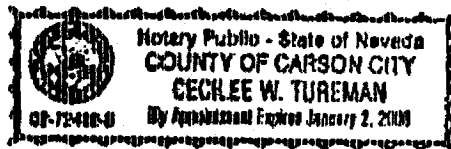
IN WITNESS WHEREOF, the Grantor has executed this conveyance the day and year first above written.

Nevada Land and Resource Company, LLC
a Delaware limited liability company

By: *Dorothy A. Timian-Palmer*
DOROTHY A. TIMIAN-PALMER
Chief Operating Officer/Director

STATE OF NEVADA)
 : ss.
CARSON CITY)

On December 29, 2003, DOROTHY A. TIMIAN-PALMER, personally appeared before me, a notary public, personally known to me to be the person whose name is subscribed to the foregoing instrument and who acknowledged to me that she is the Chief Operating Officer and a Director of Nevada Land and Resource Company, a Delaware limited liability company, and who acknowledged to me that she executed the foregoing GRANT, BARGAIN AND SALE DEED on behalf of said corporation.



Cecile W. Tureman
NOTARY PUBLIC

EXHIBIT A

County	APN #	Twn	Rng	Sec	Aliquot Parts	Acres
Elko	009-530-001	34N	66E	1	All except 0.23 Ac conv to WPR Co.	640.37
Elko	009-530-001	34N	66E	11	All	640.00
Elko	010-090-001	34N	67E	5	All	638.08
Elko	010-090-001	34N	67E	7	E/2 and ptn of W/2 east of the Nevada Northern Railroad as now constructed	366.98

3 72507

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WFZ0542

PARCEL 14:

TOWNSHIP 34 NORTH, RANGE 67 EAST, M.D.B.&M.

Section 5: All;
Section 7: All;

EXCEPTING THEREFROM all that portion of said land as conveyed to Nevada Northern Railway Company, in Deed recorded February 7, 1906 in Book 20, Page 617, Deed Records, Elko County, Nevada.

FURTHER EXCEPTING THEREFROM all that portion of said land as conveyed to Western Pacific Railway Company in Deed recorded February 19, 1909 in Book 31, Page 71, Deed Records, Elko County, Nevada.

FURTHER EXCEPTING THEREFROM that portion of the W1/2W1/2 lying west of the Nevada Northern Railroad as conveyed to Gordon Griswold and Kitty Griswold, his wife, in Deed recorded August 14, 1946 in Book 54, Page 354, Deed Records, Elko County, Nevada.

FURTHER EXCEPTING FROM all of Parcel 14 all right, title and interest to coal, oil, gas and other minerals of every kind and nature whatsoever, lying in and under said land, as reserved by Russell Wilkins, et ux, et al, in Deed recorded December 10, 1946 in Book 55, Page 63, Deed Records, Elko, Nevada.

PARCEL 15:

TOWNSHIP 34 NORTH, RANGE 66 EAST, M.D.B.&M.

Section 1: All;

EXCEPTING THEREFROM all that portion of said land as conveyed to Western Pacific Railway Company in Deed recorded February 19, 1909 in Book 31, Page 71, Deed Records, Elko County, Nevada.

Section 11: ALL;

EXCEPTING FROM Parcel 15 all petroleum, oil, natural gas and products derived therefrom, lying in and under said land or that may be produced therefrom, as reserved by Southern Pacific Land Company in Deed recorded August 1, 1949 in Book 57, Page 126, Deed Records, Elko County, Nevada.

FURTHER EXCEPTING FROM all of the above described land those portion lying within the railroad right-of-way.

512359

3 72508

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WFZ0543

ASSIGNMENT OF INTEREST IN BIG SPRING RANCH, LLC

The undersigned Assignor, GHOLAMREZA ZANDIAN JAZI, currently holds an interest in BIG SPRING RANCH, LLC, a Nevada limited liability company, consisting of a membership, as well as a management right, and, in consideration of value received, GHOLAMREZA ZANDIAN JAZI herewith transfers and assigns to RAY KOROGHLI, individually, and FARIBORZ FRED SADRI, individually, and as Trustee of the Star Living Trust, all of the Assignor's right as Member or Manager in BIG SPRING RANCH, a Nevada LLC effective as of the _____ day of _____, 2006.

The Assignor represents that the interest herewith assigned has not been transferred, assigned, encumbered, the subject of any agreement, or security interest and that he holds the full and complete rights, the subject of this Assignment. The Assignor irrevocably appoints the Assignee as the Attorney in Fact to transfer such interests on the books and records of BIG SPRING RANCH, LLC, a Nevada LLC, the Assignor agrees to separately execute a resignation as a Member and Manager of BIG SPRING RANCH, LLC, a Nevada LLC.

The undersigned executes this Assignment on the _____ day of _____, 2006.

GHOLAMREZA ZANDIAN JAZI

**ASSIGNMENT OF INTEREST IN
NEVADA LAND & WATER RESOURCES, LLC**

The undersigned Assignor, GHOLAMREZA ZANDIAN JAZI, currently holds an interest in NEVADA LAND & WATER RESOURCES, LLC, a Nevada limited liability company, consisting of a membership, as well as a management right, and, in consideration of value received, GHOLAMREZA ZANDIAN JAZI herewith transfers and assigns to RAY KOROGHLI, individually, and FARIBORZ FRED SADRI, individually, and as Trustee of the Star Living Trust, all of the Assignor's right as Member or Manager in NEVADA LAND & WATER RESOURCES, LLC, a Nevada LLC effective as of the _____ day of _____, 2006.

The Assignor represents that the interest herewith assigned has not been transferred, assigned, encumbered, the subject of any agreement, or security interest and that he holds the full and complete rights, the subject of this Assignment. The Assignor irrevocably appoints the Assignee as the Attorney in Fact to transfer such interests on the books and records of NEVADA LAND & WATER, LLC, a Nevada LLC, the Assignor agrees to separately execute a resignation as a Member and Manager of NEVADA LAND & WATER RESOURCES, LLC, a Nevada LLC.

The undersigned executes this Assignment on the _____ day of _____, 2006.

GHOLAMREZA ZANDIAN JAZI

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

1 RELS
JOHN PETER LEE, LTD.
2 JOHN PETER LEE, ESQ.
Nevada Bar No. 001768
3 MICHAEL A. REYNOLDS, ESQ.
Nevada Bar No. 008631
4 830 Las Vegas Boulevard South
Las Vegas, Nevada 89101
5 (702) 382-4044 Fax: (702) 383-9950
Attorneys for Plaintiff/Counterdefendant
6

7 DISTRICT COURT

8 CLARK COUNTY, NEVADA

9 GHOLAMREZA ZANDIAN JAZI,
10 Plaintiff,

CASE NO.: A511131
DEPT. NO.: XIII

11 v.

12 RAY KOROGHLI, individually, FARIBORZ FRED
SADRI, individually, and as Trustee of the Star
13 Living Trust, WENDOVER PROJECT, LLC, a
Nevada limited liability company; BIG SPRING
14 RANCH, LLC, a Nevada limited liability company,
and NEVADA LAND AND WATER
15 RESOURCES, LLC, a Nevada limited liability
company,

RELEASE OF LIS PENDENS

16 Defendants.

17
18 RAY KOROGHLI, individually and FARIBORZ
FRED SADRI, individually,

19 Counterclaimants,

DATE: N/A
TIME: N/A

20 v.

21 GHOLAMREZ ZANDIAN JAZI,

22 Counterdefendant.

23
24 WENDOVER PROJECT, LLC,

25 Counterclaimant,

26 v.

27 GHOLAMREZ ZANDIAN JAZI,

28 Counterdefendant.

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

1 GHOLAMREZ ZANDIAN JAZI,
2 Counterclaimant,
3 v.
4 WENDOVER PROJECT, LLC,
5 Counterdefendant,

6 1334.022860-JLR

7 NOTICE is hereby given that the undersigned did, on the 30th day of January, 2006 file a
8 Notice of Lis Pendens with the above-referenced Court, a copy of which was recorded with the Elko
9 County Recorder as Document Number 548113 on February 2, 2006.

10 NOW THEREFORE, for valuable consideration, the undersigned does by these presents
11 release, satisfy and discharge said Lis Pendens.

12 DATED this _____ day of _____, 2006.

13 JOHN PETER LEE, LTD.

14 BY: _____
15 John Peter Lee, Esq.
16 Nevada Bar No. 001768
17 Michael A. Reynolds, Esq.
18 Nevada Bar No. 008631
19 830 Las Vegas Boulevard South
20 Las Vegas, Nevada 89101
21 Ph: (702) 382-4044/Fax: (702) 383-9950
22 Attorneys for Plaintiffs

23
24
25
26
27
28

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

1 RELS
JOHN PETER LEE, LTD.
2 JOHN PETER LEE, ESQ.
Nevada Bar No. 001768
3 MICHAEL A. REYNOLDS, ESQ.
Nevada Bar No. 008631
4 830 Las Vegas Boulevard South
Las Vegas, Nevada 89101
5 (702) 382-4044 Fax: (702) 383-9950
Attorneys for Plaintiff/Counterdefendant
6

7 DISTRICT COURT

8 CLARK COUNTY, NEVADA

9 GHOLAMREZA ZANDIAN JAZI,

10 Plaintiff,

11 v.

12 RAY KOROGHLI, individually, FARIBORZ FRED)
SADRI, individually, and as Trustee of the Star)
13 Living Trust, WENDOVER PROJECT, LLC, a)
Nevada limited liability company; BIG SPRING)
14 RANCH, LLC, a Nevada limited liability company,)
and NEVADA LAND AND WATER)
15 RESOURCES, LLC, a Nevada limited liability)
company,)

16 Defendants.
17

CASE NO.: A511131
DEPT. NO.: XIII

RELEASE OF LIS PENDENS

18 RAY KOROGHLI, individually and FARIBORZ)
FRED SADRI, individually,)

19 Counterclaimants,
20

21 v.

22 GHOLAMREZ ZANDIAN JAZI,

23 Counterdefendant.
24

25 WENDOVER PROJECT, LLC,

26 Counterclaimant,
27

28 v.

GHOLAMREZ ZANDIAN JAZI,

Counterdefendant.

DATE: N/A
TIME: N/A

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

1 GHOLAMREZ ZANDIAN JAZI,
2 Counterclaimant,
3 v.
4 WENDOVER PROJECT, LLC,
5 Counterdefendant,

6 1334.022860-JLR

7 NOTICE is hereby given that the undersigned did, on the 14th day of October, 2005 file a
8 Notice of Lis Pendens with the above-referenced Court, a copy of which was recorded with the Elko
9 County Recorder as Document Number 542563 on October 25, 2005.

10 NOW THEREFORE, for valuable consideration, the undersigned does by these presents
11 release, satisfy and discharge said Lis Pendens.

12 DATED this _____ day of _____, 2006.

13 JOHN PETER LEE, LTD.

14
15 BY: _____
16 John Peter Lee, Esq.
17 Nevada Bar No. 001768
18 Michael A. Reynolds, Esq.
19 Nevada Bar No. 008631
20 830 Las Vegas Boulevard South
21 Las Vegas, Nevada 89101
22 Ph: (702) 382-4044/Fax: (702) 383-9950
23 Attorneys for Plaintiffs
24
25
26
27
28

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

1 RELS
JOHN PETER LEE, LTD.
2 JOHN PETER LEE, ESQ.
Nevada Bar No. 001768
3 MICHAEL A. REYNOLDS, ESQ.
Nevada Bar No. 008631
4 830 Las Vegas Boulevard South
Las Vegas, Nevada 89101
5 (702) 382-4044 Fax: (702) 383-9950
Attorneys for Plaintiff/Counterdefendant
6

7 DISTRICT COURT
8 CLARK COUNTY, NEVADA

9 GHOLAMREZA ZANDIAN JAZI,
10 Plaintiff,

CASE NO.: A511131.
DEPT. NO.: XIII

11 v.

12 RAY KOROGHLI, individually, FARIBORZ FRED)
SADRI, individually, and as Trustee of the Star
13 Living Trust, WENDOVER PROJECT, LLC, a
Nevada limited liability company; BIG SPRING
14 RANCH, LLC, a Nevada limited liability company,
and NEVADA LAND AND WATER
15 RESOURCES, LLC, a Nevada limited liability
company,
16

RELEASE OF LIS PENDENS

17 Defendants.

18 RAY KOROGHLI, individually and FARIBORZ
FRED SADRI, individually,
19

20 Counterclaimants,

DATE: N/A
TIME: N/A

21 v.

22 GHOLAMREZ ZANDIAN JAZI,
23 Counterdefendant.

24 WENDOVER PROJECT, LLC,
25

26 Counterclaimant,

27 v.

28 GHOLAMREZ ZANDIAN JAZI,
Counterdefendant.

1 GHOLAMREZ ZANDIAN JAZI,
2 Counterclaimant,
3 v.
4 WENDOVER PROJECT, LLC,
5 Counterdefendant,

6 1334.022860-JLR

7 NOTICE is hereby given that the undersigned did, on the 14th day of October, 2005 file a
8 Notice of Lis Pendens with the above-referenced Court, a copy of which was recorded with the
9 Washoe County Recorder as Document Number 3301912 on November 3, 2005.

10 NOW THEREFORE, for valuable consideration, the undersigned does by these presents
11 release, satisfy and discharge said Lis Pendens.

12 DATED this _____ day of _____, 2006.

13 JOHN PETER LEE, LTD.

14 BY: _____
15 John Peter Lee, Esq.
16 Nevada Bar No. 001768
17 Michael A. Reynolds, Esq.
18 Nevada Bar No. 008631
19 830 Las Vegas Boulevard South
20 Las Vegas, Nevada 89101
21 Ph: (702) 382-4044/Fax: (702) 383-9950
22 Attorneys for Plaintiffs

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

28

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

1 REL'S
2 JOHN PETER LEE, LTD.
3 JOHN PETER LEE, ESQ.
4 Nevada Bar No. 001768
5 MICHAEL A. REYNOLDS, ESQ.
6 Nevada Bar No. 008631
7 830 Las Vegas Boulevard South
8 Las Vegas, Nevada 89101
9 (702) 382-4044 Fax: (702) 383-9950
10 Attorneys for Plaintiff/Counterdefendant

DISTRICT COURT
CLARK COUNTY, NEVADA

9 GHOLAMREZA ZANDIAN JAZI,
10 Plaintiff,

CASE NO.: A511131
DEPT. NO.: XIII

11 v.

12 RAY KOROGHLI, individually, FARIBORZ FRED
13 SADRI, individually, and as Trustee of the Star
14 Living Trust, WENDOVER PROJECT, LLC, a
15 Nevada limited liability company; BIG SPRING
16 RANCH, LLC, a Nevada limited liability company,
17 and NEVADA LAND AND WATER
18 RESOURCES, LLC, a Nevada limited liability
19 company,
20 Defendants.

RELEASE OF LIS PENDENS

18 RAY KOROGHLI, individually and FARIBORZ
19 FRED SADRI, individually,
20 Counterclaimants,

DATE: N/A
TIME: N/A

21 v.

22 GHOLAMREZ ZANDIAN JAZI,
23 Counterdefendant.

24 WENDOVER PROJECT, LLC,
25 Counterclaimant,

26 v.

27 GHOLAMREZ ZANDIAN JAZI,
28 Counterdefendant.

JOHN PETER LEE, L.L.D.
ATTORNEYS AT LAW
830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

1 GHOLAMREZ ZANDIAN JAZI,)
2 Counterclaimant,)
3 v.)
4 WENDOVER PROJECT, LLC,)
5 Counterdefendant,)

6 1334.022860-JLR

7 NOTICE is hereby given that the undersigned did, on the 16th day of November, 2005 file
8 a Notice of Lis Pendens with the above-referenced Court, a copy of which was recorded with the
9 Clark County Recorder in Book/Instrument 20051116-0004202 on November 16, 2005.

10 NOW THEREFORE, for valuable consideration, the undersigned does by these presents
11 release, satisfy and discharge said Lis Pendens.

12 DATED this _____ day of _____, 2006.

13 JOHN PETER LEE, LTD.

14
15 BY: _____
16 John Peter Lee, Esq.
17 Nevada Bar No. 001768
18 Michael A. Reynolds, Esq.
19 Nevada Bar No. 008631
20 830 Las Vegas Boulevard South
21 Las Vegas, Nevada 89101
22 Ph: (702) 382-4044/Fax: (702) 383-9950
23 Attorneys for Plaintiffs
24
25
26
27
28



DEAN HELLER
Secretary of State
202 North Carson Street
Carson City, Nevada 89701-4201
(775) 684 5708
Website: secretaryofstate.biz

**Certificate of Resignation of Officer,
Director, Manager, Member, General
Partner, Trustee or Subscriber**

ABOVE SPACE IS FOR OFFICE USE ONLY

**Certificate of Resignation of
Officer, Director, Manager, Member,
General Partner, Trustee or Subscriber**

1. The name and title(s) of person that desires to resign:

GHOLAMREZA ZANDIAN JAZI

(Name)

Manager

(Title(s))

2. The name and file number of the entity for which resignation is being made:

NEVADA LAND & WATER RESOURCES, L.L.C.

(Name of Entity)

(File Number)

3. Signature: _____

4. Fee: \$75.00 per form. Resignation of one person from one entity per form.

This form must be accompanied by appropriate fees.

Nevada Secretary of State Resignation of Officer 2003
Revised on: 02/03/05

WFZ0560



DEAN HELLER
 Secretary of State
 202 North Carson Street
 Carson City, Nevada 89701-4201
 (775) 684 5708
 Website: secretaryofstate.biz

**Certificate of Resignation of Officer,
 Director, Manager, Member, General
 Partner, Trustee or Subscriber**

ABOVE SPACE IS FOR OFFICE USE ONLY

**Certificate of Resignation of
 Officer, Director, Manager, Member,
 General Partner, Trustee or Subscriber**

1. The name and title(s) of person that desires to resign:

GHOLAMREZA ZANDIAN JAZI
 (Name)

Manager
 (Title(s))

2. The name and file number of the entity for which resignation is being made:

BIG SPRING RANCH LLC
 (Name of Entity)

(File Number)

3. Signature: _____

4. Fee: \$75.00 per form. Resignation of one person from one entity per form.

This form must be accompanied by appropriate fees.

Nevada Secretary of State Resignation of Officer 2003
 Revised on: 02/03/06

JOHN PETER LEE, LTD.

ATTORNEYS AT LAW

830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

1 RCPT
JOHN PETER LEE, LTD.
2 JOHN PETER LEE, ESQ.
Nevada Bar No. 001768
3 MICHAEL A. REYNOLDS, ESQ.
Nevada Bar No. 008631
4 830 Las Vegas Boulevard South
Las Vegas, Nevada 89101
5 (702) 382-4044 Fax: (702) 383-9950
Attorneys for Plaintiff/Counterdefendant
6

7 **DISTRICT COURT**

8 **CLARK COUNTY, NEVADA**

9 GHOLAMREZA ZANDIAN JAZI,)

10 Plaintiff,)

11 v.)

12 RAY KOROGHLI, individually, FARIBORZ FRED)
SADRI, individually, and as Trustee of the Star)
13 Living Trust, WENDOVER PROJECT, LLC, a)
Nevada limited liability company; BIG SPRING)
14 RANCH, LLC, a Nevada limited liability company,)
and NEVADA LAND AND WATER)
15 RESOURCES, LLC, a Nevada limited liability)
company,)

16 Defendants.)

17 _____)
18 RAY KOROGHLI, individually and FARIBORZ)
FRED SADRI, individually,)

19 Counterclaimants,)

20 v.)

21 GHOLAMREZ ZANDIAN JAZI,)

22 Counterdefendant.)

23 _____)
24 WENDOVER PROJECT, LLC,)

25 Counterclaimant,)

26 v.)

27 GHOLAMREZ ZANDIAN JAZI,)

28 Counterdefendant.)

CASE NO.: A511131
DEPT. NO.: XIII

RECEIPT

DATE: N/A
TIME: N/A

1 GHOLAMREZ ZANDIAN JAZI,)
2 Counterclaimant,)
3 v.)
4 WENDOVER PROJECT, LLC,)
5 Counterdefendant,)

6 1334.022860-JLR

7 RECEIPT of \$250,000 made payable to John Peter Lee, Ltd., in compliance and in
8 conformity with the Award of Floyd Hale, Arbitrator dated September 20, 2006 is acknowledged this
9 ___ day of _____, 2006.

10 JOHN PETER LEE, LTD.

11
12 BY: _____
13 John Peter Lee, Esq.
14 Nevada Bar No. 001768
15 Michael A. Reynolds, Esq.
16 Nevada Bar No. 008631
17 830 Las Vegas Boulevard South
18 Las Vegas, Nevada 89101
19 Ph: (702) 382-4044/Fax: (702) 383-9950
20 Attorneys for Plaintiff/Counterdefendant
21
22
23
24
25
26
27
28

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

MUTUAL RELEASE OF CLAIMS

This Mutual Release of Claims is made this _____ day of _____, 2006 by and between GHOLAMREZA ZANDIAN JAZI ("Zandian"), Ray Koroghli ("Koroghi"), Fariborz Fred Sadri ("Sadri"), Wendover Project, LLC ("Wendover"), Nevada Land and Water Resources, LLC ("Nevada Land") and Big Spring Ranch, LLC, ("Big Spring"). For purposes of this agreement, Zandian is hereinafter called Plaintiff and all of the individuals and LLCs are jointly called Defendants.

RECITALS

WHEREAS disputes have arisen by and between the Plaintiff and the Defendants resulting in litigation which was commenced in the District Court, Clark County Nevada, given Case No. A511131; and

WHEREAS the matter was thereafter referred to arbitration before Floyd A. Hale by an agreement; and

WHEREAS, in addition to the Complaint, the Defendants filed various Counterclaims against the Plaintiff in the District Court action, all of which claims were heretofore referred to Floyd A. Hale to arbitrate; and

WHEREAS the parties to this Release, Plaintiff and the Defendants, commenced the arbitration process before Floyd A. Hale, which commenced on the 22nd day of August, 2006 and ended on the 8th day of September, 2006; and

WHEREAS on the latter date an order was entered on the record concerning settlement of the claims asserted by the Plaintiff, and the counterclaims asserted by the Defendants, which will be reduced to an order entered in the arbitration proceedings; and

WHEREAS the order provides for the release of certain rights by the parties, one against the other, and the payment of sums by certain of the Defendants, all as set forth in separate instruments, and further set forth in the Arbitration Order; and

WHEREAS these parties desire to settle and resolve all issues, allegations, claims, rights, defenses and obligations and causes of action asserted, or which could have been asserted by the Plaintiff against the Defendants and the Defendants against the Plaintiff;

NOW THEREFORE in consideration of these Recitals and the mutual covenants, promises and conditions hereinafter set forth, these parties agree as follows:

1. In consideration of the mutual covenants of the parties hereto, their heirs, executors, administrators, assigns, representative trustees, beneficiaries, directors, officers, employees, agents and attorneys and assigns to enter to this Mutual Release whereby the Plaintiff releases the Defendants and the Defendants release the Plaintiff from any and all demands, claims, damages, lawsuits, causes of action, costs and expenses of whatever character, known or unknown, and whenever occurring in the past, in the present or which will accrue in the future in any way, which are directly or indirectly related to the demands, claims and causes of action alleged, or which could have been alleged by the parties in the Complaint, the Amended Complaint and the various Counterclaims, or any amendments which could have been filed in the underlying proceedings.

2. The parties recognize that the Plaintiff and that the Defendants each may have claims against the others, of which they are unaware, it is the intention of the parties entering into this Mutual Release that this instrument will terminate the claim of the Plaintiff as against the Defendants and the Defendants against the Plaintiff, and prevent them from asserting the same. To this end, the

parties, and each of them, do waive all rights and benefits conferred upon them by statute or common law of any jurisdiction which has provisions which provides generally as follows:

“a general release does not extend to claims which the creditor does know or suspect in his favor at the time of executing the Release, which, if known by him, must have materially effected his settlement with the Debtor.”

The Plaintiff indemnifies the Defendants and the Defendants indemnify the Plaintiff from any and all claims asserted against any of them as a result of, or in connection with, any action or proceeding brought directly or indirectly on behalf, in the name of anyone claiming standing through the Plaintiff or the Defendants, contrary to the provisions of the Releases as provided for in this agreement.

3. This mutual settlement agreement is a compromise of disputed claims and arises out of, connected with, and relating to the underlying action and is not to be constructed as an admission of liability on the part of any party, all of whom expressly deny liability.

4. The construction, effect and validity of this agreement is governed by the laws of the State of Nevada and shall bind and inure to the benefit of each party and constitutes the entire agreement among the parties with respect to the subject hereto and may not be amended, except in writing, executed by the party to be charged.

5. Each party agrees to do anything necessary, and to execute all instruments necessary proper to effectuate the provisions and intent of this agreement, and each party shall mark cancelled and deliver to the other all evidence of any debt or obligation owed to the other, including Notes, Deeds of Trust or promises to pay, including, but not limited to, that certain Promissory Note

executed by Zandian in favor of Fariborz Fred Sadri and the Star Living Trust for \$333,333 secured by a Deed of Trust on 4,400 acres of property in Washoe County, Nevada.

6. Each party warrants that he has the power, capacity and authority to enter into this Mutual Release.

7. The Plaintiff and the Defendants separately acknowledge that their execution of this Release is freely and voluntarily done, and that all Recitals are true and correct, and they have not assigned or transferred to any person the matters released hereunder.

8. All the terms and conditions herein are severable in the event that any terms held are considered unenforceable by any court of competent jurisdiction. This agreement shall be interpreted as if the unenforceable terms were not contained herein.

9. This mutual agreement shall not create any rights in any person who is not a party hereto.

10. This mutual settlement agreement may be signed in multiple originals, each of which is considered a counterpart of the others, and taken together shall constitute one original.

DATED the day above first written.

GHOLAMREZA ZANDIAN JAZI

RAY KOROGHLI, individually

FARIBORZ FRED SADRI, individually and
as Trustee of the Star Living Trust

WENDOVER PROJECT, LLC

BY: _____

NEVADA LAND & WATER RESOURCES, LLC

BY: _____

BIG SPRING RANCH, LLC

BY: _____

1 ARB
2 FLOYD A. HALE, ESQ.
3 Nevada Bar No. 1873
4 JAMS
5 2300 W. Sahara, #900
6 Las Vegas, NV 89102
7 Ph: (702) 457-5267
8 Fax: (702) 437-5267
9 Arbitrator.

RECEIVED
MAR 02 2007

JOHN PETER LEE, LTD.

DISTRICT COURT

CLARK COUNTY, NEVADA

10 GHOLAMREZA ZANDIAN JAZI,) Case No. A511131
11)) Dept. No. XII
12 Plaintiff,)
13 vs.)
14 RAY KOROGHLI, individually,)
15 FABIRORZ FRED SADRI, individually,)
16 and as Trustee of the Star Living Trust,)
17 WENDOVER PROJECT, LLC, a Nevada)
18 limited liability company; BIG SPRING)
19 RANCH, LLC, a Nevada limited liability)
20 company, and NEVADA LAND AND)
21 WATER RESOURCES, LLC, a Nevada)
22 limited liability company,)
23 Defendants.)

ARBITRATOR REPORT AND RECOMMENDATION TO
DISTRICT COURT

23 This matter was submitted to Arbitration and Arbitration Hearings were conducted for two
24 days, as well as the submission of voluminous exhibits, depositions and briefs. During the
25 Arbitration proceeding, the parties agreed to meet with the Arbitrator in an effort to resolve the
26 dispute. With agreement of counsel, the parties met directly with the Arbitrator and an agreement
27 for a final conclusion of this matter was read into the record, being recorded by a court reporter.
28

FLOYD A. HALE
SPECI
2300 W. SAHARA, SUITE 900
LAS VEGAS, NEVADA 89102
PHONE (702) 457-5267 EMAIL f. hale@floydahale.com

1 The undersigned then issued an Arbitration Decision based upon the evidence submitted as well
2 as the agreement of the parties.

3
4 On January 11, 2007, counsel for the parties conducted a hearing before this Court
5 regarding confirmation of the Arbitration Award. Counsel for the parties could not reach an
6 agreement as to what documents needed to be signed to effect the Arbitration Decision. For that
7 reason, the matter was referred back to the Arbitrator for further proceedings. The actual
8 reference, contained in page 25, line 6-14 of the January 11, 2007, transcript is as follows:

9
10 THE COURT: I'm going to resolve your problem. Its real easy. I am
11 going to refer the matter back to Floyd Hale for further proceedings,
12 consistent with the 9/8/06 transcript. Those will include getting the
13 mechanism for the spouses of the parties to sign the documents, getting
14 a mechanism for the waiver of the release of the rights of first refusal
15 that exist, entering into the settlement agreement the parties entered
16 into. If he is unable to reach an agreement among the parties, then I
17 will have the final word.

18
19 The District Court has already indicated that wives of the principals will need to sign
20 documents. The following report and recommendation will reference the parties to the
21 Arbitration with the understanding that the District Court has already indicated that wives for
22 those parties will be required to sign all necessary documents.

23
24 IT IS REPORTED AND RECOMMENDED to the Court that the following documents
25 will need to be executed by the parties and their wives:

26
27 4,400 acres of real estate, owned by Poh Rah, LLC: The only members of the Pah Rah,
28 LLC are the parties to this action: Zandian Jazi; Ray Koroghli and Fred Sadri. These parties will
be required to sign a Grant Bargain Sale Deed to transfer the 4,400 acres of real estate to Zandian
Jazi. Fred Sadri will need to execute a full reconveyance of the Deed of Trust and release the
Promissory Note which was secured by the Deed of Trust as to this property. The parties will also

FLOYD A. HALE
SPECIALIST
2300 W. SAGWA, E. SUITE 900
LAS VEGAS, NEVADA 89102
PHONE (702) 457-5257 EMAIL fhaale@floydahale.com

1 have to sign a waiver of any right of first refusal to this property.

2 320 acres owned by Big Springs Ranch, LLC. The only members of the Big Springs
3 Ranch LLC, are the parties to this action and Mr. Abrishami. If Mr. Zandian Jazi can obtain the
4 signature of Mr. Abrishami on a Deed to transfer this property, then the parties to this action must
5 all execute a Grant Bargain Sale Deed transferring this real estate to Zandian Jazi. If Mr. Jandian
6 Jazi is unable to obtain the signature of Mr. Abrishami, then Mr. Sadri and Mr. Koroghli are
7 required to sign a Quit Claim Deed from Big Springs Ranch, LLC to Zandian Jazi to sign waivers
8 of rights of first refusal.
9

10
11 \$250,000.00 Payment to Zandian Jazi: There has been a dispute as to what entity is
12 responsible for making this payment. During the Arbitration Proceedings, as well as during prior
13 meetings with the parties, it was represented to the Arbitrator that Mr. Sadri and Mr. Koroghli
14 would make this payment. It is Recommended that either Mr. Sadri or Mr. Koroghli, or both, are
15 individually responsible for this payment. Sadri and Koraghli may, however, execute the
16 payment check or draft in whatever representative capacity that they believe is the most
17 appropriate.
18

19 Transfer of Wendover Project, LLC Interest: Zandian Jazi has agreed to waive or transfer
20 any interest that he has, if any, in the Wendover Project, LLC. Mr. Netzorg has argued that it is
21 incumbent upon Mr. Zandian Jazi to obtain signatures on waivers of rights of first refusal from
22 all members of the LLC. This was not part of the settlement agreement and the District Court
23 should be aware that the Defendants contested that Zandian Jazi even owned rights in the
24 Wendover Project, LLC at the time of the arbitration.
25

26
27 It is the Report and Recommendation of the Arbitrator that Zandian Jazi sign a transfer
28 of all interest that he owns in the Wendover Project, LLC directly to: "Wendover Project, LLC."

FLOYD * HALE
SPECII * TER
2300 W. SAHARA, .E. SUITE 900
LAS VEGAS, NEVADA 89102
PHONE (702) 457-5267 EMAIL fhaale@floydahale.com

1 Zandian Jazi must also sign a waiver of any right of first refusal that he has as to that LLC.
2
3 The remaining managing members of the Wendover Project LLC are responsible for
4 determining the appropriate allocation of the Zandian Jazi interest. If they believe that it is
5 necessary to obtain waivers of rights of first refusal to make that allegation of interest, then it is
6 their responsibility to do so. Before distributing Mr. Zandian Jazi's interest, the managing
7 members of the LLC should either distribute that interest in accordance with the operating
8 agreements or, alternatively, obtain whatever signatures that the managing members determine
9 are necessary to make a different distribution or allocation of that interest. It would seem unfair
10 to place this burden on the transferring party who is merely transferring his interest to the entire
11 Wendover Project, LLC.
12

13 Big Springs Ranch, LLC: As with the Wendover Project, LLC, Mr. Zandian Jazi will be
14 required to execute a transfer of interest and waiver of any interest of the Big Springs Ranch,
15 LLC, directly to: "Big Springs Ranch, LLC." He must also execute a waiver of right of first
16 refusal that he would have under that LLC. As stated with the Wendover Project, LLC, it is the
17 duty of the managing members of the Big Springs Ranch, LLC, to make an appropriate
18 distribution or allocation of this interest. The remaining managing members of the Big Springs
19 Ranch, LLC must either transfer the property as required by the operating agreement or obtain
20 whatever waivers of rights of first refusal that are necessary to make a transfer which they believe
21 are necessary.
22
23

24 CONCLUSION:

25 Mr. Netzorg has contested the requirement that the receiving LLC entities are required to
26 obtain waivers of rights of first refusal. Actually, waivers are not necessary if the receiving
27 interest is transferred pursuant to the operating agreement. If the managing members want to
28

1 obtain waivers of rights of first refusal to make a different distribution, they are certainly free to
2 do so. That should not be the burden of Mr. Zandian Jazi.

3
4 Mr. Netzorg has also asked for numerous documents regarding a purported transfer of Mr.
5 Zandian Jazi's shipyard stock. There was absolutely no evidence that any entity related to these
6 proceedings acknowledged receipt of that stock or issued any credit related to receipt of that
7 stock. Although that stock was discussed during the Arbitration proceedings, there was no
8 competent evidence regarding that stock being relevant to the Arbitration proceedings.
9

10 RESPECTFULLY SUBMITTED this 28th day of February, 2007.

11
12 By: 

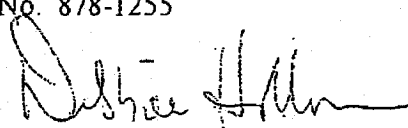
13 FLOYD A. HALE
14 2300 W. Sahara, #900
15 Las Vegas, NV 89102
16 Arbitrator

17 CERTIFICATE OF FACSIMILE AND MAIL

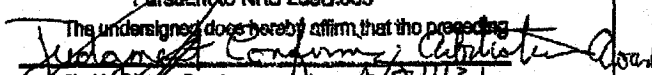
18 I hereby certify that on the 28th day of February, 2007, I faxed and mailed a true and
19 correct copy of the foregoing addressed to:

20 John Peter Lee, Esq.
21 830 Las Vegas Boulevard South
22 Las Vegas, NV 89101
23 Attorneys for Plaintiffs
24 Fax No. 383-9950

25 John Netzorg, Esq.
26 2810 West Charleston Blvd. #H-81
27 Las Vegas, NV 89102
28 Attorneys for Defendants
29 Fax No. 878-1255

30 By: 
Employee of Jams

AFFIRMATION
Pursuant to NRS 238B.030

The undersigned does hereby affirm that the preceding

filed in District Court case number 4/5/11/31
DOES NOT contain the social security number of any person.

Date 6/8/07

FLOYD A. HALE
SPECIAL INTER
2300 W. SAHARA, #900, SUITE 900
LAS VEGAS, NEVADA 89102
PHONE (702) 457-5267 EMAIL fhale@floydahale.com

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

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RECEIPT OF COPY

RECEIPT OF COPY of the foregoing NOTICE OF ENTRY OF JUDGMENT
CONFIRMING ARBITRATION AWARD is hereby acknowledged this 8th day of June, 2007.

JAMS, The Resolution Experts

By: Floyd A. Hale, Esq.
Floyd A. Hale, Esq.
2300 West Sahara Avenue #900
Las Vegas, Nevada 89102

John M. Netzorg, Esq. (C. Dawson)
John M. Netzorg, Esq.
2810 West Charleston Boulevard #81
Las Vegas, Nevada 89102
Attorneys for Defendants

AFFIRMATION
Pursuant to NRS 239B.030
The undersigned does hereby affirm that the preceding
NOE / JUDGMENT
filed in District Court case number 251131
DOES NOT contain the social security number of any person.
[Signature] Date 6/8/07

7

FILED

2007 JUN 15 P 3:44

Chris [Signature]
CLERK OF THE COURT

ORIGINAL

0001
JOHN M. NETZORG, ESQ.
Nevada Bar No. 1335
2810 West Charleston Boulevard, #H-81
Las Vegas, Nevada 89102
(702) 878-3400
Attorney for Defendants

DISTRICT COURT
CLARK COUNTY, NEVADA

GHOLAMREZA ZANDIAN JAZI,

Plaintiff,

vs.

RAY KOROGHLI, individually, FARIBORZ
FRED SADRI, individually and as Trustee of the
the Star Living Trust, WENDOVER PROJECT,
LLC, a Nevada limited liability company; BIG
SPRING RANCH, LLC, a Nevada limited liability
company, and NEVADA LAND AND WATER
RESOURCES, LLC, a Nevada limited liability
company

Defendants

)
)
) CASE NO. A 511131
) DEPT. NO. XI
)
)
)
)
) Date of Hearing:
) Time of Hearing:
)
) **MOTION TO AMEND OR ALTER**
) **JUDGMENT PURSUANT TO NRCP**
) **59(e), OR IN THE ALTERNATIVE,**
) **MOTION FOR A NEW TRIAL**
) **PURSUANT TO NRCP 59(a)**

Settlement was reached in this case after arbitration proceedings were commenced. With the agreement of the parties, the arbitrator acted as mediator and once an agreement was reached, placed the settlement on the record. The mediator signed a mediation decision on September 20, 2006 and a subsequent implementation award on November 29, 2006 manifestly disregarding the law and the intention of the parties. On December 18, 2006, the Defendants filed a motion to vacate the arbitration award and to modify and correct the award because it ignored the settlement reached and purported to be an award when in fact it was a settlement. (Exhibit "1" attached hereto). The peculiar procedures for the mediator and former arbitrator are detailed in

LAW OFFICES OF
JOHN M. NETZORG
2810 W. CHARLESTON BLVD., SUITE H-81
LAS VEGAS, NEVADA 89102
(702) 878-3400

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JUN 15 2007
CLERK OF THE COURT

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1 the December 18, 2006 motion. Essentially, Mr. Sadri and Mr. Koroghli were to exchange real
2 property interests for Plaintiff's LLC membership interests and pay Plaintiff \$250,000 in cash.

3 Part and parcel of the settlement was a release of all claims, a global settlement and the
4 delivery to the parties, respectively, of the interests to be exchanged free and clear of third party
5 claims.

6 On January 11, 2007, the Court entertained arguments and denied both the Plaintiff's
7 motion to confirm and the Defendants' motion to vacate noting that this was a settlement and the
8 issues were enforcement of the settlement.

9
10 The award was not remanded to Mr. Hale nor was this an arbitration proceeding. It was
11 an enforcement of the settlement. This is an important distinction because the Nevada Supreme
12 Court has ruled that the court has no authority to remand an arbitration award for modification
13 nor does the Uniform Arbitration Act contemplate such a procedure. The court's sole remedy
14 would have been to vacate the award and order a new arbitration if, in fact, this were an
15 arbitration award. After further proceedings, the mediator issued an "Arbitrator Report and
16 Recommendation to District Court", a procedure unrecognized by NRS Chapter 38. The
17 "Report" makes no pretense of being a modified arbitration award.

18
19 The Plaintiff then bunched four of the prior orders together and filed a motion for
20 confirmation requesting the court to confirm (1) the original September 20, 2006 award, (2) the
21 October 11, 2006 modification, (3) the November 29, 2006 "Implementation Award" and finally,
22 (4) the February 28, 2007 Report and Recommendation, even though the four documents did not
23 reflect the settlement and were completely inconsistent. By way of example, the September 20,
24 2006, October 11, 2006 and November 29, 2006 Orders all provide that Koroghli and Sadri are
25 to transfer their individual real property interests to the Plaintiff in exchange for the Plaintiff's
26
27
28

1 transfer of his LLC interests to Sadri and Koroghli, individually. The dispute was whether the
2 Plaintiff had to transfer his interests free and clear of third party claims. The Judgment entered
3 by this Court, however, includes the requirement that deeds and assignments be issued from
4 Plaintiff to Koroghli and Sadri of Plaintiff's LLC interests and, simultaneously, the February 28,
5 2007 Recommendation requires that those same interests be transferred from the Plaintiff to third
6 parties (the LLCs) who are providing no consideration. This is absurd and is intentionally
7 designed to deprive Sadri and Koroghli of the benefit of their bargain.
8

9 Originally, Sadri and Koroghli had complained that the Plaintiff was not transferring his
10 interests as required by the settlement with his wife's signature and free and clear of third party
11 claims. Rather than addressing those issues, the mediator changed the agreement in its entirety
12 and provided that the promissors (Sadri and Koroghli), who were paying the consideration, did
13 not receive the benefit of their bargain but rather that the bargained for benefit would be
14 transferred to third parties. This purportedly resolved the right of first refusal issues of which
15 Sadri and Koroghli had complained. The mediator simply gave those interests to third parties for
16 no consideration leaving Sadri and Koroghli with nothing.
17

18 Under Nevada law, a right of first refusal is recognized and becomes vested at the time a
19 transfer is offered and agreed to by the transferor. In this case the transferor (seller) is the
20 Plaintiff, Mr. Jazi:
21

22 A right of first refusal is sometimes said to be a right to elect
23 to take specified property at the same price and on the same
24 terms and conditions as those contained in a good-faith offer
25 by a third person if the owner manifests as willingness to
26 accept the offer, once the owner manifests such willingness,
27 the right of first refusal, heretofore an executory right, ripens
28 into an option.

Eagle Thrifty Drugs & Market, Inc. v. Incline Village, Inc., 89 Nev. 595, 578, 517 P.2d 786, 788
(1973).

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The Arbitrator's Recommendation intentionally ignores the parties' transcript and settlement and, through undue means, is denying the Defendants the material terms and consideration of their bargain.

The Arbitrator's Recommendation provides that the Plaintiff must sign a waiver of his own right of first refusal, a nonsensical recommendation under the Eagle Thrifty Drugs & Market case since it is not the Plaintiff who has a right of first refusal, it is the non-selling members of the LLCs who have the right of first refusal. By reason of the settlement, these rights of first refusal are now options to purchase the Plaintiff's interests. The Judgment mandates the Defendants are to take subject to options to purchase, which is anything but free and clear title.

The Recommendation states that it is "the duty of the managing members" of the two LLCs "to make an appropriate distribution and allocation of (the Plaintiff's) interests." This statement is supported neither by Nevada law nor the Operating Agreements. First, Nevada law prohibits the resignation of a member before dissolution of the LLC unless that withdrawal is permitted under the operating agreement:

Except as otherwise provided in Chapter 463 of NRS, other applicable law, the articles of organization or the operating agreement, a member may not resign or withdraw as a member from the limited-liability company before the dissolution and winding up of the company. *NRS 86.331(1)*.

The LLC operating agreements are unambiguous and do not permit the transfer of a member's interest unless the selling member complies with Paragraph 7.5 and provides both notice and an offer to "the other members."

Right of first refusal. In addition to the other limitations and restrictions set forth herein, no member may sell all or any portion of his interest unless such member (the "selling member") has first (i) given written notice to the other members and the Company of his intention to sell all or a

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portion of such interest (that which is intended to be sold as hereinafter called the "subject interest") and (ii) offer to sell the subject interest to the other members at a price no greater, and on terms and conditions no less favorable to the purchaser than specified in a bona fide written offer received by the selling member from a third party.

Nevada law prohibits an assignment unless there is compliance with the operating agreement's terms, which in this case mandates that the selling member, not the managing members, give notice and offer the subject interest to other members. These rights of first refusal are, at this point in time, options held by the other members and constitute clouds and encumbrances on the Plaintiff's title by third parties of which, the Defendants individually, were to receive free and clear. (See Operating Agreement attached hereto as Exhibit "2").

Since the award requires payment on five days to one party, payment on thirty days to another party, the transfer of interests to the Defendants and the simultaneous transfer of those same interests without consideration to third parties, it is internally dysfunctional and meets the arbitrary and capricious standards articulated by the Supreme Court in Clark County Education Association v. Clark County School District, 112 Nev. 337, 131 P.3rd 5 (2006).

This court has previously recognized both statutory and common-law grounds to be applied by a court reviewing an award resulting from private binding arbitration. (FN 2). The statutory grounds are contained in the Uniform Arbitration Act, specifically *NRS 38.241(1)*, and they are not implicated as a basis for relief in this appeal. (FN 3). There are two common-law grounds recognized in Nevada under which a court may review private binding arbitration awards; (1) whether the award is arbitrary, capricious or unsupported by the agreement; and (2) whether the arbitrator manifestly disregarded the law. (FN 4). Initially we take this opportunity to clarify that while the latter standard insures that the arbitrator recognizes applicable law, the former standard insures that the arbitrator does not disregard the facts or terms of the arbitration agreement.

In determining a question under an arbitration agreement, an

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arbitrator enjoys a broad discretion, but that discretion is not without limits. It is confined to interpreting and applying the agreement and his award need not be enforced if it is arbitrary, capricious, or unsupported by the agreement. But, “[j]udicial inquiry under the manifest-disregard-of-the-law standard is extremely limited.”

Id. 122 Nev. at _____, 131 P.3rd at 8.

There has been both arbitrary and capricious treatment of the Defendants and a refusal to recognize applicable law.

This Court had no authority or jurisdiction to remand an arbitration award under *NRS 38.237*. The mediator did not treat the referral as a remand to modify the award. No award was modified. The settlement transcript was the matter to be considered. As a matter of law, the Court, even if it had shown any inclination to do so, could not have remanded the award to an arbitrator:

HPN contends that, absent one of the statutory grounds enumerated in *NRS 38.237*, the district court lacks authority to remand the matter to an arbitrator. HPN asserts that the remand in this case does not fall within the statutory guidelines and was improper. We agree.

....

However, a matter should not be remanded if it is merely to have the arbitrators explain their award. Remands that allow arbitrators to re-examine their decision on the merits are not permitted under the statute or at common law. Neither HPN nor Rainbow ever contended that the award was ambiguous. HPN only argued that the arbitrator’s statement regarding a “higher mentoring burden” demonstrated that the arbitrator had either converted the provider agreement into a partnership, thus exceeding the arbitrator’s authority, or that the statements evidenced a manifest disregard of the law. In either case, HPN asserts that the appropriate remedy would be to vacate the award. We therefore conclude that he district court erred in remanding the matter to the arbitrator with instructions to re-examine his decision in light of the district court’s conclusion that the contract did not impose any mentoring burden upon HPN.

Health Plan of Nevada, Inc., *supra*, 120 Nev. at 696-697, 100 P.2d 172, 177 (2004) “(FN 14. We note that the proper remedy, even if HPN’s allegations were correct, is not just to vacate the

award, but also to remand the matter for a new arbitration hearing. NRS 38.241(3). "

NRCP 59 provides for new trials pursuant to subparagraph (a) and for alternation and amendments of judgments pursuant to subparagraph (e) as follows:

Rule 59. New trial; amendment of judgments.

(a) Grounds. A new trial may be granted to all or any of the parties and on all or part of the issues for any of the following causes or grounds materially affecting the substantial rights of an aggrieved party: (1) irregularity in the proceedings of the court, jury, master, or adverse party, or any order of the court, or master or the abuse of discretion by which either party was prevented from having a fair trial; (2) misconduct of the jury or prevailing party; (3) accident or surprise which ordinary prudence could not have guarded against; (4) newly discovered evidence material for the party making the motion which the party could not, with reasonable diligence, have discovered and produced at the trial; . . . (7) error in law occurring at the trial and objected to by the party making the motion. On a motion for a new trial in an action tried without a jury, the court may open the judgment if one has been entered, take additional testimony, amend findings of fact and conclusions of law or make new findings and conclusions, and direct the entry of a new judgment.

(b) Time for motion. A motion for a new trial shall be filed no later than ten days after service of the written notice of the entry of judgment.

. . . .

(e) Motion to Alter or Amend the Judgment. The motion to alter or amend the judgment shall be filed no later than ten days after service of written notice of entry of judgment.

At the heart of the controversy is the failure to treat the settlement on the record as a settlement and the effort to convert the parties' settlement to an arbitration award which plainly ignores the Defendants' concerns. The efforts to treat this as an arbitration instead of a settlement has created a Pandora's box of procedural irregularities and deficiencies. The procedural irregularities are so substantial as to deny the Defendants not only the material consideration for which they bargained but their basic rights and entitlements which included:

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1. the transfer of the Plaintiff's interests to Sadri and Koroghli, not to LLCs which were not providing the consideration.
2. the transfer of the Plaintiff's LLC membership interests free and clear of third party claims;
3. warranties of title by the Plaintiff;
4. an allocation of the purchase price which would permit the Plaintiff to give notice to the third party members not parties to the action and otherwise comply with Section 7 of the respective LLC operating agreements;
5. provide a release from all claims and a global resolution.

An escrow needs to be established for the transfer of the interests. The consideration being tendered by the Plaintiff for the real property is limited liability company interests.

Since the memberships are the consideration for the real property, they likewise should be transferred through escrow. Accordingly, the Plaintiff needs to provide the following:

Wendover Project

1. Consent from LLC members to transfer and management termination;
2. French Bankruptcy Order abandoning or disclaiming interest in Shipyard Stock and/or Wendover Project, LLC membership interests;
3. Non-foreign affidavit from Mr. Zandian, a non-citizen;
4. Execution of Defendants' Assignment Agreement by parties and spouses, a copy of which is attached hereto as Exhibit "3";
5. IRS Compliance.

Nevada Land and Water Resources, LLC

1. Consent from LLC members to transfer and management termination;

2. Non-foreign affidavit from Mr. Zandian, a non-citizen;
3. Execution of Defendants' Assignment Agreement by parties and spouses;
4. IRS Compliance.

Big Spring Ranch, LLC

1. Transfer of 320 acres from Big Springs Ranch, LLC to Mr. Zandian by Deed executed by all four (4) members;
2. Consent to transfer of 320 acres by all four (4) members of Big Springs Ranch, LLC;
3. Consent from LLC members to transfer and management termination;
4. Execution of Defendants' Assignment Agreement by parties and spouses, a copy of which is attached hereto as Exhibit "4";
5. IRS Compliance.

Pah Rah Property

1. Transfer of property from Defendants to Plaintiff;
2. IRS Compliance.

Miscellaneous

1. Payment of \$250,000.00 from Defendants to Plaintiff made payable to Mr. Lee at Mr. Lee's request;
2. Mutual Release by and between the parties and wives;
3. IRS Compliance.

The record reflects that this was a settlement enforcement, not an arbitration:

Defense counsel: "So the defendants were denied under the statutes, *NRS 38*, basically what amounts to their day in court and there's no pretense that this was a complete, full and fair

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hearing, nor did the parties intend that it be such. They settled it, they put the settlement on the record. . . ." (1/11/07 transcript, p.24, l. 2)

Plaintiff's counsel: Your Honor, I have a suggestion, okay. Because what I keep hearing is settlement, settlement, settlement. We agree there was a settlement. But the settlement terms were -- the terms -- essential terms were put in recorded by a -- on a transcript by the court reporter. So we have the essential terms, okay.

Court: You do. . . .And you're missing some of the things in the documents you have as to those essential terms. . . .

Court: I'm referring it back to Mr. Hale, since I would typically in a case where a settlement was reached and there was a mediator or arbitrator involved, refer it to that individual for some additional work with you to try and resolve those disputed issues, since they were there at the time you reached the settlement. Hopefully I have transcript that helps me. If you are unable to reach an accommodation after speaking to Mr. Hale, then I will reach an accommodation, because I have a transcript and I'll make a decision. (Pg. 26, l.)

January 11, 2007 Transcript attached hereto as Exhibit "5".

CONCLUSION.

The Defendants are entitled to either have the settlement enforced pursuant to the September 8, 2006 transcript or to have the arbitration award vacated. The efforts to convert the settlement into an arbitration award make a pretense and sham out of the procedure. The Defendants never presented witnesses nor had their day in court before an arbitrator. After the Plaintiff's direct testimony and partial cross-examination, after a lengthy mediation, the settlement was placed on the record.

In lieu of enforcing the settlement as the Court directed on January 11, 2007, the referral of the settlement to the mediator has now been treated as a remand to an arbitrator which is prohibited both by statute and the Health Plan decision. The mediator's Recommendation is

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treated as an amended award when on its face it does not purport to be one. The procedures are completely at odds with NRS Chapter 38 and Nevada Supreme Court precedent and have resulted in the most bizarre consequences including the Defendants' loss of the benefit of their bargain and the imposition upon the Defendants of the obligation to fight third parties to clear the Plaintiff's title.

As previously mentioned in prior pleadings, Mr. Abrishami who owns a substantial portion of Big Spring Ranch, LLC, and together with his investors own a large portion of Wendover Project, LLC, has already made a demand that he receive his windfall, to wit, a percentage of the Plaintiff's 25% Big Spring Ranch interest for which Mr. Abrishami proposes to pay nothing. (Exhibit "6"). Accordingly, the Plaintiff has already breached his warranty of clear title and Mr. Abrishami the option holder in Big Spring Ranch has already exercised it. Rather than a global resolution and release of all claims, the Defendants are already entwined in additional legal controversies regarding the Plaintiff's interests. The mediator suggests that it would be "unfair" to the Plaintiff to have to comply with Nevada law and the operating agreement by obtaining waivers of rights of first refusal. Where is the conceivable fairness to the Defendants who are paying in the seven figures for new lawsuits.

The process does not meet the statutory requirements for an arbitration. The results are arbitrary and capricious and violate the Nevada Supreme Court's common law standards as articulated. The Defendants have been denied the material consideration for their settlement, the very essence of the agreement.

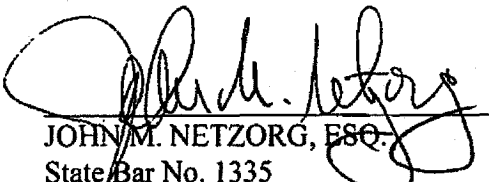
By attempting to cram this square peg into a round hole, the court has exceeded its authority and jurisdiction. If this is to be treated as an arbitration award, then the sole remedy was to vacate that award and order a new arbitration.

LAW OFFICES OF
JOHN M. NETZORG
2810 W. CHARLESTON BLVD., SUITE H-81
LAS VEGAS, NEVADA 89102
(702) 878-3400

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Accordingly, the judgment should be vacated and a new arbitration ordered or, the judgment should be amended to provide that the Plaintiff must transfer the LLC interests free and clear of third party claims including waivers of rights of first refusal of the other members of the Big Spring Ranch and Wendover Project, LLCs who are now option holders, according to Nevada law, that the wives be ordered to sign the documents, that a complete release be executed reciprocally, that the Plaintiff execute appropriate IRS forms for non-citizens for the withholding of taxes, and that either the Plaintiff comply with the settlement or that the judgment and orders be vacated and the matter set for arbitration before a new and impartial arbitrator.

Dated this 15th day of June, 2007.


JOHN M. NETZORG, ESQ.
State Bar No. 1335
2810 W. Charleston Boulevard, #H-81
Las Vegas, Nevada 89102
Attorney for Defendants

NOTICE OF MOTION

TO: PLAINTIFF

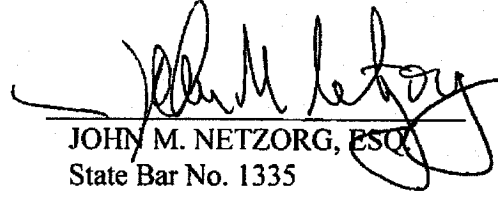
and

TO: John Peter Lee, Esq., his counsel of record

PLEASE TAKE NOTICE that the Defendants will bring the above and foregoing MOTION TO AMEND OR ALTER JUDGMENT, etc. on for hearing on the 17 day of July, 2007 at the hour of CHAMBERS a.m. in Department XI of the Eighth Judicial District

Court, or as soon thereafter as counsel may be heard.

Dated this 15th day of June 2007.



JOHN M. NETZORG, ESQ.
State Bar No. 1335
2810 W. Charleston Blvd.
Suite 81
Las Vegas, Nevada 89102
Attorney for Defendants

LAW OFFICES OF
JOHN M. NETZORG
2810 W. CHARLESTON BLVD., SUITE H-81
LAS VEGAS, NEVADA 89102
(702) 878-3400

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Exhibit "1"

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JOHN M. NETZORG, ESQ.
Nevada Bar No. 1335
2810 West Charleston Boulevard, #H-81
Las Vegas, Nevada 89102
(702) 878-3400
Attorney for RAY KOROGHLI, individually
FARIBORZ FRED SADRI, individually and as Trustee
of the STAR LIVING TRUST

ORIGINAL

FILED

2006 DEC 18 P 4:15

Christy Blumgren
CLERK

DISTRICT COURT
CLARK COUNTY, NEVADA

GHOLAMREZA ZANDIAN JAZI,

Plaintiff,

vs.

RAY KOROGHLI, individually,
FARIBORZ FRED SADRI, individually
and as Trustee of the Star Living Trust,
WENDOVER PROJECT, LLC, a
Nevada limited liability company; BIG
SPRING RANCH, LLC, a Nevada
limited liability company, and
NEVADA LAND AND WATER
RESOURCES, LLC, a Nevada limited
liability company,

Defendants.

CASE NO. A 511131

DEPT. NO. XIII XI

MOTION TO VACATE
ARBITRATION AWARD; or, in
the alternative, MOTION TO
MODIFY OR CORRECT

Date of hearing:
Time of hearing:

LAW OFFICES OF
JOHN M. NETZORG
2810 W. CHARLESTON BLVD., SUITE H-81
LAS VEGAS, NEVADA 89102
(702) 878-3400

1. Introduction

This case arises out of a dispute among real estate investors who purchased large tracts of land in Northern Nevada, totaling over 43,000 acres and \$16,000,000.00, title to most of which is held by Limited Liability Companies. Other investors and LLC members are involved in the two largest transactions and have rights in and to the LLCs and their real estate assets, but are not directly involved in this lawsuit. Briefly, Plaintiff Gholamreza Zandian Jazi ("Zandian") alleged that Defendants tried to unlawfully divest him of his interests, while Defendants Ray Koroghli

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LAW OFFICES OF
JOHN M. NETZORG
2810 W. CHARLESTON BLVD., SUITE 401
LAS VEGAS, NEVADA 89102
(702) 878-3400

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("Ray") and Fariborz Fred Sadri ("Fred") alleged that Zandian had paid for his interests with bogus stock and has received \$600,000.00 in hidden commissions.

During the cross-examination of the first witness, Mr. Zandian, the parties agreed to let the arbitrator attempt to mediate the dispute. Acting as mediator, Mr. Hale met many times separately and many times jointly with the parties. The "Arbitration Decision" in this case that the Defendants move now to vacate arose from this mediation. There have been no findings of fact or conclusions of law. Only one witness was sworn, and even the cross-examination of this witness was only partially completed. On September 8, 2006, the parties met with the arbitrator, now acting as mediator, to place the broad outline of an agreement on the record. [Exhibit A] On September 21, 2006, the arbitrator served his "Arbitration Decision." [Exhibit B]

This is not a case where a party objects to the arbitrator's interpretation or application of the law after a decision and award on the merits following a trial. This case was not arbitrated. It was mediated. After a tentative broad arrangement was placed on the record, the arbitrator entered an "Arbitration Decision" and followed it up with an "Implementation Award" as though the case had been fully tried, when, in fact, it had not been. The problem with this procedure is that it is misleading, especially where the parties did not reach an agreement on essential terms of a settlement. A further problem is that the settlement terms effectively dictated by the arbitrator are in manifest disregard of the recorded intent of the parties to transfer the Plaintiff's interests in the Big Springs Ranch and Wendover Project LLCs to the Defendants free and clear. The land involved cost over \$16,000,000.00. The Decision requires the Defendants to deliver millions of dollars in property in consideration for which they receive nothing. The procedures and terms imposed deliver clouded title subject to third parties' rights of first refusal and end up dissolving the LLCs altogether.

LAW OFFICES OF
JOHN M. NETZORG
2810 W. CHARLESTON BLVD., SUITE H-81
LAS VEGAS, NEVADA 89102
(702) 878-3600

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Although the parties agreed to let the arbitrator attempt to mediate the case, in hindsight it would appear to be the better practice to send the matter to an independent mediator so that the arbitrator could pick up where he left off if the mediation failed. The question for this court is whether it will put judicial approval upon the strange hybrid presented by this case where after mediating a case the arbitrator files an "arbitration decision" that dictates terms of a settlement that not only the parties did not agree on, but also deprives of the parties of any benefit whatsoever.

Defendants move the court to vacate the "Arbitration Decision" of September 20, 2006, and the "Implementation Award" of November 29, 2006, on the statutory and common law grounds that they do not reflect the agreement of the parties, that the arbitrator exceeded his authority in filling in terms that had not been agreed to by the parties and leaving out terms that had been agreed to, and that the "Arbitration Decision" manifestly disregards the law and the intent of the parties. In the alternative, the Defendants ask the court to modify or correct the "Arbitration Decision" and the "Implementation Award" that followed it to a workable implementation of the parties' settlement intent, if this can be done without mediating the case by judicial decree.

2. The statutory and common law standards for vacating an arbitration award

"In Nevada, both '[c]ommon law grounds and statutory grounds exist for the review of arbitration decisions.'" *Clark County Sch. Dist. v. Rolling Plains*, 117 Nev. 101, 103, 16 P.3d 1079 (2001) (quoting *Graber v. Comstock Bank*, 111 Nev. 1421, 1426, 905 P.2d 1112, 1115 (1995)). Pursuant to NRS 38.241 (formerly 38.145), an arbitration decision can be reviewed and vacated "for a variety of reasons, including instances in which the arbitrator has exceeded his power or shown a propensity for misconduct." *Id.*

LAW OFFICES OF
JOHN M. NETZORG
2810 W. CHARLESTON BLVD., SUITE 4-91
LAS VEGAS, NEVADA 89102
(702) 878-3400

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Under the common law, an award may be reviewed and vacated for "manifest disregard of the law," defined as "error that is 'obvious and capable of being readily and instantly perceived by the average person qualified to serve as an arbitrator,'" or "a decision that is 'arbitrary, capricious, or unsupported by the agreement.'" *Id.* at 104, 16 P.3d at 1081. The district court has the authority and obligation to review the arbitrator's award and the transcripts and exhibits before confirming the award. *Graber v. Comstock Bank*, 111 Nev. 1421, 1428, 905 P.2d 1112 (1995). Application by the district court of the manifest disregard standard is reviewed de novo. *Rolling Plains*, 111 Nev. at 104, 16 P.3d at 1081 .

Here, before completion of the cross-examination of the first witness, the arbitrator switched hats and attempted to mediate the case. Ultimately, the arbitrator transformed what the arbitrator perceived to be an agreement of the parties into an arbitration decision. The transcript shows that his "decision" manifestly disregards the agreement of the parties, assuming that there was one, in multiple and critical respects, and is in excess of the arbitrator's authority.

3. The broad agreement sketched in the record

On September 8, 2006, the parties placed a broad preliminary outline of a proposed settlement on the record: (1) the Defendants would transfer to Zandian Gholamreza Jazi "the entire interest in the Pah Rah, LLC and property, free and clear of all indebtedness" [Exh., A, p. 5, lines 5 to 25]; (2) the 320 acres will be transferred free and clear to Mr. Zandian [Exh. A., p. 6, lines 2-7]; (3) the Defendants will pay Zandian \$250,000 within 30 days [Exh. A. p. 6, lines 8-11] in return for Zandian's waiver of any claim to Big Springs Ranch, LLC; (4) Zandian waives any claim to Big Springs Ranch, LLC [Exh. A. p. 6, lines 8-11]; (5) Zandian gives up any claim to the Wendover Project, LLC [Exh. A, p. 6, lines 13-14]; (6) the Defendants waive any claim to consulting fees paid to Zandian by the seller [Exh. A., p. 6, lines 16-21]; and (7) the defamation claims are waived and dismissed. [Exh. A, p. 10, lines 3-6]

LAW OFFICES OF
JOHN M. NETZORG
2810 W. CHARLESTON BLVD., SUITE H-91
LAS VEGAS, NEVADA 89102
(702) 876-3400

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The parties and the arbitrator then discussed, again in general terms, preparation of the necessary documents. There were still numerous items to be worked out. Mr. Netzorg, for example, stated that his clients would need a mutual release [Exh. A, p. 7, lines 9-10] and

a warranty from the parties that the properties and interest being transferred haven't been previously transferred, that the parties, in fact, do currently hold those interests, and they are capable of transferring the interests that are subject to this order free and clear of claims by any third parties.
[Exh. A, p. 7, line 13 to p. 11, line 19]

The arbitrator then stated:

I'll allow the two of you to work out that language. Obviously if you signed for an LLC, you are representing and warranting that you have that authority, but you can work that into the settlement language and see if we have an agreement.
[Exh. A, p. 7, lines 20-24]

Mr. Netzorg then stated that his clients wanted the spouses to execute the documents to take care of any community interest questions [Exh. A, p. 7, line 25 to p. 8, line 3], to which the following ensued:

Arbitrator Hale: We may want spouses to sign –
Mr. Lee We can work out the form of the details, I'm not concerned about that, if necessary we can get preliminary title reports. That is what I plan on doing.
[Exh. A, p. 8, lines 4 to 9]

Because conveyance of LLC membership is not of record, Mr. Netzorg stated that they should have "warranties in satisfaction that there hasn't been a pledge of these interests previously." [Exh. A, p. 8, lines 10-15] Arbitrator Hale responded: "That is fine, that can be in the settlement agreement." [Exh. A, p. 8, lines 16-17] The arbitrator then added: "Any issue regarding the sufficiency or the necessity of settlement agreements or documentation for transfer of property, I'm retaining my authority as the arbitrator to resolve that issue." [Exh. A, p. 8, lines 18-21]

The arbitrator advised that he considered it an honor that the parties asked him "to help attempt to mediate this as opposed to arbitrate it." [Exh. A, p. 11, lines 7-9]

LAW OFFICES OF
JOHN M. NETZORG
2810 W. CHARLESTON BLVD., SUITE H-81
LAS VEGAS, NEVADA 89102
(702) 878-3400

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Arbitrator Hale later stated: "I will resolve any disputes on the written agreements if it is necessary, I doubt it with these two attorneys, but with that, I think we can all take the rest of the Friday afternoon off." [Exh. A, p. 12, lines 10-13] In closing, Mr. Hale stated that he would "file an arbitration decision, indicating that I heard evidence, that we heard testimony, that I reviewed documents, that I interviewed the parties, that my arbitration decision is attached hereto as Exhibit A." [Exh. A, p. 12, line 21 to p. 13, line 1]

4. The "Arbitration Decision"

The Arbitration Decision, dated September 20, 2006 [Exh. B], should be vacated because it (1) recites that it was the result of a trial on the merits, when, in fact, it was based on a purported agreement between the parties, (2) purports to be an arbitration decision, when, in fact, it is only a mediator's memorandum of a purported agreement between the parties, (3) was issued contrary to representations and assurances on the record that the parties still had essential issues to work out between themselves, and (4) does not fairly reflect the purported agreement of the parties, such as it was.

The introductory paragraph of the Arbitration Decision states:

Arbitration Hearings in this matter were conducted for two full days. The parties submitted voluminous exhibits, depositions and briefs to the Arbitrator. Having reviewed the documentation submitted and having heard the testimony and representations of the parties, the following Arbitration Decision is submitted:

Hearings were, in fact, conducted for two full days and the parties did, in fact, submit voluminous exhibits, depositions and briefs. Whether the arbitrator reviewed it all is unknown, but the arbitrator definitely did not hear the testimony and representations of the parties. He heard the direct examination and a part of the cross-examination of the Plaintiff, and no more. This Decision purports that the case was tried and heard to its conclusion. It was not. This Decision purports to have been based on "the testimony and representations of the parties." It was not.

LAW OFFICES OF
JOHN M. NETZORG
2810 W. CHARLESTON BLVD., SUITE 14-81
LAS VEGAS, NEVADA 89102
(702) 878-3400

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On September 8, 2006, after the parties placed their arrangement on the record, the arbitrator stated that he would be glad to be of further assistance and "will resolve any disputes on the written agreements if it is necessary....I think we can all take the rest of our Friday afternoon off." [Exh. A, p. 12, lines 9-13] After the parties thanked him, Mr. Hale concluded the proceedings: "Thank you. We are done." [Exh. A, p. 12, line 18] After conclusion of the proceedings, the court reporter then caught the following discourse between the arbitrator and Plaintiff's attorney:

Mr. Lee: There is going to be an order of some kind to get filed, I would think?
Arbitrator Hale: I thought what I would do is take the transcript and file an arbitration decision, indicating that I heard evidence, that we heard testimony, that I reviewed documents, that I interviewed the parties, that my arbitration decision is attached hereto as Exhibit A.
Mr. Lee: Okay.
Arbitrator Hale: In case there is any question. Is that all right?
Mr. Lee: Very Good.

Unfortunately, the arbitration decision was filed prior to the critical moment of working out the language for free and clear transfer of Zandian's LLC interests. ["I'll allow the two of you to work out that language. Obviously if you signed for an LLC, you are representing and warranting that you have that authority, but you can work that into the settlement language and see if we have an agreement." (Exh. A, p. 7, lines 20-24)]

This is especially unfortunate because the "Arbitration Decision" and "Implementation Award" that followed it will not result in free and clear transfer of Zandian's interests in the LLCs. They will result, instead, in the dissolution of the LLCs, in the right of other investors to exercise a right of first refusal, in possible claims by a bankruptcy court in France in control of Zandian's assets, and in possible claims by Zandian's wife, or by Zandian himself, because the Decision and Implementation Award do not require the wife's signature or written consent.

These problems will be discussed in detail in sections 6 and 7 below. The point at this stage is that the documents entitled "Arbitration Decision" and "Implementation Award" are

LAW OFFICES OF
JOHN M. NETZORG
2810 W. CHARLESTON BLVD., SUITE H-81
LAS VEGAS, NEVADA 89102
(702) 878-3400

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invalid because they do not, in fact, constitute an arbitration decision, because they do not, as they purport, decide the case on the merits after "having heard the testimony and representations of the parties," and because they were entered prematurely without allowing, as the record states, the parties to work out the details "and see if we have an agreement" as well as the language necessary to implement free and clear transfers.

It is one thing for the parties to place a settlement agreement on the record. It is another thing altogether for the judge or arbitrator to then issue a decision or judgment contrary to the agreement or that fills in essential terms in highly complex arrangements involving multiple LLCs, numerous investors, millions of dollars, and tens of thousands of acres of real property, that were, on the record, to be left to the parties to work out.

The procedure that was implemented here has one other critical flaw. After the arbitrator met separately with the parties, sometimes with, sometimes without, their attorneys, there could be no turning back. Although this was all done with the consent of the parties and their counsel, this arbitrator – now mediator – could no longer arbitrate the case should the mediation fail. Whatever the good intentions, this placed the parties in the unfortunate and inappropriate position of either reaching an agreement or starting all over again with another arbitrator.

The "Arbitration Decision" of September 20, 2006, should be vacated.

5. The Implementation Award

The Defendants filed a motion to amend the award of arbitration decision because, among other things, it did not require, as agreed, that Zandian's wife sign the transfer documents, because it did not require assurances that Zandian's interests would not be subject to his ongoing bankruptcy proceedings in France, and because it does not require Zandian to designate the Defendants as his LLC beneficiaries, to avoid other members' right of first refusal under the

LAW OFFICES OF
JOHN M. NETZORG
2810 W. CHARLESTON BLVD., SUITE H-81
LAS VEGAS, NEVADA 89102
(702) 878-3400

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LLC formation documents. [Exhibit C] With no opposition or hearing, this motion was denied sua sponte the same day, October 11, 2006, in a short order, also entitled "Arbitration Decision," that reminded the parties, per paragraph 6 of the Arbitration Decision, that they were still to

Prepare all necessary documents to effect the transfers of the real estate assets and LLC entities and the parties to this lawsuit and Arbitration will execute all necessary documents to effect this Arbitration Order, including a mutual Release to be executed by all parties.

[Exhibit D, p. 2]

Two weeks later, on October 24, 2006, the Plaintiff filed a "Motion to Implement Arbitration Award," asking the arbitrator to exercise its "jurisdiction to enforce the Award and Decision." [Exhibit E] On October 31, 2006, the Defendants filed their Opposition and attached two versions of a "Sale and Assignment of Interest Agreement," one for Wendover Project, LLC, and the other for Big Springs Ranch, LLC, that would effect a transfer of Zandian's LLC interests free and clear of rights of first refusal. [Exhibit F]

On November 2, 2006, the Plaintiff filed a Reply, attaching the Plaintiffs' preferred documents of transfer, whereby Zandian would assign his interests in Wendover Project, LLC and Nevada land and Water Resources, LLC [Exhibit G], which would not grant clear title, since the operating agreements grant other members the right of first refusal.

While the parties were awaiting decision or a call to further discuss the matter, the Plaintiff delivered, on October 28, 2006, to the Arbitrator a proposed "Implementation Award" that would require the Defendants to execute the transfers exactly as submitted by the Plaintiff. [Exhibit H] The Defendants immediately moved to strike this submittal [Exhibit I], but on the very next day, October 29, 2006, the Arbitrator signed and entered the proposed Implementation Award exactly as written by the Plaintiff on the Plaintiff's paper. [Exhibit J]

LAW OFFICES OF
JOHN M. NETZORG
2810 W. CHARLESTON BLVD., SUITE H-91
LAS VEGAS, NEVADA 89102
(702) 878-3400

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These are the same documents that the Plaintiff had earlier submitted to the Defendants as a take-it-or-leave-it ultimatum. On October 18, 2006, Plaintiff's counsel wrote to counsel for the Defendants:

Please review the enclosed copies of documents designed to effectuate the implementation of the Award of the Honorable Floyd Hale. We expect that we will obtain your approval by Friday, October 20, 2006 at 5:00 p.m.

If we do not receive your confirmation, we will ask Arbitrator Hale to implant the Award and assist us in obtaining the transfers required to accomplish the intent of his Award. [Exhibit K]

This ultimatum was hardly in the good faith spirit of "working out settlement language to see if we have an agreement." Plaintiff's counsel had sent a copy of these documents on September 11, whereupon negotiations over disputed terms ensued. On October 20, 2006, the Defendants submitted to the Plaintiff proposed Sale and Assignment of Interest Agreements, a Mutual Release Agreement, and a list of deficiencies. [Exhibit L]

Since there has been no agreement on the settlement language, the "Arbitration Decision" and "Implementation Award" were improvidently filed. The Arbitration Decision and the Implementation Award are in excess of the arbitrator's authority and in manifest disregard of the agreement of the parties and should be vacated.

6. The Plaintiff's proposed settlement papers would result in a one-sided transfer whereby the Plaintiff would receive free and clear title, but the Defendants could end up with little or nothing.

Although it is clear so far that there has been no meeting of the minds and no settlement agreement, and that the "Arbitration Decision" and the "Implementation Award" should not have been issued, the Defendants take this opportunity to demonstrate at least one reason why the decision and award, based as they are on the Plaintiff's proposed transfer documents, do not accord with the broad outline recited in the transcript and would result in a grave injustice.

Mr. Zandian may not transfer his interests to the Defendants unless he has first designated them as beneficiaries prior to his resignation or removal as Managing Member.

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Paragraph 7.1(a) of Big Springs Ranch, LLC's Operating Agreement dated October 1, 2003 [Exh. C1] contains the following restrictions on transfers:

Upon the Managing Members' consent, each member shall have an equal right of first refusal to purchase the transferring member's interest in proportion to the purchasing member's then percentage interest ownership in the company subject to Paragraph 7.5.

Paragraph 7.5 provides:

Right of First Refusal. In addition to the other limitations and restrictions set forth herein, no member may sell all or any portion of his interest unless such member (the "Selling Member") has first (i) given written notice to the other members and the company of his intention to sell all or a portion of such interest (that which is intended to be sold is hereinafter called the "Subject Interest") and (ii) offer to sell the Subject Interest to the other members at a price no greater, and on terms and conditions no less favorable to the purchaser, than specified in a bona fide written offer received by the Selling Member from a third party.

Paragraph 7.1(b) provides, in pertinent part:

Beneficiaries of the Managing Members will be herein named, an equal percent to that of Managing Member of the Company will automatically be transferred to beneficiaries of said Managing Member.

The language is identical for Wendover Project, LLC. [Exh. C2]

The Plaintiff's Assignments, adopted by the Arbitrator, transfer nothing to the Defendants and deny them the benefit of the settlement.

Pursuant to the broad outline recited in the transcript, the parties were required to be "capable of transferring the interests that are subject to this Order free and clear of claims by any third parties." [Exh. A, p. 6, lines 13-19] A right of first refusal is such a claim. The proposed transfer would be completely illusory since it is, as drafted, subject to the express rights of first refusal provisions contained within the Operating Agreement.

The first item in Plaintiff's ultimatum, adopted verbatim by the "Implementation Award," is payment to Plaintiff's counsel within 5 days prior to any other conveyance. This is not a

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2810 W. CHARLESTON BLVD., SUITE 14-81
LAS VEGAS, NEVADA 89102
(702) 878-3400

1 minor detail. Under the Implementation Award, the Defendants would be required to pay out
2 \$250,000 without assurance that the rest of the process would take place.

3 The best – and only – way to handle such complex transactions would be to place the
4 money, the deeds, assignments and beneficiary designations into an escrow account. An escrow
5 transaction would also require certain federally mandated disclosures for IRS purposes [Exhibit
6 M,] pursuant to 26 U.S.C. § 1445, which the Defendants believe should not be allowed to be
7 avoided by the Plaintiff's ultimatum.

8 **7. The Decision and Award fail to address other essential terms of the settlement.**

9
10 The Arbitration Decision and Implementation Award also wholly fail to address essential
11 elements of the Defendants' settlement position. The Defendants were adamant that the wives
12 sign the documents because the Plaintiff had a history of disavowing a settlement because his
13 wife didn't sign. No mention of the requirement that the spouses sign is in any of the transfer
14 documents. [Exh. A, p. 7, line 25 to p. 8, lines 3-9] The seriousness of the matter is
15 demonstrated by the Shipyard settlement, a matter which comprised a substantial portion of the
16 arbitration before the mediation began. One year after Mr. Zandian settled with K. Damen, his
17 partner in the Dutch shipyards, and received \$2.1 million Dutch guilders, Zandian rescinded the
18 settlement because his wife had not signed the document. On April 1, 1998, Mr. Zandian's Dutch
19 counsel announced to Shipyard K. Damen that Mr. Zandian was rescinding their previous year's
20 settlement agreement because:
21

22 Mr. Zandian considers the Settlement Agreement of 2 April 1997 null and void
23 because his (former) wife did not sign the agreement.

24 The wife's signature is therefore a material aspect of this settlement. The Plaintiff fired
25 the first shot on September 13, 2006, only five days after the last appearance before the
26 Arbitrator, when he backed out of this part of the arrangement. [Exhibit N]
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LAW OFFICES OF
JOHN M. NETZORG
2810 W. CHARLESTON BLVD., SUITE H-81
LAS VEGAS, NEVADA 89102
(702) 878-3400

LAW OFFICES OF
JOHN M. NETZORG
2810 W. CHARLESTON BLVD., SUITE 14-81
LAS VEGAS, NEVADA 89102
(702) 878-3400

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The settlement agreement requires Mr. Zandian to deliver clear title to his interests in Wendover Project, LLC and Big Springs Ranch, LLC. Zandian testified during the arbitration that his bankruptcy proceedings are still being actively litigated in France and that his claims to stock ownership in the Shipyard K. Damen, the very consideration he tendered for his participation in the transactions at issue in this case, are the subject of the ongoing French bankruptcy litigation. Since Zandian purports to have given \$3,000,000.00 in stock from this bankruptcy court asset to Pico Holdings, in exchange for an interest in Wendover Project, LLC, he will need to provide an order from the French Bankruptcy Court demonstrating he in fact owned the stock and that the French Bankruptcy Court has no claim or interest in the Wendover Project, LLC interests which he is transferring. The requirement would be the same if he were in bankruptcy in Nevada and was seeking to exchange an asset subject to a Bankruptcy Court proceeding without Bankruptcy Court approval.

The Plaintiff's quitclaim deeds adopted by the Implementation Award are presented with no legal descriptions. Internet printouts from the Washoe County assessor's office are no substitute. It's hard to tell from these documents what the Defendants would be quitclaiming. The documents are blank deeds that Plaintiff would receive outside of escrow with no requirement that anything be delivered to the Defendants.

Last, but not least, there is no mention in either the Arbitration Decision or the Implementation Award that the defamation claims are dismissed.

8. Conclusion

This court can do one of four things with this dispute. First, it could reject and vacate the Arbitration Decision and Implementation Award on the ground that they were not the result of arbitration on the merits as they purport to be. Second, it could reject and vacate the decision and award on the ground that the parties did not reach essential terms of a settlement. Third, it

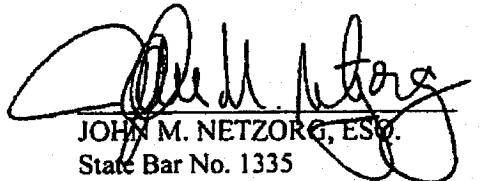
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LAW OFFICES OF
JOHN M. NETZORG
2810 W. CHARLESTON BLVD., SUITE H-81
LAS VEGAS, NEVADA 89102
(702) 876-3400

could reject and vacate the decision and award on the ground that they do not properly incorporate essential terms of the proposed settlement agreement. Finally, it could attempt to reform the decision and award to properly reflect essential settlement terms based on the outline in the record and the terms and exigencies of the LLC Operating Agreements.

Because the fourth alternative would place the court itself in the position of a mediator, the "Arbitration Decision" and "Implementation Award" should be vacated.

Dated this 18th day of December 2006.


JOHN M. NETZORG, ESQ.
State Bar No. 1335
2810 W. Charleston Boulevard, #81
Las Vegas, Nevada 89102
Attorney for Defendants

NOTICE OF MOTION

TO: PLAINTIFF
and
TO: John Peter Lee, Esq., his counsel of record

PLEASE TAKE NOTICE that the Defendants will bring the above and foregoing Motion to Vacate Arbitration Award, or, in the Alternative, Motion to Modify or Correct on for hearing on the 23 day of JANUARY 2007 at the hour of Chambers a.m. in Department XI of the above entitled Court, or as soon thereafter as counsel may be heard.

Dated this 18th day of December 2006.

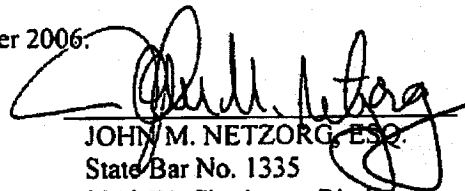

JOHN M. NETZORG, ESQ.
State Bar No. 1335
2810 W. Charleston Blvd.
Suite 81
Las Vegas, Nevada 89102
Attorney for Defendants

Exhibit "2"

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OPERATING AGREEMENT
OF
BIG SPRING RANCH L.L.C

THIS OPERATING AGREEMENT ("Agreement") is entered into this 1ST day of October, 2003 by and between the following as Managing Member and Members of BIG SPRING RANCH A LIMITED LIABILITY COMPANY:

<u>NAME</u>	<u>ADDRESS</u>
STAR LIVING TRUST (Fariborz Fred Sadri) (Managing Member)	2827 S. Monte Cristo Las Vegas NV 89117
RAY KOROGHLI (Managing Member)	3055 Via Sarafina Henderson, Nevada 89012
Gholamreza Zandian JAZI (Managing Member)	9550 W. Sahara Ave. Apt.# 2148 Las Vegas, NV 89117

1. ARTICLE

FORMATION AND PURPOSE OF LIMITED LIABILITY COMPANY

1.1 Formation of Limited Liability Company.

(a) The parties to this Agreement hereby agree to become members and to form a Limited Liability Company pursuant to the provisions of Chapter 86 of the Nevada Revised Statutes (N.R.S.) as adopted in Nevada for the purpose set forth hereinbelow.

(b) Except as expressly provided herein, the rights and obligations of the Members and the administration and termination of the Company as specified herein shall be construed in accordance with N.R.S. Chapter 86, et. seq.

1.2 Name of Company. The Company's business shall be conducted solely under the name of **BIG SPRING RANCH L.L.C** (the "Company").

1.3 Purpose and Scope of the Company.

(a) The Company is organized to engage in and do any lawful act concerning any and all lawful business, other than banking or insurance, for which a Company may be organized.

(b) Nothing herein contained shall be deemed in any way or manner to prohibit or restrict the right or freedom of any Member separately, as a separate entity apart from the Company, to conduct any business or activity

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whatsoever.

1.4 Articles of Organization. The Managing Members have previously executed and acknowledged the Articles of Organization. The Articles of Organization have been recorded in the office of the Secretary of State of the State of Nevada. The Managing Members further agree to execute, acknowledge, file, record and/or publish as necessary, such amendments to said Articles of Organization as may be required by this Agreement or by law and such other documents as may be appropriate to comply with the requirements of law for the formation, preservation and/or operation of the Company.

1.5 Principal Place of Business. The principal office and place of business of the Company shall be at 3055 Via Sarafina Dr.; Henderson, NV 89052 or at such other place as the Managing Members shall from time to time determine.

1.6 Company Records. The Company shall maintain 3055 Via Sarafina Dr.; Henderson, NV 89052 its books and records including, but not limited to, the following:

(a) A current list of the full name and last known business address of each Managing Member and Member separately identifying all Members in alphabetical order.

(b) A copy of the filed Articles of Organization and all amendments thereto, together with executed copies of any powers of attorney pursuant to which any document has been executed.

(c) Copies of the Company's federal income tax returns and reports, if any, for the three (3) most recent years.

(d) Copies of any then effective Operating Agreement and of any financial statements for the Company for the three (3) most recent years.

(e) A statement setting forth the Capital Contributions of each Member including:

(1) The amount of cash and description and statement of the agreed value of the other property or services contributed by each Member and which each Member has agreed to contribute.

(2) The items as which or events on the happening of which any additional contributions agreed to be made by each Member are to be made.

(3) Any right of a Member to receive, or of a Managing Member to make, distributions to a Member (including Managing Members) which include the return of all or any part of the Member's contributions as set forth more fully in Article 3 paragraph 3.8.

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(4) Any events upon the happening of which the Company is to be dissolved and its affairs wound up.

Records kept pursuant to this Section 1.6 are subject to inspection and copying at the reasonable request, and at the expense, of any Member during ordinary business hours.

1.7 Resident Agent. The name and address of the resident agent for service of process is RAY KOROGHLI, 3055 Via Sarafina Henderson, NV 89052.

1.8 Term of Company. The Company shall begin on the day the Articles of Organization were filed with the Secretary of State and shall continue for a period of thirty (30) years or until terminated pursuant to the terms and conditions of this Agreement.

1.9 Title. Title to the property and assets of the Company shall be held in the name of the Company.

1.10 Definitions - General. Capitalized words and phrases used in this Agreement have the following meanings:

(a) "**Managing Member**" means a Member who is eighteen (18) years of age or older, and to whom is delegated all of the management duties of the Company's business as provided in Article 0. The initial Managing Member(s) are RAY KOROGHLI, STAR LIVING TRUST (FRED SADRI) and GHOLAMREZA ZANDIAN JAZI.

(b) "**Articles of Organization**" means the Articles of Organization filed with the Secretary of State for the purpose of forming this Company.

(c) "**Contribution**" means anything of value which a person contributes to the Company as a prerequisite for or in connection with such Member's Interest in the Company including cash, the Gross Asset Value of property or services rendered, or a promissory note or other binding obligation to contribute cash or property to perform services.

(d) "**Member**" means a person who owns an interest in the Company.

(e) "**Member's Interest**" means a Member's share of the profits and losses of the Company and the right to receive distributions of the Company's assets.

(f) "**Depreciation**" means, for each fiscal year or other period, an amount equal to the depreciation, amortization or other cost recovery deduction allowable with respect to an asset for such year or other period.

(g) "**Code**" means the Internal Revenue Code of 1986, as amended from time to time (or any corresponding provisions of succeeding law).

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(h) "Profits" and "Losses" mean, for each fiscal year or other period, an amount equal to the Company's taxable income or loss for such year or period, determined in accordance with Code Section 703(a). (for this purpose, all items of income, gain, loss or deduction required to be stated separately pursuant to Code Section 703(a)(1) shall be included in taxable income or loss), with the following adjustments:

(1) Any income of the Company that is exempt from federal income tax and not otherwise taken into account in computing Profits or Losses pursuant to this Section 1.10(g) shall be added to such taxable income or loss.

(2) In lieu of the depreciation, amortization and other cost recovery deductions taken into account in computing such taxable income or loss, there shall be taken into account Depreciation for such fiscal year or for the period, computed in accordance with Section 1.10(f) hereof.

(i) "Regulations" means the income tax regulations promulgated under the Code, as such regulations may be amended from time to time, including corresponding provisions of succeeding regulations.

(j) "Gross Asset Value" means with respect to any asset, the asset's adjusted basis for federal income tax purposes, except as follows:

(1) The initial Gross Asset Value of any asset contributed by a Member to the Company shall be the gross fair market value of such asset, as determined by the contributing Member and the Company.

(2) The Gross Asset Values of all Company assets shall be adjusted to equal their respective gross fair market values, as determined by the Member(s), as of the following time:

(i) The acquisition of an additional interest in the Company by any new or existing Member in exchange for more than a de minimis Capital Contribution.

(ii) The distribution by the Company to a Member of more than a de minimis amount of the Member's Capital Account if the Member(s) reasonably determine(s) that such adjustment is necessary or appropriate to reflect the relative economic interests of the Members in the Company.

(3) The Gross Asset Value of any Company asset distributed to any Member shall be the gross fair market value of such asset on the date of distribution.

(k) "Capital Account" means, with respect to any Member, a capital account maintained as follows:

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(1) By increasing such account with:

(i) such Member's Capital Contributions;

(ii) the distributive share of Profits and any items of or in the nature of income or gain that are specially allocated pursuant to Article 3 to such Member;

(iii) the amount of any Company liabilities that are assumed by such Member or that are secured by any Company property distribution to such Member.

(2) By decreasing such account with:

(i) the amount of any cash (not including decreases in such Member's share of Company liabilities pursuant to Section 752(b) of the Code) and the Gross Asset Value of any other Company property distributed to such Member pursuant to any provision of this Agreement;

(ii) the distributive share of Losses and any items of or in the nature of expenses or losses that are allocated pursuant to Article 3 to such Member; and

(iii) the amount of any liabilities of such Member that are assumed by the Company or that are secured by any property contributed to the Company by such Member.

(l) "Interest" means an ownership interest in the Company by a Member including any and all benefits to which the holder of such an Interest may be entitled as provided in this Agreement, together with all obligations of such person to comply with the terms and provisions of this Agreement.

(m) "Net Cash From Operations" means the gross cash proceeds from the Company operations, less the portion required to establish reserves for all Company expenses, debt payments, capital improvements, replacements and contingencies.

(n) "Net Cash From Sales or Refinancing" means the net cash proceeds, determined in accordance with generally accepted accounting principles, from all sales and other dispositions and all refinancing of the Property, less any portion thereof used to establish reserves, all as determined by the Managing Members. "Net Cash From Sales or Refinancing" shall include all principal and interest payments with respect to any note or other obligation received by the Company in connection with sales and other dispositions of Company Property, not in the ordinary course of the business of the Company.

(o) "Property" means the subject real property located in ELKO County, Nevada, purchased by Big Spring Ranch L.L.C. on or about the 1ST day

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October 2003. The legal description of said real property is attached as Exhibit "B".

(p) "Debt" means the promissory note secured by a first deed of trust, used to finance the purchase of the Property or other debt of the Company as authorized by the Managing Members.

ARTICLE 2

CAPITALIZATION, FINANCING AND DEBT PAYMENT OBLIGATION OF THE LIMITED LIABILITY COMPANY MEMBERS

2.1 Capital Contribution.

(a) Initial Capital Contribution. The initial capital contributions and percentage interests of each Member of the Company are set forth in Exhibit "A".

(b) Additional Capital Contribution by Members. Each Member shall be required to make additional contributions to the Company as set forth below, as contained in Article 8 of the Operating Agreement or as otherwise expressly agreed upon by all Members in writing.

(1) Each Member shall be responsible to pay closing costs in proportion to their respective percentage interest in the Company as set forth in Exhibit "A" or otherwise so modified.

(2) Each member shall also be responsible for the payment on the Debt of the Property (including, but not limited to principal, interest, taxes, insurance and assessments) in proportion to their respective percentage interest in the Company as set forth in Exhibit "A" or otherwise so modified.

(c) Failure to Make Debt Payments: Default. If any Member is unable to make any payment on the Debt, (hereinafter "Non-Paying Member") the remaining Members (in proportion to their percentage interest in the Company or as otherwise agreed) have the option to pay said Debt payment to avoid default on the Debt. Non-Paying Member will have fifteen (15) days to repay the arrearage without penalty. However, if the Non-Paying Member does not repay the arrearage within fifteen (15) days, said Member will owe 15% percent interest per annum to the Member paying the arrearage in accordance with the terms below, plus a liquidated penalty of 1% per month, based upon a per diem basis, of their then remaining percentage interest in the Company.

(1) In addition, the Member(s) who made the arrearage payment is (are) entitled to increase their percentage interest in the Company by the proportionate share of their contribution to the arrearage; and the Non-Paying Member's interest in the Company will be reduced proportionately.

(2) The Non-Paying Member will have eighty-nine (89) days to

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repay the arrearage and the full aforementioned interest and penalty payment. If the arrearage is repaid (with interest and penalty) then said Non-Paying Member is entitled to return of his/her/its proportionate share. The interest and penalty payment can be retained or put back into the Company operations at the discretion of the reimbursed Member(s).

(3) In the event a Non-Paying Member remains in arrearage on his/her/its monthly payment of the Debt on the Property for ninety (90) days, their option to repay the Debt is terminated.

(4) At the end of ninety (90) days, the Members, excluding the Non-Paying Member, has or have an option to purchase the Non-Paying Member's remaining percentage Interest in the Company, less reductions for interest and penalty payments listed in 2.1(c) (hereinafter "Purchase Option").

(5) The purchase price for the Interest of the Non-Paying Member will be based upon the value of the Non-Paying Member's remaining proportionate capital contribution in the Company after deduction of interest and penalties. In addition, the then current Members each have a right to exercise the Purchase Option of the Non-Paying Member's interest in proportion to their percentage Interest in the Company. In the event that some or all Members do not exercise their Purchase Option of the Non-Paying Member's interest in the Company, the Managing Members are authorized to structure the disposition of the Non-Paying Member's Interest in the best interests of the Company.

(d) Return of Contributions; No Right to Withdraw Capital. Except as set forth in Article 3 and 8, each Member shall look solely to the assets of the Company for return of such Member's capital contributions and, if the assets of the Company are insufficient to return such capital contributions, such Member shall have no recourse against any other Member for that purpose. No Member may withdraw any part of its capital contribution or receive any distributions from the Company except in compliance with Section 3.8 and 8.6.

(e) Loans to Company. No Member shall lend or advance money to or for the Company's benefit without the written approval of all the Managing Members. If any Member, with the written consent of all of the Managing Members, lends money to the Company in addition to its contribution to the Company capital, the loan shall be a debt of the Company to that Member, and shall bear a market rate of interest to be approved in writing by the Managing Members. The liability shall not be regarded as an increase of the lending Member's capital, and it shall not entitle it to any increased share of the Company's net income, distributions or voting rights.

ARTICLE 3

PROFITS AND LOSSES; DISTRIBUTIONS; DRAWING ACCOUNTS

3.1 Interest in Profits and Losses. The Company's profits and losses

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shall be allocated in proportion to the percentage Interest of each Member as set forth in Exhibit "A".

3.2 Determination of Net Income and Net Losses. The Company's profits or losses for each fiscal year shall be determined as soon as practicable after the close of that fiscal year in accordance with Section 1.10(h).

3.3 Transfer of Company Interest. In the event a Member transfers all or part of such Member's interest in the Company pursuant to Article 7, the net profit or net loss of the Company allocable to the interest so transferred shall be prorated between the transferor and the transferee for the fiscal year in which such transfer occurs in accordance with the number of days during such fiscal year that each owned such interest.

3.4 Tax Status, Allocations and Reports.

(a) Unless otherwise agreed upon by the Members, the Company shall, for tax purposes, utilize the method of depreciation which will result in the greatest amount of deduction in each year.

(b) The Managing Members shall prepare, or cause to be prepared all tax returns which must be filed on behalf of the Company with any taxing authority and make timely filing thereof. The cost thereof shall be borne by the Company.

(c) Except as otherwise set forth in Section 3.2, for accounting and federal income and state tax purposes, all income, deductions, credits, gains and losses of the Company shall be allocated among the Members in proportion to their percentage Interest in the Company. Any item stipulated to be a Company expense under the terms of this Agreement, or which would be so treated in accordance with generally accepted accounting principles, shall be treated as a Company expense for all purposes hereunder, whether or not such item is deductible for purposes of computing net income for federal income tax purposes.

(d) In the event that the Company has taxable income that is characterized as ordinary income under the recapture provisions of the Code, each Member's distributive share of taxable gain or loss from the sale of Company assets (to the extent possible) shall include a proportionate share of this recaptured income equal to the Member's share of prior cumulative depreciation deductions with respect to the assets which gave rise to the recapture income.

3.5 Tax Allocations: Code Section 704(c). In accordance with Code Section 704(c) and the Regulations thereunder, income, gain, loss and deduction with respect to any property contributed to the capital of the Company shall, solely for tax purposes, be allocated among the Members so as to take account of any variation between the adjusted basis of such property to the Company in accordance with Section 1.10(j) hereof.

In the event the Gross Asset Value of any Company asset is adjusted

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pursuant to Section 1.10(j) hereof, subsequent allocations of income, gain, loss and deduction with respect to such asset shall take account of any variation between the adjusted basis of such asset for federal income tax purposes and its Gross Asset Value in the same manner as under Code Section 704(c) and the Regulations thereunder.

Any elections or other decisions relating to such allocations shall be made by the Managing Members majority vote in any manner that reasonably reflect the purpose and intention of this Agreement. Allocations pursuant to this Section 3.6 are solely for purposes of federal, state and local taxes and shall not affect, or in any way be taken into account in computing, any Member's Capital Account or share of Profits, Losses, other items or distributions pursuant to any provision of this Agreement.

3.6 Company Expenses. All legal fees, accounting, architectural, engineering, consulting and other similar fees and expenses reasonably incurred in connection with the organization and operation of the Company shall be deemed Company expenses and shall be reimbursed out of Company funds when such expenses and fees have been approved by the Managing Members.

3.7 Cash Distribution to Members.

(a) Except as provided in Article 8 hereof, Net Cash From Operations and Net Cash From Sales of the subject Property, or any portion thereof as the Managing Member shall determine, or Refinancings for each fiscal year, if any, shall be distributed, at such times as the Managing Members, by majority consent, shall determine, but in no event less frequently than annually, in the following order of priorities:

(1) First to repay, in full, the entire Debt on the Property. However, the Managing Members reserve the right to repay a portion of the Debt and distribute remaining proceeds from any sale of any portion of the Property in accordance with 3.7(a)(3).

(2) Next to pay any creditors or expenses of the Company, including but not limited to costs, fees and charges for further enhancement of the Property, in preparation for the sale of any portion of said Property.

(3) Next to repay capital contributions of each Member in proportion to each Member's percentage interest in the Company, until paid in full.

(4) Next to the Members in amounts equal to their proportionate interest in the Company.

3.8 Acquisition Fee RAY KOROGHLI, STAR LIVING TRUST and GHOLAMREZA ZANDIAN JAZI shall be entitled to a fee (the Acquisition Fee") for their effort in assembling this purchase or lease of the Property and for the management of the Company as provided in this Operating Agreement. The total

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Acquisition Fee shall be paid in an amount equal to (50%) of the total net profit from sale, lease of the property or joint venture with user developer. "Net profit means any income over and above purchase price less interest payment, property taxes, legal fees and commission.

3.9 Brokerage Commissions for Resale of Property. It is agreed that the property shall be listed through Net Work Realty, licensed real estate agents, for a total commission equal to total of (6%) which could be shared with outside broker in case of co-op.

ARTICLE 4.

LIMITED LIABILITY COMPANY ACCOUNTING

4.1 Fiscal Year; Accounting Method. The Company's fiscal year shall be from January 1 to December 31, and income or losses shall be reported on a cash basis for tax purposes.

4.2 Company Books.

(a) Proper and complete books of account of the Company business shall be kept at the Company's principal place of business or such other place as the Managing Members shall designate. The books of account shall be maintained on a cash basis in accordance with generally accepted accounting principles, consistently applied, and shall show all items of income and expense.

(b) Each Member, at its sole cost and expense, shall have the right at all times during usual business hours to audit, examine and make copies of or extracts from the Company's books of account. Such right may be exercised through any agent or employee of such Member designated by that Member or by an independent certified public accountant designated by such Member. The Member exercising such right shall bear all expenses incurred in any such examination made on the Member's behalf.

4.3 Capital Accounts. An individual capital account shall be maintained for each Member, and the balance of said account shall be determined in accordance with Section 1.10 (k) above. In the event any interest in the Company is transferred in accordance with the terms of this Agreement, the transferee shall succeed to the Capital Account of the transferor to the extent that such Capital Account related to the transferred interest.

4.4 Bank Accounts. Funds of the Company shall be deposited in a Company account or accounts in the bank or banks approved by the Managing Member. Withdrawals from such bank accounts shall be made only upon the signature of Managing Member. No withdrawals shall be allowed without the signature required by this Section.

4.5 Annual Report. Within ninety (90) days after the end of each

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fiscal year of the Company or within such longer period as is reasonably necessary, the Managing Members shall make available to each Member an annual report. This report shall consist of at least (i) a copy of the Company's federal income tax returns for that fiscal year, and (ii) any additional information that the Members may require for the preparation of their federal and state income tax returns.

ARTICLE 5

ADMINISTRATION OF LIMITED LIABILITY COMPANY BUSINESS

5.1 Management Rights. All business and affairs of the Company shall be managed by the Managing Member. The consent of Managing Member shall be required on all matters relating to the management or operation of the Company. The Managing Member shall direct, manage, and control the Company to the best of their ability and shall have full and complete authority, power and discretion to make any and all decisions and to do any and all things that the Managing Member shall deem to be reasonably required to accomplish the business and objectives of the Company.

5.2 Original Managing Member. RAY KOROGHLI, STAR LIVING TRUST and GHOLAMREZA ZANDIAN JAZI shall be the Managing Member and shall serve until their resignation.

5.3 Authority of Managing Member. The Managing Member shall have the authority to manage the day-to-day operations and affairs of the Company and to make decisions regarding the business of the Company. Any action taken by the Managing Member shall constitute the act of and serve to bind the Company. In dealing with the Managing Member acting on behalf of the Company, no person shall be required to inquire into the authority of the Managing Member to bind the Company. Persons dealing with the Company are entitled to rely conclusively on the power and authority of the Managing Member as set forth in this Agreement.

5.4 Election. Any succeeding Managing Member of the Company shall be chosen by a simple majority of the current Members every TWENTY-FIVE (25) years.

5.5 Powers of Managing Member. The powers of the Managing Member shall include, but shall not be limited to, the power to:

(a) Create, by grant or otherwise, easements and servitude's relating to the Company's property.

(b) Employ and dismiss from employment any and all employees, agents, independent contractors, real estate managers, brokers, attorneys, and accountants.

(c) To let or lease all or any portion of any Company property for any purpose and without limit as to the term thereof, whether or not that term (including renewal terms) shall extend beyond the date of

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termination of the Company and whether or not the portion so leased is to be occupied by the lessee or, in turn, subleased in whole or in part to others.

(d) Construct, alter, improve, repair, raze, replace, or rebuild any property.

(e) To require Members to subordinate any interest that they may hold in Contributed Capital according to the terms, conditions and complete discretion of the Managing Member.

(f) Obtain replacements of any construction financing relating in any way to the property owned by the Company, and to repay in whole or in part, refinance, recast, modify, consolidate, or extend any construction financing, affecting such property.

(g) Operate, maintain, finance, improve, construct, own, grant options with respect to, sell, convey, assign, mortgage, and lease any real estate or any personal property necessary, convenient or incidental to the accomplishment of the purposes of the Company.

(h) Execute any and all agreements, contracts, documents, certifications, and instruments necessary or convenient in connection with managing the affairs of the Company.

(i) Borrow funds and issue evidences of indebtedness necessary, convenient, or incidental to the accomplishment of the purposes of the Company, and secure the same by mortgage, pledge, or other lien on any property of the Company. However, such encumbrances may not have the effect of providing recourse against **RAY KOROGHLI, STAR LIVING TRUST and GHOLAMREZA ZANDIAN JAZI** in any manner whatsoever.

(j) Institute, prosecute, defend, settle, compromise and dismiss lawsuits or other judicial or administrative proceedings brought on or in behalf of, or against, the Company or the Members in connection with activities arising out of, connected with, or incidental to this Agreement, and to engage counsel or other advisors in connection therewith.

(k) Take such action on behalf of the Company as may be necessary to acquire real or personal property for the Company as the Members deem advisable or beneficial to the purposes and goals of the Company.

(l) Be reimbursed for all expenses incurred in conducting the Company business, all taxes paid by the Managing Member in connection with the Company business, and all costs associated with the development, organization, and initial operation of the Company.

(m) Deposit Company funds in an account or accounts to be established in such financial institutions (including any state or federally chartered bank or savings and loan association), and authorize withdrawals of those funds by such persons, at such time, and in those amounts, as the Managing Members may designate.

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(n) Place record title to any property in the name of the Company or in the name of a nominee or a trustee for the purpose of construction financing or any other convenience or benefit of the Company.

(o) Cause the Company to carry such indemnification insurance on the Company, the Members and any other persons entitled to indemnification by the Company.

(p) Keep, or cause to be kept, full and accurate records of all transactions of the Company.

(q) Prepare, or cause to be prepared, all tax returns and reports for the Company and, in connection therewith, make any tax elections that the Members deem advisable, including but not limited to the election referred to in Section 754 of the Code, and act as "tax matters Partner" for the Company, within the meaning of Sections 6221 through 6232 of the Code.

(r) Prepare, or cause to be prepared, and deliver to each Member reports and other information required by this Agreement, and such other information as in the judgment of the Managing Member shall be reasonably necessary for the Members to be advised of the results of operations of the Company.

(s) Execute, acknowledge, and deliver any and all instruments to effectuate any and all of the foregoing.

(t) Undertake any other activity that the Managing Members deem necessary, in their discretion, to benefit the Company.

5.6 Responsibility for Books and Records. Proper and complete records and books of account shall be kept by the Managing Member in which shall be entered fully and accurately all transactions and other matters relative to the Company's business as are usually entered into records and books of account maintained by persons engaged in businesses of a like character. The Company books and records shall be prepared in accordance with generally accepted accounting practices, consistently applied, and shall be kept on the cash basis. The books and records shall at all times be maintained at the office of RAY KOROGHLI, resident agent, and shall be open to the inspection and examination of the Members or their duly authorized representatives as provided in Section 1.6.

5.7 Reports to Members. As soon as is practicable in the particular case, the Managing Members shall, upon request, deliver to every other Member:

(a) Such information concerning the Company after the end of each fiscal year as shall be necessary for the preparation by such a Member of his income or other tax returns.

(b) An unaudited statement prepared by the Managing Member

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setting forth, as of the end of and for each fiscal year, a profit and loss statement and a balance sheet of the Company and a statement showing the amounts allocated to or against each Interest during that year.

(c) If feasible, on or before January 30 of each year, a statement setting forth projected Taxable Income or Tax Losses to be generated by the Company for the fiscal year.

(d) Other information as in the judgment of the Managing Members shall be reasonably necessary for the other Members to be advised of the results of operations of the Company.

5.8 Additional Reports. The Managing Member may prepare and deliver to the Members from time to time during each fiscal year, in connection with distributions or otherwise, unaudited statements showing the results of operations of the Company to the date of that statement.

5.9 Time to be Devoted to Business. The Managing Member shall devote such time to the Company's business as is necessary to manage and supervise the Company's business and affairs in an efficient manner. Nothing in this Agreement shall preclude the employment, at the expense of the Company, of any agent or third party to manage or provide other services with respect to the Company's property or administrative business, subject to the control of the Managing Members.

5.10 Limits on Powers of Managing Member. Anything in this Agreement to the contrary notwithstanding, the Managing Members shall not, without an affirmative vote of the Members holding a majority of the Company interests (i.e. 90% or more), cause or permit the Company to:

(a) Commingle the Company's funds with those of any other person, or employ or permit another to employ those funds or assets in any manner except for the exclusive benefit of the Company (except to the extent that funds are temporarily retained by agents of the Company).

(b) Do any act which would make it impossible to carry on the ordinary business of the Company.

5.11 Authority to Pay Certain Fees and Expenses. The Members hereby acknowledge that in certain instances there may be certain circumstances that make it appropriate for the Company to contract for the performance of services or the purchase, sale or other disposition of goods or other property, by or with some other party or entity related to or affiliated with the Members, or any one of them, or with respect to any entity to which the Members or any one of them may have a direct or indirect ownership or controlling interest; however, in each such instance:

(a) Any such services, goods or property obtained from any such person or entity shall be on terms no less favorable to the Company than those reasonably available from third parties, or

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(b) A Member shall be reimbursed by the Company for the reasonable out-of-pocket expenses incurred by such Member on behalf of the Company in connection with the Company's business and affairs upon presentment of proper receipts and invoices and approved by the Managing Member. However, no Member shall be entitled for reimbursement by the Company for meals, travel, transportation and entertainment.

ARTICLE 6

ROLE AND LIABILITY OF MEMBERS

6.1 Liability of Members. No Member shall have any personal liability whatsoever to the creditors of the Company for the debts of the Company or any losses beyond their Capital Contribution except as set forth in Article 3.

In accordance with Nevada law, a Member may, under certain circumstances, be required to return to the Company, for the benefit of Company creditors, amounts previously distributed to it as a return of capital. For purposes of this paragraph, the Members intend that no distribution to any Member of Net Cash From Operations or Net Cash From Sales or Refinancings shall be deemed a return or withdrawal of capital, even if such distribution represents, for federal income tax purposes or otherwise (in whole or in part), a return of capital, and that no Member shall be obligated to pay any such amount to or for the account of the Company or any creditor of the Company.

ARTICLE 7

SALE OR TRANSFER OF A LIMITED LIABILITY COMPANY INTEREST

7.1 Restriction on Transfer. No Member shall sell, exchange, assign, pledge, give, or otherwise transfer or encumber in any manner or by any means whatsoever, all or part of such Member's Interest in the Company, without obtaining the prior written consent of the Managing Member.

(a) Upon the Managing Member consent, each Member shall have an equal right of first refusal to purchase the transferring Member's interest in proportion to the purchasing Member's then percentage interest ownership in the Company subject to Paragraph 7.5. In the event some or all Members do not exercise their right of first refusal, the Managing Members are authorized to structure the transfer in the best interest of the Company.

(b) Upon the death, retirement, resignation, expulsion, bankruptcy or dissolution of a Member or upon the occurrence of any other event which terminates the continued Membership of a Member of the Company the Company shall immediately dissolve unless all remaining Members vote to continue the Company without dissolution. Beneficiaries of the Managing Members will be herein named, and equal percent to that of Managing Member of the Company will be automatically be transferred to beneficiaries of said Managing Member. (see Exhibit B)

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7.2 Rights of Transferee. If the Managing Member do not approve of the proposed transfer or assignment by majority written consent, the transferee of the Member's interest has no right to participate in the management of the business and affairs of the Company or to become a Member, and has no right to vote on any matters considered by the Company. The transferee of the Member's Interest is only entitled to receive the percentage share of profits or other compensation by way of income, and the return of contributions, to which the Member who has transferred his interest previously would have otherwise been entitled to under this Operating Agreement.

7.3 Tax Opinion. The transferor of any Interest shall provide an opinion of counsel, satisfactory to the Members, that the proposed assignment, transfer or sale would not cause the termination of the Company for federal income tax purposes.

7.4 Registration. If any Interest is to be assigned, transferred or sold, either (i) such Interest shall be registered under the Securities Act of 1933, as amended, and any applicable state securities laws, or (ii) the transferor shall provide an opinion of counsel that the proposed assignment, transfer or sale is exempt from such registration requirements, which opinion shall not be deemed provided unless and until it is accepted by the Members. The Company and the Members have no obligation or intention whatsoever either to register Interest for resale under any federal or state securities laws or to take any action which would make available to any person any exemption for the registration requirements of such laws.

7.5 Right of First Refusal. In addition to the other limitations and restrictions set forth herein, no Member may sell all or any portion of his Interests unless such Member (the "Selling Member") has first (i) given written notice to the other Members and the Company of his intention to sell all or a portion of such Interest (that which is intended to be sold is hereinafter called the "Subject Interest") and (ii) offered to sell the Subject Interest to the other Members at a price no greater, and on terms and conditions no less favorable to the purchaser, than specified in a bona fide written offer received by the Selling Member from a third party.

(a) After the approval of the sale of the Subject Interest by the Managing Members, if the remaining Members do not exercise their right of first refusal, the Selling Member has the right to sell the Subject Interest at the same price offered to the Members. However, if the Member transferring his Interest attempts to sell the Interest to a third party at a price less than previously offered to the Members, the Members right of first refusal revives and they again have the first option to purchase the Subject Interest at the reduced offering price.

(b) In conformance with 7.1(a) within thirty (30) days after such notice is given by the Selling Member any of the other Members may elect to purchase the Subject Interest in conformance with 7.1(a) from the Selling Member at the price and upon the terms and conditions set forth in the Selling Member's offer. If the other Members do not give the Selling Member

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notice of their election to purchase the Subject Interest within such thirty (30) day period, the Selling Member, at any time within three (3) months after the end of such thirty (30) day period, may, subject to the other provisions of this Section 7.5 sell the Subject Interest to the person and for a purchase price not less, and on terms and conditions not more favorable to the purchaser, than specified in such third party offer.

7.6 Substituted Member. No assignee or transferee of the whole or any portion of a Member's interest in the Company shall have the right to become a substituted Member in place of his assignor unless all of the Managing Members approve in writing such proposed transfer or assignment.

The substituted Member has all the rights and powers and is subject to all the restrictions and liabilities of his Transferor, except that substitution of the Transferee does not release the Transferor from liability to the Company.

7.7 Admission of New Members. Any new Member who may be admitted to the Company shall be required to execute a counterpart copy of the Agreement, as amended, pursuant to which such new Member agrees to be bound by the provisions of the Agreement, as amended.

ARTICLE 8

DURATION OF BUSINESS; DISSOLUTION

8.1 Duration. The Company shall continue until the first of any of the following ("liquidating events") at which time the Company shall dissolve and commence winding up and liquidating:

(a) Thirty (30) years from the date the Articles of Organization were filed with the Nevada Secretary of State's Office;

(b) Written consent of majority Managing Members;

(c) The happening of any other event that makes it unlawful, impossible or impractical to carry on the business of the Company; or

(d) The entry of a decree of judicial dissolution pursuant to N.R.S. § 86.511.

8.2 Termination of Company. The Company shall be terminated by the death, insanity, bankruptcy, withdrawal or expulsion of any Member, by the assignment by any Member of his interest, by the admission of a new Member, unless the remaining Managing Members specifically consent in writing to the continuation of the Company. The Managing Members shall have ninety (90) days from the occurrence of any event listed in this Section 8.2 to decide whether or not to continue the Company without dissolution. The majority consent of the remaining Members in writing is required to continue the Company. Unless all Managing Members specifically consent in writing to the continuation of the Company within the ninety (90) day period the Company

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shall remain terminated.

8.3 Dissolution of Company. The Company shall also be dissolved upon the occurrence of any of the following events:

(a) The written consent or affirmative vote to dissolve the Company by all Managing Members.

(b) The disposition or sale of all interest in Company assets.

(c) The expiration of the time period set forth in Section 1.8.

8.4 Distribution Upon Termination. In the event of dissolution and final termination, the Managing Members shall wind up the affairs of the Company, shall sell all the Company assets as promptly as is consistent with obtaining, insofar as possible, the fair value thereof, and after paying all liabilities, and including all costs of dissolution, and subject to the right of the Managing Members to set up cash reserves to meet short-term Company liabilities and other liabilities or obligations of the Company, shall distribute the remainder ratably to the Members pursuant to Sections 8.5, 8.6 and the other relevant provisions of this Agreement.

8.5 Procedure Upon Dissolution. On any dissolution and termination of the Company under this Agreement or applicable law, except as otherwise provided in this Agreement, the continuing operation of the Company's business shall be confined to those activities reasonably necessary to wind up the Company's affairs, discharge its obligations, and either liquidate the Company's assets and deliver the proceeds of liquidation or preserve and distribute its assets in kind promptly on dissolution. A notice of dissolution shall be published under applicable Nevada law, or as otherwise appropriate.

8.6 Winding Up of The Company/Distribution Upon Dissolution. Upon the dissolution of the Company, the proceeds from the liquidation of the assets of the Company and collection of the receivable of the Company, together with the assets distributed in kind, to the extent sufficient therefore, shall be applied and distributed in the following order of priority:

(a) First to creditors, including Members who are creditors, to the extent otherwise permitted by law, in satisfaction of liabilities of the Company other than liabilities for distributions to which Members are entitled or to which Members may become entitled under the provisions of this Agreement.

(b) Next to the establishment of any reserves which the party or parties winding up the affairs of the Company may deem reasonably necessary for any contingent or unforeseen liabilities or obligations of the Company or of the Manager Members arising out of or in connection with the Company.

(c) Next to Members and former Members in satisfaction of

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liabilities for distributions to which they were entitled prior to dissolution under the provisions of this Operating Agreement.

(d) Next to the Members then having positive capital account balances in the ratio of and up to the amount of their positive capital account balances.

(e) Next to Members in a percentage equal to their proportionate percentage of ownership in the Company.

8.7 Deficit Capital Accounts. If any Member has a deficit balance in its Capital Account at the time of the liquidation of the Company or the liquidation of his interest in the Company (after crediting allocations of income and debiting allocations of loss to his Capital Account), the Member must pay to the Company the amount of the deficit balance in proportion to his/her/its percentage interest in the Company. This amount, upon the liquidation of the Company, shall be paid to the creditors of the Company or distributed to the other Members in accordance with the positive Capital Account balances in accordance with Section 1.704-1(b)(2)(ii)(b)(3) of the Treasury Regulations.

This payment must be made in readily available funds. This payment must be made no later than the end of the taxable year of the liquidation of its interest in the Company (or, if later, within thirty (30) days after the date of the liquidation).

For the purposes of this Section 8.7.

(a) The term "liquidation" is used in the sense of Section 1.704-1(b)(2)(ii)(g) of the Treasury Regulations.

(b) The liquidated Member's Capital Account shall be determined after taking into account all Capital Account adjustments for the Company's taxable year during which the liquidation occurs.

The Members intend that the provision set forth in this Section 8.7 will constitute an unconditional obligation to restore deficit Capital Account as described in Section 1.704-1(b)(2)(i)(b)(3) of the Treasury Regulations. The Regulations shall control in the case of any conflict between those Regulations and this Section 8.7.

8.8 Deemed Distribution and Re-contribution. Notwithstanding any other provision of this Article 8, in the event the Company is liquidated within the meaning of Regulations Section 1.704-1(b)(2)(ii)(g) but no Liquidating Event has occurred, the Property shall not be liquidated, the Company's liability shall not be paid or discharged, and the Company's affairs shall not be wound up. Instead, solely for federal income tax purposes, the Company shall be deemed to have distributed the Property in kind to the Members, who shall be deemed to have assumed and taken subject to all Company liabilities, all in accordance with their respective Capital Accounts and if any Member's Capital Account has a deficit balance (after

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giving effect to all contributions, distributions, and allocations for all fiscal years, including the fiscal year during which such liquidation occurs), such Member shall contribute to the capital of the Company in an amount necessary to restore such deficit balance to zero in compliance with Regulations Section 1.704-1(b)(2)(ii)(b)(3). Immediately thereafter, the Members shall be deemed to have re-contributed the Property in kind to the Company, which shall be deemed to have assumed and taken subject to all such liabilities.

8.9 Gains or Losses in Process of Liquidation. Any gain or loss on disposition of Company properties in the process of liquidation shall be credited or charged to the Members in the proportions of their interests in profits or losses as determined under Article 3. Any property distributed in kind in the liquidation shall be valued and treated as though the property were sold and the cash proceeds were distributed. The difference between the value of property distributed in kind and its book value shall be treated as a gain or loss on sale of the property and shall be credited or charged to the Members in the proportions of their interests in profits and losses as specified in Article 3, subject, however, to any allocation of gain or loss which may otherwise be required under the Internal Revenue Code of 1986, as amended.

8.10 Rights and Liabilities of Members. Except as otherwise provided in this Agreement:

(a) Each Member shall look solely to the assets of the Company for the return of its Capital Contributions and shall have no right or power to demand or receive property other than cash from the Company.

(b) No Member shall have priority over any other Member as to the return of its Capital Contribution, distributions, or allocations except as provided in 3.8.

ARTICLE 9

MEETINGS AND MEANS OF VOTING

9.1 Regular Meetings. The Managing Members may, by resolution, prescribe the time and place for the holding of regular meetings and may provide that the adoption of such resolution shall constitute notice of such regular meetings. If the Managing Members do not prescribe the time and place for the holdings of regular meetings, such regular meetings shall not be held.

9.2 Special Meetings. Special meetings of the Members, for any purpose or purposes, unless otherwise prescribed by statute, may be called by any of the Managing Members.

9.3 Notice of Meeting. Written or telephonic notice stating the place, day and hour of the meeting and, in the case of a special meeting,

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the purposes for which the meeting is called shall be delivered not less than three (3) days before the date of the meeting, either personally or by mail, by or at the direction of any Managing Member, to each Member of record entitled to vote at such meeting, if mailed, such notice shall be deemed to be delivered when deposited in the United States Mail, addressed to the Member at his address as it appears on the books of the Company, with postage thereon prepaid. When all the Members of the Company are present at any meeting, or if those not present sign in writing a waiver of notice of such meeting, or subsequently ratify all the proceedings thereof, the transactions of such meeting are valid as if the meeting were formally called and notice had been given.

9.4 Quorum. At any meeting of the Members, majority consent of Members is required to conduct any business. All Members must be present to constitute a quorum. The Members present at a duly organized meeting may continue to transact business until adjournment, notwithstanding the withdrawal of enough Members to leave less than a quorum.

9.5 Proxies. At all meetings of the Members, a Member may vote by Proxy executed in writing by the Member or his duly authorized attorney-in-fact. Such Proxy shall be filed with the other Members of the Company before or at the time of the meeting. No Proxy shall be valid after three (3) months from date of execution, unless otherwise provided in the Proxy.

9.6 Telephonic Meeting. Members of the Company may participate in any meeting of the Members by means of conference telephone or other similar communication if all persons participating in such meeting can hear one another for the entire discussion of the matter(s) to be voted upon. Participating in a meeting pursuant to this Section 10.7 shall constitute presence in person at such meeting.

ARTICLE 10

10.1 Indemnification. Each Member shall indemnify and hold harmless the Company and the other Members from any and all expenses and liability resulting from or arising out of any negligence, misconduct, or breach of any provision of this Agreement by such Member or its agents or employees to the extent that the amount of such expense or liability exceeds the applicable insurance received by the Company. The Company shall promptly indemnify each Member for payments reasonably made and personal liabilities reasonably incurred by him in the ordinary conduct of Company business, or for the preservation of its business or property as more fully described in the Articles of Organization.

10.2 Arbitration. If any dispute shall arise between the Managing Members or Members hereto, such dispute is to be settled by arbitration. Any Managing Member hereto may serve upon the other party a written notice demanding that the dispute be resolved by arbitration. Said arbitrator shall be sworn faithfully and fairly to determine the question at issue. The arbitrator shall afford to the parties a hearing and the right to submit evidence, with the privilege of cross-examination, on the question at issue,

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and shall, with all possible speed, make his determination in writing and shall give notice to the parties hereto such determination. The prevailing party or parties in such proceeding shall be entitled to recover from the losing party or parties its or their reasonable arbitration fees or costs, if any. Any award by the arbitrator shall be submitted to a court of competent jurisdiction. An order of such court shall be entered in accordance with the arbitrator's award and no party shall be entitled to appeal the arbitration award by trial de novo or otherwise.

The foregoing shall not limit the right of any party to seek injunctive relief.

10.3 Amendments. This Agreement may be amended at any time, only by the written agreement of majority Managing Members.

10.4 Notices. Any written notice to any of the Members required or permitted under this Agreement shall be deemed to have been duly given on the date of service, if served personally on the party to whom notice is to be given, or on the second day after mailing, if mailed to the party to whom notice is to be given, by registered or certified mail, postage prepaid and addressed to the party at its last known address. Notices to the Company shall be similarly given, and addressed to it at its principal place of business.

10.5 Governing Law. This Agreement is intended to be performed in the State of Nevada and the laws of that State shall govern its interpretation and effect.

10.6 Severability. If any term, provision, covenant, or condition of this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder of the Agreement shall remain in full force and effect and shall in no way be affected, impaired, or invalidated.

10.7 Entire Agreement. This Agreement contains the entire agreement of the Members relating to the rights granted and obligations assumed under this Agreement. Any oral representations or modifications concerning this Agreement shall be of no force or effect unless contained in a subsequent written modification or amendment signed by all majority Managing Members.

10.8 Binding Effect. Except as otherwise provided in this Agreement, every covenant, term and provision of this Agreement shall be binding upon and inure to the benefit of the Members and their respective heirs, legatees, legal representatives, successors, transferees, and assigns.

10.9 Contract Construction. Every covenant, term and provision of this Agreement shall be construed simply according to its fair meaning and not strictly for or against any Member.

10.10 Time. Time is of the essence with respect to this Agreement.

10.11 Headings. Section and other headings, contained in this

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Agreement are for reference purposes only and are not intended to describe, interpret, define or limit the scope, extent or intent of this Agreement or any provision hereof.

10.12 Incorporation by Reference. Every exhibit, schedule and other appendix attached to this Agreement and referred to herein is hereby incorporated in this Agreement by reference.

10.13 Variation of Pronouns. All pronouns and any variations thereof shall be deemed to refer to masculine, feminine or neuter, singular or plural, as the identity of the Person or Persons may require.

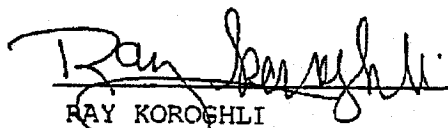
10.14 Waiver of Action for Partition. Each of the Members waives any right that they may have to maintain any action for partition with respect to any portion of the Property.

10.15 Counterpart Execution. This Agreement may be executed in any number of counterparts with the same effect as if all of the Members had signed the same document. All counterparts shall be construed together and shall constitute one agreement.

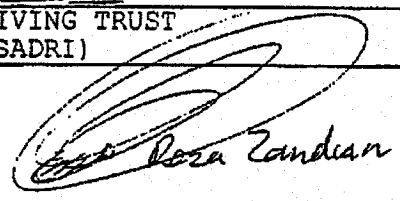
10.16 Further Documents. Each Member agrees to perform any further acts and to execute and deliver any further documents reasonably necessary or proper to carry out the intent of this Agreement.

10.17 Attorneys' Fees. Notwithstanding the provisions set forth in Section 11.2. If any action is instituted to enforce the provisions of this Agreement, the prevailing party or parties in such action shall be entitled to recover from the losing party or parties its or their reasonable attorneys' fees and costs as set by the Arbitrator or the Court.

10.18 Elections Made by Company. All elections required or permitted to be made by the Company under the Internal Revenue Code shall be made by the Members in such manner as will in their judgment be most advantageous to a majority in interest of the Members.


RAY KOROGHLI

STAR TRUST
STAR LIVING TRUST
(FRED SADRI)


Rosa Zandean

12/28/03

01888

312
mk (16)

20

Rau Hanah
(Managing Member)

STACV RUSI
(Managing Member)

GHOLAMREZA ANDIAN JAZI
(Managing Member) *Big Spring Ranch L.L.C.*

12/28/03

BSR ⊕ R.K.

10/1

I acknowledge that I have read the foregoing Operating Agreement, understand its contents and provisions, and approve same this 1ST day of October 2003.

Ray Koroghli
RAY KOROGHLI
(Managing Member)

STAR TRUST
STAR LIVING TRUST
FRED SADRI
(Managing Member)

Big Spring Ranch LLC
GHOLAMREZA ZANDIAN JAZI
(Managing Member)

"EXHIBIT" B

12/28/03

BSR
Cont

Ⓡ R K

Exhibit “3”

Sale and Assignment of Interest Agreement

WENDOVER PROJECT, LLC,

- 1. Sale and Assignment**
- 2. Acceptance**
- 3. Purchase Price and Payment**
 - 3.1 Purchase Price**
- 4. Seller's Representations and Warranties**
 - 4.1 Organization**
 - 4.2 Authority and Binding Effect**
 - 4.3 Ownership of Interest and Right to Transfer**
 - 4.4 Status of Company**
 - 4.5 Financial Statements**
 - 4.6 Adverse Changes**
 - 4.7 Liabilities**
 - 4.8 Tax Returns**
 - 4.9 Assets**
 - 4.10 Compliance with Law**
 - 4.11 Actions and Suits**
 - 4.12 Obligations and Contracts**
 - 4.13 Complete Disclosures**
- 5. Investment Intent**
- 6. Consent**
 - 6.1 Consent to Transfer**
 - 6.2. Consent Under Security Agreement**
- 7. Miscellaneous**
 - 7.1 Binding Effect**
 - 7.2 Notice**
 - 7.3 Litigation Expense**
 - 7.4 Governing Law**
 - 7.5 Entire Agreement**
 - 7.6 Authority**

DATE: October 20, 2006

PARTIES: GHOLAMREZA ZANDIAN JAZI aka ZANDIAN JAZI
and NILOFAAR F. ZANDIAN (collectively, "Seller")

RAY KOROGHLI, individually, FARIBORZ FRED SADRI,
individually and as Trustee of the Star Living Trust (collectively
"Purchaser")

Elias Abrishami
Elias Abrishami, Trustee for the Elias Abrishami and Minoo
H. Abrishami Living Trust dated February 5, 2004
Rafi Abrishami
Farnaz Abrishami Darvish, Trustee for the Survivor's Trust
of Darvish Family Trust
Behruz Gabbai and Katherine Morovati Gabbai, Trustees
of the Gabbai Family Trust dated 6/8/1990
Kamran Behnam and Fariba Keshebrim as Joint Tenants
N.T.T., a California Partnership
Mousa Joseph Yamini
Alan Aji Stak Fakheri

Recitals

A. The Seller, Purchaser and the Other Owners are all of the Members of Big Springs Ranch, LLC, a Nevada limited liability company ("Company"). The Company operates under an Operating Agreement (the "Ownership Agreement").

B. The Seller is the owner of a 16.666 percent (16.666%) interest in the profits and losses of the Company and claims a \$1,000,000.00 interest in the capital account. The Seller also claims further interests in the Company as follows:

- (i) any right, title or interest in 500 shares of Shipyard K. Damen stock purportedly exchanged for a \$3,000,000.00 discount for the acquisition;
- (ii) any other interests

The Seller is specifically identifying all interests held or claimed by Seller, directly or indirectly (collectively, the "Ownership Interest").

C. The Seller desires to transfer the Ownership Interest to the Purchaser.

D. The Other Owners have been made a party to this Agreement solely for the purpose of evidencing their approval of the form of this Agreement and consent to the transfer to Purchaser.

1. Sale and Assignment

The Seller hereby assigns and transfers to the Purchaser all of Seller's Ownership Interest in the Company. This assignment includes all of the interest of the Seller in the Company, including a right to share in 16.666 percent (16.666%) of the profits and losses of the Company and all other rights of the Seller in the capital of the Company or otherwise whether or not described in the Recitals above.

2. Acceptance

The Purchaser hereby accepts the sale and assignment of the Ownership Interest transferred and agrees to be bound by all of the terms and provisions of the Ownership Agreement.

3. Purchase Price and Payment

3.1 Purchase Price

The consideration for the Ownership Interest being transferred under this Agreement is the payment of cash and the transfer by Purchaser to Seller of unrelated real property located in Washoe County, Nevada.

4. Seller's Representations and Warranties

The Seller represents and warrants to the Purchaser that:

4.1 IRS §1445 Compliance

Internal Revenue Code §1445 provides that a purchaser of an interest in United States real property must withhold tax if the seller is not a United States citizen. To inform the purchaser that the withholding of tax is not required on the disposition of the undersigned seller's interest in the property described on Exhibit "A" attached hereto, GHOLAMREZA ZANDIAN JAZI aka ZANDIAN JAZI being duly sworn, states:

1. I am not a nonresident alien for the purposes of United States income taxation.
2. My United States Social Security Number is: _____
3. My home address is: _____

I understand that a copy of this affidavit may be given to the Internal Revenue Service by the Purchaser and that any false statement made by me in this Affidavit may be

punished by fine, imprisonment, or both.

GHOLAMREZA ZANDIAN JAZI
aka ZANDIAN JAZI

RAY KOROGHLI

FARIBORZ FRED SADRI

4.2 Authority and Binding Effect

The Seller has full power and authority to execute and deliver this Agreement and to make the transfer provided in this Agreement, and the execution and delivery of this Agreement has been duly authorized and approved by the Seller and to the extent necessary, Seller's French Bankruptcy Trustee (Liquidation Judiciaire). This Agreement will, when executed and delivered, be a valid and binding obligation of the Seller enforceable in accordance with its terms.

4.3 Ownership of Interest and Right to Transfer

The Seller is the sole owner of the Ownership Interest being transferred under this Agreement, free and clear of any and all liens or encumbrances, and will defend the same against all claims and demands of all persons. The Seller has a good right to transfer the Ownership Interest to the Purchaser, so long as the Other Owners consent to such transfer as provided in this Agreement. Seller warrants that Seller has obtained any, all and every written consent or approval required by Article 7 of the Company's Operating Agreement.

4.4 Status of Company

The Company is a Limited Liability Company duly organized, validly existing, and in good standing under the laws of the state of Nevada and has all powers required to own its assets and property and to carry on its business as now owned and conducted. The Company is not licensed or qualified as a foreign limited liability company in any other state, and the character of its properties and the nature of its business do not make such license or qualification necessary. The Operating Agreement is in full force and effect in accordance with its terms and Seller has approved all amendments or modifications.

4.5 Financial Statements

The balance sheets of the Company as of December 31, 2005 and the income statements

of the Company for the period ended December 31, 2005 (collectively the "Financial Statements") are in accordance with the books and records of the Company, are based upon regularly accepted accounting principles that have been consistently applied, are complete and correct, and fairly present the financial position and results of operation of the Company as of the dates and for the periods indicated.

4.6 Adverse Changes

There has been no material adverse change in the financial condition of the Company or in the condition of its assets from that reflected in the Financial Statements.

4.7 Liabilities

Except as reflected or reserved against in the Financial Statements, the Company does not have any material liabilities or obligations of any kind whether accrued, absolute, contingent, or otherwise, and whether or not such liabilities or obligations would have been required to be disclosed on a balance sheet prepared in accordance with generally accepted accounting principles.

4.8 Tax Returns

The Company has filed all tax returns and reports that it is required to file with the appropriate federal, state, and local government agencies. Such returns and reports are accurate and complete, and the Company has paid in full or has made adequate provisions for all taxes, interest, penalties, assessments, or deficiencies shown to be due on such returns or reports, claimed to be due by any taxing authority, or otherwise due and owing. The Company has made all withholdings of tax required to be made under all applicable federal, state, and local tax regulations. To the best of the knowledge of the Seller, the provisions for property taxes and payroll taxes payable reflected in the Financial Statements are adequate.

4.9 Assets

The Company has good and marketable title to all of its assets, including all property reflected in the Financial Statements, free and clear of all claims and encumbrances, except any liens for taxes not yet due and payable. The Company either owns or leases from third persons other than the Seller all of the assets related to or used in the conduct of its business, and those assets are adequate for the conduct of such business.

4.10 Compliance with Law

To the best of the knowledge and belief of the Seller, the Company is not in violation of any applicable law, ordinance, regulation, order, or requirement relating to its operations.

4.11 Actions and Suits

There are no actions, suits, or proceedings pending or threatened against or affecting the Company at law or in equity or before or by any federal, state, municipal, or other governmental or nongovernmental department, commission, board, bureau, agency, or instrumentality that can reasonably be expected to result in any adverse change in the business, properties, operations, prospects, or assets of the Company or in its condition, financial or otherwise.

4.12 Obligations and Contracts

The Company is not in default in the payment of any of its obligations and is not in breach of the performance of any contract to which it is a party.

4.13 Complete Disclosures

To the best of the knowledge and belief of the Seller, neither this Agreement nor any document furnished by Seller to the Purchaser under this Agreement contains any untrue statement of a material fact or omits to state a material fact necessary in order to make the statements in this assignment or in such documents not misleading. There is no fact that materially adversely affects, or, to the best of the knowledge and belief of the Seller, in the future may materially adversely affect, the business, operations, or condition (financial or otherwise) of the Company that has not been set forth in this Agreement or in the Financial Statements.

5. Survival of Representations and Warranties

All warranties and representations made in this Agreement will survive the closing of the transfer of the Ownership Interest being transferred under this Agreement.

6. Consent

6.1 Consent to Transfer

The Other Owners hereby consent to the assignment and transfer to the Purchaser of the Ownership Interest being transferred under this Agreement.

7. Miscellaneous

7.1 Binding Effect

The provisions of this Agreement are binding upon and will inure to the benefit of the heirs, personal representatives, successors, and assigns of the parties.

7.2 Notice

Any notice or other communication required or permitted to be given under this Agreement must be in writing and must be sent by overnight courier (Federal Express, UPS or other), or be mailed by certified mail, return receipt requested, postage prepaid, addressed to the parties as follows:

Seller: c/o John Peter Lee, Esq.
830 Las Vegas Boulevard
Las Vegas, Nevada 89101

Purchaser: Mr. Ray Koroghli
3055 Via Sarafina Drive
Henderson, NV 89052

Fariborz Fred Sadri
The Star Living Trust
2827 S. Monte Cristo
Las Vegas, Nevada 89117

Other Owners:

All notices and other communications will be deemed to be given at the expiration of three days after the date of mailing. The address of a party to which notices or other communications must be mailed may be changed from time to time by giving written notice to the other parties.

7.3 Litigation Expense

If any legal proceeding is commenced for the purpose of interpreting or enforcing any provision of this Agreement, including any proceeding in the United States Bankruptcy Court, the prevailing party in such proceeding will be entitled to recover a reasonable attorney's fee in such proceeding, or any appeal thereof, to be set by the court without the necessity of hearing testimony or receiving evidence, in addition to the costs and disbursements allowed by law.

7.4 Governing Law

This Agreement will be governed by the law of the state of Nevada

7.5 Entire Agreement

This Agreement constitutes the entire agreement between the parties pertaining to its subject matter, and it supersedes all prior and contemporaneous agreements,

representations, and understandings of the parties. No supplement, modification, or amendment of this Agreement will be binding unless executed in writing by all parties.

7.6 Authority

Each individual executing this Agreement on behalf of a corporation or other entity warrants that he or she is authorized to do so and that this Agreement will constitute the legally binding obligation of the corporation or other entity that the individual represents.

SELLER:

GHOLAMREZA ZANDIAN JAZI
aka ZANDIAN JAZI

NILOFAAR F. ZANDIAN

PURCHASER:

RAY KOROGHLI

FARIBORZ FRED SADRI

THE STAR LIVING TRUST

BY _____
FARIBORZ FRED SADRI, Trustee

OTHER OWNERS:

ELIAS ABRISHAMI

Exhibit "4"

Sale and Assignment of Interest Agreement

BIG SPRINGS RANCH, LLC,

1. Sale and Assignment
2. Acceptance
3. Purchase Price and Payment
 - 3.1 Purchase Price
4. Seller's Representations and Warranties
 - 4.1 Organization
 - 4.2 Authority and Binding Effect
 - 4.3 Ownership of Interest and Right to Transfer
 - 4.4 Status of Company
 - 4.5 Financial Statements
 - 4.6 Adverse Changes
 - 4.7 Liabilities
 - 4.8 Tax Returns
 - 4.9 Assets
 - 4.10 Compliance with Law
 - 4.11 Actions and Suits
 - 4.12 Obligations and Contracts
 - 4.13 Complete Disclosures
5. Investment Intent
6. Consent
 - 6.1 Consent to Transfer
 - 6.2. Consent Under Security Agreement
7. Miscellaneous
 - 7.1 Binding Effect
 - 7.2 Notice
 - 7.3 Litigation Expense
 - 7.4 Governing Law
 - 7.5 Entire Agreement
 - 7.6 Authority

DATE: October 20, 2006

PARTIES: GHOLAMREZA ZANDIAN JAZI aka ZANDIAN JAZI
and NILOFAAR F. ZANDIAN (collectively, "Seller")

RAY KOROGHLI, individually, FARIBORZ FRED SADRI,
individually and as Trustee of the Star Living Trust (collectively
"Purchaser")

ELIAS ABRISHAMI ("Other Owner")

Recitals

A. The Seller, Purchaser and the Other Owner are all of the Members of Big Springs Ranch, LLC, a Nevada limited liability company ("Company"). The Company operates under an Operating Agreement (the "Ownership Agreement").

B. The Seller is the owner of a twenty-five percent (25%) interest in the profits and losses of the Company but none of the capital account. The Seller also claims further interests in the Company as follows:

- (i)
- (ii)

The Seller is specifically identifying all interests held by Seller, directly or indirectly (collectively, the "Ownership Interest").

C. The Seller desires to transfer the Ownership Interest to the Purchaser.

D. The Other Owner has been made a party to this Agreement solely for the purpose of evidencing their approval of the form of this Agreement and consents to the transfer to Purchaser.

1. Sale and Assignment

The Seller hereby assigns and transfers to the Purchaser all of Seller's Ownership Interest in the Company. This assignment includes all of the interest of the Seller in the Company, including a right to share in twenty-five percent (25%) of the profits and losses of the Company and all other rights of the Seller in the capital of the Company or otherwise whether or not described in the Recitals above.

2. Acceptance

The Purchaser hereby accepts the sale and assignment of the Ownership Interest transferred and agrees to be bound by all of the terms and provisions of the Ownership Agreement.

3. Purchase Price and Payment

3.1 Purchase Price

The consideration for the Ownership Interest being transferred under this Agreement is the transfer by Purchaser of _____.

4. Seller's Representations and Warranties

The Seller represents and warrants to the Purchaser that:

4.1 IRS §1445 Compliance

Internal Revenue Code §1445 provides that a purchaser of an interest in United States real property must withhold tax if the seller is not a United States citizen. To inform the purchaser that the withholding of tax is not required on the disposition of the undersigned seller's interest in the property described on Exhibit "A" attached hereto, GHOLAMREZA ZANDIAN JAZI aka ZANDIAN JAZI being duly sworn, states:

1. I am not a nonresident alien for the purposes of United States income taxation.
2. My United States Social Security Number is: _____
3. My home address is: _____

I understand that a copy of this affidavit may be given to the Internal Revenue Service by the Purchaser and that any false statement made by me in this Affidavit may be punished by fine, imprisonment, or both.

GHOLAMREZA ZANDIAN JAZI
aka ZANDIAN JAZI

RAY KOROGHLI

FARIBORZ FRED SADRI

4.2 Authority and Binding Effect

The Seller has full power and authority to execute and deliver this Agreement and to make the transfer provided in this Agreement, and the execution and delivery of this Agreement has been duly authorized and approved by the Seller and to the extent

necessary, Seller's French Bankruptcy Trustee (Liquidation Judiciaire). This Agreement will, when executed and delivered, be a valid and binding obligation of the Seller enforceable in accordance with its terms. Seller warrants that Seller has obtained any, all and every written consent or approval required by Article 7 of the Company's Operating Agreement.

4.3 Ownership of Interest and Right to Transfer

The Seller is the sole owner of the Ownership Interest being transferred under this Agreement, free and clear of any and all liens or encumbrances, and will defend the same against all claims and demands of all persons. The Seller has a good right to transfer the Ownership Interest to the Purchaser, so long as the Other Owner consents to such transfer as provided in this Agreement.

4.4 Status of Company

The Company is a Limited Liability Company duly organized, validly existing, and in good standing under the laws of the state of Nevada and has all powers required to own its assets and property and to carry on its business as now owned and conducted. The Company is not licensed or qualified as a foreign limited liability company in any other state, and the character of its properties and the nature of its business do not make such license or qualification necessary. The Operating Agreement is in full force and effect in accordance with its terms and Seller has approved all amendments or modifications. manner.

4.5 Financial Statements

The balance sheets of the Company as of December 31, 2005 and the income statements of the Company for the period ended December 31, 2005 (collectively the "Financial Statements") are in accordance with the books and records of the Company, are based upon regularly accepted accounting principles that have been consistently applied, are complete and correct, and fairly present the financial position and results of operation of the Company as of the dates and for the periods indicated.

4.6 Adverse Changes

There has been no material adverse change in the financial condition of the Company or in the condition of its assets from that reflected in the Financial Statements.

4.7 Liabilities

Except as reflected or reserved against in the Financial Statements, the Company does not have any material liabilities or obligations of any kind whether accrued, absolute, contingent, or otherwise, and whether or not such liabilities or obligations would have been required to be disclosed on a balance sheet prepared in accordance with generally accepted accounting principles.

4.8 Tax Returns

The Company has filed all tax returns and reports that it is required to file with the appropriate federal, state, and local government agencies. Such returns and reports are accurate and complete, and the Company has paid in full or has made adequate provisions for all taxes, interest, penalties, assessments, or deficiencies shown to be due on such returns or reports, claimed to be due by any taxing authority, or otherwise due and owing. The Company has made all withholdings of tax required to be made under all applicable federal, state, and local tax regulations. To the best of the knowledge of the Seller, the provisions for property taxes and payroll taxes payable reflected in the Financial Statements are adequate.

4.9 Assets

The Company has good and marketable title to all of its assets, including all property reflected in the Financial Statements, free and clear of all claims and encumbrances, except any liens for taxes not yet due and payable. The Company either owns or leases from third persons other than the Seller all of the assets related to or used in the conduct of its business, and those assets are adequate for the conduct of such business.

4.10 Compliance with Law

To the best of the knowledge and belief of the Seller, the Company is not in violation of any applicable law, ordinance, regulation, order, or requirement relating to its operations.

4.11 Actions and Suits

There are no actions, suits, or proceedings pending or threatened against or affecting the Company at law or in equity or before or by any federal, state, municipal, or other governmental or nongovernmental department, commission, board, bureau, agency, or instrumentality that can reasonably be expected to result in any adverse change in the business, properties, operations, prospects, or assets of the Company or in its condition, financial or otherwise.

4.12 Obligations and Contracts

The Company is not in default in the payment of any of its obligations and is not in breach of the performance of any contract to which it is a party.

4.13 Complete Disclosures

To the best of the knowledge and belief of the Seller, neither this Agreement nor any document furnished by Seller to the Purchaser under this Agreement contains any untrue statement of a material fact or omits to state a material fact necessary in order to

make the statements in this assignment or in such documents not misleading. There is no fact that materially adversely affects, or, to the best of the knowledge and belief of the Seller, in the future may materially adversely affect, the business, operations, or condition (financial or otherwise) of the Company that has not been set forth in this Agreement or in the Financial Statements.

5. Survival of Representations and Warranties

All warranties and representations made in this Agreement will survive the closing of the transfer of the Ownership Interest being transferred under this Agreement.

6. Consent

6.1 Consent to Transfer

The Other Owner hereby consents to the assignment and transfer to the Purchaser of the Ownership Interest being transferred under this Agreement.

7. Miscellaneous

7.1 Binding Effect

The provisions of this Agreement are binding upon and will inure to the benefit of the heirs, personal representatives, successors, and assigns of the parties.

7.2 Notice

Any notice or other communication required or permitted to be given under this Agreement must be in writing and must be sent by overnight courier (Federal Express, UPS or other), or be mailed by certified mail, return receipt requested, postage prepaid, addressed to the parties as follows:

Seller: c/o John Peter Lee, Esq.
 830 Las Vegas Boulevard
 Las Vegas, Nevada 89101

Purchaser: Mr. Ray Koroghli
 3055 Via Sarafina Drive
 Henderson, NV 89052

 Fariborz Fred Sadri
 The Star Living Trust
 2827 S. Monte Cristo
 Las Vegas, Nevada 89117

Other Owner: Elias Abrishami
Box 2919
Carson City, NV 89702

All notices and other communications will be deemed to be given at the expiration of three days after the date of mailing. The address of a party to which notices or other communications must be mailed may be changed from time to time by giving written notice to the other parties.

7.3 Litigation Expense

If any legal proceeding is commenced for the purpose of interpreting or enforcing any provision of this Agreement, including any proceeding in the United States Bankruptcy Court, the prevailing party in such proceeding will be entitled to recover a reasonable attorney's fee in such proceeding, or any appeal thereof, to be set by the court without the necessity of hearing testimony or receiving evidence, in addition to the costs and disbursements allowed by law.

7.4 Governing Law

This Agreement will be governed by the law of the state of Nevada

7.5 Entire Agreement

This Agreement constitutes the entire agreement between the parties pertaining to its subject matter, and it supersedes all prior and contemporaneous agreements, representations, and understandings of the parties. No supplement, modification, or amendment of this Agreement will be binding unless executed in writing by all parties.

7.6 Authority

Each individual executing this Agreement on behalf of a corporation or other entity warrants that he or she is authorized to do so and that this Agreement will constitute the legally binding obligation of the corporation or other entity that the individual represents.

SELLER:

GHOLAMREZA ZANDIAN JAZI
aka ZANDIAN JAZI

NILOFAAR F. ZANDIAN

PURCHASER:

RAY KOROGHLI

FARIBORZ FRED SADRI

THE STAR LIVING TRUST

BY _____
FARIBORZ FRED SADRI, Trustee

OTHER OWNER:

ELIAS ABRISHAMI

BROADCAST REPORT

TIME : 04/04/2007 18:35
NAME : JOHN M NETZORG, ESG
FAX : 702-878-1255
TEL : 702-878-3400
SER. # : 000K4J360063

PAGE(S)

31

DATE	TIME	FAX NO./NAME	DURATION	PAGE(S)	RESULT	COMMENT
04/04	18:27	3839950	03:30	31	OK	ECM
04/04	18:31	4375267	04:22	31	OK	ECM

BUSY: BUSY/NO RESPONSE
NG : POOR LINE CONDITION
CV : COVERPAGE
PC : PC-FAX

Exhibit "5"

COPY

DISTRICT COURT
CLARK COUNTY, NEVADA

* * * * *

JAN 16 10 39 AM '07

GHOLAMREZA Z. JAZI, et al.

Plaintiffs

vs.

RAY KOROGHLI, et al.

Defendants

CASE NO. **FILED** 131

DEPT. NO. XI

CLERK OF THE COURT
Transcript of
Proceedings

BEFORE THE HONORABLE ELIZABETH GONZALEZ, DISTRICT JUDGE

HEARING ON MOTIONS

THURSDAY, JANUARY 11, 2007

APPEARANCES:

FOR THE PLAINTIFFS:

HOLLY FIC, ESQ.
MICHAEL A. REYNOLDS, ESQ.

FOR THE DEFENDANTS:

JOHN M. NETZORG, ESQ.

COURT RECORDER:

JILL HAWKINS
District Court

TRANSCRIPTION BY:

FLORENCE HOYT
Las Vegas, Nevada 89146
(702) 221-0246

Proceedings recorded by audio-visual recording, transcript produced by transcription service.

1 LAS VEGAS, NEVADA, THURSDAY, JANUARY 11, 2007, 10:23 A.M.

2 (Court was called to order)

3 THE COURT: Okay. A-511131, Jazi versus Koroghli.

4 (Pause in the proceedings)

5 MS. FIC: Holly Fic, Your Honor, for the plaintiff.

6 Bar Number 7699.

7 MR. REYNOLDS: And Mike Reynolds, also.

8 MR. NETZORG: Good morning, Your Honor. John

9 Netzorg on behalf of the defendants.

10 (Off-record colloquy - Court and Clerk)

11 THE COURT: Okay. Which motion do you want to do
12 first, the motion to vacate, or the motion to confirm the
13 arbitration award?

14 MS. FIC: Since our motion is first, Your Honor, I'd
15 like to argue first. And I promise I won't be that long. I
16 have an 11:00 o'clock, actually a settlement conference, to go
17 to.

18 THE COURT: You saw that the gentleman who was here
19 earlier kept saying he was going to be brief, and even though
20 he's not a lawyer, he talked for a really, really long time.

21 MS. FIC: I promise you I won't be --

22 (Off-record colloquy)

23 MS. FIC: Your Honor, hopefully, I mean, I consider
24 -- you know, we have our motion to confirm an entry of
25 judgment. We've got a simple premise here. We've got an

1 11/28, 2005, stipulation to arbitration. Not for mediation,
2 it's for arbitration. The defendants fully agreed to submit
3 to arbitration and that the arbitration shall be binding with
4 no right of appeal. It's Exhibit 2. And it shows that the
5 defendants actually, you know, participated in the language,
6 because they hand-wrote certain notes that they did or did not
7 agree to and initialled any changes. But they left the
8 provision that the arbitration shall be binding with no right
9 of appeal as unmarked, and therefore it stands. And it is our
10 stipulation for arbitration.

11 We also had an arbitration scheduling order. The
12 parties agreed -- specifically, defendants agreed to Mr. Hale
13 to arbitrate the matter, who, after having heard two full days
14 of testimony, having reviewed all the exhibits, the
15 depositions that were submitted, and arguments of counsel on
16 9/8/06, set forth the parties' stipulation on the record. And
17 he even stated that -- Mr. Hale stated that he would file an
18 arbitration decision, to which none of the parties objected.
19 He fully asked the parties if they would want to participate
20 in any changes. He asked on two occasions. He invited the
21 parties to add any additional terms, and they were set on the
22 record. The court reporter recorded the terms of the
23 agreement as if it was a stipulated judgment. The arbitrator
24 recorded these and memorialized the terms, and he even said,
25 this will completely resolve all claims of the LLCs and the

1 individuals that are involved in this litigation.

2 And consistent with the arbitrator's record of the
3 September 8th, 2006, resolution, Arbitrator Floyd Hale issued
4 the arbitration decision. So not only did the parties have
5 the terms recorded by a court reporter, but this was
6 formalized by a decision by the arbitrator called an
7 "Arbitration Decision."

8 So there's case law out there, Your Honor, that when
9 there's just even the attorneys doing -- who have
10 authorization to settle and they put it down in writing with
11 the court reporter, that's almost like EDCR 7.50, which
12 provides that stipulations should be in writing or entered in
13 the court minutes.

14 Here we had an arbitration which had gone on for
15 some time. It wasn't just a one-shot deal. Parties had given
16 opening testimony -- I mean opening statements, and testimony
17 was taken and everything like that. So here we have it.
18 We've got an agreement on the record with counsel present,
19 with the parties present, and a neutral third-party
20 arbitrator. The terms were recorded by a court reporter, like
21 EDCR 7.50, and then it was actually reduced to a writing in
22 the arbitration decision.

23 And so -- and, you know, and counsel were free to
24 add anything they want. And then we get it down to where
25 we're going to have it down -- put it down to writing, have

1 the parties sign these agreements, and they back out. We
2 prepared everything for them to sign it. And also, too, the
3 parties had gone back and forth with Arbitrator Hale, asking
4 to reopen these issues, asking -- and they were denied. And
5 we did a motion to implement the award, and that was granted
6 by the arbitrator.

7 So what we're seeking, Your Honor, today is to
8 confirm and enter this arbitration award and confirm the
9 decision of the arbitrator, because we don't want to keep
10 going back and forth. The terms were set forth, the parties
11 agreed to them, the parties were present, counsel was present,
12 and we had an arbitrator there. So we would submit that, Your
13 Honor, please confirm the arbitration decision and enter the
14 judgment so that the parties will sign the release agreements.

15 THE COURT: Mr. Netzorg.

16 MR. NETZORG: Thank you, Your Honor.

17 As we've argued in the briefs rather extensively,
18 this started out as an --

19 THE COURT: Very extensively. My son thought I had
20 more homework than he did last night.

21 MR. NETZORG: I know. And I appreciate it. I know
22 it's rather voluminous. It's very important, obviously, to
23 the client.

24 THE COURT: Okay. I understand. It's important to
25 everybody.

1 MR. NETZORG: And this started out as an
2 arbitration, and that is correct. And then there were a
3 couple items that weren't accurate. There were opening
4 arguments by counsel. The plaintiff gave his direct
5 examination, and then he was cross-examined on about one third
6 of the materials, at which point a mediation started. Counsel
7 argues that as a result of these proceedings that the parties
8 understand it was put on the record. And, Your Honor, this is
9 the only place where you see the defendants' participation.

10 But first and foremost, Your Honor, Arbitrator Hale
11 mentions that he was proud that the parties asked him to
12 mediate instead of arbitrate. He references that the terms
13 and conditions will be in the settlement agreement. We'll go
14 into these in more specifics in a second.

15 But, Your Honor, what has happened is there was a
16 settlement of this case, and the plaintiffs haven't performed
17 material terms and conditions, material terms and conditions
18 that appear in the recorded arbitration statement. And I'd
19 ask the Court -- it's just a few pages, and we might go
20 through that and review it, because it is critically
21 important. This is where the parties' understandings are
22 discussed. It's Exhibit A to our motion to vacate, which
23 makes it the easiest to locate, because it's Exhibit A. But
24 it's attached on numerous occasions. I'm sure the Court's had
25 a chance to review it. The pagination --

1 THE COURT: What page?

2 MR. NETZORG: Our motion to vacate, Exhibit A.

3 THE COURT: But what page on that?

4 MR. NETZORG: I would ask the Court to turn to
5 page 4 at the bottom. And my cross-references will be to the
6 pagination at the bottom of the exhibit, rather -- because for
7 some reason --

8 THE COURT: This is a rough transcript, so its page
9 numbers differ from that which is attached to the other
10 side's, plaintiffs' transcript.

11 MR. NETZORG: Oh. Very good. Very good.

12 THE COURT: I noticed that when I looked at them
13 last night.

14 MR. NETZORG: Well, thank you, Your Honor. Because
15 I -- it was most confusing to counsel, as well.

16 But as we review it, after -- and understand this
17 arbitration lasted for weeks, but that was because we went
18 over our allotted time and Arbitrator Hale had Fridays
19 available. So the fact it went on for weeks was not
20 indicative that the actual -- we were hearing testimony day
21 in, day out.

22 But Mr. Hale went on the record, and he announces
23 the case at page 4 and at page 5, and he says -- he says,
24 "Having heard two full days of testimony and the arguments of
25 counsel, it appears that the resolution of this case will be

1 as follows. And counsel are free to correct me."

2 And the intention was, Your Honor, that because this
3 was a settlement and we were putting it on the record, that
4 the people's intentions -- the parties intentions be added.
5 This wasn't a decision on the merits. It was exactly what it
6 was, a settlement, as if I were to come in here and say, Your
7 Honor, we've settled today, we want to put the terms and
8 conditions on the record.

9 What were those terms and conditions? Very first
10 thing -- page 5, Your Honor, of Exhibit A. Very first thing,
11 to make sure that there was no confusion. "This is pursuant
12 to a stipulation, obviously, so we want to make sure there is
13 a universal and complete resolution of all issues." That was
14 a material consideration.

15 THE COURT: That's you talking, as opposed to Mr.
16 Hale?

17 MR. NETZORG: That's me, talking, yes. That's the
18 very first thing after -- after -- just to make sure that that
19 was on the record, that there wasn't any confusion later and
20 that someone would try and deny us the benefits of why it was
21 that we were going to be tendering over \$5 million in
22 consideration. So this wasn't a situation where we had a car
23 accident and we were worried about the fender. This was a
24 real estate case that involves over 40,000 acres of land over
25 7 square miles of property located in four separate sections

1 that had been acquired at a price in excess of 16 million.

2 And did we not ask to have this recorded?

3 THE COURT: It's always recorded in here.

4 MR. NETZORG: Ah. Very wonderful.

5 THE COURT: Now you're going to get a bill for it.

6 MR. NETZORG: Thank you very much. I appreciate
7 that. Please send me your bill. I'm too old to be forgetting
8 that one. But thank the Court to deferring to business
9 litigants who --

10 Okay. So the defendants were looking for a
11 universal settlement. And the Supreme Court has held on
12 innumerable occasions that obviously a settlement and
13 resolution is a material consideration.

14 Mr. Hale then went on and discussed some portions of
15 it. He talks about Mr. Zandian [phonetic] at page 6, and he's
16 going to get the Pahrah [phonetic] property, and the Pahrah is
17 I believe 4400 -- 4600 acres, and I may be wrong, and he's to
18 receive it free and clear. Well, that was very important,
19 that he receive it free and clear, just as it was important to
20 the defendants that they receive his consideration free and
21 clear. So the Pahrah land -- this is in Fernley, Nevada, and
22 it is 4600 acres, but I may be mistaken, it's over a thousand.
23 At which point on page 7 at line 11 I mention that there's --
24 there's some engineering that hasn't been done.

25 And then Mr. Lee states -- and this is I take

1 umbrage with the position that's been argued that we didn't
2 present the arguments or didn't complain at the time. It
3 says, "John, please do me a favor --" "John" referring to me
4 at page 7 and line 13 at the top "-- let the gentleman finish.
5 Let him finish, and we will put our comments --" So he's
6 asking that we put the comments, I understood it, at the end.

7 So Mr. Hales starts all over and he talks about the
8 Pahrah property at page 7, line 20, is to be free and clear to
9 Mr. Zandian.

10 And then on page 8 he talks about 320 acres, also
11 located in Washoe County, and that's to be free and clear to
12 Mr. Zandian, because it was very important that it be free and
13 clear. "Mr. Sadri and Mr. Koroghli will within 30 days from
14 today pay Mr. Zandian \$250,000." There was nothing about
15 paying Mr. Lee \$250,000. That's what the parties had
16 negotiated. They were to pay Mr. Zandian \$250,000. There is
17 a change subsequently, but that money was money that wasn't
18 fees awarded to Mr. Lee. That was part of the consideration
19 we're talking. And this has serious importance to the
20 defendants because there are tax consequences of this
21 transaction, there are innumerable other parties involved,
22 there are other people that hold ownership interests, and
23 we're -- we address these at a later -- very shortly,
24 actually.

25 Then at page 9 Mr. Hale goes on and talks about, at

1 line 16, all the LLCs and properties that are subject to this
2 arbitration herein, including the Pahrarah properties and the
3 Wendover project, waive any claim to reimbursement for
4 consulting fees.

5 And then he states, "The parties will through
6 counsel prepare any necessary documents to effect the
7 transfers of the LLCs and the underlying real estate." This
8 is page 9, lines 21 through 23. So it's understood that
9 there's going to be a preparation of further documents.

10 But going on at page 9 on the rough draft, our
11 Exhibit A, line 24, "And the parties and representatives of
12 these LLCs will execute all necessary documents to effect this
13 settlement and arbitration order." This settlement. This is
14 a settlement and the meeting of the minds. The defendants had
15 an understanding of what they were to get, and it's expressed
16 in this document.

17 Now, "Mr. Lee: We would like to have the check
18 payable to my office for \$250,000." He wants the check made
19 payable to his office. This is Mr. Zandian's \$250,000. He
20 wants it payable to his office. There's nothing about he's
21 supposed to get paid five days in advance, there's nothing
22 about that the defendants are under a unilateral obligation to
23 perform.

24 Then, "Mr. Hale: The settlement check will be
25 payable to John Peter Lee." This is a settlement. This is

1 what we understood. That's what everyone talked about,
2 settlement agreements and settlement.

3 Then finally, "Anything else?" Now, Mr. Lee had
4 requested that we put our items -- or withhold them to the
5 end, so at page 10, line 9, "We would like a mutual release
6 executed by and between the parties." And Mr. Hale agrees to
7 that.

8 Then below that we talk about -- page 10, line 13 --
9 "We need a warranty from the parties that the properties and
10 interests being transferred haven't been previously
11 transferred --" this is typical; you're not going to take some
12 interest not of record with no warranty "-- that the parties
13 in fact do currently hold these interests --" we want to know
14 that there hasn't been a conveyance, typical, it would be
15 boilerplate warranties "-- and that they are capable of
16 transferring the interests that are subject to this order free
17 and clear of claims by any third parties." This is at pages
18 10 and 11 of Exhibit A. Free and clear.

19 Well, Your Honor, we've provided the Court with
20 Exhibit C1, which is the rights of first refusal that the
21 plaintiff has assigned all of his LLC interest, he has given a
22 prior transfer to a limited number of members. In the Big
23 Springs Ranch, LLC, which is 35,000 acres, there's one other
24 member, Mr. Abershombie. With the Wendover Project, which is
25 approximately 67 acres located outside of Wendover, I think

1 there may be 13 other members of the LLC. He was under an
2 obligation to deliver this free and clear. He has never
3 tendered his property free and clear. Every tender has been
4 subject to rights of first refusal in third parties.

5 It is customary -- we went to West, we went to
6 business transactions and filled out a form assignment of an
7 LLC or limited partnership interest, and the form assignment
8 necessarily is the consent from the other parties that hold
9 rights of first refusal. There are two reasons. One, even
10 absent a right of first refusal, a transfer without the
11 consent would liquidate the limited partnership. Mr. Zandian
12 was receiving thousands of acres free and clear, and he was to
13 deliver the consideration free and clear. And he has not.

14 And so under the proposed -- you know, why they
15 would try and cram this thing down, why -- why in the world
16 would the defendants be required to transfer their assets
17 encumbered subject to rights of first refusal in third parties
18 while the plaintiff would receive them free and clear? It
19 clearly was not the intention. And they have refused to sign
20 this document. It is in here. We are asking that which is
21 customary. These are standard, customary requirements.
22 There's nothing exceptional.

23 Your Honor, also in 100 percent of all escrows
24 handled in Nevada and everywhere else in the United States of
25 America the parties to the real estate escrow are required

1 under federal law, 26 USC, Section 1445, to make a declaration
2 to the Internal Revenue Service of their non-foreign residency
3 status. That is federal law. Typically that appears in a
4 separate document.

5 The only change we made to the form document was to
6 eliminate a number of the provisions and to include the non-
7 foreign resident declaration because this involved transfers
8 of interest in real property. Those --

9 MS. FIC: I don't mean to interrupt. Can we
10 clarify? I don't -- how are we in an escrow? I mean, I don't
11 think escrow even applies. I mean, I --

12 THE COURT: You've got to do an escrow.

13 MS. FIC: You do?

14 THE COURT: You have land that you're transferring;
15 right?

16 MS. FIC: Okay.

17 THE COURT: So --

18 MS. FIC: Well, because we -- we did quitclaim
19 deeds, and we sent over all the paperwork and --

20 MR. NETZORG: Excuse me. I'm sorry. I waited
21 for --

22 THE COURT: Somebody not going to tell the IRS about
23 this transaction? Because that would be bad.

24 MS. FIC: I just didn't think there had to be
25 escrow.

1 THE COURT: That's all right.

2 MR. NETZORG: Then -- so this -- this is the essence
3 of the transaction. Why would we -- why would we take
4 interests that were encumbered by third parties so that we
5 could invite future litigation when the whole -- the very
6 first thing I said is, Your Honor, we need a universal
7 settlement? This is a universal settlement. We don't -- we
8 want the property free and clear. They have consistently
9 refused.

10 On that issue, we were provided blank quitclaim
11 deeds with runoffs from some database, no legal description
12 incorporated in them, where we would just sign them in blank
13 and hand them to the defendant. We're supposed to give five
14 days before we get anything a quarter of a million dollars to
15 the attorney. Where this requirement came from I cannot
16 fathom. "I'll let the two of you to work out the language."

17 Well, Your Honor, I didn't think taking a --
18 whatever. I took a form document as I would have done in any
19 other transaction for an assignment of an LLC interest,
20 especially -- this wasn't -- if it was five or ten dollars,
21 maybe you could do it on a cocktail napkin like the one the
22 plaintiffs put together, but any other document would have
23 necessarily have required, you know, the representations to
24 which the parties had agreed.

25 Then looking at page 11, line 2, I mentioned that

1 they were speaking of three married guys, we want to know if
2 they're speaking for the community interest of their spouses
3 on each and every one that is transferred. This was
4 specifically in the -- in the transcript. And why was this
5 important?

6 We've given you the history of the Dutch Shipyard.
7 The testimony -- cross-examination of Mr. Zandian had simply
8 covered the Dutch Shipyard transaction. We hadn't even gotten
9 much beyond that. This is a case where in 1997 he had signed
10 off for \$2.1 Dutch guilders. He settled with his Dutch
11 partner to sell his interest. One year later he rescinds that
12 transaction, that settlement, that global release, premised on
13 the fact his wife hadn't signed. So with that track history
14 these were documents in there. It was critically important
15 that the wife sign, because we knew that the last major
16 settlement that he was involved in, he'd used that for
17 rescission. And he testified that eight years later he still
18 had that Dutch Shipyard tied up in litigation over the wife
19 issue and his French bankruptcy.

20 Then he showed up at the hearing with a liquidacione
21 fiduciare [phonetic], a personal bankruptcy filing that he had
22 in France. And he testified that this litigation involved his
23 -- his -- he said it was his corporate bankruptcy in France,
24 so we, having been alerted to that, as with anyone, as if --
25 if he'd been in bankruptcy in Oklahoma and the consideration

1 that he paid for the interest was in litigation in bankruptcy
2 court, we asked for an order from the court verifying that
3 they had no interest -- this was subsequently, but, I mean,
4 yeah, we wanted it free and clear, and one of the things was
5 free and clear of the bankruptcy interest.

6 "Mr. Lee: With regard to the spouses issue --" at
7 page 12, line 6 "-- we can work out the form of the details.
8 I'm not concerned about this." This is in response to
9 Arbitrator Hale's, "We may want spouses to sign."

10 So it wasn't even an issue. It wasn't an issue
11 until four days later, when Mr. Lee said the spouses weren't
12 going to sign. And that's where the problems started, when
13 the plaintiff immediately reneged on the agreement and how has
14 come in and said, well, gee, the arbitrator wrote a form
15 that's completely inconsistent with everyone's understanding
16 and the record and we're going to cram that down your throat,
17 we're not going to have the spouses sign, we're not going to
18 provide clear title to the LLC interests, we're going to give
19 you an assignment subject to rights of first refusal that will
20 guarantee the liquidation of your entities.

21 There's another provision in the LLC agreements that
22 provides on the resignation that the LLC shall dissolve. So
23 without -- they prepared a separate resignation form to
24 guarantee that they would have that resolved.

25 So the defendants are asked to transfer what

1 arguably could be millions of dollars in assets and in
2 consideration for nothing. And that was not the
3 understanding.

4 Then once again I point at page 12, lines 16 and 17,
5 "That is fine. That can be in the settlement agreement."
6 Once again we're talking about the settlement agreement. This
7 is page 12, lines 16 and 17, when I'm talking about the
8 warranties and satisfaction. So the notion that this was not
9 a settlement agreement, we're calling it a settlement
10 agreement, here it's the settlement agreement, everybody knew
11 there was going to be a settlement agreement -- no one in
12 their wildest imaginations dreamed that something would be
13 concocted completely inconsistent with this, denying the
14 defendants any of the benefits that they'd negotiated for.

15 At the next page, page 13, line 22, "We want to do
16 an allocation of the purchase price." If we were transferring
17 five and a half million dollars or more in assets and there
18 was potentially rights of first refusal, we couldn't have the
19 situation which the defendants have intentionally engineered.
20 Big Springs Ranch, for instance. There's a recital that
21 \$250,000 is to go for the waiver of the Big Springs Ranch
22 issue. There are four members -- or there -- of Big Springs
23 Ranch, arguably. If you just waived the interest, then all
24 those members, even Mr. Abershombie, who's not a party to the
25 litigation and not paying any consideration, would be the

1 beneficiary of that grandess.

2 The parties paid \$2.8 million for that property, and
3 to say, well, we're going to allocate a \$250,000 value? No.
4 I mean, for tax purposes, for basis purposes it was important
5 that the consideration that the defendants were tendered would
6 be allocated and there'd be some correlation between the
7 values and the allocation made. What do we get? \$250,000 for
8 a waiver of the Big Springs Ranch interest. So that in effect
9 gives us nothing. It permits the other partner to, arguably,
10 I guess, under that resolution exercise a right of first
11 refusal, which would allow him to buy an interest for a
12 fraction of what it cost three years previously. "Mr. Lee:
13 You can allocate anything you want to." "Mr. Netzorg: That
14 is good, as long as you understand." It was important to us.

15 And then finally, on page 14 -- and I'd mentioned
16 the candy's been excellent because the arbitrator had candy
17 there and we were going on and on, eating this candy. "And
18 then there is -- with the understanding that those items --
19 thank you very much for the excellent job you did."

20 Your Honor, I've said those items were all important
21 to us. This is a part and parcel of our consideration. We
22 have not been provided it. There have been quitclaim deeds,
23 there've been grant, bargain and sale deeds. There's no
24 spouses. The assignments contained -- are subject to rights
25 of first refusal. So obviously, Your Honor, there was no

1 meeting of the minds. The plaintiff steadfastly refuses to
2 perform any of those. And this is -- these were material
3 consideration which was not provided.

4 When we filed -- and under the rules, Your Honor,
5 there's a requirement that you file within 20 days of the
6 decision. All of a sudden here comes the decision. So --

7 THE COURT: Which one? Because I've got three.

8 MR. NETZORG: The first one.

9 So within 20 days you have to move to modify under
10 the rules. That's what we did. We put our motion to modify
11 in, it was delivered to the arbitrator's office, and an hour
12 later we had a decision denying our motion. There was never a
13 settlement agreement.

14 Then there was a motion to enforce the award. The
15 arbitrator correctly said he had no authority to enforce the
16 award, take it to District Court, I believe was --

17 And then finally there was a motion to implement the
18 award. It went under advisement. Out of the blue here comes
19 an implementation order from the plaintiff, which doesn't deal
20 with the spouses, doesn't deal with our rights of first
21 refusal, doesn't deal with the fact that the LLCs will be
22 dissolved by the documents that have been prepared, doesn't
23 even address our request that they sign our form assignment
24 provision and get the consent. And the next day that comes
25 back basically signed by the arbitrator.

1 Now we have these motions in here, and we're
2 pretending the apples are oranges. It was a settlement
3 agreement, everyone knew it was a settlement agreement, the
4 settlement's put on the record. Even today the argument is
5 they put the settlement on the record. And the plaintiffs
6 haven't performed.

7 So if we were to stuff this down the defendants'
8 throats and give them nothing when their intention was clearly
9 to the contrary, then these are the very items which are
10 reviewable under NRS Chapter 38. You look for modification of
11 the award; was there an evident mathematical miscalculation or
12 an evident mistake in the description of a person, thing or
13 property; the arbitrator's made a award on a claim not
14 submitted to him; the award is imperfect in matter of form not
15 affecting the merits. "The motion to modify or correct an
16 award pursuant to this section may be joined with a motion to
17 vacate the award."

18 Well, the reason that you put things on the record
19 is so you have a record of it. And that reflects what the
20 parties' intentions were. And the other, later items do not.
21 There wasn't any substantive changes. There is a
22 misinterpretation of that which was clear and unambiguous.
23 And it's so one-sided. Why are these requirements that we
24 transfer our assets free and clear and they transfer them to
25 us -- well, they don't even transfer them to us. They give us

1 their title subject to third parties' rights and interests and
2 potentially bankruptcy court's ownership.

3 And, Your Honor, also, additionally, if you look at
4 it, I mean, just for the purposes of doing the analysis on the
5 vacation, the process itself, you know, was there fraud or was
6 this an undue process. Well, this was an undue process. You
7 don't have people do a settlement, tell them it's a
8 settlement, tell them there's going to be a settlement
9 agreement, and then say, oh, here's an award -- here's an
10 award and we're going to treat this as if I'd actually
11 conducted the trials.

12 The defendants had numerous witnesses that they were
13 going to call. None of them were called. One of the
14 plaintiffs' witnesses was -- the plaintiff was called and
15 direct examination. There was no testimony from the other
16 witnesses. There was no testimony by the defendants.

17 So, Your Honor, for these reasons there just has
18 been no meeting of the minds. And this is reflected -- the
19 statutory grounds for the vacation are met. This settlement
20 has not been fulfilled. And, Your Honor, basically we had a
21 mediation, obviously there was not a meeting of the minds and
22 material consideration. We would ask that the matter be
23 reverted with a new arbitrator. Because if the parties
24 haven't decided, then let them go arbitrate. If all these
25 plaintiffs are going to give us is clouded title to the assets

1 that we were to pay five and a half million dollars for, then
2 obviously there's no meeting of the minds, go arbitrate.

3 Under the circumstances, Your Honor, it should be in
4 front of a new arbitrator because of the involvement in the
5 mediation. And the other bases are articulated in our motion.
6 And the other issues that this -- you know, the fact that for
7 some reason why when we submitted our documents they were
8 summarily denied without even consideration and without -- we
9 do our motion for -- to modify, we have our form assignment
10 agreement with no oppositions filed, nothing, just, bam,
11 denied. You know, we have our final motion, implementation,
12 which we consider as under consideration raising many of these
13 issues. I mean, how can we just arbitrarily not comply with
14 federal law? How can we leave the spouses out? How can we
15 ignore the rights of first refusal? We can't. That
16 invalidates the procedure.

17 The only question is what's the remedy. And the
18 remedy under the circumstances where the arbitrator has
19 performed a mediation is to send it to a new arbitrator and
20 let the parties finalize it, give the defendants an
21 opportunity to testify. The defendants have not. The
22 defendants were told repeatedly the settlement, settlement,
23 this is a settlement, there'll be an agreement, put your items
24 at the end. They were put there at the end without objection,
25 and then summarily eliminated, the very consideration that

1 formed the basis of the settlement removed.

2 So the defendants were denied under the statutes,
3 NRS 38, basically what amounts to their day in court. And
4 there's no pretense that this was a complete, full and fair
5 hearing, nor did the parties intend that it be such. They
6 settled it, they put the settlement on the record. The
7 plaintiffs are now disagreeing and started immediately, our
8 spouses won't sign, that'll be confusing. Well, we didn't get
9 the benefit -- had they notified us the day that we were
10 putting it on the record, it never would have happened.

11 And the other items I detailed in my opposition to
12 their motion and their reply. So thank you, Your Honor.

13 THE COURT: Okay.

14 MS. FIC: Your Honor, I have a suggestion, okay.
15 Because what I keep hearing is settlement, settlement,
16 settlement. We agree there was a settlement. I did say
17 settlement, okay. But the settlement terms were -- the terms
18 -- essential terms were put in -- recorded by a -- on the
19 transcript by the court reporter. So we have the essential
20 terms, okay.

21 THE COURT: You do.

22 MS. FIC: What I'm hearing is --

23 THE COURT: And you're missing some of the things in
24 the documents you have as to those essential terms.

25 MS. FIC: Okay. And that's -- okay, Your Honor, so

1 fine. So if we have the essential terms, if we've got
2 disputes with this, why don't we -- okay. I don't want to do
3 a new arbitrator, because that's going to be costs to both
4 parties. It's not going to be efficient. Arbitrator Hale was
5 agreed to --

6 THE COURT: I'm going to solve your problem. It's
7 really easy. I'm going to refer the matter back to Floyd Hale
8 for further proceedings, consistent with the 9/8/06
9 transcript. Those will include getting the mechanism for the
10 spouses of the parties to sign the documents, getting a
11 mechanism for the waiver of the release of the rights of first
12 refusal that exist, entering into the settlement agreement the
13 parties entered into. If he is unable to reach an agreement
14 among the parties, then I will have the final word. I --

15 MS. FIC: Because, Your Honor --

16 THE COURT: Wait, wait, wait. I'm not done.

17 MS. FIC: Okay. Sorry, Your Honor.

18 THE COURT: Okay. I recommend -- this is not an
19 order -- that an escrow be opened for the transfers of the
20 real property. If you are merely transfer interests in an
21 LLC, which has different tax consequences to both of your
22 clients, I don't think it's necessary for an escrow to be
23 opened. But if you're transferring real property, which is
24 what it currently looks like to me you were trying to do based
25 upon the settlement, then an escrow needs to be opened.

1 I'm referring it back to Mr. Hale, since I would
2 typically in a case where a settlement was reached and there
3 was a mediator or arbitrator involved refer it to that
4 individual for some additional work with you to try and
5 resolve those disputed issues, since they were there at the
6 time you reached the settlement. Hopefully I have a
7 transcript that helps me. If you are unable to reach an
8 accommodation after speaking to Mr. Hale, then I will reach an
9 accommodation, because I have a transcript, and I'll make a
10 decision. And it won't be one that anybody's tax benefits are
11 in favor of, because there's no indication in the transcript
12 that you're going to work together to minimize tax
13 consequences to each other, which sometimes I see in
14 settlement agreements. And I didn't see that in this one.

15 MS. FIC: Yeah. 'Cause the only concern was I
16 didn't want to have like maybe one wife not sign, because
17 there's a lot of -- you know, one wife not signing upset the
18 whole thing.

19 THE COURT: The wives have to sign. That was part
20 of the deal you guys cut. You cut a deal the wives are going
21 to sign. The wife's have got to sign.

22 MS. FIC: We --

23 THE COURT: That was part of the discussion on
24 September 8th during the --

25 MS. FIC: Floyd Hale said that, but then it was not

1 added to at the end of it that we were required to have all
2 the wives sign. Because here's the thing, they're non-
3 parties. And what happens if one --

4 THE COURT: How are you going to -- wait now. This
5 is just really common sense.

6 MS. FIC: Okay.

7 THE COURT: How are you going to transfer an
8 interest in real property which may be owned by both of the
9 people and the wife has a claim, especially in places where it
10 is voidable if you do not have the spouse sign? How are you
11 going to transfer that property free and clear?

12 MS. FIC: Because the husbands -- I mean, there's
13 NRS statutes --

14 THE COURT: Okay. I'm going to send you back to Mr.
15 Hale, and the wives need to sign. Spouses need to sign, and
16 the people who have the first right of refusal need to waive.

17 MS. FIC: So we'll come back to you if one of the
18 wives refuse. That's the only thing. I just don't want to --

19 THE COURT: You're going to come back to me if you
20 are unable to reach an agreement, if you need me to confirm an
21 order. You are also going to come back to me if there is any
22 problem in the implementation of the agreement.

23 But you reached a settlement, it was put on the
24 record. You've got to have a settlement agreement. I know
25 that Mr. Hale drafted an arbitration award, because he

1 conducted a portion of the arbitration. And I don't really
2 have a problem with that, but we need to have the
3 documentation consistent with the discussions that were --
4 that occurred on September 8th, 2006, which are a part of the
5 actual record the court reporter made, at which time both
6 parties stipulated in front of the arbitrator that they had
7 agreed to go to as part of the extrajudicial proceedings,
8 which in my mind makes it an enforceable settlement. Okay.

9 MR. NETZORG: Thank you, Your Honor.

10 THE COURT: Have a lovely day.

11 MR. NETZORG: We appreciate it. Happy New Year.

12 MS. FIC: Thank you, Your Honor.

13 MR. NETZORG: Happy to have business court back.

14 THE COURT: Any more business court cases you want
15 to send me, send them along.

16 (Off-record colloquy)

17 THE PROCEEDINGS CONCLUDED AT 9:59 A.M.

18 * * * * *

19

20

21

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25

CERTIFICATION

I CERTIFY THAT THE FOREGOING IS A CORRECT TRANSCRIPT FROM THE AUDIO-VISUAL RECORDING OF THE PROCEEDINGS IN THE ABOVE-ENTITLED MATTER.

AFFIRMATION

I AFFIRM THAT THIS TRANSCRIPT DOES NOT CONTAIN THE SOCIAL SECURITY OR TAX IDENTIFICATION OF ANY PERSON OR ENTITY.

FLORENCE HOYT
LAS VEGAS, NEVADA 89146
(702) 221-0246

Florence M. Hoyt

FLORENCE HOYT, TRANSCRIBER

1/16/07
DATE

Exhibit "6"

Subj: **Re: Big Springs Tax Return**
 Date: 3/29/2007 3:15:04 P.M. Pacific Daylight Time
 From: Abrieli
 To: matt@swanandgardiner.com
 CC: 1@anchor1.com

RE: BIG SPRING RANCH

Matt:

Please note the Abrishami family's capital contribution amount and Profit/Loss percentages (per attached file).

Regarding your comment that you do not have any signed copies of Abrishami's family percentages, we are sending you a signed copy for your records (per attached file).

Please advise if you need any additional documents, so that I can have my attorney to either contact you or Mr. Koroghli to further discuss the matter

Regarding the ownership, the agreement you refer to pertains to the period when Zandian had 25%, Star Living Trust had 25%, Mr. Koroghli had 25%, and Abrishami family had 25%, totaling to 100%.

According to a letter that Mr. Netzorg sent to Abrishami's attorney, Zandian is out of Big Spring Ranch. Therefore, the percentage of each of the remaining three parties (Star Living Trust, Mr. Koroghli, and Abrishami family) changes accordingly.

Please kindly adjust your records accordingly and forward to us a draft of the amended 2005 and 2006 for our review and approval.

We also request the copy of the books and list of percentages of the other partners as well

We like to point out that the expenses pertaining to the electric pump and panel should be considered as capital expenditure and are subject to depreciation

I also asked Mr. Jerry Goodwin to send to Big Spring Ranch LLC the monetary report of expenses (for farming equipment), which are also subject to capital expenditure and depreciation, which will offset against the monthly rent and possibly the sale of the crops (during the late 3Q or 4Q of 2007).

We appreciate your continued communication with us until everything becomes clarified and approved.

Sincerely,

Elias Abrishami

-----Original Message-----

From: matt@swanandgardiner.com
 To: Abrieli@aol.com
 Cc: koroghli@msn.com
 Sent: Sat, 24 Mar 2007 9:45 AM
 Subject: RE: Big Springs Tax Return

Eli: I appreciate your communication with me. However, please understand that until the transfer is in writing, signed and added to the LLC paper work the attorney has advised Ray and I to stay with the original agreement which only shows you as the owner with a 25% profit and loss sharing agreement. I am just trying to help resolve the issue as amicably as possible but as you can see I am caught in the middle and have been advised to change it when all the legal documents have been done. This is for everyone's protection including yours. So please if you still want to change your ownership, provide us with the documents reflecting this change, sign it and I would assume have it notarized and get it to Ray and he will get it to me and I will change it. Just sending emails back and forth every year doesn't help me because it needs to be done correctly by use of the legal documents that have been requested in the past. So please help me get this resolved.

As far as the capital ownership, I changed that on the 2006 tax return to reflect the capital percentage however, remember

Thursday, March 29, 2007 America Online: Abrieli

LAW OFFICES OF
JOHN M. NETZORG

2810 W. CHARLESTON BLVD., SUITE H-81

LAS VEGAS, NEVADA 89102

(702) 878-3400

FAX (702) 878-1255

EMAIL: john@netzorglaw.com

October 13, 2006

VIA FAX NO. 310-201-6811

Behzad Nahai, Esq.
1875 Century Park East
Suite 1040
Los Angeles, CA

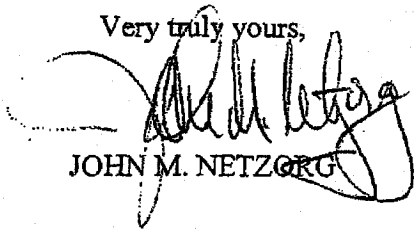
Re: Gholamreza Zandian Jazi v. Koroghli, et al
Case No. A511131 - Department XIII
Arbitration

Dear Behzad:

Enclosed please find copies of the following:

1. The Arbitrator's Decision (Award) received on September 22nd;
2. Our Motion to Change Arbitration Award; and
3. The Arbitrator's decision denying our Motion, received yesterday.

Very truly yours,


JOHN M. NETZORG

cc: (via fax - letter only)
Ray Koroghli
Fred Sadri

WFZ0684

TRANSMISSION VERIFICATION REPORT

TIME : 10/13/2006 15:35
NAME : JOHN M NETZORG, ESQ
FAX : 702-878-1255
TEL : 702-878-3400
SER.# : 000K4J360053

DATE, TIME	10/13 15:29
FAX NO./NAME	13102016811
DURATION	00:06:31
PAGE(S)	51
RESULT	OK
MODE	STANDARD ECM

LAW OFFICES OF
JOHN M. NETZORG
2510 W. CHARLESTON BLVD., SUITE H-81
LAS VEGAS, NEVADA 89102
(702) 878-3400
FAX (702) 878-1255
EMAIL: john@netzorglaw.com

October 13, 2006

VIA FAX NO. 310-201-6811

Behzad Nahai, Esq.
1875 Century Park East
Suite 1040
Los Angeles, CA

Re: Gholamreza Zandian Jazi v. Koroghli, et al
Case No. A511131 - Department XIII
Arbitration

Dear Behzad:

Enclosed please find copies of the following:

1. The Arbitrator's Decision (Award) received on September 22nd;
2. Our Motion to Change Arbitration Award; and
3. The Arbitrator's decision denying our Motion, received yesterday.

WFZ0685

BROADCAST REPORT

TIME : 10/13/2006 15:38
 NAME : JOHN M NETZORG, ESQ
 FAX : 702-878-1255
 TEL : 702-878-3400
 SER.# : 000K4J360063

PAGE(S)

01

DATE	TIME	FAX NO./NAME	DURATION	PAGE(S)	RESULT	COMMENT
10/13	15:37	SADRI, FRED	16	01	OK	ECM
10/13	15:38	KOROGHLI, RAY	15	01	OK	ECM

BUSY: BUSY/NO RESPONSE
 NG : POOR LINE CONDITION
 CV : COVERPAGE
 PC : PC-FAX

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ROC
JOHN M. NETZORG, ESQ.
Nevada Bar No. 1335
2810 West Charleston Boulevard, #H-81
Las Vegas, Nevada 89102
(702) 878-3400
Attorney for Defendants

FILED
JUN 18 12 1 PM '07
Cheryl...
CLERK OF THE COURT

**DISTRICT COURT
CLARK COUNTY, NEVADA**

GHOLAMREZA ZANDIAN JAZI,)
)
Plaintiff,) CASE NO. A 511131
) DEPT. NO. XI
vs.)
)
RAY KOROGHLI, individually, FARIBORZ)
FRED SADRI, individually and as Trustee of the) **RECEIPT OF COPY**
the Star Living Trust, WENDOVER PROJECT,)
LLC, a Nevada limited liability company; BIG)
SPRING RANCH, LLC, a Nevada limited liability)
company, and NEVADA LAND AND WATER)
RESOURCES, LLC, a Nevada limited liability)
company) Date of Hearing:
Defendants) Time of Hearing:

RECEIPT OF COPY

RECEIPT OF COPY of the Defendants' Motion to Alter or Amend or Alter Judgment

Pursuant to NRCP 59(e), or in the Alternative, Motion for a New Trial is acknowledged this
____ day of June 2007.

John Peter Lee
John Peter Lee, Esq.
830 Las Vegas Boulevard
Las Vegas, Nevada 89101

Floyd Hale
Floyd Hale, Esq.
JAMS
2300 W. Sahara Avenue, #900
Las Vegas, NV 89102

LAW OFFICES OF
JOHN M. NETZORG
2810 W. CHARLESTON BLVD., SUITE H-81
LAS VEGAS, NEVADA 89102
(702) 878-3400

CLERK OF THE COURT

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JUN 18 2007

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C. Prof. [Signature]
CLERK OF THE COURT

1 **NEOJ**
2 **JOHN PETER LEE, LTD.**
3 **JOHN PETER LEE, ESQ.**
4 Nevada Bar No. 001768
5 **MICHAEL A. REYNOLDS, ESQ.**
6 Nevada Bar No. 008631
7 830 Las Vegas Boulevard South
8 Las Vegas, Nevada 89101
9 (702) 382-4044 Fax: (702) 383-9950
10 *Attorneys for Plaintiff/Counterdefendant*
11 **GHOLAMREZA ZANDIAN JAZI**

DISTRICT COURT

CLARK COUNTY, NEVADA

10 **GHOLAMREZA ZANDIAN JAZI,**
11 **Plaintiff,**

CASE NO.: A511131
DEPT. NO.: XI

12 v.

13 **RAY KOROGHLI, individually, FARIBORZ FRED**
14 **SADRI, individually, and as Trustee of the Star**
15 **Living Trust, WENDOVER PROJECT, LLC, a**
16 **Nevada limited liability company; BIG SPRING**
17 **RANCH, LLC, a Nevada limited liability company,**
18 **and NEVADA LAND AND WATER**
19 **RESOURCES, LLC, a Nevada limited liability**
20 **company,**

NOTICE OF ENTRY OF ORDER

Defendants.

19 **RAY KOROGHLI, individually and FARIBORZ**
20 **FRED SADRI, individually,**

Counterclaimants,

21 v.

22 **GHOLAMREZA ZANDIAN JAZI,**

Counterdefendant.

25 **WENDOVER PROJECT, LLC,**

Counterclaimant,

27 v.

28 **GHOLAMREZA ZANDIAN JAZI,**

Counterdefendant.

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BLVD. SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

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JUL 23 2007

CLERK OF THE COURT

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BLVD. SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

1 GHOLAMREZA ZANDIAN JAZI,)
2 Counterclaimant,)
3 v.)
4 WENDOVER PROJECT, LLC,)
5 Counterdefendant.)

6 1334.022860-sy

7 **NOTICE OF ENTRY OF ORDER**

8 PLEASE TAKE NOTICE the Order On Post-Judgment Motions which is attached hereto was
9 entered on July 20, 2007.

10 Dated this 20 day of July, 2007.

11 JOHN PETER LEE, LTD.

12 BY: 
13 JOHN PETER LEE, ESQ.
14 Nevada Bar No. 001768
15 MICHAEL A. REYNOLDS, ESQ.
16 Nevada Bar No. 008631
17 830 Las Vegas Boulevard South
18 Las Vegas, Nevada 89101
19 Ph: (702) 382-4044/Fax: (702) 383-9950
20 email: info@johnpeterlee.com

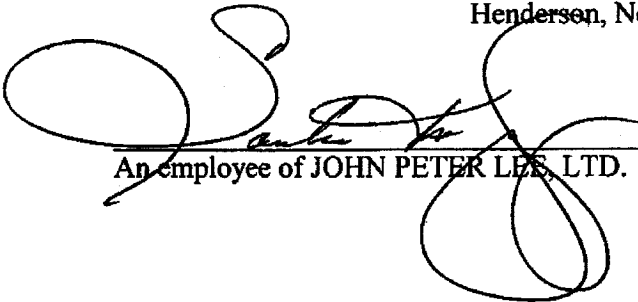
CERTIFICATE OF MAILING

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HEREBY CERTIFY that on the 27th day of July, 2007, I served a copy of the foregoing NOTICE OF ENTRY OF ORDER ON POST-JUDGMENT MOTIONS in the above captioned matter by enclosing it in a sealed envelope upon which first class postage was fully prepaid addressed to:

John M. Netzorg, Esq.
2810 West Charleston Blvd., #H-81
Las Vegas, Nevada 89102

Steven L. Day
Cohen, Johnson & Day
1060 West Wigman Pkwy
Henderson, Nevada 89074



An employee of JOHN PETER LEE, LTD.

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BLVD. SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

~~CONFIDENTIAL~~

FILED

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Cliff
CLERK OF THE COURT

1 **ORDER**
2 JOHN PETER LEE, LTD.
3 JOHN PETER LEE, ESQ.
4 Nevada Bar No. 001768
5 MICHAEL A. REYNOLDS, ESQ.
6 Nevada Bar No. 008631
7 830 Las Vegas Boulevard South
8 Las Vegas, Nevada 89101
9 (702) 382-4044 Fax: (702) 383-9950
10 Attorneys for Plaintiff/Counterdefendant
11 GHOLAMREZA ZANDIAN JAZI

8 **DISTRICT COURT**

9 **CLARK COUNTY, NEVADA**

10 GHOLAMREZA ZANDIAN JAZI,
11 Plaintiff,

CASE NO.: A511131
DEPT. NO.: XI

12 v.

13 RAY KOROGHLI, individually, FARIBORZ FRED)
14 SADRI, individually, and as Trustee of the Star
15 Living Trust, WENDOVER PROJECT, LLC, a
16 Nevada limited liability company; BIG SPRING
17 RANCH, LLC, a Nevada limited liability company,
18 and NEVADA LAND AND WATER
19 RESOURCES, LLC, a Nevada limited liability
20 company,

**ORDER ON POST-JUDGMENT
MOTIONS**

17 Defendants.

19 RAY KOROGHLI, individually and FARIBORZ
20 FRED SADRI, individually,
21 Counterclaimants,

22 v.

23 GHOLAMREZA ZANDIAN JAZI,
24 Counterdefendant.

25 WENDOVER PROJECT, LLC,
26 Counterclaimant,

27 v.

28 GHOLAMREZA ZANDIAN JAZI,
Counterdefendant.

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BLVD. SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BLVD. SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
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1 _____)
2 GHOLAMREZA ZANDIAN JAZI,)
3 Counterclaimant,)
4 v.)
5 WENDOVER PROJECT, LLC,)
6 Counterdefendant.)
7 _____)

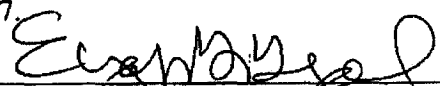
1334.022860-sy

ORDER ON POST-JUDGMENT MOTIONS


8
9 Defendants' Motion for Re-hearing and Motion to Amend or Alter Judgment Pursuant to
10 NRCPC 59 (e), or in the Alternative, Motion for New Trial Pursuant to NRCPC 59 (a) came before this
11 Court for hearing on July 17, 2007. Michael A. Reynolds, Esq., and Yvette R. Freedman, Esq., of
12 the law firm of John Peter Lee, Ltd., appeared on behalf of Plaintiff, Gholamreza Zandian Jazi, and
13 Steven L. Day, Esq., of Cohen, Johnson and Day, appeared on behalf of all Defendants.

14 The Court having considered the pleadings on file and the arguments of counsel,
15 IT IS HEREBY ORDERED that Defendants' Motions are denied.

16 Dated this 19 day of July, 2007.

17  *
18 HONORABLE ELIZABETH GONZALEZ
19 DISTRICT COURT JUDGE, DEPARTMENT 11

20
21 RESPECTFULLY SUBMITTED BY:
22 JOHN PETER LEE, LTD.

23 BY: 
24 JOHN PETER LEE, ESQ.
25 Nevada Bar No. 001768
26 MICHAEL A. REYNOLDS, ESQ.
27 Nevada Bar No. 008631
28 830 Las Vegas Boulevard South
Las Vegas, Nevada 89101
(702) 382-4044 Fax: (702) 383-9950
Attorneys for Plaintiff/Counterdefendant
GHOLAMREZA ZANDIAN JAZI

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 JOHN PETER LEE, LTD.
 JOHN PETER LEE, ESQ.
 Nevada Bar No. 001768
 2 MICHAEL A. REYNOLDS, ESQ.
 Nevada Bar No.008631
 3 830 Las Vegas Boulevard South
 Las Vegas, Nevada 89101
 4 (702) 382-4044 Fax: (702) 383-9950
 Attorneys for Plaintiff

DISTRICT COURT

CLARK COUNTY, NEVADA

10 GHOLAMREZA ZANDIAN JAZI,

11 Plaintiff,

12 v.

13 RAY KOROGHLI, individually, FARIBORZ FRED
 SADRI, individually, and as Trustee of the Star
 Living Trust, WENDOVER PROJECT, LLC, a
 Nevada limited liability company; BIG SPRING
 RANCH, LLC, a Nevada limited liability company,
 and NEVADA LAND AND WATER
 16 RESOURCES, LLC, a Nevada limited liability
 company,

17 Defendants.

CASE NO.: A511131
DEPT. NO.: XIII

EXEMPTION FROM
ARBITRATION
(ACTION IN EQUITY SEEKING
INJUNCTIVE RELIEF)

DATE: N/A
TIME: N/A

18 1334.022860-maf

19 FIRST AMENDED COMPLAINT

20
 21 COMES NOW the Plaintiff, Gholamreza Zandian Jazi ("Zandian") by and through his
 22 counsel, John Peter Lee, Ltd. and as and for a First Amended Complaint against the Defendants, and
 23 each of them, alleges as follows:

- 24 1. Zandian is a resident of the State of California.
 25 2. Defendant Ray Koroghli ("Koroghli") is a resident of the State of Nevada.
 26 3. Defendant Fariborz Fred Sadri ("Sadri") is a resident of the State of Nevada and is

27 also the Trustee of the Star Living Trust.
28

JOHN PETER LEE, LTD.
 ATTORNEYS AT LAW
 830 LAS VEGAS BLVD. SOUTH
 LAS VEGAS, NEVADA 89101
 Telephone (702) 382-4044
 Telecopier (702) 383-9950

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 COUNTY

JOHN PETER LEE, LTD.
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830 LAS VEGAS BLVD. SOUTH
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1 4. Wendover Project, LLC, Big Spring Ranch, LLC and Nevada Land and Water
2 Resources, LLC are named as Defendants in these proceedings so that total and complete relief can
3 be given to Zandian.

4 5. Zandian and the individual Defendants entered into a Joint Venture Agreement within
5 the past three years which created a fiduciary relationship between them, and which provided that
6 Zandian would look for and find unimproved Nevada real estate and negotiate a price below market
7 value. Zandian and the individual Defendants agreed to form Nevada Limited Liability Companies
8 to buy the land with the agreement that all would contribute either time, money, effort or knowledge
9 in that acquisition and that each of them would be a Managing Member and all would share in the
10 management decisions and in the acquisition, development, sale and division of profits from the sale
11 of those properties.

12 6. Zandian complied with the oral and written agreements and found three (3) parcels
13 of unimproved real property in the State of Nevada ranging from 320 to 35,000 acres for each parcel,
14 and negotiated a below market purchase price from \$95,000 to \$12 million for each parcel. He
15 additionally caused transfer of the unimproved real property into three (3) separate entities here
16 named as Defendants, and he likewise did all of the other acts required of him in conformity with
17 the agreements referred to above. The legal descriptions of the properties are attached hereto as
18 composite Exhibit "A."

19 7. Zandian received an interest in each of the entities, and became a Member and a Co-
20 Manager with the individual Defendants in each of those entities.

21 8. Each of the individual Defendants breached the oral and written agreements,
22 including the Operating Agreement for each entity, and likewise breached the implied covenant of
23 good faith and fair dealing and violated his fiduciary duties as co-partner and joint venturer with
24 Zandian and as Manager and Member of each entity and then proceeded to slander and defame
25 Zandian with accusations of acts constituting felonious conduct against the laws of the United States.

26 9. The individual Defendants acting together, and in consort, wrongfully, secretly and
27 with intent to cause harm to Zandian and in conscious disregard of his rights and converted to
28 themselves his rights and benefits in the entities and further intimidated him by their defamatory

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BLVD. SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

1 statements, which was designed to discourage him from pursuing his rights described in this
2 Complaint, and specifically the Defendants did the following acts:

3 (a) The individual Defendants redrafted the Operating Agreements of the entities
4 without Zandian's knowledge and consent and thereby eliminated provisions which thereby reduced
5 and diminished his rights to co-manage the entities.

6 (b) The individual Defendants sold land in Wendover, Nevada held by Wendover
7 Project, LLC for a sum in excess of \$5 million without Zandian's prior knowledge, authority or
8 consent being sought or obtained from Zandian in violation of their oral and written agreements.
9 Additionally, the individual Defendants disposed of the sale proceeds, but failed to divide the profits
10 with Zandian or pay him \$100,000 due him by agreement.

11 (c) The individual Defendants published letters and E-mails containing
12 defamatory statements about Zandian falsely accusing him of engaging in acts constituting felonies
13 and further enlisting their attorney Craig K. Perry, Esq. to disseminate those statements, none of
14 which are privileged. The statements made as described were additionally circulated to friends,
15 relatives and business associates and thereby caused Zandian harm and embarrassment. (See, letters
16 attached as Exhibit "B").

17 (d) The individual Defendants refused to allow or permit Zandian and his counsel
18 access to the books and records which they had in the entities despite written demand conveyed to
19 them by virtue of Exhibit "C" attached to this Complaint.

20 (e) Zandian and Defendants Koroghli and Sadri purchased 4,485 acres in Washoe
21 County described in Exhibit "D" attached hereto, for \$1,000,000.00 and each owns an undivided
22 1/3 interest in the Property.

23 Pursuant to NRS 39.010 Plaintiff seeks an Order from this Court that the
24 Property be partitioned or sold and the proceeds distributed according to the interests of the parties.

25 Zandian gave a Deed of Trust in the amount of \$333,996.56 to Sadri as
26 Trustee of the Star Living Trust for his share of purchase price. Defendants agreed with Zandian that
27 the Note would be not be due until proceeds from the sale of this and other properties was
28 distributed.

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BLVD. SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

1 Defendants are in breach of this agreement by attempting to foreclose on said
2 Deed of Trust prematurely.

3 (f) Zandian and Sadri agreed that Zandian would be paid 25% of all amounts over
4 \$6,000,000.00 received from the sale of certain property in Clark County, owned by Sadri. Sadri
5 denies that he is obligated to pay any amount to Zandian.

6 A dispute and controversy has arisen between the parties concerning their
7 respective rights. Plaintiff requests a judicial determination concerning the parties' rights with
8 respect to this dispute and a declaratory judgment that Plaintiff is entitled to receive 25% of all
9 amounts over \$6,000,000.00 received from the sale of said property by Sadri.

10 10. Zandian's remedy at law is inadequate to compensate him for the damages which will
11 result from the improper foreclosure of his real property interest, and Zandian is entitled to an
12 injunction to prevent the sale and to further prevent further defamatory statements which have been
13 made and are ongoing and which would otherwise require a multiplicity of suits to compensate him.

14 11. Zandian suffers and will continue to suffer monetary loss in amount in excess of
15 \$10,000 and also is entitled to punitive damages because of the actions of the individual Defendants
16 which were done intentionally with conscious disregard of his rights and benefits.

17 12. Pursuant to NRS 32.010 Zandian is likewise entitled to the appointment of a Receiver
18 for each of the Defendant entities which is necessary to prevent the individual Defendants from
19 mismanaging the affairs of the entities and from secreting cash income and hiding the books and
20 records which by law and the Operating Agreements of the entities were required to be produced to
21 Zandian and his counsel on demand.

22 **ATTORNEYS' FEE**

23 In order to bring this action, Zandian has been required to retain the services of John Peter
24 Lee, Ltd. and is entitled to a fee for the services so rendered by his attorneys.

25 WHEREFORE, Zandian prays for judgment against the Defendants and each of them as
26 follows:

- 27 1. For actual damages of more than \$10,000;
28 2. For punitive damages over \$10,000;


JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BLVD. SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

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- 3. For injunctive relief as asserted in this Complaint;
- 4. For the appointment of a Receiver;
- 5. For attorneys fees and costs;
- 6. Such other and further relief as this Court deems just and proper.

DATED this 7th day of November, 2005.

JOHN PETER LEE, LTD.

BY: 
JOHN PETER LEE, ESQ.
Nevada Bar No. 001768
MICHAEL A. REYNOLDS, ESQ.
Nevada Bar No. 008631
830 Las Vegas Boulevard South
Las Vegas, Nevada 89101
Ph: (702) 382-4044 Fax: (702) 383-9950
Attorneys for Plaintiff

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that I am an employee of John Peter Lee, Ltd. and that on the 8th day of November, 2005, pursuant to the amendment of the Eighth Judicial District Court Rule 7.26, I served by facsimile transmission, and by enclosing it in a sealed envelope upon which first class postage was fully prepaid, a copy of the **FIRST AMENDED COMPLAINT** in the above captioned matter to the following:

John M. Netzorg, Esq.
2810 W. Charleston Blvd., #81
Las Vegas, NV 89102
Attorneys for Defendants,
RAY KOROGHLI, FARIBORZ FRED SADRI
FAX: 878.1255

A copy of the facsimile transmission confirmation is attached to the original. There is regular communication by mail between the place of mailing and the place so addressed.

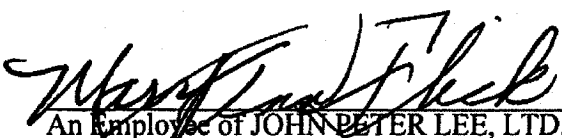

An Employee of JOHN PETER LEE, LTD.

Exhibit "B"
Big Springs Ranch Property

County	APN #	Twn	Rng	Sec	Allgeat Parts	Acreage
Elko	009-530-001	34N	66E	01	All except 0.23 Ac conv to WPR Co.	640.37
Elko	009-530-001	34N	66E	03	All	643.64
Elko	009-530-001	34N	66E	04	Lots 3 and 4, S/2 NW/4, SW/4 (W/2)	319.92
Elko	009-530-001	34N	66E	06	All	638.12
Elko	009-530-001	34N	66E	09	All	640.00
Elko	009-530-001	34N	66E	11	All	640.00
Elko	009-530-001	34N	66E	15	All	640.00
Elko	009-540-001	35N	66E	01	All	668.40
Elko	009-540-001	35N	66E	02	Lots 3 and 4, S/2 NW/4, SW/4 (W/2)	331.44
Elko	009-540-001	35N	66E	03	All	665.12
Elko	009-540-001	35N	66E	09	All	640.00
Elko	009-540-001	35N	66E	10	E/2 E/2	160.00
Elko	009-540-001	35N	66E	11	All	640.00
Elko	009-540-001	35N	66E	13	All	640.00
Elko	009-540-001	35N	66E	14	W/2 W/2	180.00
Elko	009-540-001	35N	66E	15	All	640.00
Elko	009-540-001	35N	66E	21	All	640.00
Elko	009-540-001	35N	66E	22	NE/4, SE/4 NW/4, N/2 SE/4, SW/4 SE/4, SE/4 SW/4	360.00
Elko	009-540-001	35N	66E	23	All	640.00
Elko	009-540-001	35N	66E	25	All	640.00
Elko	009-540-001	35N	66E	27	All	640.00
Elko	009-540-001	35N	66E	28	SE/4, SE/4 NE/4	200.00
Elko	009-540-001	35N	66E	33	All	640.00
Elko	009-540-001	35N	66E	34	W/2	320.00
Elko	009-540-001	35N	66E	35	All	640.00
Elko	009-550-001	36N	66E	01	All	642.24
Elko	009-550-001	36N	66E	11	All less 70.23 In I-80 R/W	569.77
Elko	009-550-001	36N	66E	13	All	640.00
Elko	009-550-001	36N	66E	15	All	640.00
Elko	009-550-001	36N	66E	21	E/2	320.00
Elko	009-550-001	36N	66E	22	W/2 NW/4, S/2	400.00
Elko	009-550-001	36N	66E	23	All	640.00
Elko	009-550-001	36N	66E	25	All	640.00
Elko	009-550-001	36N	66E	26	W/2 W/2	160.00
Elko	009-550-001	36N	66E	27	All	640.00
Elko	009-550-001	36N	66E	28	E/2 E/2, W/2 SE/4 less 4.59 Ac to Easement In SE/4 SW/4, SW/4 SE/4	235.50
Elko	009-550-001	36N	66E	33	All	640.00
Elko	009-550-001	36N	66E	34	All	640.00
Elko	009-550-001	36N	66E	35	All	640.00
Elko	009-560-004	37N	66E	25	All less 15.22 Ac St Rt, SR R/W	624.78
Elko	009-560-004	37N	66E	27	SE/4 SE/4	40.00
Elko	009-560-004	37N	66E	35	All	625.34
Elko	009-570-011	38N	66E	23	Pin 200' south of the CPRR centerline	536.06
Elko	009-570-011	38N	66E	25	Pin 200' south of the CPRR centerline except 6.44 Ac In N/2 for Wye tract	591.44
Elko	010-090-001	34N	67E	01	All	638.80
Elko	010-090-001	34N	67E	03	All	638.04
Elko	010-090-001	34N	67E	05	All	638.08
Elko	010-090-001	34N	67E	07	E/2 and pin of W/2 east of No. Nevada Railroad Co.; 0.23 Ac conv to WPR Co.; and 12.79 Ac conv to Nevada Northern Railroad Co.	306.98
Elko	010-090-001	34N	67E	09	All	640.00
Elko	010-090-001	34N	67E	11	All	640.00
Elko	010-090-001	34N	67E	13	All	640.00
Elko	010-090-001	34N	67E	15	All	640.00
Elko	010-090-001	34N	67E	17	All	640.00
Elko	010-090-001	34N	67E	18	NE/4, E/2 NW/4, Lots 1 and 2 (N/2) except 4.60 Ac conv to Nevada Northern Railroad Co.	306.35
Elko	010-090-001	34N	67E	21	N/2	320.00
Elko	010-090-001	34N	67E	22	All	640.00
Elko	010-090-001	34N	67E	23	N/2	320.00
Elko	010-090-003	34N	67E	07	Pin of the E/2 W/2 west of the NNRR R/W	46.98
Elko	010-110-001	36N	67E	07	All except 12.70 Ac conv to Northern Nevada Railroad Co.	618.98
Elko	010-110-001	36N	67E	19	All except 12.08 Ac conv to Northern Nevada Railroad Co. except pin conv to State of NV for Hwy	808.15
Elko	010-110-001	36N	67E	31	All except 12.14 Ac conv to Northern Nevada Railroad Co.	627.26
Elko	010-120-001	37N	67E	01	Pin 200' south of the CPRR centerline less 12.76 Ac to SR-30 R/W	589.64
Elko	010-120-001	37N	67E	05	Pin 200' south of the CPRR centerline	604.67
Elko	010-120-001	37N	67E	09	NW/4, S/2 less 6.70 Ac conv to Northern Nevada Railroad Co. and 16.10 Ac to SR-30 R/W	458.20
Elko	010-120-001	37N	67E	11	Pin 200' south of the CPRR centerline less 11.07 Ac to SR-30 R/W	611.42
Elko	010-120-001	37N	67E	17	All less 18.33 Ac to SR-30 R/W	623.67
Elko	010-120-001	37N	67E	19	All	628.66
Elko	010-120-001	37N	67E	19	All	594.40
Elko	010-130-001	38N	67E	31	Pin 200' south of the CPRR centerline	614.35
Elko	010-320-001	35N	68E	07	All except 21.28 Ac conv to Western Pacific Railroad Co. less 45.33 to I-80 R/W	521.98
Elko	010-320-001	35N	68E	17	All north of the WPRR centerline, and 80' south of the WPRR centerline less 6.89 Ac to I-80 R/W	521.98

Total Acreage (Approximate): 37,539.77

EXHIBIT 'B'

Those certain water rights which are appurtenant to certain real property located in Elko County, Nevada designated as follows:

CERTIFICATED WATER RIGHTS

Number 20489

Number 27877

PERMITTED WATER RIGHTS

Number 53018

Number 53019

Number 58144*

Number 58145

Number 58146

Number 58147

Only that portion of Application Number 58144 equaling 820.80 acre feet will transferred to the Buyer, the balance of the Application will be retained on the Big Springs Ranch for use in accordance with the ranch operation.

Exhibit "A"
Big Springs Ranch Water Rights

Application #	Certificate #
Certificated Water Rights:	
4552	509
4558	512
4559	513
4562	516
5422	979
13469	3990
13471	3992
20858	6044
22372	6652
38988	11364
38992	14807
38993	14200
38998	14201
39429	11366
40810	11367
40811	11368
40812	11369
53021	15420
62703	15545
Permitted Water Rights:	
53020	--
58142	--
58143	--
58144	--
58148	--

Application #	Certificate #
Vested Water Rights:	
V03233	--
V03300	--
V03301	--
V03302	--
V03303	--
V03305	--
V04692	--
V05318	--
Pending Water Rights Applications:	
52307	--
52308	--
Other Water Rights:	
2210	440
18310	5831
25350	--
28587	--
35898	--
38996	--
38999	--
39111	--
39112	--
39428	--
46188	--

(Handwritten initials) R.K.

EXHIBIT "B"
Big Springs Ranch Grazing Permit

- Allotment 04306 - Big Springs

Fah-Rah
Property



2988584
88/88/2883
8 of 18

EXHIBIT "A"

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

PARCEL A:
A.P.N. 079-150-09

The Northeast $\frac{1}{4}$ and the South $\frac{1}{2}$ of the Northwest $\frac{1}{4}$ and the South $\frac{1}{2}$ in
Section 33, Township 21 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar
and other valuable minerals as reserved by the United States of America or the
State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores
within or underlying the property, including, without limitation, oil, natural gas
and hydrocarbon substances, geothermal steam, brines and minerals in solution,
and sand gravel and aggregates, and products derived therefrom, together with
any rights of ingress and egress in, upon or over the property and to make such
use of the property and the surface thereof as is necessary or useful in
connection therewith, as reserved in the Deed recorded January 09, 1990 in
Book 3019, Page 756 as Document No. 1373452 of Official Records.

PARCEL B:
A.P.N. 079-150-10

Section 31, Township 21 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar
and other valuable minerals as reserved by the United States of America or the
State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores
within or underlying the property, including, without limitation, oil, natural gas
and hydrocarbon substances, geothermal steam, brines and minerals in solution,
and sand gravel and aggregates, and products derived therefrom, together with



any rights of ingress and egress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded February 22, 1991 in Book 3216, Page 526 as Document No. 1461483 of Official Records.

PARCEL C:
A.P.N. 079-150-13

The Northeast $\frac{1}{4}$; South $\frac{1}{2}$ of the Northwest $\frac{1}{4}$; South $\frac{1}{2}$ of Section 27,
Township 21 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with any rights of ingress and egress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded January 09, 1990 in Book 3019, Page 756 as Document No. 1373452 of Official Records.

PARCEL D:
A.P.N. 084-040-02

Section 5, Township 20 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with any rights of ingress and egress in, upon or over the property and to make such



use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded February 22, 1991 in Book 3216, Page 526 as Document No. 1461483 of Official Records.

PARCEL E:
A.P.N. 084-040-04

Section 3, Township 20 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with any rights of ingress and egress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded January 03, 1992 in Book 3391, Page 840 as Document No. 1534872 of Official Records.

PARCEL F:
A.P.N. 084-040-06

Section 1, Township 20 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with any rights of ingress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection



therewith, as reserved in the Deed recorded January 03, 1992 in Book 3391, Page 840 as Document No. 1534872 of Official Records.

PARCEL G:
A.P.N. 084-040-10

The North $\frac{1}{2}$ and the North $\frac{1}{2}$ of the Northwest $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ and the Southwest $\frac{1}{4}$ of the Northwest $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ and the North $\frac{1}{2}$ of the Northeast $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ and the North $\frac{1}{2}$ of the Northwest $\frac{1}{4}$ of the Southeast $\frac{1}{4}$, all in Section 14, Township 20 North, Range 23 East, M.D.B.&M.

ALSO EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with any rights of ingress and egress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded January 03, 1992 in Book 3391, Page 840 as Document No. 1534872 of Official Records.

PARCEL H:
A.P.N. 084-130-07

The Northwest $\frac{1}{4}$ and the North $\frac{1}{2}$ of the Southwest $\frac{1}{4}$ and Government Lot 1 in the Southwest $\frac{1}{4}$ of Section 15, Township 20 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with

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any rights of ingress and egress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded January 03, 1992 in Book 3391, Page 840 as Document No. 1534872 of Official Records.

PARCEL I:

A.P.N. 084-140-17

The Northeast $\frac{1}{4}$ of Section 15, Township 20 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with any rights of ingress and egress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded January 03, 1992 in Book 3391, Page 840 as Document No. 1534872 of Official Records.

Order No.: 03011167

Wendover property

LEGAL DESCRIPTION

The land referred to herein is situated in the State of Nevada, County of ELKO COUNTY, described as follows:

PARCEL 1:

TOWNSHIP 32 NORTH, RANGE 69 EAST, M.D.B.&M.

Section 1: Lots 1, 2 and 3; S1/2N1/2; S1/2;
 Section 2: S1/2N1/2; S1/2;

TOWNSHIP 33 NORTH, RANGE 69 EAST, M.D.B.&M.

Section 1: S1/2;
 Section 12: All;
 Section 25: All;
 Section 35: N1/2; N1/2S1/2;
 Section 36: N1/2; N1/2SW1/4; SE1/4; SE1/4SW1/4;

TOWNSHIP 32 NORTH, RANGE 70 EAST, M.D.B.&M.

Section 6: Lots 4, 6, 7, 10, 12 and 13; SW1/4NW1/4;

TOWNSHIP 33 NORTH, RANGE 70 EAST, M.D.B.&M.

Section 8: Lots 2, 3, 4, 5, 6, 9 and 11;
 Section 9: SE1/4SE1/4; N1/2SW1/4SW1/4SE1/4; E1/2SW1/4SE1/4;
 Section 10: Lot 4;
 Section 15: Lots 12, 13, 15, 18, 20, 23, 24, 25, 26, 28, 29 and 30; NE1/4SW1/4SE1/4NW1/4; E1/2SE1/4SE1/4NW1/4; NW1/4SE1/4SE1/4NW1/4;
 Section 16: N1/2NE1/4NE1/4NE1/4;
 Section 17: S1/2S1/2;
 Section 19: All;
 Section 20: Lots 2, 3, 6 and 11; NW1/4NE1/4; N1/2SW1/4NE1/4; SE1/4SW1/4NE1/4; N1/2SW1/4SW1/4NE1/4; NW1/4; N1/2SW1/4; SW1/4SW1/4;
 Section 21: Lot 2;
 Section 29: Lots 3, 5 and 8; NW1/4NW1/4;
 Section 30: Lots 2 and 3; NE1/4; W1/2; W1/2SE1/4;
 Section 31: Lots 2, 4, 5, 8, 10 and 11; NW1/4; W1/2SW1/4;

EXCEPTING FROM Sections 9, 10 and 16, Parcels 1, 2, 3 and 4 as shown on Parcel Map for Big Springs Land & Resource Co., filed in the Office of the Elko County Recorder on July 16, 2002 as Continued on next page

Order No. 03011167

File Number 485646.

PARCEL 2:

Parcel 1, 2 and 4 as shown on that certain Parcel Map for Big Springs Land & Resource Co. filed in the office of the County Recorder of Elko County, State of Nevada, on July 16, 2002, as File No. 485646, being a portion of Sections 9, 10 and 16, Township 33 North, Range 70 East, M.D.B.&M..

EXCEPTING FROM Parcels 1 and 2 all the oil and gas and geothermal resources in the lands so patented as reserved by the UNITED STATES OF AMERICA in Patent recorded May 26, 1999 in Book 1100, Page 615, Official Records, Elko County, Nevada.

FURTHER EXCEPTING FROM Parcels 1 and 2 those portions lying within the railroad right-of-ways.

PARCEL 3:

TOWNSHIP 33 NORTH, RANGE 70 EAST, M.D.B.&M.

Section 20: Lots 8 and 9; S1/2SW1/4SW1/4NE1/4;
Section 29: Lot 2;

EXCEPTING THEREFROM all the oil and gas and geothermal resources in the lands so patented as reserved by the UNITED STATES OF AMERICA in Patent recorded August 15, 2003 in Book 3, Page 45700, Official Records, Elko County, Nevada.

LEGAL DESCRIPTION

The land referred to herein is situated in the State of Nevada, County of ELKO COUNTY, described as follows:

PARCEL 1:

TOWNSHIP 34 NORTH, RANGE 67 EAST, M.D.B.&M.

Section 1: All;
Section 3: All;
Section 9: All;
Section 11: All;
Section 13: All;
Section 15: All;
Section 17: All;
Section 19: Lots 1 and 2; E1/2NW1/4; NE1/4;

EXCEPTING THEREFROM all that portion of said land as conveyed to Nevada Northern Railway Company in Deed recorded February 7, 1906 in Book 28, Page 617, Deed Records, Elko County, Nevada.

Section 21: N1/2;
Section 22: All;
Section 23: N1/2;

EXCEPTING FROM Section 22, TOWNSHIP 34 NORTH, RANGE 67 EAST, M.D.B.&M., all the coal and other valuable minerals in the lands so granted as reserved by The United States of America in Patent recorded June 28, 1946 in Book 8, Page 413, Patent Records, Elko County, Nevada.

FURTHER EXCEPTING FROM all of Parcel 1 all right, title and interest to coal, oil, gas and other minerals of every kind and nature whatsoever, lying in and under said land, as reserved by Russell Wilkins, et ux, et al, in Deed recorded December 10, 1946 in Book 55, Page 63, Deed Records, Elko, Nevada.

FURTHER EXCEPTING FROM Section 22, TOWNSHIP 34 NORTH, RANGE 67 EAST, M.D.B.&M., an undivided 1/2 interest in and to all gas, oil, petroleum, minerals and/or mineral rights, lying in and under said land, as reserved by Theodore E. Smith and Pearl Smith, his wife, in Deed recorded August 15, 1958 in Book 74, Page 181, Deed Records, Elko County.

PARCEL 2:

Continued on next page

TOWNSHIP 35 NORTH, RANGE 66 EAST, M.D.B.&M.

Section 1: All;
Section 3: All;
Section 9: All;
Section 11: All;
Section 13: All;
Section 15: All;
Section 21: All;
Section 23: All;
Section 25: All;
Section 27: S1/2;
Section 33: All;
Section 35: All;

EXCEPTING THEREFROM Parcel 2 all petroleum, oil, natural gas, and products derived therefrom, lying in and under said land or that may be produced therefrom, as reserved by Southern Pacific Land Company in Deed recorded August 1, 1949 in Book 57, Page 126, Deed Records, Elko County, Nevada.

PARCEL 3:

TOWNSHIP 35 NORTH, RANGE 68 EAST, M.D.B.&M.

Section 7: All;

EXCEPTING THEREFROM all that portion of said land as conveyed to Western Pacific Railway Company in Deed recorded February 19, 1909 in Book 31, Page 71, Deed Records, Elko County, Nevada.

Section 17: All that portion lying northerly of a line parallel with and one hundred (100) feet northerly of the center center line of Western Pacific Railway Company's railroad known as Arnold "L-1" or "3%" line and all that portion lying southerly of a line parallel with and one hundred (100) feet southerly of the center line of Western Pacific Railway Company's railroad known as "R-2" or "4%" line, which railroad rights of way were conveyed to Western Pacific Railway Company by Deed No. 126-F, dated November 27, 1908, and recorded February 19, 1909 in Book 31, Page 71, and Deed No. 188-F, dated June 30, 1910, and recorded September 10, 1910 in Book 32, Page 319, Deed Records, Elko County, Nevada.

Continued on next page

EXCEPTING FROM Parcel 3 all that portion of said land as conveyed to the State of Nevada, acting by and through its Department of Highways in Deed recorded September 7, 1973 in Book 184, Page 44 and recorded June 24, 1976 in Book 230, Page 377, Official Records, Elko County, Nevada, portions of which have been relinquished by Resolution Relinquishing portion of Highway Right of Way recorded October 11, 1985 in Book 504, Page 308, Official Records, Elko County, Nevada.

FURTHER EXCEPTING FROM Parcel 3 all right, title and interest to coal, oil, gas and other minerals of every kind and nature whatsoever, lying in and under said land, as reserved by Russell Wilkins, et ux, et al, in Deed recorded December 10, 1946 in Book 55, Page 63, Deed Records, Elko County, Nevada.

PARCEL 4:

TOWNSHIP 38 NORTH, RANGE 67 EAST, M.D.B.&M.

Section 31: All that portion lying southwesterly of a line two hundred (200) feet southwesterly and parallel with the center line of Central Pacific Railway Company's railroad as now constructed ;

EXCEPTING FROM Parcel 4 all right, title and interest to coal, oil, gas and other minerals of every kind and nature whatsoever, lying in and under said land, as reserved by Russell Wilkins, et ux, et al, in Deed recorded December 10, 1946 in Book 55, Page 63, Deed Records, Elko County, Nevada.

PARCEL 5:

TOWNSHIP 36 NORTH, RANGE 67 EAST, M.D.B.&M.

Section 7: All;
Section 19: All;
Section 31: All;

EXCEPTING FROM Parcel 5 all that portion of said land as conveyed to Nevada Northern Railway Company in Deed recorded February 7, 1906 in Book 28, Page 617, Deed Records, Elko County, Nevada.

FURTHER EXCEPTING FROM Section 19 all that portion of said land as conveyed to the State of Nevada, acting by and through its
Continued on next page

Department of Highways, in Deed recorded September 7, 1973 in Book 184, Page 44, Official Records, Elko County, Nevada, portions of which have been relinquished by Resolution Relinquishing Portion of Highway Right-of-Way recorded October 11, 1985 in Book 504, Page 308, Official Records, Elko County, Nevada.

FURTHER EXCEPTING FROM Parcel 5 all right, title and interest to coal, oil, gas and other minerals of every kind and nature whatsoever, lying in and under said land, as reserved by Russell Wilkins, et ux, et al, in Deed recorded December 10, 1946 in Book 55, Page 63, Deed Records, Elko County, Nevada.

PARCEL 6:

TOWNSHIP 37 NORTH, RANGE 67 EAST, M.D.B.&M.

- Section 1: That portion lying southeasterly of a line two hundred (200) feet southeasterly and parallel with the center line of Central Pacific Railway Company's railroad, as now constructed;
- Section 5: That portion lying southwesterly of a line two hundred (200) feet southwesterly and parallel with the center line of Central Pacific Railway Company's railroad, as now constructed;
- Section 9: NW1/4; S1/2;

EXCEPTING FROM Section 9 all that portion of said land as conveyed to Nevada Northern Railway Company in Deed recorded February 7, 1906 in Book 28, Page 617 and recorded November 15, 1912 in Book 34, Page 130, Deed Records, Elko County, Nevada.

Section 11: That part lying southeasterly of a line two hundred (200) feet southeasterly and parallel with the center line of Central Pacific Railway Company's railroad as now constructed;

Section 17: All;
Section 19: All;

EXCEPTING FROM Parcel 6 all right, title and interest to coal, oil, gas and other minerals of every kind and nature whatsoever, lying in and under said land, as reserved by Russell Wilkins, et ux, et al, in Deed recorded December 10, 1946 in Book 55, Page 63, Deed Records, Elko County, Nevada.

Continued on next page

Order No. 0301278

PARCEL 7:

TOWNSHIP 37 NORTH, RANGE 66 EAST, M.D.B.&M.

Section 25: All;
Section 27: SE1/4SE1/4;
Section 35: All;

TOWNSHIP 38 NORTH, RANGE 66 EAST, M.D.B.&M.

Section 23: That portion southwesterly of a line parallel with and two hundred (200) feet distant southwesterly of center line of Central Pacific Railway Company's railroad as now constructed;
Section 25: That part southwesterly of a line parallel with and two hundred (200) feet distant southwesterly of center line of Central Pacific Railway Company's railroad as now constructed;

EXCEPTING FROM Section 25 a parcel of land in the north half of said Section 25, containing 6.44 acres for Central Pacific Railway Company's Wye track.

FURTHER EXCEPTING FROM Parcel 7 all petroleum, oil, natural gas, and products derived therefrom, lying in and under said land or that may be produced therefrom, as reserved by Southern Pacific Land Company in Deed recorded August 1, 1949 in Book 57, Page 126, Deed Records, Elko County, Nevada.

PARCEL 8:

TOWNSHIP 34 NORTH, RANGE 66 EAST, M.D.B.&M.

Section 3: All;
Section 5: All;
Section 9: All;
Section 15: All;

TOWNSHIP 36 NORTH, RANGE 66 EAST, M.D.B.&M.

Section 1: All;
Section 11: All;

EXCEPTING FROM Section 11 all that portion of said land condemned to the State of Nevada by Final Order of Condemnation recorded

Continued on next page

August 22, 1973 in Book 182, Page 625, Official Records, Elko County, Nevada.

Section 13: All;

EXCEPTING FROM Section 13 all that portion of said land as conveyed to the State of Nevada, acting by and through its Department of Highways, in Deed recorded September 7, 1973 in Book 184, Page 44, Official Records, Elko County, Nevada.

Section 15: All;

Section 23: All;

Section 25: All;

EXCEPTING FROM Parcel 8 all petroleum, oil, natural gas and products derived therefrom, lying in and under said land or that may be produced therefrom, as reserved by Southern Pacific Land Company in Deed recorded August 1, 1949 in Book 57, Page 126, Deed Records, Elko County, Nevada.

PARCEL 9:

TOWNSHIP 36 NORTH, RANGE 66 EAST, M.D.B.&M.

Section 35: All;

EXCEPTING FROM Parcel 9 all petroleum, oil, natural gas, and products derived therefrom, as reserved by Southern Pacific Land Company in Deed recorded August 1, 1949 in Book 57, Page 126, Deed Records, Elko County, Nevada.

PARCEL 10:

TOWNSHIP 34 NORTH, RANGE 66 EAST, M.D.B.&M.

Section 4: Lots 3 and 4; S1/2NW1/4; SW1/4;

EXCEPTING THEREFROM all minerals, mineral rights, gas, oil, coal and other hydrocarbons, in, under or upon said property or that may in any way be produced therefrom as reserved by W.J. Thomas and Grace I. Thomas, his wife, in Deed recorded January 23, 1959 in Book 75, Page 376, Deed Records, Elko County, Nevada.

PARCEL 11:

Continued on next page

Order No. 0301278

TOWNSHIP 35 NORTH, RANGE 66 EAST, M.D.B.&M.

Section 2: Lots 3 and 4; S1/2NW1/4; SW1/4;
Section 10: E1/2E1/2;
Section 14: W1/2W1/2;
Section 22: NE1/4; SE1/4NW1/4; N1/2SE1/4; SW1/4SE1/4; SE1/4SW1/4;
Section 27: N1/2;
Section 28: SE1/4; SE1/4NE1/4;

EXCEPTING FROM Parcel 11 all right, title and interest to coal, oil, gas and other minerals of every kind and nature whatsoever, lying in and under said land, as reserved by Russell Wilkins, et ux, et al, in Deed Recorded December 10, 1946 in Book 55, Page 63, Deed Records, Elko County, Nevada.

PARCEL 12:

TOWNSHIP 36 NORTH, RANGE 66 EAST, M.D.B.&M.

Section 21: E1/2;
Section 22: W1/2NW1/4; S1/2;
Section 26: W1/2W1/2;
Section 27: All;
Section 28: E1/2E1/2; W1/2SE1/4;

EXCEPTING AND RESERVING THEREFROM the following described land:

Beginning at a point from which the Southwest Corner of Section 28, TOWNSHIP 36 NORTH, RANGE 66 EAST, M.D.B.&M., bears South 84°52' West, 2,519.9 feet distant;

THENCE North 25°20' East, 486.81 feet;

THENCE South 64°40' East, 303.07 feet;

THENCE South 25°21' West, 140.51 feet;

THENCE South 64°40' East, 140.00 feet;

THENCE South 25°20' West, 346.30 feet;

THENCE North 64°40' West, 443.07 feet;

Section 33: All;
Section 34: All;

Continued on next page

EXCEPTING FROM Parcel 12 all right, title and interest to coal, oil, gas and other minerals of every kind and nature whatsoever, lying in and under said land, as reserved by Russell Wilkins, et ux, et al, in Deed recorded December 10, 1946 in Book 55, Page 63, Deed Records, Elko County, Nevada.

PARCEL 13:

TOWNSHIP 35 NORTH, RANGE 66 EAST, M.D.B.&M.

Section 34: W1/2;

EXCEPTING FROM Section 13 all minerals, mineral rights, gas, oil, coal and other hydrocarbons, in, under or upon said property or that may in any way be produced therefrom as reserved by W.J. Thomas and Grace L. Thomas, his wife, in Deed recorded January 23, 1959 in Book 75, Page 376, Deed Records, Elko County, Nevada.

PARCEL 14:

TOWNSHIP 34 NORTH, RANGE 67 EAST, M.D.B.&M.

Section 5: All;
Section 7: All;

EXCEPTING THEREFROM all that portion of said land as conveyed to Nevada Northern Railway Company, in Deed recorded February 7, 1906 in Book 28, Page 617, Deed Records, Elko County, Nevada.

FURTHER EXCEPTING THEREFROM all that portion of said land as conveyed to Western Pacific Railway Company in Deed recorded February 19, 1909 in Book 31, Page 71, Deed Records, Elko County, Nevada.

FURTHER EXCEPTING THEREFROM that portion of the W1/2W1/2 lying west of the Nevada Northern Railroad as conveyed to Gordon Griswold and Kitty Griswold, his wife, in Deed recorded August 14, 1946 in Book 54, Page 354, Deed Records, Elko County, Nevada.

FURTHER EXCEPTING FROM all of Parcel 14 all right, title and interest to coal, oil, gas and other minerals of every kind and nature whatsoever, lying in and under said land, as reserved by Russell Wilkins, et ux, et al, in Deed recorded December 10,

Continued on next page

Order No. 0301278

1946 in Book 55, Page 63, Deed Records, Elko, Nevada.

PARCEL 15:

TOWNSHIP 34 NORTH, RANGE 66 EAST, M.D.B.&M.

Section 1: All;

EXCEPTING THEREFROM all that portion of said land as conveyed to Western Pacific Railway Company in Deed recorded February 19, 1909 in Book 31, Page 71, Deed Records, Elko County, Nevada.

Section 11: ALL;

EXCEPTING FROM Parcel 15 all petroleum, oil, natural gas and products derived therefrom, lying in and under said land or that may be produced therefrom, as reserved by Southern Pacific Land Company in Deed recorded August 1, 1949 in Book 57, Page 126, Deed Records, Elko County, Nevada.

FURTHER EXCEPTING FROM all of the above described land those portion lying within the railroad right-of-way.



CRAIG K. PERRY & ASSOCIATES

September 1, 2005

RESENT VIA FAX: 9/7/05

John Peter Lee
John Peter Lee, Ltd.
830 Las Vegas Boulevard South
Las Vegas, NV 89101

RECEIVED
SEP - 8 2005
JOHN PETER LEE, LTD.

RE: Wendover Project, LLC
Your Client: Gholamreza Zandian Jazi

Dear Mr. Lee:

Yesterday morning, Mr. Sadri faxed me over a copy of your letter dated August 25, 2005. I have been asked to respond on behalf of Wendover Project, LLC, and the managing members, Ray Koroghli and Faribouz "Fred" Sadri, Trustee, Star Living Trust (hereafter referred to as "Mr. Sadri").

Mr. Sadri and Mr. Koroghli have indicated to me that under normal circumstances a reasonable request for inspection of company records by a managing member in good standing would be accommodated. That situation is non-existent here.

Mr. Sadri and Mr. Koroghli have explained to me their latest findings concerning Mr. Jazi, and how he has abused sensitive company information, has made intentional misrepresentations while acting as if he represents the company, has not acted in the best interests of the company, and has failed to provide any of the promised consideration needed to become a functional, managing member of Wendover Project LLC. Since Messrs. Sadri and Koroghli seriously doubt that your client will come clean with you, they have asked me to prepare a list of his relevant wrongful acts. They tell me they are learning more about other wrongful acts with each passing day.

You should know also know that Mr. Jazi has admitted to them many of his faults and wrongdoings that they have uncovered, and has apologized--asking for more chances. These issues have been the topic of many discussions between them. Issues that serve as the basis for their denial of his view of company records are set forth below:

1. Illegal Presence in the United States; Wanted by Office of Homeland Security and INS. Messrs. Sadri and Koroghli have learned that as early as 1993, Mr. Jazi was indicted on charges of attempting export a controlled commodity, conspiracy, and making a false statement to the Commerce Department. See attached article from archives of the LA Times. Mr. Jazi disappeared rather than face the charges and go to trial. He allegedly fled the country, and returned only recently, illegally, without proper INS authorization. Mr. Jazi's illegal presence has been reported to both the INS in conjunction with the Department of Homeland Security. Other information obtained states he may have received jail time for other criminal misconduct. They expect him to be picked up and face deportation any day.

900 South Fourth Street
Las Vegas, Nevada 89101
702.228.4777 Telephone 702.384.5386 Fax

WFZ0720

John Peter Lee
Sept. 1, 2005
Page Two

Neither Messrs. Sadri nor Koroghli were aware of Mr. Jazi's criminal background at the time they became associated with him. He told them he was here legally and had a "Green Card."

You can imagine their shock and concern, as well as the ill will it has generated for the company when this information was recently discovered by Wendover officials (i.e., City Manager, Chris Melville was the first to find this out). The city has acted with greater caution and manifested heightened concern about this project on the remaining issues, such as water rights. The company's goodwill, and the reputations of Sadri and Koroghli, has been tarnished by their association with him.

The members of the LLC relied upon Mr. Jazi's false representations about his immigration status and non-criminal background in associating with him. Mr. Jazi continues to misrepresent himself and hides his true background to others, including the members and managing members of Wendover Project LLC, as well as to others he contacts without permission, misrepresenting himself as acting on behalf of Wendover Project LLC. He continues to use any sensitive Wendover Project LLC information he can to perpetuate his lies, luring away and misleading important investors, leads, and contacts.

2. Lack Of Consideration; Bogus Consideration. Mr. Jazi was going to contribute \$1 million towards the purchase of the land by selling foreign properties he allegedly owned. When it came time for him to pay, he failed to contribute any money towards making any of the payments. His involvement in Wendover Project LLC and status as a managing member was pre-conditioned upon his agreement to split the payment of costs and purchase of the property as consideration.

Mr. Zandian was supposed to have also provided \$3 million worth of consideration (i.e., stock ownership in one of his corporations) to John Hart towards the payment of the property. It turns out that the stock he transferred to Steve Hart was worthless, therefore bogus consideration. To date, Mr. Jazi has not put in a single into Wendover Project LLC. All he has ever given in this regard are hollow promises.

3. Unlawful Receipt of Real Estate Commission. Once Wendover Project bought the property from Pico Holding, Mr. Jazi received an illegal kickback commission of \$600,000 from the sellers. Attached are the checks. Mr. Jazi's receipt of this commission is regulated by and in violation of Nevada state law regarding the payment of such commissions; it diverted investor funds away from the LLC and inflated the purchase price; Mr. Jazi broke the law, breached his fiduciary duties, and put his own interests ahead of the company. The Nevada Department of Commerce has informed Mr. Sadri that the actions of Mr. Jazi are constitute serious violations of law and he faces violation charges. Messrs. Sadri and Koroghli are in possession of copies of the checks demonstrating the illegal commission he received, and they are attached for your reference.

John Peter Lee
Sept. 1, 2005
Page Three

Mr. Jazi, as a fraudulent inducement to rush the members of Wendover Project LLC into action, told them there was another buyer who was willing to pay \$25 million for the land being sold by Pico Holding. This turned out to be false information that induced the investors to act quickly and agree to a higher price that greatly benefitted Mr. Jazi.

3. Misuse of Company and Investor Information. Mr. Jazi has repeatedly used the name of Wendover Project LLC and the names of Messrs. Sadri and Koroghli with others, and has disclosed their sensitive financial information and misrepresented to other parties his authority to act on behalf of Wendover Project LLC. His attempts to obtain access to corporate information at this time is a subterfuge acquire more company information that he can use to harm the company and its members.

Next, Mr. Jazi took it upon himself to set up a second mailing address in violation of the one stated in the Operating Agreement, on behalf of Wendover Project LLC, without the permission or consent of Messrs. Sadri or Koroghli, and thereby received and diverted valuable business and trade opportunities and communiques addressed to Wendover Project LLC which has harmed the LLC, and prevented this LLC from profiting or benefitting from the information he is receiving at that address. No one has given him permission to do this.

On another occasion, Mr. Jazi contacted a valuable LLC investor, Mr. Abrishami, and caused him to invest in one of Mr. Jazi's personal projects. The diversion of this capital came at a time when the company faced capital needs to pay down a loan that Mr. Abrishami's money could have facilitated with paying down. This is but one more example of Mr. Jazi not acting in the best interests of this LLC.

Mr. Jazi has used multiple social security numbers to fraudulently hide his identity in violation of federal law, and he will not be given additional opportunities to steal the identities of other members by looking at the company records.

Finally, Mr. Jazi's misuse of sensitive company and personal information of the managing members has resulted in Mr. Jazi improperly furthering his own interests, illegally or otherwise, at the expense of the company and its members. There is every reason to suspect he has not changed and will continue to operate in this manner.

4. Website For LLC Created Without Permission and Containing Material Misstatements. Mr. Jazi, without direction or approval, set up a website for the LLC. Mr. Jazi published on the website that the LLC owned 1.2 million acres of Nevada land, which is patently false. This misrepresentation was discovered by Pico Holding last year, and they understandably issued a cease and desist letter. In addition, he improperly listed on the website properties that were not even owned by the LLC—they were owned by Star Living Trust. This was done by him in an effort to attract other investors to himself on other projects. Apparently, his ploy was somewhat successful.

John Peter Lee
Sept. 1, 2005
Page Four

For these reasons and more, Messrs. Sadri and Koroghli will not provide Mr. Jazi with further means to cause further harm to Wendover Project LLC or to its operations. Based upon his prior misconduct, they believe this will continue to occur. They have a fiduciary duty to the other investors to protect them from Mr. Jazi's unwanted solicitations and misrepresentations.

Both Mr. Koroghli and Mr. Sadri have discussed all of these issues with your client in an effort to rectify the problems he has created for the company. So far, Mr. Jazi, while admitting and apologizing repeatedly for his misconduct, has not made any reparations or taken any corrective action.

Please advise your client that as a result of his failure to provide the agreed-upon consideration, and for his abuses adversely affecting the LLC, demand is made that he (1) cease and desist making any representations made concerning the LLC or its members, or in contacting them; (2) resign as a listed managing member of the LLC effective immediately, and (3) take nothing by way of ownership interest in this LLC. If he does this, the LLC will not seek any monetary recovery from him. Obviously, any efforts made by the any governmental agency or body will continue.

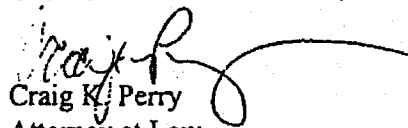
The Operating Agreement provides for formal disputes to be resolved through binding arbitration. If you and I cannot work through the present issues informally, which I hope we can, then I suggest we invoke the terms of the Operating Agreement and move forward with resolution of the presently outstanding issues through binding arbitration.

The things listed thus far are just the tip of iceberg regarding Mr. Janzi's misconduct. They are aware his attempts to sue Optima owners after he sold out, when he learned that they were close to receiving a settlement on a disputed infringement; they know he failed to appear for his deposition that was to be held a few days ago; we know is has used and continues to use various social security numbers; they know he has misrepresented the extent of his asset holdings to others; they know that he has defrauded many other people through sharp business practices over many years. He has, for example, tied up warehouse space of Ray Koroghli and others with shipping containers, at Koroghli's expense. All of this will be uncovered as it relates to this LLC and Mr. Janzi's pattern of conduct in defrauding people associates, investors, and those who believed he was and could be trusted as a friend.

Please feel free to call me any time—with the exception that I will be unavailable over the Labor Day weekend beginning Thursday, September 1, 2005 at noon until Tuesday morning, September 6, 2005.

Sincerely Yours,

CRAIG K. PERRY & ASSOCIATES


Craig K. Perry
Attorney at Law

WFZ072B

Leila,

This fax came in from Fred Sadri

----- Original Message -----

From: Matthew Bahrami

To: Robert Adams

Sent: Monday, July 11, 2005 4:40 PM

Subject: More of Zandian's fraud

Robert,

I just got a call from Fred Sadri, he is my ex-wife's cosine, Ali Faeghi's nephew. He is in legitimate land business in Las Vegas.

He told me that Zandian has defrauded him and some of his investors for over \$15 million dollars. Along with Faeghi who is in bed with Zandian. Zandian has also done many other fraudulent deals as well. He also had some information about the printing equipment, I guess Reza fucked that guy for a couple of Millions also.

They are getting a law suit ready against Zandian and he is in touch with Homeland Security, FBI and INS to find him.

He wanted to talk to you about this guy to see if you had any information that can help him nail Zandian, he wants all of us to join forces to nail this SOB.

I told him I wouldn't give him your phone number but I'll talk to you and have you call him and hear what he has to say. Thought you maybe interested to put Reza away once and for all.

His phone number is (702) 873-8170, please call him and just hear what he has to say, if you want to refer him to your attorneys, fine but at least just talk to him and hear what he says. Reza is a much bigger crook than you and I thought.

Thanks,
Matt.

Do You Yahoo!?

Tired of spam? Yahoo! Mail has the best spam protection around

<http://mail.yahoo.com>

TO: Who It May Concern:

Protect the National Security of the U.S. Government by denying the permanent residency to Reza Zandian

RE: Reza Zandian, Reza Zandian Jazi,
Gholamreza Zandian, or Gholamreza Zandian Jazi
(All is one person using in various transactions)
Social Security # 625-34-1563
Date of Birth January 15th 1952:

Reza Zandian has several Social Security number, the one mentioned above is one of them being used by this man.

Reza zandian was born in Iran/Esfahan. He has attended several Anti Tax activities in Los Angeles, and Nevada. He has criminal records since 1993 with the US Dept. of Commerce. Charged with shipping the sophisticated computers to Iranian Government against the United States. Not to mention that Reza has close relationship with Rafsanjani's son, the head of the Islamic Republic of Iran.

Reza Zandian was arrested at Los Angeles Air Port by the Federal agents. He had criminal records with the United States Government for a long time, and was deported from United States. He moved to France for several years. In France he defrauded the Melli Bank of Iran in France and Iran. He had close relationship with Iranian regime and trusted by them, that he purchased weapons for the Iranian Government in the past.

He moved back to United States. The Immigration office denied his visa. Somehow he entered to US and was residing at Howard Johnson's Hotel on 1401 S. Las Vegas Blvd. 89104. He has a close relationship with the Hotel owner, Ali Fayeghi, and his son Sean S. Fayeghi. He has been doing real estate transactions, without obtaining the real estate license. He has been using false web sites to attract innocent people and taking their money to sell them land. Reza or Gholamreza Zandian has been using different names in the real estate transactions. He has been constantly moving from one place to another within the last two years. So people won't be able to find him, and in order to confuse the authorities.

The followings are some of the addresses that he has lived during the past two years or used as his mailing address:

FROM :

PHONE NO. :

Jun. 17 2002 02:22AM

2

-950 S. Seven Hill Dr. #1026 Henderson, Nevada 89052
-1401 N. Las Vegas Blvd. 89104 (Howard Johnson's Hotel)
-9550 W. Sahara Apt. 2148 Las Vegas, Nevada 89117
-731 Mall Ring Circle Henderson, Nevada 89014
-220 Sussex Pl. Carson City NV. 89703
-P.O.Box 81624 Las Vegas, NV 89180-1624
-8350 W. Sahara Ave. ste #150 Las Vegas NV 89117
-8 San Ramon Dr. 92612 Irvine Ca.
-Tower 8775, 4240 La Jolla Village Dr. Costa Verde Blvd.
92037 (across from the Marriot Hotel in La Jolla Beach
(on the 14th floor) Probably Apt. 1460, which might be the
current address.

Reza Zandian is married to Nilufar Foughani. At the present times they are living with his sister-in-law (Nilufar's sister, called Nastaran, in La Jolla)

Not to mention that Reza Zandian has been using more than 20 different phone numbers, while he carries 4-5 cell. phones in his pocket or his car. Most of time he uses the public phone for important calls. Some the phone numbers are as follow:

(775)450-6833 (858)344-2955
(858)587-1414 (858)625-2460
(949)400-5614
(702)325-1849

There are a lot more than this that we don't know the numbers

Reza Zandian shipped 20 containers from Paris or Germany, one of the shipyard companies to the United State/Long Beach, California. He claims that all containers were containing the printing equipment. But it seems like there is more to it. Zandian is trying to proof to IRS that he has lost over 2 million dollars in business related to the shipyard containers! The informations are false, and he is trying to avoid paying the Federal Tax and the State Tax. On 2003-2004 Reza collected close \$1.5 million dollars commissions from Pico Holdings, Inc. at 874 Prospect Street, ste. 301 La Jolla, Ca. 92037-4264. (You may call Richard or Max at 888-389-3222 for more information.

Reza Zandian did paid taxes on that amount. He has not filed for the income tax at all.

Reza Zandian has set up false California Companies by using the former Optima employ's social security number. This company was called "Optima Technology Company". Zandian some how sold the company and did not pay any capital gain and cheated the IRS again.

The followings are some of the L.L.c.'s that has been open by Reza Zandian:

WFZ0726

Sparks Village L.L.C (100 Acres commercial, Active date 12/15/04):

- Sean S. Fayeghi, 1401 S. Las Vegas Blvd. Las Vegas, NV 89104
- Ali Fayeghi, 3080 Tioga Way, Las Vegas, NV. 89117
- Reza Zandian, 8350 W. Sahara Ave. Las Vegas, NV. 89117

Churchill Park Development L.L.C (active date 9/22/04):

- Elias Abrishami
- Rafi Abrishami
- Reza Zandian, 220 Sussex Pl, Carson City, NV. 89703

1-5- Plaza L.L.C, (Active date 2/3/05)

- Sean S. Fayeghi
- Sima Behnamjou
- Ali Fayeghi
- Reza Zandian, 8350 W. Sahara Ave. ste 150, Las Vegas NV. 89117

Optima Technology Corporation: (Active date 10/11/04)

- Reza Zandian 8 San Ramon Dr. Irvine, Ca. 92612

Gold Canyon Development: File date: 5/27/04

- Elias Abrishami
- Rafi Abrishami
- Reza Zandian, 9550 W. Sahara ave. ste. 1011 Las Vegas, Nv 89117

Lyon Park Development L.L.C: (Active Date 9/22/04)

- Elias Abrishami
- Rafi Abriasami
- Reza Zandian, 220 Sussex Pl Carson City, NV. 89703

High Tech Development L.L.C: (Active Date 9/22/04)

- Elias Abrishami
- Rafi Abrishami

-Reza Zandian

REMOVED PROJECT NUMBER (ACTIVE DATE 7/1/03)

-Gholamreza Zandian Jazi, 9550 W. Sahara Ave. 2148
Las Vegas, NV. 89117

Big Spring Ranch L.L.C (Active Date: 10/1/03)

-Gholamreza Zandi, P.O.Box 81624 Las Vegas, NV. 89180-1624

Nevada Land Water Resource L.L.C: (File date 5/13/03)

-Gholamreza Zandian Jazi, 9550 W. Sahara Ave. # 2148
Las Vegas, NV. 89117

Reza Zandian has been trying to obtain the Green card for his family and himself, issuing the Green Card to this man is a very bad news to the Middle Eastern community, specially Iranian in California and Nevada.

If Homeland security or INS issue this man a permanent residency, it is like issuing a passport to Ben Laden. this man is capable of doing any thing for money. Two years ago he did not have a dime in his pocket, but all of a sudden he is talking of Million dollar deals! He has committed several frauds through the web sites by advertising real estate auctions. He has many victims in real estate transactions in Northern and Southern Nevada. He is providing false informatins to Immigration office. by opening false L.L.C's, to prove to Immigration that he has many investments in this country, while he did not even put one dime in any deal. He will do anything to obtain his green card.

Reza Zandian is very dangerous man, by investigating on him you will be really surprised. If you need more informations you may call Fred Sadri at (702) 873-8170.

Jun. 17 2002 02:24PM PT

PHONE NO. :

FROM :

WFZ0728

JOHN PETER LEE, LTD.

ATTORNEYS AT LAW

830 LAS VEGAS BOULEVARD SOUTH

LAS VEGAS, NEVADA 89101

TELEPHONE (702) 382-4044

FACSIMILE (702) 383-9950

E-MAIL: info@johnpeterlee.com

August 25, 2005

Mr. Fariborz Fred Sadri
Mr. Ray Koroghli
3055 Via Sarafina
Henderson, Nevada 89012

Re: Gholamreza Zandian Jazi

Gentlemen:

This office represents Gholamreza Zandian Jazi. He is a Managing Member of Wendover L.L.C. We have copies of Operating Agreements dated May 8, 2003 and December 26, 2003 naming each of you as a Managing Member, together with Mr. Zandian; providing that the principal place of business was at 4225 South Eastern Avenue, Las Vegas, Nevada 89119; that Managing Member Fariborz Fred Sadri's address is 2827 South Monte Cristo, Las Vegas, Nevada 89117 that the Resident Agent Ray Koroghli's address is 3055 Via Sarafina, Henderson, Nevada 89012; and that the principal place of business changed to the Via Sarafina address by the December Operating Agreement.

According to Paragraph 1.6 of each Agreement, Wendover is required to maintain books and records at its principal office. Accordingly, this letter is being delivered to you at each of the addresses which are shown in the Operating Agreements.

This letter makes demand upon you and each of you, at whatever address you are and wherever the books and records of Wendover L.L.C. are kept, to permit inspection and copying of the following records specifically identified in each of the Operating Agreements referred to in Paragraph 1.6, together with the company books as specified in Paragraph 4.2(a) designated as "books of account" and "books of account" as defined in Paragraph 5.6:

- (a) A current list of the full name and last known business address of each Managing Member and Member separately identifying all Members in alphabetical order.
- (b) A copy of the filed Articles of Organization and all amendments thereto, together with executed copies of any powers of attorney pursuant to which any document has been executed.

WFZ0730

JOHN PETER LEE, LTD.

ATTORNEYS AT LAW

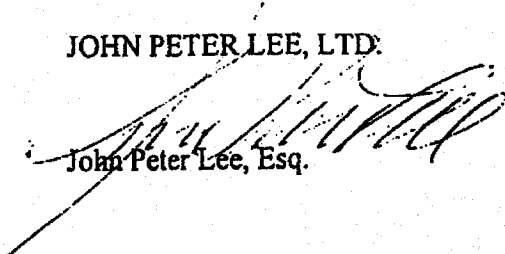
Mr. Fariborz Fred Sadri
Mr. Ray Koroghli
August 25, 2005
Page Two

- (c) Copies of the Company's federal income tax returns and reports, if any, for the three (3) most recent years.
- (d) Copies of any then effective Operating Agreement and of any financial statements for the Company for the three (3) most recent years.
- (e) A statement setting forth the Capital Contributions of each Member including:
 - (1) The amount of cash and description and statement of the agreed value of the other property or services contributed by each Member and which each Member has agreed to contribute.
 - (2) The items as to which or events on the happening of which any additional contributions agreed to be made by each Member are to be made.
 - (3) Any right of a Member to receive, or of a Managing Member to make, distributions to a Member (including Managing Members) which include the return of all or any part of the Member's contributions as set forth more fully in Article 3, paragraph 3.8.
 - (4) Any events upon the happening of which the Company is to be dissolved and its affairs wound up.

This request requires you to produce for inspection the aforementioned books and documents on the 2nd day of September, 2005 at the hour of 10:00 a.m. at the principal place of business of Wendover L.L.C. at 3055 Via Sarafina, Henderson, Nevada. At that time, our client, and a representative of this office, will review the records demanded and copy those documents which are necessary to support our client's rights.

Yours truly,

JOHN PETER LEE, LTD.


John Peter Lee, Esq.

JPL/jlr
cc: Client
1334.022860

WFZ0731



5 5 .



EXHIBIT "A"

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

PARCEL A:
A.P.N. 079-150-09

The Northeast $\frac{1}{4}$ and the South $\frac{1}{2}$ of the Northwest $\frac{1}{4}$ and the South $\frac{1}{2}$ in Section 33, Township 21 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with any rights of ingress and egress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded January 09, 1990 in Book 3019, Page 756 as Document No. 1373452 of Official Records.

PARCEL B:
A.P.N. 079-150-10

Section 31, Township 21 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with



any rights of ingress and egress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded February 22, 1991 in Book 3216, Page 526 as Document No. 1461483 of Official Records.

PARCEL C:
A.P.N. 079-150-13

The Northeast $\frac{1}{4}$; South $\frac{1}{2}$ of the Northwest $\frac{1}{4}$; South $\frac{1}{2}$ of Section 27,
Township 21 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with any rights of ingress and egress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded January 09, 1990 in Book 3019, Page 756 as Document No. 1373452 of Official Records.

PARCEL D:
A.P.N. 084-040-02

Section 5, Township 20 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with any rights of ingress and egress in, upon or over the property and to make such



use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded February 22, 1991 in Book 3216, Page 526 as Document No. 1461483 of Official Records.

PARCEL E:
A.P.N. 084-040-04

Section 3, Township 20 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with any rights of ingress and egress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded January 03, 1992 in Book 3391, Page 840 as Document No. 1534872 of Official Records.

PARCEL F:
A.P.N. 084-040-06

Section 1, Township 20 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with any rights of ingress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection



therewith, as reserved in the Deed recorded January 03, 1992 in Book 3391, Page 840 as Document No. 1534872 of Official Records.

PARCEL G:
A.P.N. 084-040-10

The North $\frac{1}{2}$ and the North $\frac{1}{2}$ of the Northwest $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ and the Southwest $\frac{1}{4}$ of the Northwest $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ and the North $\frac{1}{2}$ of the Northeast $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ and the North $\frac{1}{2}$ of the Northwest $\frac{1}{4}$ of the Southeast $\frac{1}{4}$, all in Section 11, Township 20 North, Range 23 East, M.D.B.&M.

ALSO EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with any rights of ingress and egress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded January 03, 1992 in Book 3391, Page 840 as Document No. 1534872 of Official Records.

PARCEL H:
A.P.N. 084-130-07

The Northwest $\frac{1}{4}$ and the North $\frac{1}{2}$ of the Southwest $\frac{1}{4}$ and Government Lot 1 in the Southwest $\frac{1}{4}$ of Section 15, Township 20 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with



any rights of ingress and egress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded January 03, 1992 in Book 3391, Page 840 as Document No. 1534872 of Official Records.

PARCEL I:
A.P.N. 084-140-17

The Northeast $\frac{1}{4}$ of Section 15, Township 20 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with any rights of ingress and egress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded January 03, 1992 in Book 3391, Page 840 as Document No. 1534872 of Official Records.

FILED

Dec 8 11 35 AM '05

Christy B. Higgins
CLERK

ANS
JOHN M. NETZORG, ESQ.
Nevada Bar No. 1335
2810 West Charleston Boulevard, #H-81
Las Vegas, Nevada 89102
(702) 878-3400
Attorney for RAY KOROGHLI, individually
FARIBORZ FRED SADRI, individually and as Trustee
of the STAR LIVING TRUST

DISTRICT COURT
CLARK COUNTY, NEVADA

GHOLAMREZA ZANDIAN JAZI,)	
)	
Plaintiff,	)	CASE NO. A 511131
	)	DEPT. NO. XIII
vs.)	
)	
RAY KOROGHLI, individually, FARIBORZ)	
FRED SADRI, individually and as Trustee of the)	
the Star Living Trust, WENDOVER PROJECT,	)	DEFENDANTS' RAY
LLC, a Nevada limited liability company; BIG	)	KOROGHLI AND FARIBORZ
SPRING RANCH, LLC, a Nevada limited liability	)	SADRI'S ANSWER AND
company, and NEVADA LAND AND WATER	)	COUNTERCLAIM
RESOURCES, LLC, a Nevada limited liability)	
company)	
Defendants)	

Date of Hearing: n/a
Time of Hearing: n/a

COME NOW, Defendants Ray Koroghli and Fariborz Fred Sadri, by and through their counsel, John M. Netzorg, Esq., and for their Answer to Plaintiff's First Amended Complaint, state as follows:

1. Answering Paragraph 1, Answering Defendants are without sufficient knowledge or information upon which to base a belief as to the truth of the allegations contained in Paragraph 1, and upon said ground deny each and every allegation contained therein.

CE191

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LAW OFFICES OF
JOHN M. NETZORG
2810 W. CHARLESTON BLVD., SUITE H-81
LAS VEGAS, NEVADA 89102
(702) 878-3400

COUNTY CLERK

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LAW OFFICES OF
JOHN M. NETZORG
2810 W. CHARLESTON BLVD., SUITE H-81
LAS VEGAS, NEVADA 89102
(702) 878-3400

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2. Answering Defendants admit the allegations contained in Paragraph 2.
3. Answering Defendants admit the allegations contained in Paragraph 3.
4. Answering Paragraph 4, Answering Defendants are without sufficient knowledge or information upon which to base a belief as to the truth of the allegations contained in Paragraph 4, and upon said ground deny each and every allegation contained therein.

- 5. Answering Defendants deny the allegations contained in Paragraph 5.
- 6. Answering Defendants deny the allegations contained in Paragraph 6.
- 7. Answering Defendants deny the allegations contained in Paragraph 7.
- 8. Answering Defendants deny the allegations contained in Paragraph 8.
- 9. Answering Defendants deny the allegations contained in Paragraph 9.
- 10. Answering Defendants deny the allegations contained in Paragraph 10.
- 11. Answering Defendants deny the allegations contained in Paragraph 11.
- 12. Answering Defendants deny the allegations contained in Paragraph 12.

Attorney's Fee

Answering Defendants deny this allegation.

COUNTERCLAIM

COME NOW, Counterclaimants, RAY KOROGHLI and FARIBORZ FRED SADRI and for their counterclaims against the Counterdefendant GHOLAMREZ ZANDIAN JAZI, allege as follows:

- 1. Counterclaimant RAY KOROGHLI (hereinafter "Ray") is a member and manager of the three named LLCs.
- 2. Counterclaimant FARIBORZ FRED SADRI (hereinafter "Fred") is a member and manager of the three named LLCs.

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3. Counterdefendant GHOLAMREZA ZANDIAN JAZI aka Zandian and Zandian Jazi (hereinafter "Zandian") is believed to live in California.

4. Zandian was introduced to Fred by Fred's uncle who indicated Zandian was a prominent business man, was down on his luck, and needed some assistance.

5. Zandian and his family befriended Fred.

6. Zandian represented to Fred and Ray that he had substantial holdings in Europe and in Iran.

7. Zandian further represented that he had a personal relationship with Vidler Water Company, an affiliate of Pico Holdings, Inc., the purchasers of the Union Pacific land holdings in northern Nevada and water rights appurtenant thereto.

8. Zandian represented that by reason of his relationships with Vidler, its CEO, John R. Hart, and other officers, that he was in a position to acquire substantial land holdings in Nevada for a fraction of their value.

9. Based on these representations, the parties undertook a number of investments.

10. The parties' initial investment was Nevada Land and Water Resources, LLC.

11. This transaction closed in the summer of 2003.

12. Each of the partners was to be responsible for one-third of the million dollar investment in this 4400-acre parcel in Pah Rah, Washoe County, Nevada.

13. Zandian represented that he had a shipping company in Europe as well as houses in Paris, Nice, and Iran and was temporarily without funds.

14. Fred advanced 100% of Zandian's investment in the form of a purchase money note and deed of trust.

15. Later that year, in December, the parties closed on two other transactions, one of

1 which the Big Springs Ranch Project, a 37,000 acre parcel and 20,000 acre feet of water located
2 25 miles from Wendover.

3 16. As with the prior project, Fred and Ray put up \$900,000.00 apiece and Zandian
4 nothing.

5 17. The third investment was the Wendover Project, LLC.

6 18. When Zandian introduced the Wendover Project to his partners, he represented
7 that this 6400 acre Vidler holding, west of Wendover, Nevada, could be acquired for
8 \$15,000,000.00, or approximately one-third of its \$50,000,000.00 value.
9

10 19. Zandian, claiming to own a shipping yard in Europe, was to contribute his
11 \$3,000,000.00 in stock in the facility and the partners would share equally.

12 20. Fred and Ray organized the financing and brought in several new investors to
13 invest to reduce the loan amount.

14 21. The operating agreements disclosed what the managing partners were to receive.

15 22. The original purchase included a substantial purchase money deed of trust.

16 23. When debt service was necessary, Fred and Ray made the payments.

17 24. When the note and deed of trust matured, Fred hypothecated his other properties
18 in order to save the Wendover Project from foreclosure.
19

20 25. Subsequently, several investors were brought to Wendover to view the
21 project and introduced to City officials.
22

23 26. In response to inquiries as to the value of the land, the City officials indicated that
24 it was \$200.00 to \$400.00 an acre.

25 27. As a result of Zandian's failure to contribute anything, questions as to the accuracy
26 of his representations and his refusal to assist in the financing, Fred and Ray became concerned
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and flew to California to meet with John Hart, the CEO of Vidler Water Company and Pico Holdings, the sellers of the land.

28. Fred and Ray were advised by Mr. Hart that the stock tendered by Zandian was worthless.

29. On further demand, Fred and Ray were provided with documentation that Zandian had received undisclosed commissions on all transactions from his principal, the seller.

30. Zandian represented that Fred and Ray would be partners in a 2,000 acre parcel in Dayton, Nevada.

31. Without Fred and Ray's knowledge, Zandian proceeded with the acquisition of this and other properties excluding Fred and Ray, but using investors introduced to him by them to close the transactions.

32. Zandian proceeded to form LLCs including Gold Canyon Development, LLC, High-Tech Development, LLC, Lion Park Development, LLC, Churchill Park Development, LLC and Sparks Village, LLC during 2004 and additional LLCs during 2005 including Dayton Plaza, LLC and Misfits Development, LLC.

33. As a result of learning that not only had Zandian tendered no consideration for his interests, but that he had received undisclosed and improper commissions from the sellers on each of the land transactions, the agreements were rescinded.

34. Nevada Land and Water, LLC, the first transaction, was never conveyed to the LLC, but rather, Zandian refused and the interests were held as tenants-in-common.

35. Zandian has neither tendered nor paid one penny on the note and deed of trust which was on the eve of foreclosure in December 2005.

36. As a result of having tendered worthless stock for the acquisition of the Wendover

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Project, and actually having received hundreds of thousands of dollars in secret compensation, his rescinded interest was transferred to the other investors pro rata.

FIRST COUNTERCLAIM FOR RELIEF

(Rescission)

37. Counterclaimants repeat and reallege each and every allegation set forth above in Paragraphs 1 through 36 as though fully set forth at length herein.

38. The Counterdefendant misrepresented the terms and conditions of the investments.

39. The Counterdefendant has taken over half a million dollars in undisclosed commissions and profits while simultaneously representing their value and Counterclaimants' intentions.

40. Had Counterclaimants been aware of the true facts, they never would have entered into the transactions.

41. By reason of the misrepresentations, breach of fiduciary duties, and receipt of undisclosed commissions and compensation, the Counterclaimants and investment entities are entitled to rescission.

42. By reason of a failure of consideration, the Counterclaimants and investment entities are entitled to rescission.

43. By reason of Counterdefendant's intentional misrepresentations and omissions of material fact, the Counterclaimants are entitled to rescission.

SECOND COUNTERCLAIM FOR RELIEF

(Derivative Claims by the LLCS and by Counterclaimants)

44. Counterclaimants repeat and reallege each and every allegation set forth in

Paragraphs 1 through 43 above as though fully set forth at length herein.

1
2 45. Counterdefendant was the fiduciary of the investors and was under a duty to
3 disclose all compensation received.

4 46. By negotiating commissions, not only was this conduct in violation of Nevada real
5 estate law, but it worked a fraud against the Counterclaimants in that Counterdefendant received
6 undisclosed commissions and profits.

7 47. The Counterdefendant had fiduciary duties and statutory duties to disclose all
8 compensation and agency relationships.

9
10 48. Even though Counterdefendant was not a Nevada licensee, he was nonetheless
11 required to comply with Nevada Agency Disclosure Statutes and the other real estate licensee
12 requirements.

13 49. Counterdefendant has not contributed one penny towards the principal amounts,
14 interest, property taxes, water rights, engineering or anything.

15 50. In receiving hundreds of thousands of dollars in undisclosed commissions, the
16 Counterdefendant has enriched himself at his fiduciaries' and the Counterclaimants' expense.

17 51. In so acting, the Counterdefendant has caused the Counterclaimants damages in
18 an amount in excess of \$10,000.00.

19 52. In doing the acts set forth, the Counterdefendant has acted willfully, maliciously,
20 and with the intent to injure the Counterclaimants such that the Counterclaimants are entitled to
21 punitive and exemplary damages in an amount in excess of \$10,000.00.

22
23 **THIRD COUNTERCLAIM FOR RELIEF**

24 **(Breach of Fiduciary Duties)**

25 53. Counterclaimants repeat and reallege each and every allegation set forth in
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Paragraphs 1 through 51 above as though fully set forth at length herein.

54. Counterdefendant, as a partner, co-member, co-manager, undisclosed agent, and purported friend owed duties of disclosure to the Counterclaimants.

55. The standard for disclosure in Nevada is that each partner knows everything the other partner knows.

56. In negotiating secret commissions, misrepresenting assets, misrepresenting values, and in the other conduct complained of above, the Counterdefendant breached his fiduciary duties causing the Counterclaimants damages in an amount in excess of \$10,000.00.

57. In so acting in doing the acts set forth, the Counterdefendant has acted willfully, maliciously, and with the intent to injure the Counterclaimants such that the Counterclaimants are entitled to punitive and exemplary damages in an amount in excess of \$10,000.00.

FOURTH COUNTERCLAIM FOR RELIEF

(Derivative Claims)

58. Counterclaimants repeat and reallege each and every allegation contained in Paragraphs 1 through 56 above as though fully set forth at length herein.

59. Independently, and in the alternative, Counterclaimants make claim on behalf of the LLCs for recovery of the undisclosed commissions and profits and for rescission of Counterdefendant's membership interests.

60. Accordingly, the entities request an accounting and a judicial declaration that by reason of the misrepresentations, failure of consideration, breach of fiduciary duties and otherwise, that the membership interests claimed by Counterdefendant be declared null and void and rescinded and that the parties be restored to their status quo ante.

61. Derivatively and additionally, Counterclaimants request that all undisclosed

1 commissions and compensation received by Counterdefendant be disgorged together with the
2 rescission.

3 **FIFTH COUNTERCLAIM FOR RELIEF**

4 **(Constructive Trust)**

5 62. Counterclaimants repeat and reallege each and every allegation contained in
6 Paragraphs 1 through 60 above as though fully set forth at length herein.

7 63. Counterclaimants were advised that there were four Vidler properties being
8 pursued.

9 64. Counterdefendant acquired one of the four properties, without the
10 Counterclaimants' knowledge or consent, for his own account.

11 65. In acquiring the Dayton property, after advising the Counterclaimants that they
12 would receive it, the Counterdefendant acquired the property utilizing funds apparently provided
13 by one of the Counterclaimants' original investors.

14 66. In breaching his fiduciary duties, converting this company opportunity, and
15 defrauding his co-investors, Counterdefendant has damaged the Counterclaimants in an amount
16 in excess of \$10,000.00.

17 67. The conduct of Counterdefendant is such that a constructive trust need be imposed
18 upon the asset so that it may be retained for the benefit of the defrauded Counterclaimants.

19 **SIXTH COUNTERCLAIM FOR RELIEF**

20 **(Negligence)**

21 68. Counterclaimants repeat and reallege each and every allegation contained in
22 Paragraphs 1 through 66 above as though fully set forth herein.

23 69. Counterdefendant, in his dealings with Counterclaimants, owed them duties of
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good faith and to conduct himself in a manner which would not adversely impact the Counterclaimants' interests.

70. Counterdefendant owed both a contractual duty of good faith and by reason of the fiduciary relationships, a tort duty of good faith as well.

71. In breaching his duties to the Counterclaimants, the Counterdefendant has caused the Counterclaimants damages in an amount in excess of \$10,000.00 for negligence damages.

SEVENTH COUNTERCLAIM FOR RELIEF

72. Counterclaimants repeat and reallege each and every allegation contained in Paragraphs 1 through 70 above as though fully set forth at length herein.

73. In no event should this Counterclaim nor any provision of this pleading ever be interpreted as an action on the Star Living Trust note and deed of trust which are secured by the Nevada Land and Water Company interest of Counterdefendant.

74. The Star Living Trust has elected to proceed with non-judicial disclosure of that note and obligation.

75. Other than the note and deed of trust discussed herein, Counterdefendant has breached his obligations under the LLC agreements and in so doing, has caused Counterclaimants and the LLCs damages in an amount in excess of \$10,000.00.

EIGHTH CLAIM FOR RELIEF

(Declaratory Relief)

76. Counterclaimants repeat and reallege each and every allegation contained in Paragraphs 1 through 74 above as though fully set at length herein.

77. Disputes have arisen between the parties as to their mutual rights and entitlements.

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78. As outlined above, Counterclaimants have rescinded, legally or equitably, Counterdefendant's interests in the Wendover Project, LLC and the Big Springs, LLC.

79. Furthermore, Counterclaimants claim an interest in the fourth Vidler property located in Dayton.

80. The Counterclaimants do not seek the dissolution and winding up of the LLCs, but rather seek the rescission of Counterdefendant's interests.

81. It is otherwise necessary for the Court to adjudicate the parties' rights and entitlements.

82. Accordingly, Counterclaimants request a declaration from this Court determining the rights and entitlements of the parties in each of the investments.

NINTH CLAIM FOR RELIEF

(For Attorney's Fees and Special Damages)

83. Counterclaimants repeat and reallege each and every allegation contained in Paragraphs 1 through 82 above as though fully set forth at length herein.

84. By reason of Counterdefendant's activities, it has been necessary to retain attorneys.

85. In seeking the disgorgement of the profits, rescission and the other equitable relief requested herein, Counterclaimants are incurring attorney's fees due to Counterdefendant's conduct.

86. In so acting, Counterdefendant has caused Counterclaimants' damages in an amount in excess of \$10,000.00.

WHEREFORE, Counterclaimants pray for relief as follows:

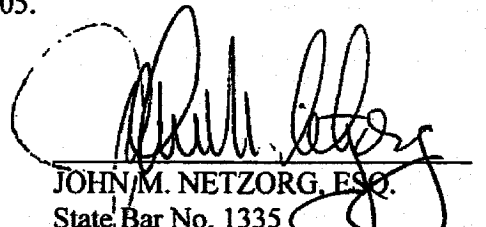
1. That Plaintiff take nothing by way of his Complaint;

LAW OFFICES OF
JOHN M. NETZORG
2810 W. CHARLESTON BLVD., SUITE H-81
LAS VEGAS, NEVADA 89102
(702) 878-3400

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2. For rescission of Counterdefendant's interests;
3. For disgorgement by Counterdefendant of all undisclosed commissions and profits;
4. For an accounting of all proceeds received by Counterdefendant;
5. For general damages in an amount in excess of \$10,000.00;
6. For punitive damages in an amount in excess of \$10,000.00;
7. For the imposition of a constructive trust on the Dayton property and any other misappropriated opportunities or ventures;
8. For declaratory relief;
9. For such further relief as the court deems just and proper, including attorney's fees, costs, and interest.


Dated this 6th day of December 2005.


JOHN M. NETZORG, ESQ.
State Bar No. 1335
2810 W. Charleston Boulevard, #81
Las Vegas, Nevada 89102
Attorney for KOROGHLI/SADRI

RECEIPT OF COPY

RECEIPT OF COPY of the foregoing Answer and Counterclaim is acknowledged this

6 day of December 2005.


JOHN PETER LEE, ESQ.
JOHN PETER LEE, LTD.
Nevada Bar No. 1768
830 Las Vegas Boulevard South
Las Vegas, Nevada 89101
Attorney for Plaintiff/Counterdefendant

LAW OFFICES OF
JOHN M. NETZORG
2810 W. CHARLESTON BLVD., SUITE H-81
LAS VEGAS, NEVADA 89102
(702) 878-3400

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ANS
 JOHN M. NETZORG, ESQ.
 Nevada Bar No. 1335
 2810 West Charleston Boulevard, #H-81
 Las Vegas, Nevada 89102
 (702) 878-3400
 Attorney for Defendants/Counterclaimants

FILED

MAY 8 4 12 PM '06

Shirley S. Pennington
 CLERK.

DISTRICT COURT
 CLARK COUNTY, NEVADA

GHOLAMREZA ZANDIAN JAZI,

 Plaintiff,

 vs.

 RAY KOROGHLI, individually, FARIBORZ
 FRED SADRI, individually and as Trustee of the
 the Star Living Trust, WENDOVER PROJECT,
 LLC, a Nevada limited liability company; BIG
 SPRING RANCH, LLC, a Nevada limited liability
 company, and NEVADA LAND AND WATER
 RESOURCES, LLC, a Nevada limited liability
 company

 Defendants

)
)
) CASE NO. A 511131
) DEPT. NO. XIII
)
)
) ANSWER OF WENDOVER
) PROJECT, LLC, BIG SPRING
) RANCH, LLC and NEVADA LAND
) AND WATER RESOURCES, LLC
) TO PLAINTIFF'S COMPLAINT
)
)
)

Date of Hearing: n/a
 Time of Hearing: n/a

COME NOW, Defendants WENDOVER PROJECT, LLC, BIG SPRING RANCH, LLC
 and NEVADA LAND AND WATER RESOURCES, LLC, by and through their counsel, John
 M. Netzorg, Esq., and for their Answer to Plaintiff's First Amended Complaint, state as follows:

1. Answering Paragraph 1, Answering Defendants are without sufficient knowledge or information upon which to base a belief as to the truth of the allegations contained in Paragraph 1, and upon said ground deny each and every allegation contained therein.
2. Answering Defendants admit the allegations contained in Paragraph 2.

pd

LAW OFFICES OF
JOHN M. NETZORG
 2810 W. CHARLESTON BLVD., SUITE H-81
 LAS VEGAS, NEVADA 89102
 (702) 878-3400

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LAW OFFICES OF
JOHN M. NETZORG
2810 W. CHARLESTON BLVD., SUITE H-81
LAS VEGAS, NEVADA 89102
(702) 878-3400

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3. Answering Defendants admit the allegations contained in Paragraph 3.
4. Answering Defendants deny the allegations contained in Paragraph 4.
5. Answering Defendants deny the allegations contained in Paragraph 5.
6. Answering Defendants deny the allegations contained in Paragraph 6.
7. Answering Defendants deny the allegations contained in Paragraph 7.
8. Answering Defendants deny the allegations contained in Paragraph 8.
9. Answering Defendants deny the allegations contained in Paragraph 9.
10. Answering Defendants deny the allegations contained in Paragraph 10.
11. Answering Defendants deny the allegations contained in Paragraph 11.
12. Answering Defendants deny the allegations contained in Paragraph 12.

Attorney's Fee

Answering Defendants deny this allegation.

FIRST AFFIRMATIVE DEFENSE

Plaintiff's Complaint fails to state a claim upon which relief may be granted.

SECOND AFFIRMATIVE DEFENSE

Plaintiff is barred from bringing an individual action against the LLCs.

THIRD AFFIRMATIVE DEFENSE

Plaintiff is seeking to recover commissions in violation of Nevada law.

FOURTH AFFIRMATIVE DEFENSE

Plaintiff has failed to bring a derivative action as required by law.

FIFTH AFFIRMATIVE DEFENSE

Plaintiff has failed to name necessary parties.

SIXTH AFFIRMATIVE DEFENSE

1 Plaintiff has wrongfully recorded lis pendens against the properties when Plaintiff owns
2 only a personal property interest, if anything, in the Limited Liability Companies.
3

SEVENTH AFFIRMATIVE DEFENSE

4
5 There are no allegations that the Limited Liability Companies made any actionable words
6 against the Plaintiff.
7

EIGHTH AFFIRMATIVE DEFENSE

8
9 The Plaintiff has failed to specify what claims, if any, it is making against the Limited
10 Liability Companies.
11

NINTH AFFIRMATIVE DEFENSE

12 The Defendants' conduct is subject to an absolute privilege.
13

TENTH AFFIRMATIVE DEFENSE

14 The Defendants' conduct is subject to a qualified privilege.
15

ELEVENTH AFFIRMATIVE DEFENSE

16 The defamatory allegations, if any, are true.
17

TWELFTH AFFIRMATIVE DEFENSE

18 NRS 50.095 is inapplicable due to the issue of character raised by the Defendants' defense
19 of truth.
20
21

THIRTEENTH AFFIRMATIVE DEFENSE

22 The Defendants' actions were justified.
23

FOURTEENTH AFFIRMATIVE DEFENSE

24 There was no publication.
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FIFTEENTH AFFIRMATIVE DEFENSE

Any publication to counsel is not a publication.

SIXTEENTH AFFIRMATIVE DEFENSE

Communications with counsel are privileged.

SEVENTEENTH AFFIRMATIVE DEFENSE

There have been no special or other damages.

EIGHTEENTH AFFIRMATIVE DEFENSE

Matters of opinion are not defamatory.

NINETEENTH AFFIRMATIVE DEFENSE

There was no malice.

COUNTERCLAIM

COME NOW, Counterclaimant, WENDOVER PROJECT, LLC and for its counterclaims against the Counterdefendant GHOLAMREZ ZANDIAN JAZI, alleges as follows:

1. Counterdefendant GHOLAMREZA ZANDIAN JAZI aka Zandian and Zandian Jazi (hereinafter "Zandian") is believed to live in California.
2. In December 2003, the parties closed on two transactions, one of which the Big Springs Ranch Project, a 37,000 acre parcel and 20,000 acre feet of water located 25 miles from Wendover, and the other investment was the Wendover Project, LLC.
3. Zandian represented the Wendover Project to his partners, he represented that this 6400 acre Vidler holding, west of Wendover, Nevada, could be acquired for \$15,000,000.00, or approximately one-third of its \$50,000,000.00 value.
4. Zandian, claiming to own a shipping yard in Europe, was to contribute his \$3,000,000.00 in stock in the facility and the partners would share equally.

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5. The operating agreements disclosed what the managing partners were to receive.
6. The original purchase included a substantial purchase money deed of trust.
7. Fred and Ray were advised by Mr. Hart, CEO of Pico Holdings advised that stock tendered by Zandian was for his Wendover interest was worthless.
8. On further demand, Mr. Hart provided documentation that Zandian had received undisclosed commissions on all transactions from his principal, the seller.
9. As a result of learning that not only had Zandian tendered no consideration for his interests, but that he had received undisclosed and improper commissions from the sellers on each of the land transactions, the agreements were rescinded.
10. As a result of having tendered worthless stock for the acquisition of the Wendover Project, and actually having received hundreds of thousands of dollars in secret compensation, his rescinded interest was transferred to the other investors pro rata.

FIRST COUNTERCLAIM FOR RELIEF

(Rescission)

11. Counterclaimant repeats and realleges each and every allegation set forth above in Paragraphs 1 through 10 as though fully set forth at length herein.
12. The Counterdefendant misrepresented the terms and conditions of the investments.
13. The Counterdefendant has taken hundreds of thousands of dollars in undisclosed commissions and profits.
14. Had Counterclaimant been aware of the true facts, it never would have entered into the transactions or those terms and conditions.
15. By reason of the misrepresentations, breach of fiduciary duties, and receipt of

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undisclosed commissions and compensation, the Counterclaimants and investment entities are entitled to rescission.

16. By reason of a failure of consideration, the Counterclaimants and investment entities are entitled to rescission.

17. By reason of Counterdefendant's intentional misrepresentations and omissions of material fact, the Counterclaimants are entitled to rescission.

SECOND COUNTERCLAIM FOR RELIEF

(Unjust Enrichment)

18. Counterclaimant repeats and realleges each and every allegation set forth in Paragraphs 1 through 17 above as though fully set forth at length herein.

19. Counterdefendant was the fiduciary of the investors and was under a duty to disclose all compensation received.

20. By negotiating commissions, not only was this conduct in violation of Nevada real estate law, but it worked a fraud against the Counterclaimant in that Counterdefendant received undisclosed commissions and profits.

21. The Counterdefendant had fiduciary duties and statutory duties to disclose all compensation and agency relationships.

22. Even though Counterdefendant was not a Nevada licensee, he was nonetheless required to comply with Nevada Agency Disclosure Statutes and the other real estate licensee requirements.

23. Counterdefendant has not contributed one penny towards the principal amounts, interest, property taxes, water rights, engineering or anything.

24. In receiving hundreds of thousands of dollars in undisclosed commissions, the

Counterdefendant has enriched himself at his fiduciaries' and the Counterclaimant's expense.

25. In so acting, the Counterdefendant has caused the Counterclaimant damages in an amount in excess of \$10,000.00.

26. In doing the acts set forth, the Counterdefendant has acted willfully, maliciously, and with the intent to injure the Counterclaimants such that the Counterclaimant is entitled to punitive and exemplary damages in an amount in excess of \$10,000.00.

THIRD COUNTERCLAIM FOR RELIEF

(Breach of Fiduciary Duties)

27. Counterclaimant repeats and realleges each and every allegation set forth in Paragraphs 1 through 26 above as though fully set forth at length herein.

28. Counterdefendant, as manager and undisclosed agent owed duties of disclosure to the Counterclaimant.

29. In negotiating secret commissions, misrepresenting assets, misrepresenting values, and in the other conduct complained of above, the Counterdefendant breached his fiduciary duties causing the Counterclaimant damages in an amount in excess of \$10,000.00.

30. In so acting In doing the acts set forth, the Counterdefendant has acted willfully, maliciously, and with the intent to injure the Counterclaimants such that the Counterclaimants are entitled to punitive and exemplary damages in an amount in excess of \$10,000.00.

FOURTH COUNTERCLAIM FOR RELIEF

(Negligence)

31. Counterclaimant repeats and realleges each and every allegation contained in Paragraphs 1 through 30 above as though fully set forth at length herein.

32. Counterclaimant makes claim for recovery of the undisclosed commissions and

LAW OFFICES OF
JOHN M. NETZORG
2810 W. CHARLESTON BLVD., SUITE H-81
LAS VEGAS, NEVADA 89102
(702) 878-3400

profits and for rescission of Counterdefendant's membership interests.

1
2 33. Accordingly, the entities request an accounting and a judicial declaration that by
3 reason of the misrepresentations, failure of consideration, breach of fiduciary duties and
4 otherwise, that the membership interests claimed by Counterdefendant be declared null and void
5 and rescinded and that the parties be restored to their status quo ante.

6 34. Derivatively and additionally, Counterclaimant requests that all undisclosed
7 commissions and compensation received by Counterdefendant be disgorged together with the
8 rescission.
9

10 **FIFTH COUNTERCLAIM FOR RELIEF**

11 **(Negligence)**

12 35. Counterclaimant repeats and realleges each and every allegation contained in
13 Paragraphs 1 through 34 above as though fully set forth herein.

14 36. Counterdefendant, in his dealings with Counterclaimant, owed it duties of
15 good faith and to conduct himself in a manner which would not adversely impact the
16 Counterclaimant's interests.
17

18 37. Counterdefendant owed both a contractual duty of good faith and by reason of the
19 fiduciary relationships, a tort duty of good faith as well.
20

21 38. In breaching his duties to the Counterclaimant, the Counterdefendant has caused
22 the Counterclaimant damages in an amount in excess of \$10,000.00 for negligence damages.
23

24 **SIXTH COUNTERCLAIM FOR RELIEF**

25 **(Declaratory Relief)**

26 39. Counterclaimant repeats and realleges each and every allegation contained in
27 Paragraphs 1 through 38 above as though fully set forth at length herein.
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40. Disputes have arisen between the parties as to their mutual rights and entitlements.

40. As outlined above, Counterclaimant has rescinded, legally or equitably, Counterdefendant's interests in the Wendover Project, LLC.

41. Furthermore, Counterclaimant claims an interest in the fourth Vidler property located in Dayton.

42. The Counterclaimant does not seek the dissolution and winding up of the LLCs, but rather seek the rescission of Counterdefendant's interests.

43. It is otherwise necessary for the Court to adjudicate the parties' rights and entitlements.

44. Accordingly, Counterclaimant requests a declaration from this Court determining the rights and entitlements of the parties in each of the investments.

SEVENTH CLAIM FOR RELIEF

(For Attorney's Fees and Special Damages)

45. Counterclaimants repeat and reallege each and every allegation contained in Paragraphs 1 through 44 above as though fully set forth at length herein.

46. By reason of Counterdefendant's activities, it has been necessary to retain attorneys.

47. In seeking the disgorgement of the profits, rescission and the other equitable relief requested herein, Counterclaimant is incurring attorney's fees due to Counterdefendant's conduct.

48. In so acting, Counterdefendant has caused Counterclaimant damages in an amount in excess of \$10,000.00.

WHEREFORE, Defendants and Counterclaimant pray for relief as follows:

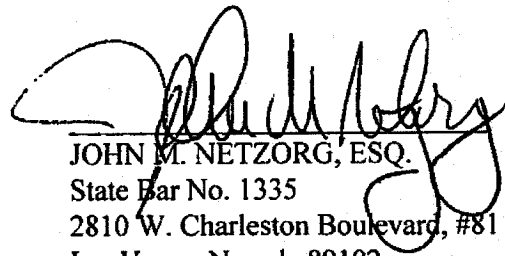
LAW OFFICES OF
JOHN M. NETZORG
2810 W. CHARLESTON BLVD., SUITE H-81
LAS VEGAS, NEVADA 89102
(702) 878-3400

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1. That Plaintiff take nothing by way of his Complaint;
2. For rescission of Counterdefendant's interests;
3. For disgorgement by Counterdefendant of all undisclosed commissions and profits;
4. For an accounting of all proceeds received by Counterdefendant;
5. For general damages in an amount in excess of \$10,000.00;
6. For punitive damages in an amount in excess of \$10,000.00;
7. For the imposition of a constructive trust on the Dayton property and any other misappropriated opportunities or ventures;
8. For declaratory relief;

For such further relief as the court deems just and proper, including attorney's

Dated this 4th day of May 2006.



JOHN M. NETZORG, ESQ.
State Bar No. 1335
2810 W. Charleston Boulevard, #81
Las Vegas, Nevada 89102
Attorney for Defendants

CERTIFICATION OF SERVICE

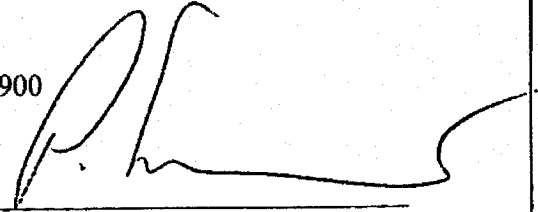
I hereby certify that I am an employee of John M. Netzorg, Esq., that on this 4th day of May 2006 a copy of the foregoing ANSWER TO PLAINTIFF'S COMPLAINT AND COUNTERCLAIM was mailed to each of the following by depositing copies in the U.S. Mail at Las Vegas, Nevada in sealed envelopes, containing first class prepaid postage, as well as sent via facsimile where indicated, addressed as follows:

LAW OFFICES OF
JOHN M. NETZORG
2810 W. CHARLESTON BLVD., SUITE H-81
LAS VEGAS, NEVADA 89102
(702) 878-3400

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FAX NO. 383-9950
JOHN PETER LEE, ESQ.
JOHN PETER LEE, LTD.
Nevada Bar No. 1768
830 Las Vegas Boulevard South
Las Vegas, Nevada 89101
Attorney for Plaintiff/Counterdefendant

Floyd Hale, Esq.
JAMS
2300 W. Sahara Avenue, #900
Las Vegas, Nevada 89102



an employee of John M. Netzorg, Esq.

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Shirley A. Rungius
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1 RPLY
2 JOHN PETER LEE, LTD.
3 JOHN PETER LEE, ESQ.
4 Nevada Bar No. 001768
5 830 Las Vegas Boulevard South
6 Las Vegas, Nevada 89101
7 (702) 382-4044 Fax: (702) 383-9950
8 Attorneys for Plaintiff/Counterdefendant

DISTRICT COURT
CLARK COUNTY, NEVADA

9 GHOLAMREZA ZANDIAN JAZI,)

10 Plaintiff,)

11 v.)

12 RAY KOROGHLI, individually, FARIBORZ FRED)
13 SADRI, individually, and as Trustee of the Star)
14 Living Trust, WENDOVER PROJECT, LLC, a)
15 Nevada limited liability company; BIG SPRING)
16 RANCH, LLC, a Nevada limited liability company,)
17 and NEVADA LAND AND WATER)
18 RESOURCES, LLC, a Nevada limited liability)
19 company,)

20 Defendants.)

21 RAY KOROGHLI, individually and FARIBORZ)
22 FRED SADRI, individually,)

23 Counterclaimants,)

24 v.)

25 GHOLAMREZ ZANDIAN JAZI,)

26 Counterdefendant.)

27 WENDOVER PROJECT, LLC,)

28 Counterclaimant,)

29 v.)

30 GHOLAMREZ ZANDIAN JAZI,)

31 Counterdefendant.)

CASE NO.: A511131
DEPT. NO.: XIII

REPLY TO COUNTERCLAIM
OF WENDOVER PROJECT, LLC
AND COUNTERCLAIM
AGAINST WENDOVER
PROJECT, LLC

DATE: N/A
TIME: N/A

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COUNTY CLERK

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

1 GHOLAMREZ ZANDIAN JAZI,
2 Counterclaimant,
3 v.
4 WENDOVER PROJECT, LLC,
5 Counterdefendant,

6 1334.022860-JLR

7 COMES NOW the Plaintiff and Counterdefendant, Gholamreza Zandian Jazi ("Zandian"),
8 by and through his counsel, John Peter Lee, Ltd., and for and a Reply the Counterclaim of Wendover
9 Project, LLC, alleges as follows:

10 **FIRST DEFENSE**

11 1. The Counterclaim fails to state facts upon which relief can be granted.

12 **SECOND DEFENSE**

13 2. The Counterclaim is not responsive to the assertions made in the Complaint, but
14 rather makes irrelevant assertions against the Plaintiff/Counterdefendant, which are not and cannot
15 be the subject of any contractual matters existing between him and the answering
16 Defendant/Counterclaimant Wendover Project, LLC.

17 **THIRD DEFENSE**

18 3. Plaintiff/Counterdefendant admits that he is a resident of the State of California, but
19 denies all the remaining allegations of the Counterclaim as being totally irrelevant, immaterial and
20 not binding upon the Plaintiff/Counterdefendant.

21 4. Specifically this Counterdefendant denies that as a matter of fact the agreements
22 referred to in the Counterclaim were "rescinded" and denies further that the LLC had the authority
23 to transfer the "rescinded interest" of the Plaintiff/Counterdefendant to the other investors pro rata
24 and that, if such was accomplished, it was accomplished in violation of the Operating Agreement
25 and the Articles of formation of the LLC and was contrary to the laws of the State of Nevada and
26 accordingly the action of the LLC, if in fact undertaken, is without force and authority and are
27 evidence of the wrongdoing of the individual Defendants.

28 ...

JOHN PETER LEE, LTD.

ATTORNEYS AT LAW

830 LAS VEGAS BOULEVARD SOUTH

LAS VEGAS, NEVADA 89101

Telephone (702) 382-4044

Telecopier (702) 383-9950

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DEFENSE TO THE FIRST COUNTERCLAIM FOR RELIEF

5. Plaintiff/Counterdefendant repeats the allegations set forth in Paragraphs 1 through 3 above made in response to the provisions of Paragraph 11.

6. Plaintiff/Counterdefendant denies the allegations of Paragraphs 12, 13, 14, 15, 16 and 17 of the First Counterclaim for Relief.

DEFENSE TO THE SECOND COUNTERCLAIM FOR RELIEF

7. Plaintiff/Counterdefendant repeats the allegations set forth in Paragraphs 1 through 6 above made in response to the provisions of Paragraph 18.

8. Plaintiff/Counterdefendant denies the allegations of Paragraphs 19, 20, 21, 22, 23, 24, 25 and 26 of the Second Counterclaim for Relief.

DEFENSE TO THE THIRD COUNTERCLAIM FOR RELIEF

9. Plaintiff/Counterdefendant repeats the allegations set forth in Paragraphs 1 through 8 above made in response to the provisions of Paragraph 27.

10. Plaintiff/Counterdefendant denies the allegations of Paragraphs 28, 29 and 30 of the Third Counterclaim for Relief.

DEFENSE TO THE FOURTH COUNTERCLAIM FOR RELIEF

11. Plaintiff/Counterdefendant repeats the allegations set forth in Paragraphs 1 through 10 above made in response to the provisions of Paragraph 31.

12. Plaintiff/Counterdefendant denies the allegations of Paragraphs 32, 33 and 34 of the Fourth Counterclaim for Relief.

DEFENSE TO THE FIFTH COUNTERCLAIM FOR RELIEF

13. Plaintiff/Counterdefendant repeats the allegations set forth in Paragraphs 1 through 12 above made in response to the provisions of Paragraph 35.

14. Plaintiff/Counterdefendant denies the allegations of Paragraphs 36, 37 and 38 of the Fifth Counterclaim for Relief.

DEFENSE TO THE SIXTH COUNTERCLAIM FOR RELIEF

15. Plaintiff/Counterdefendant repeats the allegations set forth in Paragraphs 1 through 14 above made in response to the provisions of Paragraph 39.

JOHN PETER LEE, LTD.

ATTORNEYS AT LAW

830 LAS VEGAS BOULEVARD SOUTH

LAS VEGAS, NEVADA 89101

Telephone (702) 382-4044

Telecopier (702) 383-9950

1 16. Plaintiff/Counterdefendant denies the allegations of Paragraphs 40, 40{sic}, 41, 42,
2 43 and 44 of the Sixth Counterclaim for Relief.

3 **DEFENSE TO THE SEVENTH COUNTERCLAIM FOR RELIEF**

4 17. Plaintiff/Counterdefendant repeats the allegations set forth in Paragraphs 1 through
5 16 above made in response to the provisions of Paragraph 45.

6 18. Plaintiff/Counterdefendant denies the allegations of Paragraphs 46, 47 and 48 of the
7 Seventh Counterclaim for Relief.

8 **ATTORNEYS FEES**

9 The Plaintiff/Counterdefendant is entitled to his fees and costs in connection with this case,
10 incurred prior to and subsequent to the filing of the Counterclaim in this action.

11 WHEREFORE, the Plaintiff/Counterdefendant prays that the Defendant/Counterclaimant
12 Wendover Project, LLC be allowed no relief whatsoever and that the Plaintiff/Counterdefendant be
13 entitled to and granted the relief requested by him in his Complaint, together with his attorneys fees
14 and costs.

15 **COUNTERCLAIM TO THE COUNTERCLAIM**
16 **OF WENDOVER PROJECT, LLC**

17 COMES NOW the Plaintiff/Counterdefendant/Counterclaimant Gholamreza Zandian Jazi
18 for an as a Counterclaim against Wendover Project, LLC asserts as follows:

19 1. The Plaintiff/Counterdefendant/Counterclaimant holds a valid, existing and Member
20 and Manager's right in Wendover Project, LLC, a Nevada limited liability company.

21 2. The Defendant/Counterclaimant Wendover Project, LLC has assertedly through the
22 other Managers and Members attempted to harm, injure and terminate the
23 Plaintiff/Counterdefendant/Counterclaimant and terminate his rights as a Member and as a Manager
24 of Wendover Project, LLC, all of which was done improperly without authority and in contravention
25 of the Plaintiff/Counterdefendant/Counterclaimant's rights all to his damage in a sum not as yet
26 determined because the Defendants, and each of them, have failed and refused to account to the
27 Plaintiff/Counterdefendant/Counterclaimant for monies, cash and other assets received during the
28

1 course of the administration of the affairs of the Defendants, and particularly the
2 Defendant/Counterclaimant/Counterdefendant Wendover Project, LLC.

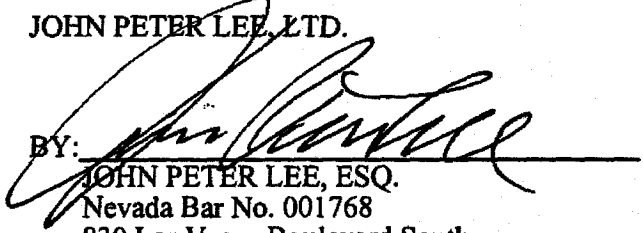
3 **ATTORNEYS FEES**

4 The Plaintiff/Counterdefendant/Counterclaimant is entitled to his fees and costs in connection
5 with this case, both prior to and subsequent to the filing of the Counterclaim in this action.

6 WHEREFORE, the Plaintiff/Counterdefendant/Counterclaimant prays that the
7 Defendant/Counterclaimant/Counterdefendant Wendover Project, LLC be allowed no relief
8 whatsoever and that the Plaintiff/Counterdefendant be entitled to and granted the relief requested by
9 him in his Complaint and in this Counterclaim.

10 DATED this 9th day of May, 2006.

11 JOHN PETER LEE, LTD.

12 BY: 

13 JOHN PETER LEE, ESQ.
14 Nevada Bar No. 001768
15 830 Las Vegas Boulevard South
16 Las Vegas, Nevada 89101
17 Ph: (702) 382-4044/Fax: (702) 383-9950
18 Attorneys for Plaintiff/Counterdefendant/
19 Counterclaimant

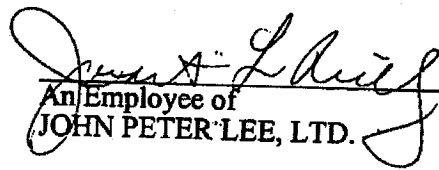
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JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

CERTIFICATE OF MAILING

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I HEREBY CERTIFY that I am an employee of John Peter Lee, Ltd. and that on the 9th day of May, 2006, pursuant to the amendment of the Eighth Judicial District Court Rule 7.26, I served by enclosing it in a sealed envelope upon which first class postage was fully prepaid, a copy of the foregoing REPLY TO COUNTERCLAIM OF WENDOVER PROJECT, LLC AND COUNTERCLAIM AGAINST WENDOVER PROJECT, LLC in the above captioned matter to the following:

John M. Netzorg, Esq.
2810 West Charleston Boulevard, #81
Las Vegas, Nevada 89102
Attorneys for Defendants,
Ray Koroghli, Fariborz Fred Sadri


An Employee of
JOHN PETER LEE, LTD.

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

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RPLY
1 JOHN M. NETZORG, ESQ.
2 Nevada Bar No. 1335
3 2810 West Charleston Boulevard, #H-81
4 Las Vegas, Nevada 89102
5 (702) 878-3400
6 Attorney for Defendants/Counterclaimants

DISTRICT COURT
CLARK COUNTY, NEVADA

GHOLAMREZA ZANDIAN JAZI,)

Plaintiff,)

vs.)

11 RAY KOROGHLI, individually, FARIBORZ)
12 FRED SADRI, individually and as Trustee of the)
13 the Star Living Trust, WENDOVER PROJECT,)
14 LLC, a Nevada limited liability company; BIG)
15 SPRING RANCH, LLC, a Nevada limited liability)
16 company, and NEVADA LAND AND WATER)
17 RESOURCES, LLC, a Nevada limited liability)
18 company)

Defendants)

) CASE NO. A 511131
) DEPT. NO. XIII

) REPLY OF WENDOVER
) PROJECT, LLC TO
) PLAINTIFF'S COUNTERCLAIM
) TO COUNTERCLAIM

Date of Hearing: n/a
Time of Hearing: n/a

20 COMES NOW, Defendant WENDOVER PROJECT, LLC, by and through its counsel,
21 John M. Netzorg, Esq., and for its Reply to the Counterclaim to Counterclaim of Plaintiff alleges
22 as follows:

- 23 1. Wendover Project, LLC denies the allegations contained in Paragraph 1.
- 24 2. Wendover Project, LLC denies the allegations contained in Paragraph 2.

Attorneys Fee

27 Wendover Project, LLC denies this allegation.

LAW OFFICES OF
JOHN M. NETZORG
2810 W. CHARLESTON BLVD., SUITE H-81
LAS VEGAS, NEVADA 89102
(702) 878-3400

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FIRST AFFIRMATIVE DEFENSE

1
2 Plaintiff's Counterclaim to Counterclaim fails to state a claim upon which relief may be
3 granted.

4
SECOND AFFIRMATIVE DEFENSE

5 Counterclaimant Wendover Project, LLC, is entitled to rescission for the following
6 reasons:

- 7 1. Mr. Zandian held himself out as a partner, managing
- 8 member and syndicator of the Wendover Project, LLC.
- 9 2. Mr. Zandian made the following misrepresentations:
- 10 (a) that he was acting as managing partner for
- 11 Wendover Project, LLC when in fact, he was
- 12 acting on behalf of the seller;
- 13 (b) that he had received a \$3 million credit from Pico
- 14 Holdings, LLC in consideration of the transfer of
- 15 500 shares of K-Damen Shipyard stock;
- 16 (c) that Pico Holdings, LLC, as a result of Pico's
- 17 interest in Mr. Zandian's shipyard, was providing
- 18 discounts to Wendover Project, LLC;
- 19 (d) that on September 18, 2003, Mr. Zandian did
- 20 create a document which purported to transfer
- 21 500 shares of K-Damen Shipyard stock to Pico
- 22 Holdings, LLC in consideration of a \$3 million
- 23 discount;
- 24 (e) that the document was back-dated to April 2003;
- 25 (f) that on or about September 19, 2003, Mr. Zandian
- 26 prepared a script of misrepresentations which he
- 27 wished Pico Holdings to provide to the managing
- 28 partners of Wendover Project, LLC, including,
- but not limited to misrepresentations as to the
- payment of commissions and misrepresentations
- as to Pico Holdings' interest in the Dutch
- shipyard.
- (g) Mr. Zandian maintained and maintains to this
- date that he has a \$3 million interest;
- (h) that this consideration was non-existent, false and
- fraudulent and, accordingly, counter-counter
- defendant, Wendover Project, LLC is entitled to
- rescission;
- (i) that Mr. Zandian as a result of the above

LAW OFFICES OF
JOHN M. NETZORG
2810 W. CHARLESTON BLVD., SUITE H-81
LAS VEGAS, NEVADA 89102
(702) 878-3400

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- machinations, was to receive an equity interest in the Defendant Wendover Project, LLC;
- (j) by reason of Mr. Zandian's false and fraudulent conduct, the LLC is entitled to rescission of any ownership interest and a disgorgement of all profits;
 - (k) that Mr. Zandian misrepresented to the LLC that any commissions, consulting fees or other compensation were presented to the counter-counter defendant Wendover Project, LLC in the form of discounts to the purchase price;
 - (l) although some versions of the purchase agreement included a recital that Mr. Zandian had consulted in the agreement, in response to inquiries, no disclosure was made that a separate compensation was being paid;
 - (m) without material disclosure, Mr. Zandian received commissions or other compensation in cash in an amount which counter-counter defendant believes equaled \$374,000 for the Wendover Project sale alone;
 - (n) Mr. Zandian, through these machinations, received a bogus \$3 million credit for the shipyard, a 1/3 interest in the managers' half ownership of the LLC, and \$374,000 in cash;
 - (o) for all intents and purposes, Mr. Zandian was paid three times for the same services, while actually working on behalf of Pico Holdings, LLC rather than Wendover Project, LLC;
 - (p) in correspondence to Pico Holdings in January and October 2004, Mr. Zandian recites his ability to obtain for Pico good margins on the Wendover Project sale which he was able to deliver at Pico's "asking price."
 - (q) Mr. Zandian made it abundantly clear to Pico that he was acting as a broker and not as a partner or fiduciary of Wendover Project, LLC during these negotiations;
 - (r) Mr. Zandian's contact was intentional with the specific design to enrich himself at the expense of his fiduciaries;
 - (s) as a result of this conduct and others, and the failure of consideration, Mr. Zandian's interest was rescinded;
 - (t) in addition to rescission, counter-counter defendant, Wendover Project, LLC would request

1 a disgorgement of all benefits received by Mr.
2 Zandian as a result of this artifice.

3 **THIRD AFFIRMATIVE DEFENSE**
4

5 In or about September 2003, during negotiations for the acquisition of the Wendover
6 Project, LLC property, Mr. Zandian, without disclosure, emailed to the seller, Pico Holdings,
7 Wendover Project LLC's negotiating position for the acquisition of the property.

8 By providing the seller with the buyers' intended negotiating position, Mr. Zandian
9 completely compromised the interests of Wendover Project, LLC, the result of which was Mr.
10 Zandian's ability to deliver the property at a good margin and at the seller's "asking price."
11

12 At a time when the LLC needed money to service its obligations, Mr. Zandian attracted
13 investors to other properties, which investors were likewise involved in the Wendover project.

14 Mr. Zandian's misuse of the Wendover Project, LLC's private information, available to
15 Mr. Zandian because of his purported fiduciary relationship, justified limited disclosures to him.
16

17 Mr. Zandian has been provided all accounting information and every record available for
18 the LLC nonetheless.

19 **FOURTH AFFIRMATIVE DEFENSE**

20 The LLC would be entitled to withhold information in an instance where one of its
21 fiduciaries was using that information for purposes contrary to the best interests of the LLC, such
22 as providing the opposite party in a negotiation the LLC's position prior to the negotiation.
23

24 **FIFTH AFFIRMATIVE DEFENSE**

25 Mr. Zandian, through his conduct, is estopped from asserting any claims against the LLC.

26 **SIXTH AFFIRMATIVE DEFENSE**

27 Mr. Zandian, pursuant to his conduct, has waived any entitlements or claims against the
28

LLC.

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SEVENTH AFFIRMATIVE DEFENSE

Mr. Zandian is guilty of laches in asserting his Counterclaim to Counterclaim.

EIGHTH AFFIRMATIVE DEFENSE

Mr. Zandian has been unjustly enriched.

NINTH AFFIRMATIVE DEFENSE

Mr. Zandian seeks equity, having failed to do equity, barring equitable relief.

TENTH AFFIRMATIVE DEFENSE

Mr. Zandian comes to the arbitration with unclean hands.

ELEVENTH AFFIRMATIVE DEFENSE

Mr. Zandian, as a fiduciary, must disgorge all compensation and other benefits received by him as a result of his breach of his confidential relations with the Wendover Project, LLC.

TWELFTH AFFIRMATIVE DEFENSE

As a result of Mr. Zandian's conduct, his interests have been legally and equitably rescinded.

FOURTEENTH AFFIRMATIVE DEFENSE

Plaintiff, as an LLC member, has no standing to bring a derivative action individually.

WHEREFORE, Counter-Counter Defendant, Wendover Project, LLC prays:

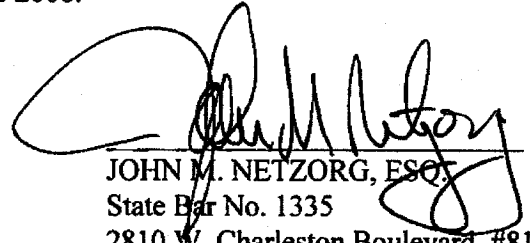
1. that Counter-Counterclaim take nothing by way of his complaint;
2. that Counter-Counter Defendant be awarded rescission;
3. that Counter-Counter Defendant be awarded damages in an amount in excess of \$10,000.00;
4. for the disgorgement of all benefits received by its fiduciary in violation of his

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duties;

5. for attorney's fees, costs, and such further relief as the court deems just and proper.

Dated this 20th day of June 2006.



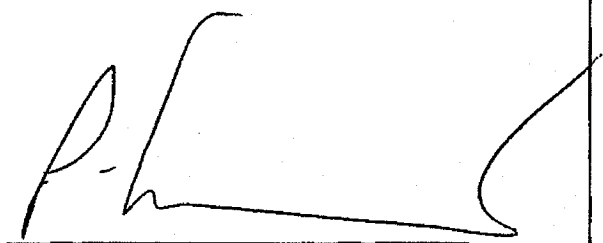
JOHN M. NETZORG, ESQ.
State Bar No. 1335
2810 W. Charleston Boulevard, #81
Las Vegas, Nevada 89102
Attorney for Wendover Project, LLC

CERTIFICATION OF SERVICE

I hereby certify that I am an employee of John M. Netzorg, Esq., that on this 20th day of June 2006 service of the foregoing Motion to Dismiss Counterclaim to Counterclaim was made by facsimile transmission only, pursuant to the amendment to Eighth Judicial District Court Rule 7.26, by faxing a true and correct copy of same to each party addressed as follows:

JOHN PETER LEE, ESQ.
JOHN PETER LEE, LTD.
Nevada Bar No. 1768
830 Las Vegas Boulevard South
Las Vegas, Nevada 89101
Attorney for Plaintiff/Counterdefendant
FAX NO. 383-9950

Floyd Hale, Esq.
Arbitrator
FAX NO. 437-5267



an employee of John M. Netzorg, Esq.

LAW OFFICES OF
JOHN M. NETZORG
2810 W. CHARLESTON BLVD., SUITE H-81
LAS VEGAS, NEVADA 89102
(702) 878-3400

**SUPREME COURT OF THE STATE OF NEVADA
OFFICE OF THE CLERK**

RAY KOROGHLI, INDIVIDUALLY; FARIBORZ FRED SADRI,
INDIVIDUALLY AND AS TRUSTEE OF THE STAR LIVING TRUST;
WENDOVER PROJECT, LLC, A NEVADA LIMITED LIABILITY COMPANY;
BIG SPRING RANCH, LLC, A NEVADA LIMITED LIABILITY COMPANY;
AND NEVADA LAND AND WATER RESOURCES, LLC, A NEVADA
LIMITED LIABILITY COMPANY,
Appellants,
vs.
GHOLAMREZA ZANDIAN JAZI,
Respondent.

Supreme Court No. 49924

District Court Case No. A511131

ASSIGNMENT NOTICE
NRAP 16 SETTLEMENT PROGRAM

TO: Cohen, Johnson & Day and Steven L. Day and James R. Nance
John Peter Lee Ltd. and John Peter Lee

Pursuant to NRAP 16, this matter is assigned to the settlement conference program. A conference will be scheduled by the assigned Settlement Judge. Any questions should be directed to:

Robert F. Saint-Aubin
53 Cassis
Monarch Beach, CA 92629
Phone: (702) 985-2400

- > Each party shall submit a confidential settlement statement directly to the Settlement Judge within 15 days from the date of this Notice. A settlement statement is limited to 10 pages, shall not be served on opposing counsel or submitted to the Supreme Court. See NRAP 16(d).
- > All counsel shall participate in a premediation telephone conference initiated by the settlement judge within 30 days of this Notice. See NRAP 16(b).
- > The time for requesting and preparing transcripts and for filing the briefs has been automatically suspended pursuant to NRAP 16(a)(1). However, a docketing statement must be filed within 15 days of the docketing of the notice of the appeal. See NRAP 14.
- > All papers or documents filed with the Supreme Court while a case is in the settlement program shall be served on all parties and the settlement judge. See NRAP 16(a)(3).
- > Counsel for all parties and their clients must attend the conference. For good cause, the Settlement Judge may excuse a client's attendance at the conference if counsel has written authorization to resolve the case fully or has immediate telephone access to the client. See NRAP 16(e)(1).

Exit Survey Polls are enclosed for you and your client(s) to complete and return.

DATE: August 13, 2007

Janette M. Bloom, Clerk of Court

By: 
Deputy Clerk

cc: Robert F. Saint-Aubin, Settlement Judge

07-11739 WEZ0774



SUPREME COURT OF NEVADA

OFFICE OF THE CLERK

JANETTE M. BLOOM, CLERK

201 SOUTH CARSON STREET, SUITE 201

CARSON CITY, NEVADA 89701-4702

Telephone
(775) 684-1600

August 13, 2007

Robert F. Saint-Aubin
Settlement Judge
53 Cassis
Monarch Beach, CA 92629

Re: Savicic vs. Katic, Case No. 49915
~~Horowitz vs. Jazi, Case No. 49924~~
Garcia vs. McMenemy, Case No. 49933
Nev. Alternative Solutions vs. Seegar, Case No. 49936
Bishara vs. Bishara, Case No. 49970

Dear Settlement Judge Saint-Aubin:

Thank you for your participation in the Supreme Court's settlement program. You have been assigned to conduct a settlement conference with the parties to the above-entitled appeal(s). Please find enclosed the following documents you will need to conduct the settlement conference:

- (1) Assignment Notice;
- (2) Copy of Supreme Court docket sheet listing all counsel to this appeal;
- (3) Early Case Assessment Report – due within 30 days;
- (4) Settlement Conference Status Reports – Final Report due in 180 days/120 days in child custody, visitation, relocation or guardianship cases;
- (5) Settlement Agreement;
- (6) Stipulation to dismiss pursuant to settlement conference;
- (7) Copies of the documents transmitted to the Supreme Court pursuant to NRAP 3(e);
- (8) Exit Poll forms to be distributed to all counsel and parties at the conference;
- (9) Envelopes for mailing documents to this office upon completion of each conference.

If you have any questions, please do not hesitate to contact me at (702)

486-9350.

Sincerely,

Thomas H. Harris/aa

Thomas H. Harris
Settlement Program Administrator

THH/aa
Enclosures

WFZ0775

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BLVD. SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

1 **NOAS**
2 JOHN PETER LEE, LTD.
3 JOHN PETER LEE, ESQ.
4 Nevada Bar No. 001768
5 MICHAEL A. REYNOLDS, ESQ.
6 Nevada Bar No. 008631
7 YVETTE R. FREEDMAN, ESQ.
8 Nevada Bar No. 009898
9 830 Las Vegas Boulevard South
10 Las Vegas, Nevada 89101
11 (702) 382-4044 Fax: (702) 383-9950
12 e-mail: info@johnpeterlee.com
13 Attorneys for Plaintiff/Counterdefendant

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AUG 14 2007

DISTRICT COURT
CLARK COUNTY, NEVADA

JANETTE M. BLOOM
CLERK OF SUPREME COURT
BY *J. Alvarado*
DEPUTY CLERK

No. 49924

12 GHOLAMREZA ZANDIAN JAZI,)
13)
14 Plaintiff,)
15 v.)
16 RAY KOROGHLI, individually, FARIBORZ FRED)
17 SADRI, individually, and as Trustee of the Star)
18 Living Trust, WENDOVER PROJECT, LLC, a)
19 Nevada limited liability company; BIG SPRING)
20 RANCH, LLC, a Nevada limited liability company,)
21 and NEVADA LAND AND WATER)
22 RESOURCES, LLC, a Nevada limited liability)
23 company,)
24 Defendants.)

CASE NO.: A511131
DEPT. NO.: X1

1334.022860 dp

NOTICE OF CROSS-APPEAL

23 Notice is hereby given that Plaintiff Gholamreza Zandian Jazi, hereby appeals to the
24 Supreme Court of Nevada from the Judgment Confirming Arbitration Award entered in this action

25 ////
26 ////
27 ////
28 ////

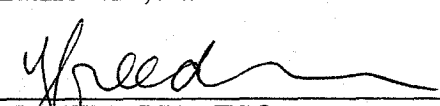
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07-17875 WE70776

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BLVD. SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

1 on the 8th day of June, 2007, and Order Granting Defendants' Motion for Stay of Proceedings to
2 Enforce Judgment and Alternatively to Set Supersedeas Bond (not yet filed).

3 DATED this 9th day of August, 2007.

4 JOHN PETER LEE, LTD.
5
6 BY: 
7 JOHN PETER LEE, ESQ.
8 Nevada Bar No. 001768
9 MICHAEL A. REYNOLDS, ESQ.
10 Nevada Bar No. 008631
11 YVETTE R. FREEDMAN, ESQ.
12 Nevada Bar No. 009898
13 830 Las Vegas Boulevard South
14 Las Vegas, Nevada 89101
15 (702) 382-4044 Fax: (702) 383-9950
16 e-mail: info@johnpeterlee.com
17 Attorneys for Plaintiff/Counterdefendant

18 **CERTIFICATE OF MAILING**

19 I HEREBY CERTIFY that on the 9th day of August, 2007, the foregoing Notice of Cross-
20 Appeal by enclosing the same in a sealed envelope, deposited in the United States mail, upon which
21 first class postage was fully prepaid addressed to:

22 COHEN, JOHNSON & DAY
23 Steven L. Day, Esq.
24 James R. Nance, Esq.
25 1060 Wigwam Parkway
26 Henderson, NV 89074

27 
28 An Employee of
JOHN PETER LEE, LTD.

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BLVD. SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

1 **ASTA**
2 JOHN PETER LEE, LTD.
3 JOHN PETER LEE, ESQ.
4 Nevada Bar No. 001768
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6 Nevada Bar No. 008631
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9 830 Las Vegas Boulevard South
10 Las Vegas, Nevada 89101
11 (702) 382-4044 Fax: (702) 383-9950
12 e-mail: info@johnpeterlee.com
13 *Attorneys for Plaintiff/Counterdefendant*

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CLERK OF THE COURT

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FILED

DISTRICT COURT
CLARK COUNTY, NEVADA

12 GHOLAMREZA ZANDIAN JAZI,)
13)
14 Plaintiff,)
15)
16 v.)
17)
18 RAY KOROGHLI, individually, FAIRBORZ FRED)
19 SADRI, individually, and as Trustee of the Star)
20 Living Trust, WENDOVER PROJECT, LLC, a)
21 Nevada limited liability company; BIG SPRING)
22 RANCH, LLC, a Nevada limited liability company,)
23 and NEVADA LAND AND WATER)
24 RESOURCES, LLC, a Nevada limited liability)
25 company,)
26)
27 Defendants.)

CASE NO.: A511131
DEPT. NO.: X1

1334.022860 dp

CASE CROSS-APPEAL STATEMENT

- 23 1. *Name of appellant filing this case cross-appeal statement:*
24 Plaintiff, Gholamreza Zandian Jazi.
- 25 2. *Identify the judge issuing the decision, judgment, or order appealed from:*
26 District Court Judge, Elizabeth Gonzales.
- 27 3. *Identify all parties to the proceedings in the district court:*
28 Plaintiff/Counterdefendant: Gholamreza Zandian Jazi.

1 Defendants: Ray Koroghli; Fairborz Fred Sadri, individually and as Trustee of the Star
2 Living Trust; Wendover Project, LLC, Big Spring Ranch, LLC and Nevada Land and Water
3 Resources, LLC.

4 Counterclaimants: Ray Koroghli; Fariborz Fred Sadri and Wendover Project, LLC.
5 Counterclaimant Gholamreza Zandian Jazi versus Counterdefendant Wendover Project, LLC.

6 **4. Identify all parties involved in this cross-appeal:**

7 Cross-Appellant: Gholamreza Zandian Jazi.

8 Cross-Respondents: Ray Koroghli; Fairborz Fred Sadri; Wendover Project, LLC; Big Spring
9 Ranch, LLC and Nevada Land and Water Resources.

10 **5. Set forth the name, law firm, address, and telephone number of all counsel on appeal and**
11 **identify the party or parties whom they represent:**

12 JOHN PETER LEE, LTD.
13 JOHN PETER LEE, ESQ.
14 Nevada Bar No. 1768
15 MICHAEL A. REYNOLDS, ESQ.
16 Nevada Bar No. 8631
17 YVETTE R. FREEDMAN, ESQ.
18 Nevada Bar No. 9898
830 Las Vegas Boulevard South
Las Vegas, Nevada 89101
(702) 382-4044 Fax: (702) 383-9950
e-mail: info@johnpeterlee.com
Attorneys for Gholamreza Zandian Jazi

COHEN, JOHNSON & DAY
STEVEN L. DAY, ESQ.
Nevada Bar No. 3708
JAMES R. NANCE, ESQ.
Nevada Bar No. 9878
1060 Wigwam Parkway
Henderson, NV 89074
(702) 309-3333 Fax: (702) 309-1085
e-mail: sday@cohenjohnsonday.com
Attorneys for Ray Koroghli; Fairborz Fred
Sadri; Wendover Project, LLC; Big Spring
Ranch, LLC and Nevada Land and Water
Resources, LLC

19 **6. Indicate whether appellant was represented by appointed or retained counsel in the district**
20 **court:**

21 Retained.

22 **7. Indicate whether cross-appellant is represented by appointed or retained counsel on cross-**
23 **appeal:**

24 Retained.

25 **8. Indicate whether cross-appellant was granted leave to proceed in forma pauperis, and the**
26 **date of entry of the district court order granting such leave:**

27 N/A.

28 ////

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BLVD. SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950


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9. *Indicate the date the proceedings commenced in the district court (e.g., date complaint, indictment, information, or petition was filed):*

October 5, 2005.

DATED this 9th day of August, 2007.

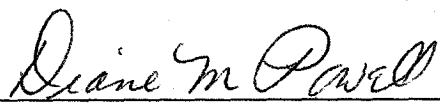
JOHN PETER LEE, LTD.

BY: 
JOHN PETER LEE, ESQ.
Nevada Bar No. 001768
MICHAEL A. REYNOLDS, ESQ.
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YVETTE R. FREEDMAN, ESQ.
Nevada Bar No. 009898
830 Las Vegas Boulevard South
Las Vegas, Nevada 89101
(702) 382-4044 Fax: (702) 383-9950
e-mail: info@johnpeterlee.com
Attorneys for Plaintiff/Counterdefendant

CERTIFICATE OF MAILING

I HEREBY CERTIFY that on the 9th day of August, 2007, the foregoing Case Cross-Appeal Statement by enclosing the same in a sealed envelope, deposited in the United States mail, upon which first class postage was fully prepaid addressed to:

COHEN, JOHNSON & DAY
Steven L. Day, Esq.
James R. Nance, Esq.
1060 Wigwam Parkway
Henderson, NV 89074


An Employee of
JOHN PETER LEE, LTD.

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BLVD. SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

1 **COST**
2 JOHN PETER LEE, LTD.
3 JOHN PETER LEE, ESQ.
4 Nevada Bar No. 001768
5 MICHAEL A. REYNOLDS, ESQ.
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12 e-mail: info@johnpeterlee.com
13 *Attorneys for Plaintiff/Counterdefendant*


CLERK OF THE COURT

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FILED

DISTRICT COURT
CLARK COUNTY, NEVADA

12 GHOLAMREZA ZANDIAN JAZI,)

13 Plaintiff,)

14 v.)

15 RAY KOROGHLI, individually, FARIBORZ FRED)
16 SADRI, individually, and as Trustee of the Star)
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18 Nevada limited liability company; BIG SPRING)
19 RANCH, LLC, a Nevada limited liability company,)
20 and NEVADA LAND AND WATER)
21 RESOURCES, LLC, a Nevada limited liability)
22 company,)

23 Defendants.)

CASE NO.: A511131
DEPT. NO.: X1

1334.022860 dp

COST BOND ON CROSS-APPEAL

23 COMES NOW Plaintiff Gholamreza Zandian Jazi , by and through his counsel, John Peter

24 ////

25 ////

26 ////

27 ////

28 ////

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BLVD. SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

1 Lee, Ltd., and submits his Cost Bond on Appeal, attached hereto.

2 DATED this 9th day of August, 2007.

JOHN PETER LEE, LTD.

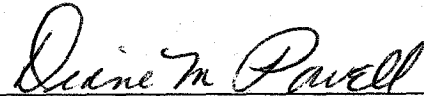
3
4 BY: 

JOHN PETER LEE, ESQ.
Nevada Bar No. 001768
MICHAEL A. REYNOLDS, ESQ.
Nevada Bar No. 008631
YVETTE R. FREEDMAN, ESQ.
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830 Las Vegas Boulevard South
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e-mail: info@johnpeterlee.com
Attorneys for Plaintiff/Counterdefendant

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12
13
14 **CERTIFICATE OF MAILING**

15 I HEREBY CERTIFY that on the 9th day of August, 2007, the foregoing Cost Bond on
16 Cross-Appeal by enclosing the same in a sealed envelope, deposited in the United States mail, upon
17 which first class postage was fully prepaid addressed to:

18 COHEN, JOHNSON & DAY
19 Steven L. Day, Esq.
20 James R. Nance, Esq.
1060 Wigwam Parkway
Henderson, NV 89074

21
22 
23 An Employee of
JOHN PETER LEE, LTD.

MERCHANTS BONDING COMPANY

2100 Fleur Drive
Des Moines, Iowa 50321-1158

Chaf
CLERK OF THE COURT

AUG 9 4 14 PM '07

**District Court
Clark County, Nevada**

FILED

GHOLAMREZA ZANDIAN JAZI)

Plaintiff,)

vs)

RAY KOROGHLI, individually, FARIBORZ FRED)

SADRI, individually, and as Trustee of the Star)

Living Trust, WENDOVER PROJECT, LLC, a,)

Nevada limited liability company; BIG SPRING)

RANCH, LLC, a Nevada limited liability company,)

and NEVADA LAND AND WATER)

RESOURCES, LLC, a Nevada limited liability)

company)

Defendants.)

**CASE NO. A511131
DEPT NO. XI**

COST ON APPEAL BOND

WHEREAS, the Appellant in the above entitled action has appealed to the Supreme Court, State of Nevada, from a judgment/order entered in the above entitled action.

NOW, THEREFORE, in consideration of the premises and of such appeal, **MERCHANTS BONDING COMPANY**, a corporation organized and existing under the laws of the State of Iowa and duly authorized and licensed by the laws of the State of Nevada to do a general surety business in the State of Nevada, undertakes and promises on the part of the Appellant to secure payment of all costs awarded against Appellant on the appeal or on a dismissal thereof, not exceeding the sum of **TWO HUNDRED FIFTY AND NO/100--(\$250.00) DOLLARS**, to which amount it acknowledges itself bound.

Signed, sealed and dated this 9th day of August 2007.

MERCHANTS BONDING COMPANY

By *Jeffrey E. Harmon*
Jeffrey E. Harmon, Attorney-In-Fact

BOND NO. NV41238

The premium charge for this bond \$100.

Countersigned by *[Signature]*
Nevada Resident Agent

Merchants Bonding Company

(Mutual)

POWER OF ATTORNEY

NV41238

Know All Persons By These Presents, that the MERCHANTS BONDING COMPANY (MUTUAL), a corporation duly organized under the laws of the State of Iowa, and having its principal office in the City of Des Moines, County of Polk, State of Iowa, hath made, constituted and appointed, and does by these presents make, constitute and appoint

Jeffrey E. Harmon

of Las Vegas and State of Nevada its true and lawful Attorney-in-Fact, with full power and authority hereby conferred in its name, place and stead, to sign, execute, acknowledge and deliver in its behalf as surety any and all bonds, undertakings, recognizances or other written obligations in the nature thereof, subject to the limitation that any such instrument shall not exceed the amount of:

ONE MILLION (\$1,000,000.00) DOLLARS

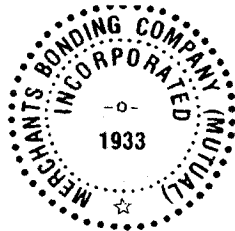
and to bind the MERCHANTS BONDING COMPANY (MUTUAL) thereby as fully and to the same extent as if such bond or undertaking was signed by the duly authorized officers of the MERCHANTS BONDING COMPANY (MUTUAL), and all the acts of said Attorney-in-Fact, pursuant to the authority herein given, are hereby ratified and confirmed.

This Power-of-Attorney is made and executed pursuant to and by authority of the following Amended Substituted and Restated By-Laws adopted by the Board of Directors of the MERCHANTS BONDING COMPANY (MUTUAL) on November 16, 2002.

ARTICLE II, SECTION 8 - The Chairman of the Board or President or any Vice President or Secretary shall have power and authority to appoint Attorneys-in-Fact, and to authorize them to execute on behalf of the Company, and attach the Seal of the Company thereto, bonds and undertakings, recognizances, contracts of indemnity and other writings obligatory in the nature thereof.

ARTICLE II, SECTION 9 - The signature of any authorized officer and the Seal of the Company may be affixed by facsimile to any Power of Attorney or Certification thereof authorizing the execution and delivery of any bond, undertaking, recognizance, or other suretyship obligations of the Company, and such signature and seal when so used shall have the same force and effect as though manually fixed.

In Witness Whereof, MERCHANTS BONDING COMPANY (MUTUAL) has caused these presents to be signed by its President and its corporate seal to be hereto affixed, this 16th day of January, 2006.



MERCHANTS BONDING COMPANY (MUTUAL)

By

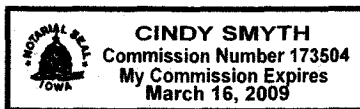
Handwritten signature of Larry Taylor in cursive.

President

STATE OF IOWA
COUNTY OF POLK ss.

On this 16th day of January, 2006, before me appeared Larry Taylor, to me personally known, who being by me duly sworn did say that he is President of the MERCHANTS BONDING COMPANY (MUTUAL), the corporation described in the foregoing instrument, and that the Seal affixed to the said instrument is the Corporate Seal of the said Corporation and that the said instrument was signed and sealed in behalf of said Corporation by authority of its Board of Directors.

In Testimony Whereof, I have hereunto set my hand and affixed my Official Seal at the City of Des Moines, Iowa, the day and year first above written.



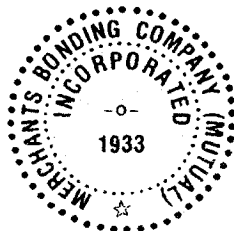
Handwritten signature of Cindy Smyth in cursive.

Notary Public, Polk County, Iowa

STATE OF IOWA
COUNTY OF POLK ss.

I, William Warner, Jr., Secretary of the MERCHANTS BONDING COMPANY (MUTUAL), do hereby certify that the above and foregoing is a true and correct copy of the POWER-OF-ATTORNEY executed by said MERCHANTS BONDING COMPANY (MUTUAL), which is still in full force and effect and has not been amended or revoked.

In Witness Whereof, I have hereunto set my hand and affixed the seal of the Company on this 9th day of August, 2007.



Handwritten signature of William Warner Jr. in cursive.

Secretary

POA 0001 (1/06)

WFZ0784

DATE: 08/09/07
CASE NO. 05-A-511131-C

I N D E X

TIME 5:15 PM
JUDGE:Gonzalez, Elizabeth

Jazi, Gholamreza Z [E] vs Koroghli, Ray [E]

0001 P1 Gholamreza Z Jazi 001768 Lee, John P.
NO. 1 John Peter Lee, Ltd
830 Las Vegas Blvd. S.
Las Vegas, NV 89101

0002 D1 Ray Koroghli 003708 Day, Steven L.
NO. 1 Cohen Johnson & Day
1060 Wigwam Parkway
Henderson, NV 89074

0003 D Fariborz F Sadri 003708 Day, Steven L.
NO. 1 Cohen Johnson & Day
1060 Wigwam Parkway
Henderson, NV 89074

0004 D Star Living Trust 003708 Day, Steven L.
NO. 1 Cohen Johnson & Day
1060 Wigwam Parkway
Henderson, NV 89074

0005 D Wendover Project LLC 003708 Day, Steven L.
NO. 1 Cohen Johnson & Day
1060 Wigwam Parkway
Henderson, NV 89074

0006 D Big Spring Ranch LLC 003708 Day, Steven L.
NO. 1 Cohen Johnson & Day
1060 Wigwam Parkway
Henderson, NV 89074

0007 D Nevada Land And Water Resources LLC 003708 Day, Steven L.
NO. 1 Cohen Johnson & Day
1060 Wigwam Parkway
Henderson, NV 89074

0008 CO Wendover Project LLC 001335 Netzorg, John M.
NO. 1 Netzorg & Caschette
2810 W Charleston Blvd #81
Las Vegas, NV 89102-1910

0009 DC Gholamrez Z Jazi ?????? ## UNKNOWN ##

NO.	FILED/REC	CODE	REASON/DESCRIPTION	FOR	OC	SCH/PER	C
0001	10/05/05		COMP/COMPLAINT FILED Fee \$148.00	0001			
0002	10/05/05		CONS/CONSENT TO SERVICE BY ELECTONIC MEANS	AL		10/05/05	
0003	10/05/05		IAFD/INITIAL APPEARANCE FEE DISCLOSURE	0001			
0004	10/12/05		SUMM/SUMMONS	0003	SV	10/06/05	
0005	10/12/05		SUMM/SUMMONS	0004	SV	10/06/05	
0006	10/14/05		LISP/NOTICE OF LIS PENDENS	AL			
0007	10/14/05		LISP/NOTICE OF LIS PENDENS	AL		10/14/05	

(Continued to page 2)

WFZ0785

NO.	FILED/REC	CODE	REASON/DESCRIPTION	FOR	OC	SCH/PER	C
0008	10/14/05	ERR	/ERRATA TO COMPLAINT	0001			
0009	10/21/05	MOT	/PLTF'S MTN TO DISMISS COMPLAINT OR COMPEL ARBITRATION /01	AL	MR	11/28/05	
0010	10/26/05	ROC	/RECEIPT OF COPY	0001		10/21/05	
0011	10/31/05	REQT	/PLAINTIFFS RULE 56 (F) MOTION TO CONTINUE SUMMARY JUDGMENT	AL		11/28/05	
0012	10/31/05	REQT	/MOTION TO DISQUALIFY ATTORNEY FOR DEFENDANTS	AL		11/28/05	
0013	11/08/05	COMP	/FIRST AMENDED COMPLAINT	0001			
0014	11/16/05	LISP	/NOTICE OF LIS PENDENS	0001			
0015	11/23/05	RPLY	/REPLY TO OPPOSITION TO MOTION TO DISMISS	0001		11/23/05	
0016	11/23/05	OPPS	/OPPOSITION TO MOTION TO DISQUALIFY	0001			
0017	11/28/05	STIP	/STIPULATION FOR ARBITRATION	0001			
0018	12/08/05	ANS	/DEFENDANTS' RAY KOROCHELI AND FARIBORZ SADRI'S ANSWER AND COUNTERCLAIM	0002		12/08/05	
0019	12/08/05	ANS	/DEFENDANTS' RAY KOROGHLI AND FARIBORZ SADRI'S ANSWER AND COUNTERCLAIM	0003		12/08/05	
0020	12/08/05	TRCT	/RECEIPT #217853 \$400.00	0002		12/08/05	
0021	12/08/05	IAFD	/INITIAL APPEARANCE FEE DISCLOSURE	0002			
0022	12/08/05	DEMD	/DEMAND FOR JURY TRIAL	0002			
0023	12/09/05	OBJ	/PLAINTIFFS OBJECTION TO DEMAND FOR JURY TRIAL	0001			
0024	12/27/05	RPLY	/REPLY TO COUNTERCLAIM	AL			
0025	01/30/06	LISP	/NOTICE OF LIS PENDENS	AL		01/30/06	
0026	02/02/06	ORDR	/ORDER GRANTING APPLICATION TO EXTEND TIME TO EFFECTUATE SERVICE OF PROCESS	AL		02/02/06	
0027	02/02/06	APPL	/APPLICATION TO EXTEND TIME TO EFFECTUATE SERVICE OF PROCESS	0001			
0028	02/03/06	NOTC	/NOTICE OF ENTRY OF ORDER GRANTING APPLICATION TO EXTEND TIME TO EFFECTUATE SERVICE OF PROCESS	AL		02/02/06	Y
0029	02/15/06	SERV	/ACCEPTANCE OF SERVICE	0005	SV	02/15/06	
0030	02/15/06	SERV	/ACCEPTANCE OF SERVICE	0006	SV	02/15/06	
0031	02/15/06	SERV	/ACCEPTANCE OF SERVICE	0007	SV	02/15/06	
0032	02/15/06	NOTC	/NOTICE OF TAKING THE DEPOSITION OF DEFENDANT COUNTERCLAIMANT RAY KOROGHLI	AL	SH	03/06/06	
0033	02/15/06	NOTC	/NOTICE OF TAKING DEPOSITION OF DEFENDANT COUNTERCLAIMANT FARIBORZ FRED SADRI	AL	SH	03/03/06	Y
0034	02/24/06	NOTC	/RENOTICE OF TAKING DEPOSITION OF PLAINTIFF DUCES TECUM	AL	SH	03/06/06	
0035	02/24/06	NOTC	/NOTICE OF TAKING DEPOSITION OF PLAINTIFF DUCES TECUM	AL	SH	03/02/06	
0036	02/28/06	NOTC	/NOTICE OF TAKING THE DEPOSITION OF CRAIG K PERRY ESQ	AL	SH	03/20/06	
0037	03/03/06	SUBP	/SUBPOENA	0001	SH	03/20/06	
0038	03/14/06	APPR	/APPEARANCE	0001	SV	03/01/06	
0039	03/14/06	APPR	/APPEARANCE	0005			
0040	03/14/06	APPR	/APPEARANCE	0006			
0041	03/14/06	MOT	/DEFT'S MTN TO DISMISS COMPLAINT /02	0007			
				AL	OC	04/17/06	

(Continued to page 3)

WFZ0786

NO.	FILED/REC CODE	REASON/DESCRIPTION	FOR	OC	SCH/PER	C
0042	03/14/06	IAFD/INITIAL APPEARANCE FEE DISCLOSURE	0005			
0043	03/16/06	NOTC/NOTICE OF TAKING THE DEPOSITION OF RON LANGLEY	AL	SH	03/31/06	
0044	03/16/06	NOTC/NOTICE OF TAKING THE DEPOSITION OF JOHN R HART	AL	SH	03/31/06	
0045	03/16/06	NOTC/NOTICE OF TAKING THE DEPOSITION OF MATTHEW SWAN CPA	AL	SH	03/30/06	
0046	03/16/06	APPL/APPLICATION FOR ISSUANCE OF COMMISSION TO TAKE DEPOSITION OF RON LANGLEY	0001	SH	03/31/06	Y
		OUT OF STATE	0001			
0047	03/16/06	APPL/APPLICATION FOR ISSUANCE OF COMMISSION TO TAKE DEPOSITION OF JOHN R HART OUT OF STATE	0001			Y
0048	03/23/06	SUBP/SUBPOENA	0001	SH	03/30/06	
			0001	SV	03/21/06	
0049	03/24/06	CERT/CERTIFICATION OF SERVICE VIA FACSIMILE	0001	SH	04/17/06	
0050	03/24/06	NOTC/NOTICE CONTINUING THE DEPOSITIONS OF JOHN R HART AND RON LANGLEY	AL	SH	03/31/06	
0051	03/27/06	OPPS/PLAINTIFFS OPPOSITION TO MOTION TO DISMISS	0002	SH	04/17/06	
			0002			
0052	03/28/06	NOTC/RENOTICE OF TAKING THE DEPOSITION OF MATTHEW SWAN CPA	AL	SH	04/06/06	
0053	04/06/06	NOTC/NOTICE CONTINUING THE DEPOSITION OF MATTHEW SWAN CPA	AL	SH	04/06/06	
0054	04/11/06	RSPN/RESPONSE TO REPLY TO OPPOSITION TO MOTION TO DISMISS	0001			
			0001			
0055	04/13/06	RPLY/REPLY TO OPPOSITION TO MOTION TO DISMISS	0002			
			0002			
0056	04/25/06	NOTC/RENOTICE OF TAKING THE DEPOSITION OF MATTHEW SWAN CPA	AL	SH	05/01/06	
			AL			
0057	04/27/06	NOTC/NOTICE OF INTENT TO TAKE DEFAULT	*D			
0058	04/28/06	NOTC/NOTICE OF TAKING DEPOSITIONS		SH	05/12/06	
0059	04/28/06	SUBP/SUBPOENA	0001	SH	05/01/06	
			0001	SV	04/26/06	
					04/26/06	
0060	04/28/06	CERT/CERTIFICATION OF SERVICE				
0061	05/01/06	ERR /ERRATA TO NOTICE OF INTENT TOTAKE DEFAULT	AL		05/01/06	
			AL			
0062	05/08/06	ANS /ANSWER OF WENDOVER PROJECT LLC BIG SPRING RANCH LLC AND NEVADA LAND AND WATER RESOURCES LLC TO PLAINTIFFS COMPLAINT	0005			Y
			0005			
0063	05/08/06	ANS /ANSWER OF WENDOVER PROJECT LLC BIG SPRING RANCH LLC AND NEVADA LAND AND WATER RESOURCES LLC TO PLAINTIFFS COMPLAINT	0006			Y
			0006			
0064	05/08/06	ANS /ANSWER OF WENDOVER PROJECT LLC BIG SPRING RANCH LLC AND NEVADA LAND AND WATER RESOURCES LLC TO PLAINTIFFS COMPLAINT	0007			Y
			0007			
0065	05/08/06	NOTC/NOTICE OF CONTINUATION OF DEPOSITIONS	AL	SH	05/12/06	
0066	05/08/06	SUBP/SUBPOENA DUCES TECUM	*D	SH	05/12/06	
			*D	SV	04/27/06	
0067	05/09/06	ANS /REPLY TO COUNTERCLAIM	0009		05/09/06	
0068	05/16/06	NOTC/NOTICE OF TAKING DEPOSITIONS	AL	SH	06/01/06	
0069	05/16/06	APPL/APPLICATION FOR ISSUANCE OF COMMISSION TO TAKE OUT OF STATE DEPOSITION OF	MP			Y
			MP			

(Continued to page 4)

WFZ0787

NO.	FILED/REC CODE	REASON/DESCRIPTION	FOR	OC	SCH/PER	C
05-A-511131-C (Continuation Page 4)						
ELI ABRISHAMI						
0070	05/16/06	APPL/APPLICATION FOR ISSUANCE OF COMMISSION TO TAKE OUT OF STATE DEPOSITION OF	MP MP			Y
MAXIM C W WEBB						
0071	05/16/06	NOTC/NOTICE OF TAKING DEPOSITIONS	AL	SH	06/08/06	
0072	05/19/06	CERT/CERTIFICATION OF SERVICE			05/16/06	
0073	05/30/06	SUBP/SUBPOENA DUCES TECUM	0002 0002	SH SV	06/01/06 05/18/06	
0074	05/30/06	NOTC/RE-NOTICE OF TAKING DEPOSITIONS	AL	SH	06/01/06	
0075	05/30/06	NOTC/NOTICE OF TAKING DEPOSITION	AL	SH	06/23/06	
0076	05/30/06	SUBP/SUBPOENA DUCES TECUM	0002 0002	SH SV	06/01/06 05/18/06	
0077	05/30/06	APPL/APPLICATION FOR ISSUANCE OF COMMISSION TO TAKE OUT OF STATE DEPOSITION OF	0002 0002			Y
EZRI NAMVAR						
0078	05/30/06	NOTC/NOTICE OF TAKING DEPOSITION	AL	SH	06/13/06	
0079	06/05/06	NOTC/NOTICE OF TAKING THE DEPOSITION OF MARK CUTCHEN	AL AL	SH	06/21/06	
0080	06/07/06	SUBP/SUBPOENA DUCES TECUM-DON PATTALOCK			06/01/06	
0081	06/07/06	CERT/CERTIFICATE OF SERVICE	0001		05/31/06	
0082	06/07/06	SUBP/SUBPOENA DUCES TECUM	0002 0002	SH SV	06/13/06 05/26/06	
0083	06/07/06	PSER/PROOF OF SERVICE OF SUBPOENA DUCES TECUM ON MAXIM C W WEBB	AL AL			
0084	06/07/06	PSER/PROOF OF SERVICE OF SUBPOENA DUCES TECUM ON ELI ABRISHAMI	AL AL	SV	05/27/06	
0085	06/08/06	SUBP/SUBPOENA DUCES TECUM-REZAI GHASSEM		SH SV	06/13/06 06/01/06	
0086	06/08/06	APPL/APPLICATION FOR ISSUANCE OF COMMISSION TO TAKE OUT OF STATE DEPOSITION OF JOHN	AL AL			Y
HART						
0087	06/08/06	NOTC/NOTICE OF TAKING DEPOSITION	AL	SH	06/22/06	
0088	06/08/06	NOTC/RENOTICE OF TAKING DEPOSITION OF ELI ABRISHAMI	AL AL	SH	06/23/06	
0089	06/22/06	DOW /DESIGNATION OF EXPERT WITNESS	*D			
0090	06/22/06	CRTF/CERTIFICATE OF SERVICE	0009		06/13/06	
0091	06/22/06	NOTC/NOTICE OF TAKING DEPOSITION OF THOMAS CLIMO PH D	AL AL	SH	06/29/06	
0092	06/22/06	SUBP/SUBPOENA DUCES TECUM	*D *D	SH SV	06/22/06 06/09/06	
0093	06/22/06	SUBP/SUBPOENA FOR DEPOSITION	0002 0002	SH SV	06/23/06 06/06/06	
0094	06/22/06	NOTC/NOTICE OF INTENT TO TAKE DEFAULT	AL		06/22/06	
0095	07/03/06	SUBP/SUBPOENA DUCES TECUM		SH	06/29/06	
0096	07/03/06	RPLY/REPLY OF WENDOVER PROJECT LLC TO PLAINTIFFS COUNTERCLAIM TO COUNTERCLAIM	AL AL			
0097	07/05/06	SCCR/PLAINTIFF COUNTERDEFENDANTS SUPPLEMENTAL TO 16.1 PRODUCTION OF DOCUMENTS	0001 0001			
0098	07/13/06	NOTC/RENOTICE OF TAKING DEPOSITION OF THOMAS CLIMO PH D	AL AL	SH	07/28/06	
0099	07/13/06	SUPP/DEFENDANTS SUPPLEMENT TO 16.1 DISCLOSURES				

(Continued to page 5)

WFZ0788

NO.	FILED/REC CODE	REASON/DESCRIPTION	(Continuation Page 5) FOR OC SCH/PER C
0100	07/21/06	SUBP/SUBPOENA FOR ARBITRATION	0002 SH 08/22/06 0002 SV 07/19/06
0101	07/21/06	SUBP/SUBPOENA FOR ARBITRATION	SH 08/22/06 SV 07/19/06
0102	07/21/06	SUBP/SUBPOENA FOR ARBITRATION	0001 SH 08/22/06
0103	07/25/06	SUBP/SUBPOENA FOR ARBITRATION	SH 08/22/06 SV 07/20/06
0104	08/08/06	SCCR/PLAINTIFF COUNTERDEFENDANTS SECOND SUPPLEMENT TO 16.1 PRODUCTION OF	AL AL
DOCUMENTS			
0105	09/28/06	ATLN/NOTICE OF ATTORNEY LIEN	AL 09/28/06
0106	12/04/06	REQT/REQUEST FOR BUSINESS COURT	AL
0107	12/05/06	ASSG/REASSIGNMENT OF JUDGE Denton TO JUDGE Gonzalez	
0108	12/13/06	MOT /PLTF/CNTRDEFT JAZI MTN FOR CONFIRMATION & ENTRY OF JGMNT ON ARBITRATION AWARD/03	AL 01/11/07 AL
0109	12/13/06	ROC /RECEIPT OF COPY OF ZANDIANS MOTION FOR CONFIRMATION AND ENTRY OF JUDGMENT ON	*D 12/13/06 Y *D
ARBITRATION AWARD			
0110	12/16/06	ASSG/Reassign Case From Judge Gonzalez To Judge JOHNSON	
0111	12/18/06	MOT /DEFT'S MTN TO VACATE ARBITRATION AWARD/MTN TO MODIFY OR CORRECT /04	AL 01/11/07 AL
0112	12/18/06	ASSG/REASSIGNMENT OF JUDGE JOHNSON TO JUDGE Gonzalez	
0113	12/22/06	OCAL/MINUTE ORDER RE: INCORRECT CASE REASSIGNMENT	NP 12/22/06 NP
0114	12/22/06	ASSG/REASSIGNMENT OF JUDGE Gonzalez TO JUDGE Denton	
0115	12/22/06	CMMT/PER MINUTES 12/22/06	
0116	12/22/06	PRMT/PEREMPTORY CHALLENGE Denton CASE REASSIGNED TO Halverson	
0117	12/22/06	ASSG/REASSIGNMENT OF JUDGE Halverson TO JUDGE Gonzalez	
0118	12/22/06	CMMT/RE-ASSIGNED TO GONZALEZ (BUS CRT CASE)	
0119	12/22/06	NDR /NOTICE OF DEPARTMENT REASSIGNMENT 001335001768001335001335001768FC	12/22/06 Y
001335001335001335??????001768001335001335001768001335001335001335001335			
0120	12/21/06	ROC /RECEIPT OF COPY OF MOTION TO VACATE ARBITRATION AWARD OR IN THE ALTERNATIVE	0001 12/19/06 Y 0001
TO MODIFY OR CORRECT			
0121	12/21/06	EXPT/EX PARTE APPLICATION FOR ORDER ORDER SHORTENING TIME AND REQUEST FOR	AL Y AL
ORAL ARGUMENT			
0122	12/26/06	NOEV/NOTICE OF EXHIBIT(S) IN THE VAULT	AL 12/18/06
0123	12/26/06	NOEV/NOTICE OF EXHIBIT(S) IN THE VAULT	AL 12/13/06
0124	12/27/06	CERT/CERTIFICATION OF SERVICE	12/21/06
0125	12/28/06	OPPS/OPPOSITION TO MOTION TO VACATE ARBITRATION AWARD OR IN THE	AL 01/11/07 Y AL
ALTERNATIVE MOTION TO MODIFY OR CORRECT			
0126	12/29/06	NOEV/PLTF'S OPPTS TO MTN TO VACATE ARB AWARD	AL
0127	01/05/07	OPPS/OPPOSITION TO MOTION FOR CONFIRMATION AND ENTRY OFJUDGMENT ON ARBITRATINO	01/11/07 Y

(Continued to page 6)

WFZ0789

NO.	FILED/REC CODE	REASON/DESCRIPTION	FOR	OC	SCH/PER	C
AWARD AND REPLY TO OPPOSITION TO MOTION TO VACATE						
0128	01/11/07	MOT /ALL PENDING MOTIONS (1/11/07)	AL		01/11/07	
0129	01/09/07	RPLY/REPLY TO OPPOSITION TO MOTION FOR CONFIRMATION AND ENTRY OF JUDGMENT ON	0001 0001			Y
ARBITRATION AWARD						
0130	01/16/07	TRAN/REPORTER'S TRANSCRIPT OF PROCEEDINGS	AL		01/11/07	
0131	01/19/07	NOEV/NOTICE OF EXHIBIT(S) IN THE VAULT	AL			
0132	01/19/07	ORDR/ORDER ON MOTION TO CONFIRM ARBITRATION AWARD AND MOTION TO VACATE ARBITRATION	AL AL			Y
AWARD						
0133	01/22/07	NOTC/NOTICE OF ENTRY OF ORDER ON MOTION TO CONFIRM ARBITRATION AWARD AND MOTION TO	AL AL		01/19/07	Y
VACATE ARBITRATION AWARD						
0134	03/08/07	SUPP/SUPPLEMENT TO NOTICE OF ATTORNEYS LIEN	AL			
0135	03/22/07	MOT /PLTF'S MTN FOR REFERRAL TO ARBITRATOR/07	NP	DN	04/24/07	
0136	04/05/07	OPPS/OPPOSITION TO PLTF'S MOTION FOR REFERRAL TO ARBITRATOR	0001 0001		04/24/07	
0137	03/26/07	RAR /ARBITRATOR REPORT AND RECOMMENDATION TO DISTRICT COURT	AL AL			
0138	04/16/07	RPLY/REPLY TO OPPOSITION TO PLAINTIFFS MOTION FOR REFERRAL TO ARBITRATOR	0001 0001			
0139	04/24/07	REQT/REQUEST FOR ORAL ARGUMENT ON THE PLAINTIFFS MOTION FOR REFERRAL TO	AL AL	SH	04/24/07	Y
ARBITRATOR						
0140	04/25/07	OBJ /PLTF'S OBJECTION TO DEFTS REQUEST FOR ORAL ARGUMENT ON PLTF'S MOTIN FOR	*D *D		04/25/07	Y
REFERRAL TO ARBITRATOR						
0141	05/16/07	MOT /ZANDIAN'S MTN FOR CONFIRMATION/ENTRY OF JGMNT ON ARBITRATION AWARD AND OST /08	AL AL	GR	06/05/07	
0142	05/16/07	ROC /RECEIPT OF COPY OF ZANDIANS MOTION FOR CONFIRMATION AND ENTRY OF JUDGMENT ON	*D *D		05/16/07	Y
ARBITRATION AWARD AND ORDER SHORTENING TIME						
0143	05/25/07	OPPS/OPPOSITION TO PLAINTIFFS MOTION FOR CONFIRMATION AND ENTRY OF JUDGMENT ON	0001 0001	SH	06/05/07	Y
ARBITRATION AWARD COUNTER MOTION TO VACATE ARBITRATION AWARD AS AMENDED						
0144	05/31/07	RPLY/REPLY TO OPPOSITION TO MOTION FOR CONFIRMATION AND ENTRY OF JUDGMENT	AL AL			Y
ON ARBITRATION AWARD						
0145	06/06/07	OCAL/STATUS CHECK: COMPLIANCE (VJ 07-17-07)	AL	VC	07/24/07	
0146	06/08/07	NOTC/NOTICE OF ENTRY OF JUDGMENT CONFIRMING ARBITRATION AWARD	AL AL		06/08/07	
0147	06/13/07	MOT /DEFT'S MTN TO STAY /10	AL	GR	06/21/07	
0148	06/13/07	HEAR/DEFT'S MTN FOR REHEARING/11	AL	DN	07/17/07	
0149	06/08/07	JMNT/JUDGMENT UPON ARBITRATION AWARD	0003		06/15/07	
0150	06/08/07	JMNT/JUDGMENT UPON ARBITRATION AWARD	0004		06/15/07	
0151	06/15/07	MOT /DEFT'S MTN TO AMEND JUDGMENT/12	AL	DN	07/17/07	
0152	06/18/07	ROC /RECEIPT OF COPY	0001		06/15/07	
0153	06/18/07	ROC /RECEIPT OF COPY	AL		06/15/07	
0154	06/18/07	ORDR/ORDER SHORTENING TIME	*D	SH	06/21/07	
0155	06/19/07	OPPS/OPPOSITION TO MOTION FOR HEARING	*D		06/21/07	
0156	06/19/07	OPPS/OPPOSITION TO MOTION FOR STAY	*D	SH	06/21/07	
0157	06/20/07	RPLY/REPLY TO OPPOSITION TO MOTION FOR STAY	0001 0001	SH	06/21/07	

(Continued to page 7)

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NO.	FILED/REC	05-A-511131-C CODE	REASON/DESCRIPTION	(Continuation Page FOR	7) OC SCH/PER C
0158	06/25/07	MOT	/ALL PENDING MOTIONS (06-21-07)	AL	06/21/07
0159	06/20/07	ERR	/ERRATA TO OPPOSITION TO MOTION FOR STAY	AL	
0160	06/20/07	RPLY	/REPLY TO OPPOSITION TO MOTION FOR RE- HEARING	AL	SH 06/21/07
0161	06/21/07	CRTF	/CERTIFICATION OF SERVICE OF ORDER SHORTENING TIME FOR HEARINGS	AL	06/19/07
0162	06/25/07	OPPS	/OPPOSITION TO MOTION TO AMEND OR ALTER JUDGMENT PURSUANT TO NRCP 59E OR IN THE ALTERNATIVE MOTION FOR A NEW TRIAL PURSUANT TO NRCP 59A	AL	SH 07/17/07 Y
0163	06/25/07	ORDR	/ORDER RE DEFENDANTS MOTION FOR RE HEARING AND MOTION FOR STAY OF	AL	VC 06/21/07 Y SH 07/17/07
PROCEEDINGS					
0164	06/25/07	CHBD	/CASH BOND #01365592 \$10,000.00		06/25/07
0165	06/27/07	NOTC	/NOTICE OF ENTRY OF ORDER	AL	06/25/07
0166	07/03/07	TRAN	/REPORTER'S TRANSCRIPT OF HEARING ON MOTION FOR STAY	AL	06/21/07
0167	07/03/07	RPLY	/REPLY TO OPPOSITION TO MOTION TO AMEND OR ALTER JUDGMENT PURUSANT TO NRCP	0001 0001	07/17/07 Y
59(E) OR IN THE ALTERANTIVE MOTION FOR NEW TRIAL PURUSANT TO NRCP 59(A)					
0168	07/13/07	NOTC	/NOTICE OF APPEARANCE	AL	07/13/07
0169	07/13/07	BREF	/SUPPLEMENTAL BRIEF IN SUPPORT OF DEFTS MOTION TO AMEND OR ALTER JUDGMENT PURSUANT TO NRCP 59(e) OR IN THE ALTERNATIVE MOTIN FOR NEW TRIAL PURSUANT NRCP 59(a)		07/18/07 Y
0170	07/17/07	MOT	/ALL PENDING MOTIONS (07-17-07)	AL	07/17/07
0171	07/17/07	OCAL	/STATUS CHECK: COMPLIANCE	AL	08/23/07
0172	07/16/07	RPLY	/PLAINTIFFS REPLY TO DEFENDANTS SUPPLEMENTAL BRIEF TO MOTION TO ALTER OR AMEND JUDGMENT AND COUNTER MOTION TO STRIKE	*D *D	07/16/07 Y
0173	07/19/07	MOT	/NETZORG'S MTN TO WITHDRAW AS COUNSEL /16	NP	08/21/07
0174	07/20/07	ORDR	/ORDER ON POST JUDGMENT MOTIONS	AL	HG 07/17/07
0175	07/23/07	NOTC	/NOTICE OF ENTRY OF ORDER	AL	07/20/07
0176	07/26/07	NOAS	/NOTICE OF APPEAL (SC 49924)	AL	AP 07/26/07
0177	07/26/07	NOAS	/NOTICE OF APPEAL	AL	07/26/07
0178	07/26/07	NOAS	/NOTICE OF APPEAL	AL	07/26/07
0179	07/26/07	NOAS	/NOTICE OF APPEAL	AL	07/26/07
0180	07/26/07	NOAS	/NOTICE OF APPEAL	AL	07/26/07
0181	07/26/07	STAT	/CASE APPEAL STATEMENT	*D	
0182	07/30/07	CRTF	/CERTIFICATION OF SERVICE	AL	07/19/07
0183	08/01/07	MOT	/DEFT'S MTN TO STAY OF PROCEEDINGS TO ENFORCE/17	AL	GR 08/07/07
0184	08/02/07	CERT	/CERTIFICATE OF MAILING	0008	08/02/07
0185	08/03/07	OPPS	/OPPOSITION TO MOTION FOR STAY OF PROCEEDINGS TO ENFORCE JUDGMENT AND TO SET SUPERSEDEAS BOND ORDER SHORTENING TIME	*D *D	SH 08/07/07 Y
0186	08/06/07	ROC	/RECEIPT OF COPY	0001	08/02/07
0187	08/06/07	ROC	/RECEIPT OF COPY OF OPPOSITION TO MOTION FOR STAY OF PROCEEDINGS TO ENFORCE JUDGMENT AND TO SET SUPERSEDEAS BOND ORDER SHORTENING TIME	*D *D	08/07/07 Y
0188	07/31/07	AMEN	/AMENDED CASE APPEAL STATEMENT	AL	07/31/07

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CLERK OF THE COURT

1 JUDGE
JOHN PETER LEE, LTD.
2 JOHN PETER LEE, ESQ.
Nevada Bar No. 001768
3 MICHAEL A. REYNOLDS, ESQ.
Nevada Bar No. 008631
4 830 Las Vegas Boulevard South
Las Vegas, Nevada 89101
5 (702) 382-4044 Fax: (702) 383-9950
Attorneys for Plaintiff/Counterdefendant
6

DISTRICT COURT

CLARK COUNTY, NEVADA

9 GHOLAMREZA ZANDIAN JAZI,
10 Plaintiff,

CASE NO.: A511131
DEPT. NO.: XI

11 v.

12 RAY KOROGHLI, individually, FARIBORZ FRED
SADRI, individually, and as Trustee of the Star
13 Living Trust, WENDOVER PROJECT, LLC, a
Nevada limited liability company; BIG SPRING
14 RANCH, LLC, a Nevada limited liability company,
and NEVADA LAND AND WATER
15 RESOURCES, LLC, a Nevada limited liability
company,

16 Defendants.

**JUDGMENT CONFIRMING
ARBITRATION AWARD**

18 RAY KOROGHLI, individually and FARIBORZ
FRED SADRI, individually,

19 Counterclaimants,

DATE: 6-5-07
TIME: 9:00 a.m.

20 v.

21 GHOLAMREZA ZANDIAN JAZI,

22 Counterdefendant.

24 WENDOVER PROJECT, LLC,

25 Counterclaimant,

26 v.

27 GHOLAMREZA ZANDIAN JAZI,

28 Counterdefendant.

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

RECEIVED
JUN 08 2007
CLERK OF THE COURT

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

1 GHOLAMREZA ZANDIAN JAZI,)
2 Counterclaimant,)
3 v.)
4 WENDOVER PROJECT, LLC,)
5 Counterdefendant.)

6 1334.022860-JLR

7 ZANDIAN'S MOTION FOR CONFIRMATION AND ENTRY OF JUDGMENT ON
8 ARBITRATION AWARD and the Defendants' COUNTERMOTION TO VACATE
9 ARBITRATION AWARD having come before this Court on Tuesday, June 5, 2007, the Honorable
10 Elizabeth Gonzalez presiding, and the Court being fully apprised in the premises and good cause
11 appearing, it is hereby

12 ORDERED that Plaintiff's MOTION FOR CONFIRMATION AND ENTRY OF
13 JUDGMENT ON ARBITRATION AWARD is granted, and Defendants' COUNTERMOTION TO
14 VACATE ARBITRATION AWARD is denied.

15 IT IS FURTHER ORDERED that this Court confirms the Arbitration Awards made and
16 entered by Floyd A. Hale, Esq., and enters judgment on the Arbitration Awards as follows:

17 IT IS ORDERED, ADJUDGED AND DECREED that all of the relief granted by the
18 aforesaid Arbitrator in his Arbitration Decision dated the 20th day of September, 2006, a copy of
19 which is attached hereto as Exhibit "1" is granted by this Court.

20 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that the Arbitrator's Decision
21 Denying Defendants' Motion to Change Award dated the 11th day of October, 2006, a copy of which
22 is attached hereto as Exhibit "2" is granted by this Court.

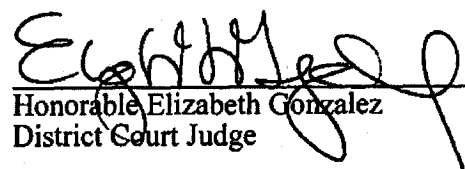
23 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that all relief granted in the
24 Implementation Award dated the 29th day of November, 2006, a copy of which is attached hereto
25 as Exhibit "3" is granted by this Court.

26 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that the Arbitrator's Report
27 and Recommendation to District Court dated the 28th day of February, 2007, a copy of which is
28 attached hereto as Exhibit "4" is granted by this Court.


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IT IS FURTHER ORDERED, ADJUDGED AND DECREED that this Court retains jurisdiction to implement this Judgment.

Dated this 7 day of June, 2007.


Honorable Elizabeth Gonzalez
District Court Judge

SUBMITTED BY:
JOHN PETER LEE, LTD.

BY: 
JOHN PETER LEE, ESQ.
Nevada Bar No. 001768
MICHAEL A. REYNOLDS, ESQ.
Nevada Bar No. 008631
830 Las Vegas Boulevard South
Las Vegas, Nevada 89101
Ph: (702) 382-4044/Fax: (702) 383-9950
Attorneys for Plaintiff/Counterdefendant

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

RECEIVED
SEP 22 2006
JOHN PETER LEE, LTD.

1 ARB
2 FLOYD A. HALE, ESQ.
3 Nevada Bar No. 1873
4 JAMS
5 2300 W. Sahara, #900
6 Las Vegas, NV 89102
7 Ph: (702) 457-5267
8 Fax: (702) 437-5267
9 Arbitrator

DISTRICT COURT

CLARK COUNTY, NEVADA

10 GHOLAMREZA ZANDIAN JAZI,) Case No. A511131
11)) Dept. No. XII
12 Plaintiff,)
13 vs.)
14 RAY KOROGHLI, individually,)
15 FABIRORZ FRED SADRI, individually,)
16 and as Trustee of the Star Living Trust,)
17 WENDOVER PROJECT, LLC, a Nevada)
18 limited liability company; BIG SPRING)
19 RANCH, LLC, a Nevada limited liability)
20 company, and NEVADA LAND AND)
21 WATER RESOURCES, LLC, a Nevada)
22 limited liability company,)
23 Defendants.)

ARBITRATION DECISION

24 Arbitration Hearings in this matter were conducted for two full days. The parties
25 submitted voluminous exhibits, depositions and briefs to the Arbitrator. Having reviewed the
26 documentation submitted and having heard the testimony and representations of the parties, the
27 following Arbitration Decision is entered:

- 28 1. The entire interest in the Pah Rah, LLC, property will be transferred to Gholamreza

FLOYD A. HALE
SPECIAL MASTER
2300 W. SAHARA, SUITE 900
LAS VEGAS, NEVADA 89102
PHONE (702) 457-5267, EMAIL fhalet@floydahale.com

FLOYD A. HALE
SPECIAL MASTER
2300 W. LAS VEGAS AVE. SUITE 900
LAS VEGAS, NEVADA 89102
PHONE (702) 457-5267 EMAIL fhaale@foychdale.com

1 Zandian Jazi, free and clear of all encumbrances, including the promissory note secured by Deed
2 of Trust issued for the benefit of Fariborz Fred Sadri; any obligation owed to Jeff Codega, related
3 to work that was performed as to the Pah Rah real estate will be the obligation of Gholamreza
4 Zandian Jazi;
5

6 2. The 320 acres referenced in the briefs and this lawsuit will be transferred free and clear
7 to Gholamreza Zandian Jazi without any obligation to the other litigants or parties to this
8 Arbitration or to any other party who may profess to have an interest in the 320 acres that are
9 bound by this lawsuit and Arbitration;
10

11 3. Fariborz Fred Sadri and Ray Koroghli will, within 30 days from the service of this
12 Arbitration Decision, pay Gholamreza Zandian Jazi \$250,000.00 in return for Gholamreza
13 Zandian Jazi waiving any claims or any rights as to the Big Springs Ranch, LLC or any of its
14 assets;
15

16 4. That Gholamreza Zandian Jazi will transfer any interest in the Wendover project, LLC,
17 including all assets and real estate to Fariborz Fred Sadri and Ray Koroghli;
18


19 5. All of the entities and properties that are the subject of this Arbitration and lawsuit,
20 including Pah Rah, LLC, the owners of the 300 acres referenced above, the Big Springs Ranch,
21 LLC, and the Wendover purchase or Wendover Project, LLC, referenced in this lawsuit and
22 Arbitration waive any claims to reimbursement or participation in any consulting fees previously
23 paid to Gholamreza Zandian Jazi from the seller of the real estate to those entities;
24

25 6. That the parties, through counsel, will prepare all necessary documents to effect the
26 transfers of the real estate assets and LLC entities and the parties to this lawsuit and Arbitration
27 will execute all necessary documents to effect this Arbitration Order, including a mutual Release
28 to be executed by all parties.

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7. That each party pay their own fees and costs incurred herein.

DATED this 20th day of September, 2006.

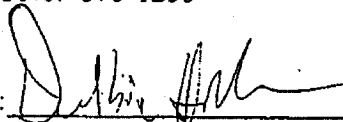
By: 
FLOYD HALE, Arbitrator
2300 West Sahara Avenue, #900
Las Vegas, NV 89102

CERTIFICATE OF FACSIMILE AND MAIL

I hereby certify that on the 21 day of September, 2006, I faxed and mailed a true and correct copy of the foregoing addressed to:

John Peter Lee, Esq.
830 Las Vegas Boulevard South
Las Vegas, NV 89101
Attorneys for Plaintiffs
Fax No. 383-9950

John Netzorg, Esq.
2810 West Charleston Blvd. #H-81
Las Vegas, NV 89102
Attorneys for Defendants
Fax No. 878-1255

By: 
Employee of Jams

FLOYD A. HALE
SPEC... MASTER
2300 W. S
LAS VEG.
PHONE (702) 457-5267
IVE. SUITE 900
VADA 89102
EMAIL fahale@floydahale.com

1 ARB
 2 FLOYD A. HALE, ESQ.
 3 Nevada Bar No. 1873
 4 JAMS
 5 2300 W. Sahara, #900
 6 Las Vegas, NV 89102
 7 Ph: (702) 457-5267
 8 Fax: (702) 437-5267
 9 Arbitrator

DISTRICT COURT

CLARK COUNTY, NEVADA

10 GHOLAMREZA ZANDIAN JAZI,) Case No. A511131
 11) Dept. No. XII
 12 Plaintiff,)
 13 vs.)
 14 RAY KOROGHLI, individually,)
 15 FABIRORZ FRED SADRI, individually,)
 16 and as Trustee of the Star Living Trust,)
 17 WENDOVER PROJECT, LLC, a Nevada)
 18 limited liability company; BIG SPRING)
 19 RANCH, LLC, a Nevada limited liability)
 20 company, and NEVADA LAND AND)
 21 WATER RESOURCES, LLC, a Nevada)
 22 limited liability company,)
 23 Defendants.)

ARBITRATION DECISION

22 On October 11, 2006, the Arbitrator received the Defendant's **MOTION TO CHANGE**
 23 **AWARD BY ARBITRATOR PURSUANT TO NRS 38.237.** The Motion requests that
 24 Zandian Jazi: Execute documents necessary to have the property transferred as required by the
 25 Arbitration Decision; issue guarantees that he has not made transfers to third parties; assign shares
 26 of shipyard stock; warrant and verify that he is in a position to execute documents required by the
 27
 28

FLOYD A. HALE
 SPECIAL MASTER
 2300 W. SAHARA, SUITE 900
 LAS VEGAS, NEVADA 89102
 PHONE (702) 457-5267 EMAIL fahale@floydahale.com

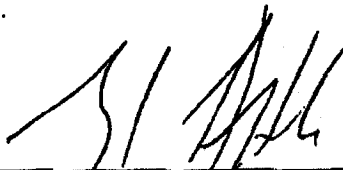
1 Arbitration Decision and verify other factual issues that were the subject of the Arbitration
2 Agreement.

3
4 The Motion goes well beyond the Arbitration Decision asking to reopen evidentiary
5 matters which are unnecessary at this time. Furthermore, paragraph 6 of the Arbitration Decision
6 indicates as follows:

7 6. That the parties, through counsel, will prepare all necessary
8 documents to effect the transfers of the real estate assets and LLC
9 entities and the parties to this lawsuit and Arbitration will execute all
10 necessary documents to effect this Arbitration Order, including a
mutual Release to be executed by all parties.

11 The Defendant's MOTION TO CHANGE AWARD BY ARBITRATOR PURSUANT
12 TO NRS 38.237 is denied.

13 DATED this 11th day of October, 2006.

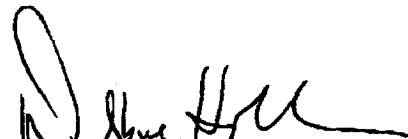
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16 By: 
17 FLOYD A. HALE
18 2300 W. Sahara, #900
19 Las Vegas, NV 89102
20 Arbitrator

21 CERTIFICATE OF FACSIMILE

22 I hereby certify that on the 11th day of October, 2006, I faxed and mailed a true and
23 correct copy of the foregoing addressed to:

24 John Peter Lec, Esq.
25 830 Las Vegas Boulevard South
26 Las Vegas, NV 89101
27 Attorneys for Plaintiff's
28 Fax No. 383-9950

John Netzorg, Esq.
2810 West Charleston Blvd. #H-81
Las Vegas, NV 89102
Attorneys for Defendants
Fax No. 878-1255

26
27 By: 
28 Employee of James

FLOYD A. HALE
SPEC. MASTER
2300 W. SAHARA, SUITE 900
LAS VEGAS, NV 89102
PHONE (702) 457-5267 EMAIL fha@fahale.com

JOHN PETER LEE, LTD.
ATTORNEY AT LAW
830 LAS VEGAS BLVD. SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

1 AWD
2 JOHN PETER LEE, LTD.
3 JOHN PETER LEE, ESQ.
4 Nevada Bar No. 001768
5 MICHAEL A. REYNOLDS, ESQ.
6 Nevada Bar No. 008631
7 830 Las Vegas Boulevard South
8 Las Vegas, Nevada 89101
9 (702) 382-4044 Fax: (702) 383-9950
10 Attorneys for Plaintiff/Counterdefendant
11 GHOLAMREZA ZANDIAN JAZI

RECEIVED
NOV 30 2006
JOHN PETER LEE, LTD.

7 DISTRICT COURT

8 CLARK COUNTY, NEVADA

9 GHOLAMREZA ZANDIAN JAZI,

10 Plaintiff,

11 v.

12 RAY KOROGHLI, individually, FARIBORZ FRED
13 SADRI, individually, and as Trustee of the Star
14 Living Trust, WENDOVER PROJECT, LLC, a
15 Nevada limited liability company; BIG SPRING
16 RANCH, LLC, a Nevada limited liability company,
17 and NEVADA LAND AND WATER
18 RESOURCES, LLC, a Nevada limited liability
19 company,

20 Defendants.

21 RAY KOROGHLI, individually and FARIBORZ
22 FRED SADRI, individually,

23 Counterclaimants,

24 v.

25 GHOLAMREZA ZANDIAN JAZI,

26 Counterdefendant.

27 WENDOVER PROJECT, LLC,

28 Counterclaimant,

29 v.

30 GHOLAMREZA ZANDIAN JAZI,

31 Counterdefendant.

CASE NO.: A511131
DEPT. NO.: XIII

BEFORE ARBITRATOR
FLOYD A. HALE

IMPLEMENTATION AWARD

JOHN PETER LEE, LTD.
ATTORNEY AT LAW
830 LAS VEGAS BLVD. SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9953

1 GHOLAMREZA ZANDIAN JAZI,)
2 Counterclaimant,)
3 v.)
4 WENDOVER PROJECT, LLC,)
5 Counterdefendant.)

6 1334.022860-sy

7 **IMPLEMENTATION AWARD**

8 On September 20, 2006, an Arbitration Decision was issued in this dispute. Plaintiff
9 GHOLAMREZA ZANDIAN JAZI filed his Motion to Enforce Arbitration Decision on September
10 25, 2006. On October 24, 2006, Plaintiff filed his Motion to Implement Arbitration Award. On
11 October 26, 2006, Plaintiff filed his Amendment to Motion to Implement Arbitration Award and
12 Request for Expedited Hearing. On October 31, 2006, Defendants Sadri and Koroghli filed their
13 Opposition to Motion to Implement Arbitration Award. Plaintiff filed his Reply Re: Motion to
14 Implement Arbitration Award on November 2, 2006.

15 After considering the papers filed by both parties including draft transfer documents;
16 **THE FOLLOWING IMPLEMENTATION AWARD IS ENTERED:**

- 17 1. Defendants shall pay to John Peter Lee, Ltd., the sum of \$250,000 within five (5)
18 days.
- 19 2. Defendants are to execute and deliver to Plaintiff's Counsel within ten days of this
20 Award a Quitclaim Deed of the 320 acre parcel provided as Exhibit "1" by Plaintiff
21 on the 2nd day of November, 2006.
- 22 3. Defendants are to execute and deliver to Plaintiff's counsel within ten days of this
23 Award the Grant, Bargain and Sale Deed of the 320 acre parcel provided by Plaintiff
24 as Exhibit "2" on the 2nd of November, 2006.
- 25 4. Defendants are to execute and deliver to Plaintiff's counsel within ten days of this
26 Award the Quitclaim Deed of the 320 acre parcel provided by Plaintiff as Exhibit "3"
27 on November 2, 2006.
- 28 5. Defendants are to execute and deliver to Plaintiff's counsel within ten days of this

JOHN PETER LEE, LTD.

ATTORNEYS AT LAW

830 LAS VEGAS BLVD. SOUTH

LAS VEGAS, NEVADA 89101

Telephone (702) 382-4044

Telecopier (702) 383-9954

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- Award the Grant, Bargain and Sale Deed of the Pah-Rah parcel provided by Plaintiff as Exhibit "4" on November 2, 2006.
6. Mr. Sadri is to execute and deliver to Plaintiff's counsel within ten days of this Award the Request for Full Reconveyance concerning the \$333,000 Note provided by Plaintiff as Exhibit "5" on November 2, 2006.
7. Mr. Zandian is to execute and deliver to Defendants' counsel within ten days of this Award the Quitclaim Deed of the Wendover parcel provided by Plaintiff as Exhibit "6" on November 2, 2006.
8. Mr. Zandian is to execute and deliver to Defendants' counsel within ten days of this Award the Assignment of Interest in Wendover Project, LLC, provided by Plaintiff as Exhibit "7" on November 2, 2006.
9. Mr. Zandian is to execute and deliver to Defendants' counsel within ten days of this Award the Quitclaim Deed of the Big Spring Ranch parcel provided by Plaintiff as Exhibit "8" on November 2, 2006.
10. Mr. Zandian is to execute and deliver to Defendant's counsel within ten days of this Award the Assignment of Interest in Big Spring Ranch, LLC., provided by Plaintiff as Exhibit "9" on November 2, 2006.
11. Mr. Zandian is to execute and deliver to Defendants' counsel within ten days of this Award the Assignment of Interest in Nevada Land and Water Resources, LLC., provided by Plaintiff as Exhibit "10" on November 11, 2006.
12. Mr. Zandian is to record and deliver to Defendants' counsel within ten days of this Award the four (4) Releases of Lis Pendens provided by Plaintiff as Exhibit "11" on November 2, 2006.
13. Mr. Zandian is to execute, file and deliver to Defendants' counsel within ten days of this Award the Certificate of Resignation concerning Wendover Project, LLC., provided by Plaintiff as Exhibit "12" on November 2, 2006.
14. Mr. Zandian is to execute, file and deliver to Defendants' counsel within ten days of this Award the Certificate of Resignation concerning Nevada Land and Water

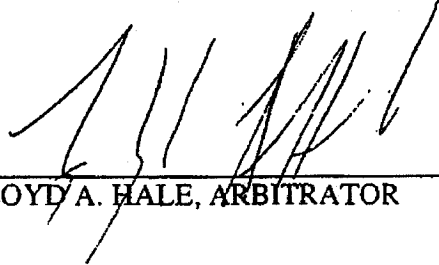
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Resources, LLC, provided as Exhibit "13" on November 2, 2006.

15. Mr. Zandian is to execute, file and deliver to Defendants' counsel within ten days of this Award the Certificate of Resignation concerning Big Spring Ranch, LLC., provided by Plaintiff as Exhibit "14" on November 2, 2006.

16. All parties are to sign the Mutual Release of Claims provided by Plaintiff as Exhibit "16" on November 2, 2006, and deliver a Counterpart to the other party's counsel within ten (10) from this Award.


Dated this 29th day of November, 2006.



FLOYD A. HALE, ARBITRATOR

Respectfully submitted

JOHN PETER LEE, LTD.


JOHN PETER LEE, ESQ.
Nevada Bar No. 001768
MICHAEL A. REYNOLDS, ESQ.
Nevada Bar No. 008631
830 Las Vegas Boulevard South
Las Vegas, Nevada 89101
(702) 382-4044 Fax: (702) 383-9950
Attorneys for Plaintiff/Counterdefendant

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEG. BLVD. SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

CERTIFICATE OF FACSIMILE AND MAILING

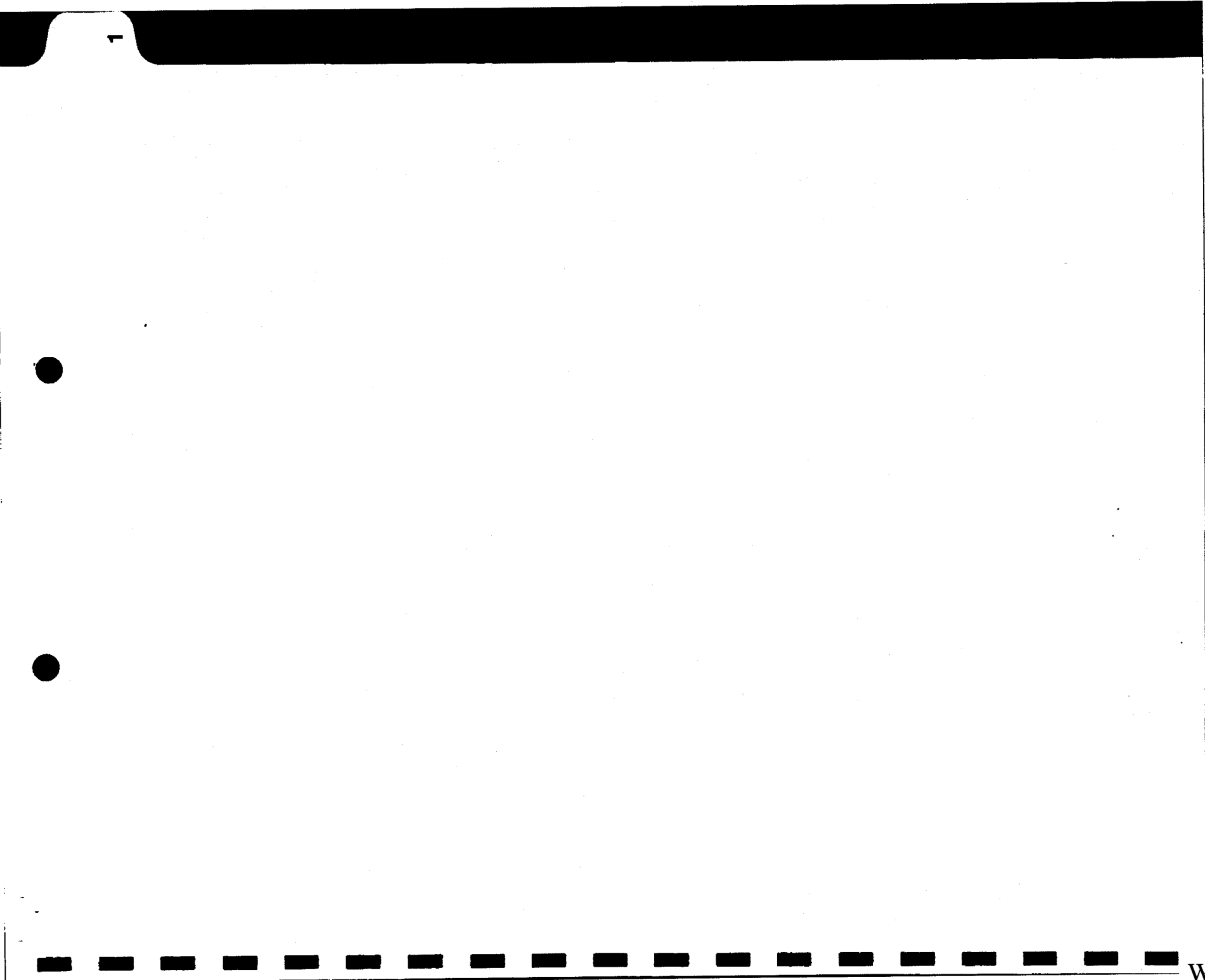
I hereby certify that on the 29th day of November 2006, I faxed and mailed a true and correct copy of the foregoing Implementation Award addressed to:

John Peter Lee, Esq.
830 Las Vegas Boulevard South
Las Vegas, NV 89101
Attorneys for Plaintiffs
Fax No. 383-9950

John Netzorg, Esq.
2810 West Charleston Blvd. #H-81
Las Vegas, NV 89102
Attorneys for Defendants
Fax No. 878-1255

By: 

Employee of Jams



APN: 076-100-19

WHEN RECORDED, RETURN TO
JOHN PETER LEE, LTD.
830 Las Vegas Boulevard South
Las Vegas, Nevada 89101

GRANTEE/MAIL TAX STATEMENTS TO:
JOHN PETER LEE, LTD.
830 Las Vegas Boulevard South
Las Vegas, Nevada 89101

320 acre parcel

QUITCLAIM DEED

By this instrument dated this ____ day of _____, 2006, for a valuable consideration, Ray Koroghli, individually, and Fariborz Fred Sadri, individually and as Trustee of the Star Living Trust, do hereby remise, release and forever quitclaim to Gholamreza Zandian Jazi, the following described real property in the State of Nevada, County of Washoe:

Set forth in Exhibit A attached and incorporated herein by this reference

RAY KOROGHLI, individually

FARIBORZ FRED SADRI, individually

FARIBORZ FRED SADRI, as Trustee of the
Star Living Trust

STATE OF NEVADA)
) SS.:
COUNTY OF CLARK)

On _____, 2006, before me the undersigned, a Notary Public in and for said County and State, personally appeared Ray Koroghli, known to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.

NOTARY PUBLIC

STATE OF NEVADA)
) SS.:
COUNTY OF CLARK)

On _____, 2006, before me the undersigned, a Notary Public in and for said County and State, personally appeared Fariborz Fred Sadri, known to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.

NOTARY PUBLIC

STATE OF NEVADA)
) SS.:
COUNTY OF CLARK)

On _____, 2006, before me the undersigned, a Notary Public in and for said County and State, personally appeared Fariborz Fred Sadri, Trustee of the Star Living Trust, known to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.

NOTARY PUBLIC

County Home => Assessor's Office => Property Assessment Data => Parcel QuickInfo

WASHOE COUNTY QUICK INFO (Summary data may not be complete representation of property)				10/18/2006	
Owner Information & Legal Description			Building Information		
APN 076-100-19			Property Name:		
Parcel Map | Map Warehouse			Quality		<u>Bldg Type</u>
Card 1 of 1			Stories		
Situs	SPANISH SPRINGS RD		Year Built	0	<u>Square Feet</u> 0
Owner 1	BIG SPRING RANCH LLC		W.A.Y.	0	<u>Square Feet does not include Bsmt or Garage Conversion area click for details</u>
Mail Address	P O BOX 81624		Bedrooms	0	
	LAS VEGAS NV 89180-1624		Full Baths	0	<u>Finished Bsmt</u> 0
Owner 2			Half Baths	0	<u>Unfin Bsmt</u> 0
Owner 3			Fixtures	0	<u>Bsmt Type</u>
Rec Doc No	02957442	Rec Date	11/21/2003	Fireplaces	0
Prior Owner	GRAHAM,EARL L & JONI		Heat Type		<u>Total Gar Area</u> 0
Prior Doc	02623847 11/30/2001		Sec Heat Type		<u>Gar Type</u>
Legal Desc	34-1-1-2		Ext Walls		<u>Det Garage</u> 0
Subdivision	34-1-1-2		Sec Ext Walls		<u>Bsmt Gar Door</u> 0
	Lot	Block	Sub Map#	Roof Cover	<u>Sub Floor</u>
				%Incomplete	<u>Frame</u>
	<u>Record of Survey Map</u>		<u>Parcel Map#</u>	Obso/Bldg Adj	<u>Units/Bldg</u> 0
	Section 34	Township 21	Range 21	Construction Mod	<u>Units/Parcel</u> 0
	<u>Tax Dist</u> 4400	<u>Add'l Tax Info</u>	<u>Prior APN</u>	<u>Last Activity</u> CEM	<u>Last Permit</u>
				04/08/1996	

Land Information											
<u>Land Use</u>	012	<u>Zoning</u>	GR	<u>Sewer</u>	NONE	<u>Value Year</u>	2007	<u>Reason</u>	Reappraisal	<u>Factor Dist</u>	586R
<u>Size</u>	320 Ac	<u>Water</u>	NONE	<u>Street</u>	NONE	<u>Reapp Years</u>	2002-2007				

Valuation Information			2005/2006 FV		2006/2007 FV		Sales/Transfer Information/Recorded Document				
							V-Code	LUC	Doc Date	Value	Grantor
<u>Taxable Land Value</u>			78,304		86,917		1SVR	012	11/21/2003	95,000	GRAHAM,EARL L & JONI
<u>Txble Improvement Value</u>			0		0		3NTT	012	11/30/2001	0	LONDON,DALE R
<u>Secured Personal Property (rounded)</u>			0		0		3NTT	012	11/30/2001	0	GRAHAM,EARL L & JONI
<u>Taxable Total</u>			78,304		86,917				07/07/1997	0	
<u>Assessed Land Value</u>			27,406		30,421		1GCR	012	06/03/1997	70,000	
<u>Assessed Improvement Value</u>			0		0				08/01/1976	10,980	

All data on this form is for use by the Washoe County Assessor for

Assessed Personal Prop		0	assessment purposes only. Zoning information should be verified with the appropriate planning agency.
Total Assessed	27,406	30,421	
Supplemental New Const	0	0	
We are currently experiencing some problems with our photo and sketch database which can cause the wrong sketch or photo to display, please review any sketches and photos carefully.			
Sketch Is Not Available On-Line.		Property Photo Is Not Available On-Line.	

99052

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APN: 076-100-19

WHEN RECORDED, RETURN TO

JOHN PETER LEE, LTD.
830 Las Vegas Boulevard South
Las Vegas, Nevada 89101

GRANTEE/MAIL TAX STATEMENTS TO:

JOHN PETER LEE, LTD.
830 Las Vegas Boulevard South
Las Vegas, Nevada 89101

320 acre parcel

GRANT, BARGAIN AND SALE DEED

THIS INDENTURE, made this ____ day of _____, 2006, by and between Big Spring Ranch, LLC, as Grantor, and Gholamreza Zandian Jazi, as Grantee:

WITNESSETH

That Grantor, in consideration of the sum of Ten Dollars (\$10.00) lawful money of the United States, and good and valuable consideration, paid to Grantor by Grantee, the receipt whereof is hereby acknowledged, does by these presents grant, bargain and sell to Grantee and to Grantee's successors and assigns, all those certain lots, pieces, or parcels of land situated in the County of Washoe, State of Nevada, and more particularly described as follows:

Set forth in Exhibit A attached and incorporated herein by this reference

TOGETHER WITH all and singular the tenements, hereditaments, and appurtenances thereunto belonging or in anywise appertaining, and the reversion and reversions, remainder or remainders, rents, issues, and profits thereof.

SUBJECT TO rights, reservations and restrictions of record.

TO HAVE AND TO HOLD all and singular the premises, together with the appurtenances, unto Grantee and to Grantee's successors and assigns forever.

IN WITNESS WHEREOF, Grantor have executed this conveyance the day and year first above written.

BIG SPRING RANCH, LLC

BY: _____
RAY KOROGHLI, Member/Manager

BY: _____
FARIBORZ FRED SADRI, Member/Manager

STATE OF NEVADA)
) SS.:
COUNTY OF CLARK)

On _____, 2006, before me the undersigned, a Notary Public in and for said County and State, personally appeared Ray Koroghli, known to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.

NOTARY PUBLIC

STATE OF NEVADA)
) SS.:
COUNTY OF CLARK)

On _____, 2006, before me the undersigned, a Notary Public in and for said County and State, personally appeared Fariborz Fred Sadri, known to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.

NOTARY PUBLIC

County Home => Assessor's Office => Property Assessment Data => Parcel QuickInfo

WASHOE COUNTY QUICK INFO (Summary data may not be complete representation of property)				10/18/2006	
Owner Information & Legal Description			Building Information		
APN	076-100-19				Property Name:
Parcel Map | Map Warehouse			Quality		Bldg Type
Card 1 of 1			Stories		
Situs	SPANISH SPRINGS RD		Year Built	0	Square Feet 0
Owner 1	BIG SPRING RANCH LLC		W.A.Y.	0	Square Feet does not include Bsmt or Garage Conversion area click for details
Mail Address	P O BOX 81624		Bedrooms	0	
	LAS VEGAS NV 89180-1624		Full Baths	0	Finished Bsmt 0
Owner 2			Half Baths	0	Unfin Bsmt 0
Owner 3			Fixtures	0	Bsmt Type
Rec Doc No	02957442	Rec Date	11/21/2003	Fireplaces	0
Prior Owner	GRAHAM,EARL L & JONI		Heat Type		Total Gar Area 0
Prior Doc	02623847	11/30/2001	Sec Heat Type		Gar Type
Legal Desc	34-1-1-2		Ext Walls		Det Garage 0
Subdivision	34-1-1-2		Sec Ext Walls		Bsmt Gar Door 0
	Lot	Block	Sub Map#	Roof Cover	Sub Floor
				%Incomplete	0
	Record of Survey Map		Parcel Map#	Obso/Bldg Adj	0
	Section 34	Township 21	Range 21	Construction Mod	0
				SPC	
Tax Dist	4400	Add'l Tax Info	Prior APN	Last Activity	CEM 04/08/1996
					Last Permit

Land Information											
Land Use	012	Zoning	GR	Sewer	NONE	Value Year	2007	Reason	Reappraisal	Factor Dist	586R
Size	320	Ac	Water	NONE	Street	NONE		Reapp Years	2002-2007		

Valuation Information	2005/2006 FV	2006/2007 FV	Sales/Transfer Information/Recorded Document				
			Y-Code	LUC	Doc Date	Value	Grantor
Taxable Land Value	78,304	86,917	1SVR	012	11/21/2003	95,000	GRAHAM,EARL L & JONI
Txble Improvement Value	0	0	3NTT	012	11/30/2001	0	LANDON,DALE R
Secured Personal Property (rounded)	0	0	3NTT	012	11/30/2001	0	GRAHAM,EARL L & JONI
Taxable Total	78,304	86,917			07/07/1997	0	
Assessed Land Value	27,406	30,421	1GCR	012	06/03/1997	70,000	
Assessed Improvement Value	0	0			08/01/1976	10,980	

All data on this form is for use by the Washoe County Assessor for

Assessed Personal Prop		0	assessment purposes only. Zoning information should be verified with the appropriate planning agency.
Total Assessed	27,406	30,421	
Supplemental New Const	0	0	
We are currently experiencing some problems with our photo and sketch database which can cause the wrong sketch or photo to display, please review any sketches and photos carefully.			
Sketch Is Not Available On-Line.		Property Photo Is Not Available On-Line.	

99052

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APN: 076-100-19

WHEN RECORDED, RETURN TO
JOHN PETER LEE, LTD.
830 Las Vegas Boulevard South
Las Vegas, Nevada 89101

GRANTEE/MAIL TAX STATEMENTS TO:
JOHN PETER LEE, LTD.
830 Las Vegas Boulevard South
Las Vegas, Nevada 89101

320 acre parcel

QUITCLAIM DEED

By this instrument dated this ____ day of _____, 2006, for a valuable consideration,
Big Spring Ranch, LLC does hereby remise, release and forever quitclaim to Gholamreza Zandian
Jazi, the following described real property in the State of Nevada, County of Washoe:

Set forth in Exhibit A attached and incorporated
herein by this reference

BIG SPRING RANCH, LLC

BY: _____
RAY KOROGHLI

BY: _____
FARIBORZ FRED SADRI

STATE OF NEVADA)
) SS.:
COUNTY OF CLARK)

On the ____ day of _____, 2006, before me the undersigned, a Notary Public
in and for said County and State, personally appeared Ray Koroghli, known to me to be the person
whose name is subscribed to the within instrument, and acknowledged to me that he executed the
same.

NOTARY PUBLIC

STATE OF NEVADA)
) SS.:
COUNTY OF CLARK)

On the ____ day of _____, 2006, before me the undersigned, a Notary Public in and for said County and State, personally appeared Fariborz Fred Sadri, known to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.

NOTARY PUBLIC

County Home => Assessor's Office => Property Assessment Data => Parcel QuickInfo

WASHOE COUNTY QUICK INFO (Summary data may not be complete representation of property)				10/18/2006	
Owner Information & Legal Description			Building Information		
APN	076-100-19		Property Name:		
Parcel Map | Map Warehouse			Quality		Bldg Type
Card 1 of 1			Stories		
Situs	SPANISH SPRINGS RD		Year Built	0	Square Feet
Owner 1	BIG SPRING RANCH LLC		W.A.Y.	0	Square Feet does not include Bsmt or Garage Conversion area click for details
Mail Address	P O BOX 81624		Bedrooms	0	
	LAS VEGAS NV 89180-1624		Full Baths	0	Finished Bsmt
Owner 2			Half Baths	0	Unfin Bsmt
Owner 3			Fixtures	0	Bsmt Type
Rec Doc No	02957442	Rec Date	11/21/2003	Fireplaces	0
Prior Owner	GRAHAM,EARL L & JONI		Heat Type		Total Gar Area
Prior Doc	02623847 11/30/2001		Sec Heat Type		Gar Type
Legal Desc	34-1-1-2		Ext Walls		Det Garage
Subdivision	34-1-1-2		Sec Ext Walls		Bsmt Gar Door
	Lot	Block	Sub Map#	Roof Cover	Sub Floor
				%Incomplete	0
	Record of Survey Map		Parcel Map#	Obso/Bldg Adj	0
	Section 34	Township 21	Range 21	Construction Mod	0
			SPC	Last Activity	CEM 04/08/1996
Tax Dist	4400	Add'l Tax Info	Prior APN		Last Permit

Land Information											
Land Use	012	Zoning	GR	Sewer	NONE	Value Year	2007	Reason	Reappraisal	Factor Dist	S86R
Size	320 Ac	Water	NONE	Street	NONE			Reapp Years	2002-2007		

Valuation Information			Sales/Transfer Information/Recorded Document				
	2005/2006 FV	2006/2007 FV	V-Code	LUC	Doc Date	Value	Grantor
Taxable Land Value	78,304	86,917	1SVR	012	11/21/2003	95,000	GRAHAM,EARL L & JONI
Txble Improvement Value	0	0	3NTT	012	11/30/2001	0	LONDON,DALE R
Secured Personal Property (rounded)	0	0	3NTT	012	11/30/2001	0	GRAHAM,EARL L & JONI
Taxable Total	78,304	86,917			07/07/1997	0	
Assessed Land Value	27,406	30,421	1GCR	012	06/03/1997	70,000	
Assessed Improvement Value	0	0			08/01/1976	10,980	

All data on this form is for use by the Washoe County Assessor for

Assessed Personal Prop		0	assessment purposes only. Zoning information should be verified with the appropriate planning agency.
Total Assessed	27,406	30,421	
Supplemental New Const	0	0	

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Sketch Is Not Available On-Line.	Property Photo Is Not Available On-Line.
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99052

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APN: 079-150-09, 079-150-10, 07-150-13
084-040-02, 084-040-04, 084-040-06
084-040-10, 084-130-07, -84-140-17

WHEN RECORDED, RETURN TO

JOHN PETER LEE, LTD.
830 Las Vegas Boulevard South
Las Vegas, Nevada 89101

GRANTEE/MAIL TAX STATEMENTS TO:

JOHN PETER LEE, LTD.
830 Las Vegas Boulevard South
Las Vegas, Nevada 89101

Pah Rah parcel

GRANT, BARGAIN AND SALE DEED

THIS INDENTURE, made this ____ day of _____, 2006, by and between Ray Koroghli, individually, and Fariborz Fred Sadri, individually and as Trustee of the Star Living Trust, as Grantors, and Gholamreza Zandian Jazi, as Grantee:

WITNESSETH

That Grantors, in consideration of the sum of Ten Dollars (\$10.00) lawful money of the United States, and good and valuable consideration, paid to Grantors by Grantee, the receipt whereof is hereby acknowledged, does by these presents grant, bargain and sell to Grantee and to Grantee's successors and assigns, all those certain lots, pieces, or parcels of land situated in the County of Washoe, State of Nevada, and more particularly described as follows:

Set forth in Exhibit A attached and incorporated herein by this reference

TOGETHER WITH all and singular the tenements, hereditaments, and appurtenances thereunto belonging or in anywise appertaining, and the reversion and reversions, remainder or remainders, rents, issues, and profits thereof.

SUBJECT TO rights, reservations and restrictions of record.

TO HAVE AND TO HOLD all and singular the premises, together with the appurtenances, unto Grantee and to Grantee's successors and assigns forever.

IN WITNESS WHEREOF, Grantors have executed this conveyance the day and year first above written.

RAY KOROGHLI, individually

FARIBORZ FRED SADRI, individually

FARIBORZ FRED SADRI, as Trustee of the
Star Living Trust

STATE OF NEVADA)
) SS.:
COUNTY OF CLARK)

On _____, 2006, before me the undersigned, a Notary Public in and for said County and State, personally appeared Ray Koroghli, known to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.

NOTARY PUBLIC

STATE OF NEVADA)
) SS.:
COUNTY OF CLARK)

On _____, 2006, before me the undersigned, a Notary Public in and for said County and State, personally appeared Fariborz Fred Sadri, known to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.

NOTARY PUBLIC

STATE OF NEVADA)
) SS.:
COUNTY OF CLARK)

On _____, 2006, before me the undersigned, a Notary Public in and for said County and State, personally appeared Fariborz Fred Sadri, Trustee of the Star Living Trust, known to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.

NOTARY PUBLIC



property. The term "minerals" shall include all mineral elements and compounds, including by way of example and not by limitation, all barite, copper, gold, iron, silver and other metals, whether the same are presently known to exist on the property or are subsequently discovered on the property, and regardless of the method of extraction, mining or processing of the same (whether open pit or strip mining, underground mining, surface or subsurface leaching) whether presently or subsequently employed, invented, or developed. Grantor reserves to itself the rights of egress and ingress to and from the property for any and all purposes related to the mineral estate reserved to Grantor. Grantor shall conduct all of its activities in accordance with all applicable laws, regulations, and ordinances, and shall defend, indemnify and hold Grantee from and against all actions, claims, damages and losses resulting from Grantor's exercise of the rights appurtenant to its reserved mineral estate. Grantor shall compensate Grantee for surface damages resulting from Grantor's activities related to Grantor's reserved mineral estate. If Grantee and Grantor are unable to mutually determine the damages resulting to the surface, such damages shall be determined by a mutually acceptable independent appraiser who shall determine the fair market value of the surface damaged as a result of Grantor's activities.

GRANTOR makes no representation or warranty concerning the effect of those Minerals Leases, by and between Southern Pacific Land Company, a California corporation, as lessor, and SFP Minerals Corporation, a Delaware corporation, as lessee, to the degree or the extent that the same applies and is enforceable against the property described in this Grant, Bargain and Sale Deed, if at all.

GRANTOR has executed this Grant, Bargain and Sale Deed the day and year first above written.

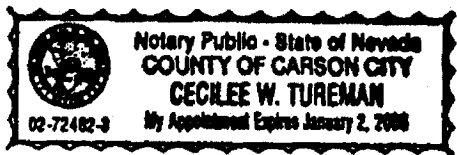
NEVADA LAND AND RESOURCE COMPANY, LLC, A
DELAWARE LIMITED LIABILITY COMPANY

By: *Dorothy A. Timian-Palmer*
Dorothy A. Timian-Palmer
Chief Operating Officer

STATE OF NEVADA)
) ss.
COUNTY OF CARSON CITY)

This instrument was acknowledged before me on August 1, 2003, by Dorothy A. Timian-Palmer its Chief Operating Officer of and for Nevada Land and Resource Company, LLC, a Delaware limited liability company.

Cecilee W. Tureman
Notary Public



100701



EXHIBIT "A"

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

PARCEL A:
A.P.N. 079-150-09

The Northeast $\frac{1}{4}$ and the South $\frac{1}{2}$ of the Northwest $\frac{1}{4}$ and the South $\frac{1}{2}$ in
Section 33, Township 21 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar
and other valuable minerals as reserved by the United States of America or the
State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores
within or underlying the property, including, without limitation, oil, natural gas
and hydrocarbon substances, geothermal steam, brines and minerals in solution,
and sand gravel and aggregates, and products derived therefrom, together with
any rights of ingress and egress in, upon or over the property and to make such
use of the property and the surface thereof as is necessary or useful in
connection therewith, as reserved in the Deed recorded January 09, 1990 in
Book 3019, Page 756 as Document No. 1373452 of Official Records.

PARCEL B:
A.P.N. 079-150-10

Section 31, Township 21 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar
and other valuable minerals as reserved by the United States of America or the
State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores
within or underlying the property, including, without limitation, oil, natural gas
and hydrocarbon substances, geothermal steam, brines and minerals in solution,
and sand gravel and aggregates, and products derived therefrom, together with



any rights of ingress and egress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded February 22, 1991 in Book 3216, Page 526 as Document No. 1461483 of Official Records.

PARCEL C:

A.P.N. 079-150-13

The Northeast $\frac{1}{4}$; South $\frac{1}{2}$ of the Northwest $\frac{1}{4}$; South $\frac{1}{2}$ of Section 27, Township 21 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with any rights of ingress and egress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded January 09, 1990 in Book 3019, Page 756 as Document No. 1373452 of Official Records.

PARCEL D:

A.P.N. 084-040-02

Section 5, Township 20 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with any rights of ingress and egress in, upon or over the property and to make such



use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded February 22, 1991 in Book 3216, Page 526 as Document No. 1461483 of Official Records.

PARCEL E:

A.P.N. 084-040-04

Section 3, Township 20 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with any rights of ingress and egress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded January 03, 1992 in Book 3391, Page 840 as Document No. 1534872 of Official Records.

PARCEL F:

A.P.N. 084-040-06

Section 1, Township 20 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with any rights of ingress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection



therewith, as reserved in the Deed recorded January 03, 1992 in Book 3391, Page 840 as Document No. 1534872 of Official Records.

PARCEL G:

A.P.N. 084-040-10

The North $\frac{1}{2}$ and the North $\frac{1}{2}$ of the Northwest $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ and the Southwest $\frac{1}{4}$ of the Northwest $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ and the North $\frac{1}{2}$ of the Northeast $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ and the North $\frac{1}{2}$ of the Northwest $\frac{1}{4}$ of the Southeast $\frac{1}{4}$, all in Section 11, Township 20 North, Range 23 East, M.D.B.&M.

ALSO EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with any rights of ingress and egress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded January 03, 1992 in Book 3391, Page 840 as Document No. 1534872 of Official Records.

PARCEL H:

A.P.N. 084-130-07

The Northwest $\frac{1}{4}$ and the North $\frac{1}{2}$ of the Southwest $\frac{1}{4}$ and Government Lot 1 in the Southwest $\frac{1}{4}$ of Section 15, Township 20 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with



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88/08/2983
7 of 7

any rights of ingress and egress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded January 03, 1992 in Book 3391, Page 840 as Document No. 1534872 of Official Records.

PARCEL I:

A.P.N. 084-140-17

The Northeast $\frac{1}{4}$ of Section 15, Township 20 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with any rights of ingress and egress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded January 03, 1992 in Book 3391, Page 840 as Document No. 1534872 of Official Records.

REQUEST FOR FULL RECONVEYANCE

TO: Western Title Company, Inc., Trustee

The undersigned is the legal owner and holder of the Note or Notes, and of all other indebtedness secured by the attached Deed of Trust. Said Note or Notes, together with all other indebtedness secured by said Deed of Trust, have been fully paid and satisfied; and you are hereby requested and directed to cancel said note or notes above mentioned, and all other evidences of indebtedness secured by said Deed of Trust delivered to you herewith, together with the Deed of Trust, and to reconvey, without warranty, to Gholamreza Zandian Jazi all the estate now held by you under the same.

DATED this _____ day of _____, 2006.

Fariborz Fred Sadri

STAR LIVING TRUST

BY: _____
Fariborz Fred Sadri, Trustee

Pah Rah parcel

APN: 079-150-09,10,13 084-040-02,04,06,10 084-130-07

084-140-17

DOC # 2900594

05/08/2003 03:48P Fee:48.00

BK1

Requested By
WESTERN TITLE COMPANY INC
Washoe County Recorder
Kathryn L. Burke - Recorder
Pg 1 of 10 RPTT 0.00

RECORDING REQUESTED BY:
Western Title Company, Inc.

WHEN RECORDED MAIL TO:

Name STAR LIVING TRUST, FRED SADRI
Street 2827 S. MONTE CRISTO
City,State LAS VEGAS, NV 89117
Zip
Order No. 00025269-501-DBR - ACCOMMODATION



(SPACE ABOVE THIS LINE FOR RECORDERS USE)

DEED OF TRUST WITH ASSIGNMENT OF RENTS

This DEED OF TRUST, made on July 31, 2003, between REZA HANDIAN, a married man as his sole and separate property, TRUSTOR, whose address is 9550 W. Sahara Ave., Apt 2148
Las Vegas 89117, NV 89117 Western Title Company, Inc.,
a Nevada Corporation, TRUSTEE, and FARIBORZ SADRI, TRUSTEE OF THE STAR LIVING TRUST, DATED APRIL 14, 1997, BENEFICIARY.

WITNESSETH: That Trustor grants to Trustee in Trust, with Power of Sale, that property in the City of N/A, County of Washoe, Nevada, described as:

SEE ATTACHED FOR LEGAL DESCRIPTION

In the event the herein described property or any part thereof, or any interest therein is sold, agreed to be sold, conveyed or alienated by the trustor, or by the operation of law or otherwise, all obligations secured by this instrument, irrespective of the maturity dates expressed therein, at the option of the holder hereof and without demand or notice shall immediately become due and payable.

Together with the rents, issues and profits thereof, subject, however, to the right, power and authority hereinafter given to and conferred upon Beneficiary to collect and apply such rents, issues and profits.

For the Purpose of Securing (1) payment of the sum of \$333,996.56 with interest thereon according to the terms of a promissory note or notes of even date herewith made by Trustor, payable to order of Beneficiary, and extensions or renewals thereof; (2) the performance of each agreement of Trustor incorporated by reference or contained herein or reciting it is so secured; (3) Payment of additional sums and interest thereon which may hereafter be loaned to Trustor, or his successors or assigns, when evidenced by a promissory note or notes reciting that they are secured by this Deed of Trust.

To protect the security of this Deed of Trust, and with respect to the property above described, Trustor expressly makes each and all of the agreements, and adopts and agrees to perform and be bound by each

and all of the terms and provisions set forth in subdivision A and it is mutually agreed that each and all of the terms and provisions set forth in subdivision B of the Fictitious Deed of trust recorded in the office of



each County Recorder in the State of Nevada on January 30, 1968, in the book and at the page thereof, or under the document or file number, noted below opposite the name of such county, namely: COUNTY Churchill

	BOOK	PAGE	DOC. NO.	COUNTY	BOOK	PAGE	DOC. NO.
Churchill	39	363	115384	Lincoln			45902
Clark	Mortgages 850 Off. Rec.		682747	Lyon	37 Off. Rec.	341	100661
Douglas	57 Off. Rec.	115	40050	Mineral	11 Off. Rec.	129	89073
Elko	192 Off. Rec.	652	35747	Nye	105 Off. Rec.	107	04823
Esmeralda	J-X Deeds	195	35922	Ormsby	72 Deeds	537	32867
Eureka	22 Off. Rec.	138	45941	Pershing	11 Off. Rec.	249	66107
Humboldt	28 Off. Rec.	124	131075	Storey	"S" Off. Rec.	206	31506
Lander	24 Off. Rec.	168	50782	Washoe	300 Off. Rec.	517	107192
				White Pine	295 R.E. Records	258	

shall insure to and bind the parties hereto, with respect to the property above described. Said agreements, terms and provisions contained in said subdivisions A and B (identical in all counties, and printed on the reverse side hereof) are by the within reference thereto, incorporated herein and made a part of Deed of Trust for all purposes as fully as if set forth at length herein, and Beneficiary may charge for a statement regarding the obligation secured hereby, provided the charge therefor does not exceed a reasonable amount.



2900534
08/06/2003
3 of 18

The undersigned Trustor, requests that a copy of any notice of default and any notice of sale hereunder be mailed to him at this address herein before set forth.

STATE OF NEVADA

COUNTY OF CLARK

} ss

This instrument was acknowledged before me on

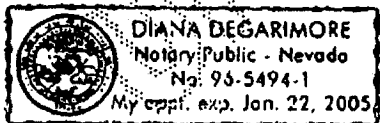
AUGUST 5th 2003

by REZA ZANDIAN

REZA ZANDIAN

Diana Degarimore

Notary Public



DIANA DEGARIMORE
Notary Public - Nevada
No. 95-5494-1
My comm. exp. Jan. 22, 2005



DO NOT RECORD

A. TO PROTECT THE SECURITY OF THIS DEED OF TRUST, TRUSTOR AGREES,

- (1) To keep said property in good condition and repair; not to remove or demolish any building thereon; to complete or restore promptly and in good and workmanlike manner any building which may be constructed, damaged or destroyed thereon; and to pay when due all claims for labor performed and materials furnished therefor; to comply with all laws affecting said property or requiring any alterations or improvements to be made thereon; not to commit or permit waste thereof; not to commit suffer or permit any act upon said property in violation of law; to cultivate, irrigate, fertilize, fumigate, prune and do all other acts which from the character or use of said property may be reasonably necessary, the specific enumeration's herein not excluding the general.
- (2) Trustor covenants to keep all buildings that may now or at any time be on said property during the continuance of this trust in good repair and insured against loss by fire, with extended coverage endorsement, in a company or companies authorized to issue such insurance in the State of Nevada, and as may be approved by Beneficiary, for such sum or sums as shall equal the total indebtedness secured by this Deed of Trust and all obligations having priority over this Deed of Trust and shall be payable to Beneficiary to the amount of the unliquidated obligation to Beneficiary hereby secured, and to deliver the policy to Beneficiary, or to collection agent of Beneficiary, and in default hereof, Beneficiary may procure such insurance and/or make such repairs, and expend for either of such purposes such SLDM or sums as Beneficiary shall deem proper.
- (3) To appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee; and to pay all costs and expenses, including cost of evidence of title and attorney's fees in a reasonable sum, in any such action or proceeding in which Beneficiary or Trustee may appear, and in any suit brought by Beneficiary to foreclose this Deed of Trust.
- (4) To pay at least ten days before delinquency all taxes and assessments affecting said property, including assessments on appurtenant water stock, water rights and grazing privileges; when due, all encumbrances, charges and liens, with interest on said property or any part thereof, which appear to be prior or superior hereto, and all costs, fees and expenses of this trust.

Should Trustor fail to make any payments or to do any act as herein provided, then Beneficiary or Trustee, but without obligation so to do and without notice to or demand upon Trustor, and without releasing Trustor from any obligation hereof, may make or do the same in such manner and to such extent as either may deem necessary to protect the security hereof; Beneficiary or Trustee being authorized to enter upon said property for such purposes; appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee; pay, purchase, contest or compromise any encumbrance, charge or lien which in the judgment of either appears to be prior or superior hereto; and, in exercising any such powers, pay necessary expenses, employ counsel and pay his reasonable fees.

- (5) To pay immediately, and without demand all sums so expended by Beneficiary or Trustee, with interest from date of expenditure at ten percent per annum.
- (6) At Beneficiary's option, Trustor will pay a "late charge" as indicated in the Promissory Note to cover the extra expense involved in handling delinquent payments; if such "late charge" shall not be payable out of the proceeds of any sale made to satisfy the indebtedness secured hereby, unless such proceeds are sufficient to discharge the entire indebtedness and all proper costs and expenses secured thereby.

B. IT IS MUTUALLY AGREED

- (1) That any award of damages in connection with any condemnation for public use or of injury to said property or any part thereof is hereby assigned and shall be paid to Beneficiary who may apply or release such moneys received by him in the same manner and with the same effect as above provided for disposition of proceeds of fire or other insurance.
- (2) That by accepting payment of any sum secured hereby after its due date, Beneficiary does not waive his right either to require prompt payment when due of all other sums so secured or to declare default for failure so to pay.
- (3) That at any time or from time to time, without liability therefor and without notice, upon written request of Beneficiary and presentation of this deed and said note for endorsement, and without affecting the personal liability of any person for payment of the indebtedness secured hereby, Trustee may reconvey any part of said property; consent to the making of any map or plat thereof; join in granting any easement thereon; or join in any extension agreement of any agreement subordinating the lien or charge hereof.
- (4) That upon written request of Beneficiary stating that all sums secured hereby have been paid, and upon surrender of this deed and said note to Trustee for cancellation and retention or other disposition as Trustee in its sole discretion may choose, and upon payment of its fees, Trustee shall reconvey, without warranty, the property then held hereunder. The recitals in such reconveyance of any matters or facts shall be conclusive proof of the truthfulness thereof. The grantee in such reconveyance may be described as "the person or persons legally entitled thereto".
- (5) That as additional security, Trustor hereby gives to and confers upon Beneficiary the right, power and authority, during the continuance of these trusts, to collect the rents, issues and profits of said property, reserving unto Trustor the right, prior to any default by Trustor in payment of any indebtedness secured hereby or in performance of any agreement hereunder, to collect and retain such rents, issues and profits as they become due and payable. Upon any such default, Beneficiary may at any time without notice, either in person, by a agent, or by a receiver to be appointed by a court, and without regard to the adequacy of any security for the indebtedness hereby Secured, enter upon and take possession of said property or any part thereof, in his own name sue for or otherwise collect such rents, issues, and profits, including those past due, and unpaid, and apply the same, less costs and expenses of operation and collection, including reasonable attorney's fees, upon any indebtedness secured hereby, and in such order as Beneficiary may determine. The entering upon and taking possession of said property, the collection of such rents, issues and profits and the application thereof as aforesaid, shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice.
- (6) That upon default by Trustor in payment of any indebtedness secured hereby or in performance of any agreement hereunder, Beneficiary may declare all sums secured hereby immediately due and payable by delivery to Trustee of written notice of default and of election to cause to be sold said property, which notice Trustee shall cause to be recorded. Beneficiary also shall deposit with Trustee this Deed of Trust, said note and all documents evidencing expenditures secured hereby.

After the lapse of such time as may then be required by law following the recordation of said notice of default, and notice of sale having been given as then required by law for the sale of real property under writ of execution, Trustee, without demand on Trustor, shall sell said property or any part thereof at the time and place fixed by it in said notice of sale, either as a whole or in separate parcels, and in such order as it may determine, at public auction to the highest bidder for cash in lawful money of the United States, payable at time of sale. Trustee may postpone sale of all or any portion of said property by public announcement at such time and place of sale, and from time to time thereafter may postpone such sale by public announcement at the time fixed by the preceding postponement. In the event that any indebtedness secured hereby shall not have been fully satisfied by said sale, Trustee may give notice of sale of any property not previously noticed for sale in the manner set forth above and sell the same in the manner set forth above.

Trustee shall deliver to any purchaser its deed conveying the property so sold, but without any covenant or warranty, express or implied. The recitals in such deed of any matters or facts shall be conclusive proof of the truthfulness thereof. Any person, including Trustor, Trustee, or Beneficiary as hereinafter defined, may purchase at such sale.

After deducting all costs, fees and expenses of Trustee, including a reasonable fee for the attorney of Trustee, and of this trust, including cost evidence of title in connection with sale, Trustee shall apply the proceeds of sale to payment of: all sums expended under the terms hereof, not then repaid, with accrued interest at ten percent per annum; all other sums then secured hereby; and the remainder, if any, to the person or persons legally entitled thereto.



- (7) That Beneficiary, or his assignee, may from time to time, by instrument in writing, substitute a successor or successors to any Trustee named herein or acting hereunder, which instrument, executed and acknowledged and recorded in the office of the recorder of the county or counties where said property is situated, shall be conclusive proof of proper substitution of such successor Trustee or Trustees, who shall, without conveyance from the Trustee predecessor, succeed to all its title, estate, rights, powers and duties. Said instrument must contain the name of the original Trustor, Trustee and Beneficiary hereunder, the book and page where, or document or file number under which, this Deed of Trust is recorded, and the name and address of the new Trustee. If notice of default shall have been recorded, this power of substitution cannot be exercised until after the costs, fees and expenses of the then acting Trustee shall have been paid to such Trustee, who shall endorse receipt thereof upon such instrument of substitution. The procedure herein provided for substitution of Trustee shall be exclusive of all other provisions for substitution, statutory or otherwise.
- (8) The following covenants: Nos. 1, 3, 4, (interest 10%) 5, 6, 8 and 9 of Nevada Revised Statutes 107.030, when not inconsistent with other covenants and provisions herein contained, are hereby adopted and made a part of this Deed of Trust.
- (9) The rights and remedies hereby granted shall not exclude any other rights or remedies granted by law, and all rights and remedies granted hereunder or permitted by law shall be concurrent and cumulative. A violation of any of the covenants herein expressly set forth shall have the same effect as the violation of any covenant herein adopted by reference.
- (10) It is expressly agreed that the trust created hereby is irrevocable by Trustor.
- (11) That this Deed of Trust applies to, insures to the benefit of, and binds all parties hereto, their heirs, legatees, devisees, administrators, executors, successors and assigns. The term Beneficiary shall mean the owner and holder, including pledges, of the note secured hereby, whether or not named as Beneficiary herein. In this Deed of Trust, whenever the context so requires, the masculine gender includes the feminine and/or neuter, and the singular number includes the plural.
- (12) That Trustee accepts this trust when this Deed of Trust, duly executed and acknowledged, is made a public record as provided by law. Trustee is not obligated to notify any party hereto of pending title under any other Deed of Trust or of any action or proceeding in which Trustor, Beneficiary or Trustee shall be a party unless brought by Trustee.
- (13) Trustor agrees to pay any deficiency arising from any cause after application of the proceeds of the sale held in accordance with the provisions of the covenants herein above adopted by reference.

The undersigned Trustor requests that a copy of any notice of default and any notice of sale hereunder be mailed to him at his address herein before set forth.

REQUEST FOR FULL RECONVEYANCE

**DO NOT RECORD
TO TRUSTEE**

The undersigned is the legal owner and holder of the note or notes, and of all other indebtedness secured by the foregoing Deed of Trust. Said note or notes, together with all other indebtedness secured by said Deed of Trust, have been fully paid and satisfied and you are hereby requested and directed, on payment to you of any sums owing to you under the terms of said Deed of Trust, to cancel said note or notes above mentioned, and all other evidences of indebtedness secured by said Deed of Trust delivered to you herewith, together with the said Deed of Trust, and to reconvey, without warranty, to the parties designated by the terms of said Deed of Trust, all the estate now held by you under the same.

Dated: _____

Please mail Deed of Trust,
Note and Reconveyance to _____

Do not lose or destroy this Deed of Trust OR THE NOTE which it secures. Both must be delivered to the Trustee for cancellation before reconveyance will be made.



EXHIBIT "A"

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

PARCEL A:
A.P.N. 079-150-09

The Northeast $\frac{1}{4}$ and the South $\frac{1}{2}$ of the Northwest $\frac{1}{4}$ and the South $\frac{1}{2}$ in Section 33, Township 21 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with any rights of ingress and egress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded January 09, 1990 in Book 3019, Page 756 as Document No. 1373452 of Official Records.

PARCEL B:
A.P.N. 079-150-10

Section 31, Township 21 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with



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88/96/2893
7 of 18

any rights of ingress and egress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded February 22, 1991 in Book 3216, Page 526 as Document No. 1461483 of Official Records.

PARCEL C:
A.P.N. 079-150-13

The Northeast $\frac{1}{4}$, South $\frac{1}{2}$ of the Northwest $\frac{1}{4}$, South $\frac{1}{2}$ of Section 27,
Township 21 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with any rights of ingress and egress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded January 09, 1990 in Book 3019, Page 756 as Document No. 1373452 of Official Records.

PARCEL D:
A.P.N. 084-040-02

Section 5, Township 20 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with any rights of ingress and egress in, upon or over the property and to make such



2900594
89/86/2093
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use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded February 22, 1991 in Book 3216, Page 526 as Document No. 1461483 of Official Records.

PARCEL E:

A.P.N. 084-040-04

Section 3, Township 20 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with any rights of ingress and egress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded January 03, 1992 in Book 3391, Page 840 as Document No. 1534872 of Official Records.

PARCEL F:

A.P.N. 084-040-06

Section 1, Township 20 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with any rights of ingress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection



therewith, as reserved in the Deed recorded January 03, 1992 in Book 3391, Page 840 as Document No. 1534872 of Official Records.

PARCEL G:
A.P.N. 084-040-10

The North 1/2 and the North 1/2 of the Northwest 1/4 of the Southwest 1/4 and the Southwest 1/4 of the Northwest 1/4 of the Southwest 1/4 and the North 1/2 of the Northeast 1/4 of the Southwest 1/4 and the North 1/2 of the Northwest 1/4 of the Southeast 1/4, all in Section 11, Township 20 North, Range 23 East, M.D.B.&M.

ALSO EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with any rights of ingress and egress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded January 03, 1992 in Book 3391, Page 840 as Document No. 1534872 of Official Records.

PARCEL H:
A.P.N. 084-130-07

The Northwest 1/4 and the North 1/2 of the Southwest 1/4 and Government Lot 1 in the Southwest 1/4 of Section 15, Township 20 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with



any rights of ingress and egress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded January 03, 1992 in Book 3391, Page 840 as Document No. 1534872 of Official Records.

PARCEL I:

A.P.N. 084-140-17

The Northeast ¼ of Section 15, Township 20 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with any rights of ingress and egress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded January 03, 1992 in Book 3391, Page 840 as Document No. 1534872 of Official Records.

APN: 010-510-001; 010-520-001; 010-730-001;
010-740-0BG; 010-740-110; 010-740-111;
010-740-113; 010-740-202

WHEN RECORDED, RETURN TO

GRANTEE/MAIL TAX STATEMENTS TO:

Wendover Parcel

QUITCLAIM DEED

By this instrument dated this ____ day of _____, 2006, for a valuable consideration, Gholamreza Zandian Jazi does hereby remise, release and forever quitclaim to Ray Koroghli, individually and Fariborz Fred Sadri, individually, and as Trustee of the Star Living Trust, the following described real property in the State of Nevada, County of Elko:

Set forth in Exhibit A attached and incorporated herein by this reference

GHOLAMREZA ZANDIAN JAZI

STATE OF NEVADA)
) SS.:
COUNTY OF CLARK)

On _____, 2006, before me the undersigned, a Notary Public in and for said County and State, personally appeared Gholamreza Zandian Jazi, known to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.

NOTARY PUBLIC

\$ 51.2362
FEE 41 FILED
REQUEST OF

2003 DEC 30 PM 4:09

Stewart Title Co.

JERRY D. HAYDOCK
ELKO CO. REGISTER

When recorded, return to:
JAMES R. CAVILIA, ESQ.
ALLISON, MacKENZIE, RUSSELL,
PAVLAKIS, WRIGHT & FAGAN, LTD.
402 North Division Street
P.O. Box 646
Carson City, NV 89702

03011167

A.P.N. Nos.: 010-510-001; 010-520-001; 010-730-001; 010-740-0BG; 010-740-110;
010-740-111; 010-740-113; 010-740-202

GRANT, BARGAIN, AND SALE DEED

THIS INDENTURE, made this 29th day of December, 2003, by and between BIG SPRINGS LAND & RESOURCE COMPANY, LLC, a Nevada limited liability company ("BIG SPRINGS"), Grantor, and WENDOVER PROJECT, L.L.C., a Nevada limited liability company, as to an undivided 91.67% and THE STAR LIVING TRUST, Fariborz Sadri, Trustee, as to an undivided 8.33%, Grantee.

WITNESSETH:

That the Grantor, in consideration of the sum of TEN DOLLARS (\$10.00), lawful money of the United States, and other good and valuable consideration to it in hand paid by the Grantee, the receipt whereof is hereby acknowledged, does by these presents grant, bargain and sell to the Grantee, and to its successors and assigns forever, all those certain lots, pieces or parcels of land situate, lying and being in Elko County, Nevada, and more particularly described in Exhibit "A" attached hereto and incorporated herein by reference.

TOGETHER WITH all and singular the tenements, hereditaments and appurtenances thereunto belonging or in anywise appertaining and the reversion and reversions,

remainder and remainders, rents, issues and profits thereof, including but not limited to any right title and interest in any and all grazing rights or allotments appurtenant thereto.

TO HAVE AND TO HOLD all and singular the premises, together with the appurtenances, unto the said Grantee and to its successors and assigns forever.

IN WITNESS WHEREOF, the Grantor has executed this conveyance the day and year first above written.

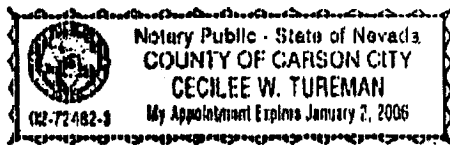
Big Springs Land & Resource Company,
a Nevada limited liability company

By: Vidler Water Company, Inc., a
Delaware corporation
Its Manager

By: *Dorothy A. Timian-Palmer*
DOROTHY A. TIMIAN-PALMER
Chief Operating Officer/Director

STATE OF NEVADA)
 : ss.
CARSON CITY)

On December 29, 2003, DOROTHY A. TIMIAN-PALMER, personally appeared before me, a notary public, personally known to me to be the person whose name is subscribed to the foregoing instrument and who acknowledged to me that she is the Chief Operating Officer and a Director of Vidler Water Company, a Delaware corporation, and who acknowledged to me that she executed the foregoing GRANT, BARGAIN AND SALE DEED on behalf of said corporation.



Cecilee W. Tureman
NOTARY PUBLIC

3 72540

100761

WFZ0847

Exhibit "A"
Biggs Ranch Wellcover Property Legal Descriptions

TWP	RNG	SEC	ALLOTMENT PARTS	ACREAGE
32N	69E	01	Lots 1-3, S/2 N/2, S/2	600.34
32N	69E	02	S/2 N/2, S/2	400.00
32N	70E	05	Lots 4, 6, 7, 10, 12, 13, SW/4 NW/4	164.52
33N	69E	01	S/2	320.00
33N	69E	12	All	640.00
33N	69E	25	All	640.00
33N	69E	35	N/2, N/2 S/2	480.00
33N	69E	36	N/2, N/2 SW/4, SE/4, SE/4 SW/4	600.00
33N	70E	08	Lots 2, 6, 9 and 11	35.00
33N	70E	15	Lots 12, 13, 15, 18, 20, 23-25, and 28-30, NE/4 SW/4 SE/4 NW/4, E/2 SE/4 SE/4 NW/4, NW/4 SE/4 SE/4 NW/4	46.23
33N	70E	17	S/2 S/2	160.00
33N	70E	19	All	640.00
33N	70E	20	Lots 2, 3, 6, 11, NW/4 NE/4, N/2 SW/4 NE/4, SE/4 SW/4 NE/4, N/2 SW/4 SW/4 NE/4, NW/4, N/2 SW/4, SW/4 SW/4	436.67
33N	70E	20	Lots 6, 9 and S/2 SW/4 SW/4 NE/4	73.07
33N	70E	21	Lot 2	13.21
33N	70E	29	Lots 3, 5, 8, NW/4 NW/4	73.16
33N	70E	29	Lot 2	16.01
33N	70E	30	Lots 2, 3, NE/4, W/2, W/2 SE/4	612.56
33N	70E	31	Lots 2, 4, 5, 8, 10, 11, NW/4, W/2 SW/4	372.91
33N	70E	*	Parts of 9 and 10 (Parcel 2 of recorded parcel map #485646)	4.28
33N	70E	*	Parts of 9 and 10 (Parcel 1 of recorded parcel map #485646)	3.87
33N	70E	*	Parts of 9, 10 and 15 (Parcel 4 of recorded parcel map #485646)	65.31

* These parcels cover more than one section

6,437.24

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WFZ0848

Exhibit "A"
Big Springs Ranch Wendover Property Legal Descriptions

T14N	RNG	SEC	ALLOT/PT PARTS	ACREAGE
32N	69E	01	Lots 1-3, S/2 N/2, S/2	600.34
32N	69E	02	S/2 N/2, S/2	480.00
32N	70E	05	Lots 4, 6, 7, 10, 12, 13, SW/4 NW/4	184.62
33N	69E	01	S/2	320.00
33N	69E	12	All	640.00
33N	69E	25	All	640.00
33N	69E	35	N/2, N/2 S/2	480.00
33N	69E	36	N/2, N/2 SW/4, SE/4, SE/4 SW/4	600.00
33N	70E	06	Lots 2-5, 9 and 11	35.00
33N	70E	15	Lots 12, 13, 15, 18, 20, 23, 25, and 28-30, NE/4 SW/4 SE/4 NW/4, E/2 SE/4 SE/4 NW/4, NW/4 SE/4 SE/4 NW/4	46.23
33N	70E	17	S/2 S/2	160.00
33N	70E	19	All	640.00
33N	70E	20	Lots 2, 3, 6, 11, NW/4 NE/4, N/2 SW/4 NE/4, SE/4 SW/4 NE/4, N/2 SW/4 SW/4 NE/4, NW/4, N/2 SW/4, SW/4 SW/4	416.61
33N	70E	20	Lots 8, 9 and S/2 SW/4 SW/4 NE/4	73.00
33N	70E	21	Lot 2	13.21
33N	70E	29	Lots 3, 5, 8, NW/4 NW/4	73.16
33N	70E	29	Lot 2	16.01
33N	70E	30	Lots 2, 3, NE/4, W/2, W/2 SE/4	612.56
33N	70E	31	Lots 2, 4, 5, 8, 10, 11, NW/4, W/2 SW/4	372.91
33N	70E	*	Plns of 9 and 10 (Parcel 2 of recorded parcel map #485646)	4.70
33N	70E	*	Plns of 9 and 10 (Parcel 1 of recorded parcel map #485645)	3.82
33N	70E	*	Plns of 9, 10 and 16 (Parcel 4 of recorded parcel map #485646)	65.31

* These parcels cover more than one section

6,457.24

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100763

Order No.: 03011167

LEGAL DESCRIPTION

The land referred to herein is situated in the State of Nevada,
County of ELKO COUNTY, described as follows:

PARCEL 1:

TOWNSHIP 32 NORTH, RANGE 69 EAST, M.D.B.&M.

Section 1: Lots 1, 2 and 3; S1/2N1/2; S1/2;
Section 2: S1/2N1/2; S1/2;

TOWNSHIP 33 NORTH, RANGE 69 EAST, M.D.B.&M.

Section 1: S1/2;
Section 12: All;
Section 25: All;
Section 35: N1/2; N1/2S1/2;
Section 36: N1/2; N1/2SW1/4; SE1/4; SE1/4SW1/4;

TOWNSHIP 32 NORTH, RANGE 70 EAST, M.D.B.&M.

Section 6: Lots 4, 6, 7, 10, 12 and 13; SW1/4NW1/4;

TOWNSHIP 33 NORTH, RANGE 70 EAST, M.D.B.&M.

Section 8: Lots 2, 3, 4, 5, 6, 9 and 11;
Section 9: SE1/4SE1/4; N1/2SW1/4SW1/4SE1/4; E1/2SW1/4SE1/4;
Section 10: Lot 4;
Section 15: Lots 12, 13, 15, 18, 20, 23, 24, 25, 26,
28, 29 and 30; NE1/4SW1/4SE1/4NW1/4;
E1/2SE1/4SE1/4NW1/4; NW1/4SE1/4SE1/4NW1/4;
Section 16: N1/2NE1/4NE1/4NE1/4;
Section 17: S1/2S1/2;
Section 19: All;
Section 20: Lots 2, 3, 6 and 11; NW1/4NE1/4; N1/2SW1/4NE1/4;
SE1/4SW1/4NE1/4; N1/2SW1/4SW1/4NE1/4; NW1/4;
N1/2SW1/4; SW1/4SW1/4;
Section 21: Lot 2;
Section 29: Lots 3, 5 and 8; NW1/4NW1/4;
Section 30: Lots 2 and 3; NE1/4; W1/2; W1/2SE1/4;
Section 31: Lots 2, 4, 5, 8, 10 and 11; NW1/4; W1/2SW1/4;

EXCEPTING FROM Sections 9, 10 and 16, Parcels 1, 2, 3 and 4 as
shown on Parcel Map for Big Springs Land & Resource Co., filed
in the Office of the Elko County Recorder on July 16, 2002 as
Continued on next page

-1-

SCHEDULE A
CLTA PRELIMINARY REPORT
(12/92)

3 72543
STEWART TITLE
Guaranty Company

100764

WFZ0850

Order No. 03011167

File Number 485646.

PARCEL 2:

Parcel 1, 2 and 4 as shown on that certain Parcel Map for Big Springs Land & Resource Co. filed in the office of the County Recorder of Elko County, State of Nevada, on July 16, 2002, as File No. 485646, being a portion of Sections 9, 10 and 16, Township 33 North, Range 70 East, M.D.B.&M..

EXCEPTING FROM Parcels 1 and 2 all the oil and gas and geothermal resources in the lands so patented as reserved by the UNITED STATES OF AMERICA in Patent recorded May 26, 1999 in Book 1100, Page 615, Official Records, Elko County, Nevada.

FURTHER EXCEPTING FROM Parcels 1 and 2 those portions lying within the railroad right-of-ways.

PARCEL 3:

TOWNSHIP 33 NORTH, RANGE 70 EAST, M.D.B.&M.

Section 20: Lots 8 and 9; S1/2SW1/4SW1/4NE1/4;

Section 29: Lot 2;

EXCEPTING THEREFROM all the oil and gas and geothermal resources in the lands so patented as reserved by the UNITED STATES OF AMERICA in Patent recorded August 15, 2003 in Book 3, Page 45700, Official Records, Elko County, Nevada.

ASSIGNMENT OF INTEREST IN WENDOVER PROJECT, LLC

The undersigned Assignor, GHOLAMREZA ZANDIAN JAZI, currently holds an interest in WENDOVER PROJECT, LLC, a Nevada limited liability company, consisting of a membership, as well as a management right, and, in consideration of value received, GHOLAMREZA ZANDIAN JAZI herewith transfers and assigns to RAY KOROGHLI, individually, and FARIBORZ FRED SADRI, individually, and as Trustee of the Star Living Trust, all of the Assignor's right as Member or Manager in WENDOVER PROJECT, LLC, a Nevada LLC effective as of the _____ day of _____, 2006.

The Assignor represents that the interest herewith assigned has not been transferred, assigned, encumbered, the subject of any agreement, or security interest and that he holds the full and complete rights, the subject of this Assignment. The Assignor irrevocably appoints the Assignee as the Attorney in Fact to transfer such interests on the books and records of WENDOVER PROJECT, LLC, a Nevada LLC, the Assignor agrees to separately execute a resignation as a Member and Manager of WENDOVER PROJECT, LLC, a Nevada LLC.

The undersigned executes this Assignment on the _____ day of _____, 2006.

GHOLAMREZA ZANDIAN JAZI



APN: 009-530-001; 009-540-001; 009-550-001; 009-560-004
009-570-011; 010-090-001; 010-090-003; 010-110-001
010-120-001; 010-130-001; 010-320-001

WHEN RECORDED, RETURN TO

GRANTEE/MAIL TAX STATEMENTS TO:

Big Spring Ranch Parcel

QUITCLAIM DEED

By this instrument dated this ____ day of _____, 2006, for a valuable consideration, Gholamreza Zandian Jazi does hereby remise, release and forever quitclaim to Ray Koroghli, individually and Fariborz Fred Sadri, individually, and as Trustee of the Star Living Trust, the following described real property in the State of Nevada, County of Elko:

Set forth in Exhibit A attached and incorporated herein by this reference

GHOLAMREZA ZANDIAN JAZI

STATE OF NEVADA)
) SS.:
COUNTY OF CLARK)

On _____, 2006, before me the undersigned, a Notary Public in and for said County and State, personally appeared Gholamreza Zandian Jazi, known to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.

NOTARY PUBLIC

512358

65200
FEE \$52 FILE #
PROJECT OF

When recorded, return to:
JAMES R. CAVILLA, ESQ.
ALLISON, MacKENZIE, RUSSELL,
PAVLAKIS, WRIGHT & FAGAN, LTD.
402 North Division Street
P.O. Box 646
Carson City, NV 89702

2003 DEC 30 PM 4:08

Stewart Title Co.
JERRY B. STOLUS
ELKO COUNTY RECORDER

A.P.N: Nos.: 009-530-001; 009-540-001; 009-550-001; 009-560-004; 009-570-011;
010-090-001; 010-090-003; 010-110-001; 010-120-001; 010-130-001;
010-320-001

GRANT, BARGAIN, AND SALE DEED

03012789

THIS INDENTURE, made this 29th day of December, 2003, by and
between BIG SPRINGS LAND & RESOURCE COMPANY, LLC, a Nevada limited liability
company ("BIG SPRINGS"), Grantor, and BIG SPRING RANCH, L.L.C., a Nevada limited
liability company, as to an undivided 75% interest and THE STAR LIVING TRUST as to an
undivided 25% interest, Grantee.

WITNESSETH:

That the Grantor, in consideration of the sum of TEN DOLLARS (\$10.00), lawful
money of the United States, and other good and valuable consideration to it in hand paid by the
Grantee, the receipt whereof is hereby acknowledged, does by these presents grant, bargain and
sell to the Grantee, and to its successors and assigns forever, all those certain lots, pieces or
parcels of land situate, lying and being in Elko County, Nevada, and more particularly described
in Exhibit "A" attached hereto and incorporated herein by reference.

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TOGETHER WITH all and singular the tenements, hereditaments and appurtenances thereunto belonging or in anywise appertaining and the reversion and reversions, remainder and remainders, rents, issues and profits thereof, including but not limited to any right title and interest in any and all grazing rights or allotments appurtenant thereto.

TO HAVE AND TO HOLD all and singular the premises, together with the appurtenances, unto the said Grantee and to its successors and assigns forever.

IN WITNESS WHEREOF, the Grantor has executed this conveyance the day and year first above written.

Big Springs Land & Resource Company,
a Nevada limited liability company

By: Vidler Water Company, Inc., a
Delaware corporation
Its Manager

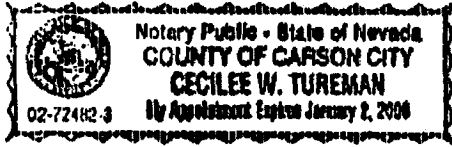
By: *Dorothy A. Timian-Palmer*
DOROTHY A. TIMIAN-PALMER
Chief Operating Officer/Director

STATE OF NEVADA)
 : ss.
CARSON CITY)

On December 29, 2003, DOROTHY A. TIMIAN-PALMER, personally appeared before me, a notary public, personally known to me to be the person whose name is subscribed to the foregoing instrument and who acknowledged to me that she is the Chief Operating Officer and a Director of Vidler Water Company, a Delaware corporation, and who acknowledged to me that she executed the foregoing GRANT, BARGAIN AND SALE DEED on behalf of said corporation.

Cecile W. Tureman

NOTARY PUBLIC



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WFZ0858

EXHIBIT A

County	APN #	Twn	Rng	Sec	Aliquot Parts	Acreage
Elko	009-530-001	34N	66E	1	All except 0.23 Ac conv to WPR Co.	640.37
Elko	009-530-001	34N	66E	11	All	640.00
Elko	010-090-001	34N	67E	5	All	638.08
Elko	010-090-001	34N	67E	7	E/2 and ptn of W/2 east of the Nevada Northern Railroad as now constructed	366.98

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WFZ0859

EXHIBIT "A"
Big Springs Ranch Legal Descriptions

County	APN #	Twn	Rng	Sec	Aliquot Parts	Acreage
Elko	009-530-001	34N	66E	3	All	643.64
Elko	009-530-001	34N	66E	4	Lots 3 and 4, S/2 NW/4, SW/4 (W/2)	319.92
Elko	009-530-001	34N	66E	5	All	638.12
Elko	009-530-001	34N	66E	9	All	640.00
Elko	009-530-001	34N	66E	15	All	640.00
Elko	009-540-001	35N	66E	1	All	666.40
Elko	009-540-001	35N	66E	2	Lots 3 and 4, S/2 NW/4, SW/4 (W/2)	331.44
Elko	009-540-001	35N	66E	3	All	665.12
Elko	009-540-001	35N	66E	9	All	640.00
Elko	009-540-001	35N	66E	10	E/2 E/2	160.00
Elko	009-540-001	35N	66E	11	All	640.00
Elko	009-540-001	35N	66E	13	All	640.00
Elko	009-540-001	35N	66E	14	W/2 W/2	160.00
Elko	009-540-001	35N	66E	15	All	640.00
Elko	009-540-001	35N	66E	21	All	640.00
Elko	009-540-001	35N	66E	22	NE/4, SE/4 NW/4, N/2 SE/4, SW/4 SE/4, SE/4 SW/4	360.00
Elko	009-540-001	35N	66E	23	All	640.00
Elko	009-540-001	35N	66E	25	All	640.00
Elko	009-540-001	35N	66E	27	All	640.00
Elko	009-540-001	35N	66E	28	SE/4, SE/4 NE/4	200.00
Elko	009-540-001	35N	66E	33	All	640.00
Elko	009-540-001	35N	66E	34	W/2	320.00
Elko	009-540-001	35N	66E	35	All	640.00
Elko	009-550-001	36N	66E	1	All	642.24
Elko	009-550-001	36N	66E	11	All less 70.23 in F-60 RW	569.77
Elko	009-550-001	36N	66E	13	All	640.00
Elko	009-550-001	36N	66E	15	All	640.00
Elko	009-550-001	36N	66E	21	E/2	320.00
Elko	009-550-001	36N	66E	22	W/2 NW/4, S/2	400.00
Elko	009-550-001	36N	66E	23	All	640.00
Elko	009-550-001	36N	66E	25	All	640.00
Elko	009-550-001	36N	66E	26	W/2 W/2	160.00
Elko	009-550-001	36N	66E	27	All	640.00
Elko	009-550-001	36N	66E	28	E/2 E/2, W/2 SE/4 less 4.50 Ac to Beaumont in SE/4 SW/4, SW/4 SE/4	235.50
Elko	009-550-001	36N	66E	33	All	640.00
Elko	009-550-001	36N	66E	34	All	640.00
Elko	009-550-001	36N	66E	35	All	640.00
Elko	009-560-004	37N	66E	25	All less 15.22 Ac St RL 30 RW	624.78
Elko	009-560-004	37N	66E	27	SE/4 SE/4	40.00
Elko	009-560-004	37N	66E	35	All	625.34
Elko	009-570-011	38N	66E	23	Pin 200' south of the CPRR centerline	568.06
Elko	009-570-011	38N	66E	25	Pin 200' south of the CPRR centerline except 6.44 Ac in N/2 for Wyo tract	591.44
Elko	010-090-001	34N	67E	1	All	638.80
Elko	010-090-001	34N	67E	3	All	638.04
Elko	010-090-001	34N	67E	9	All	640.00
Elko	010-090-001	34N	67E	11	All	640.00

County	APN #	Twn	Rng	Sec	Aliquot Parts	Acraage
Elko	010-090-001	34N	67E	13	All	640.00
Elko	010-090-001	34N	67E	15	All	640.00
Elko	010-090-001	34N	67E	17	All	640.00
Elko	010-090-001	34N	67E	19	NE1/4, E/2 NW1/4, (lots 1 and 2 (N/2) except 4.60 Ac conv to Nevada Northern Railroad Co.	306.35
Elko	010-090-001	34N	67E	21	N/2	320.00
Elko	010-090-001	34N	67E	22	All	640.00
Elko	010-090-001	34N	67E	23	N/2	320.00
Elko	010-090-003	34N	67E	7	Ptn of the E/2 W/2 west of the N/4 RR RW	46.98
Elko	010-110-001	36N	67E	7	All except 12.70 Ac conv to Northern Nevada Railroad Co.	619.98
Elko	010-110-001	36N	67E	19	All except 12.05 Ac conv to Northern Nevada Railroad Co. except ptn conv to State of NV for Hwy	608.15
Elko	010-110-001	36N	67E	31	All except 12.14 Ac conv to Northern Nevada Railroad Co.	627.26
Elko	010-120-001	37N	67E	1	Ptn 200' south of the CPRR centerline less 12.76 Ac to SR-30 RW	589.64
Elko	010-120-001	37N	67E	5	Ptn 200' south of the CPRR centerline	604.67
Elko	010-120-001	37N	67E	9	NW1/4, S/2 less 6.70 Ac conv to Northern Nevada Railroad Co. and 15.10 Ac to SR-30 RW	458.20
Elko	010-120-001	37N	67E	11	Ptn 200' south of the CPRR centerline less 11.07 Ac to SR-30 RW	611.42
Elko	010-120-001	37N	67E	17	All less 16.33 Ac to SR-30 RW	623.67
Elko	010-120-001	37N	67E	19	All	628.68
Elko	010-130-001	38N	67E	31	Ptn 200' south of the CPRR centerline	594.40
Elko	010-320-001	35N	68E	7	All except 21.28 Ac conv to Western Pacific Railroad Co. less 45.33 to I-80 RW	614.35
Elko	010-320-001	35N	68E	17	All north of the WPRR centerline, and all south of the WPRR centerline less 6.89 Ac to I-80 RW	521.98
Total Acraage:						35,254.34

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WFZ0861

Order No.: 03012789

LEGAL DESCRIPTION

The land referred to herein is situated in the State of Nevada,
County of ELKO COUNTY, described as follows:

PARCEL 1:

TOWNSHIP 34 NORTH, RANGE 67 EAST, M.D.B.&M.

Section 1: All;
Section 3: All;
Section 9: All;
Section 11: All;
Section 13: All;
Section 15: All;
Section 17: All;
Section 19: Lots 1 and 2; E1/2NW1/4; NE1/4;

EXCEPTING THEREFROM all that portion of said land as conveyed
to Nevada Northern Railway Company in Deed recorded February 7,
1906 in Book 28, Page 617, Deed Records, Elko County, Nevada.

Section 21: N1/2;
Section 22: All;
Section 23: N1/2;

EXCEPTING FROM Section 22, TOWNSHIP 34 NORTH, RANGE 67 EAST,
M.D.B.&M., all the coal and other valuable minerals in the lands
so granted as reserved by The United States of America in
Patent recorded June 28, 1946 in Book 8, Page 413, Patent
Records, Elko County, Nevada.

FURTHER EXCEPTING FROM all of Parcel 1 all right, title and
interest to coal, oil, gas and other minerals of every kind and
nature whatsoever, lying in and under said land, as reserved by
Russell Wilkins, et ux, et al, in Deed recorded December 10,
1946 in Book 55, Page 63, Deed Records, Elko, Nevada.

FURTHER EXCEPTING FROM Section 22, TOWNSHIP 34 NORTH, RANGE 67
EAST, M.D.B.&M., an undivided 1/2 interest in and to all gas,
oil, petroleum, minerals and/or mineral rights, lying in and
under said land, as reserved by Theodore E. Smith and Pearl
Smith, his wife, in Deed recorded August 15, 1958 in Book 74,
Page 181, Deed Records, Elko County.

PARCEL 2:

Continued on next page

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SCHEDULE A
CLTA PRELIMINARY REPORT
(12/92)

STEWART TITLE
Guaranty Company

100772

WFZ0862

Order No. 03012789

TOWNSHIP 35 NORTH, RANGE 66 EAST, M.D.B.&M.

Section 1: All;
Section 3: All;
Section 9: All;
Section 11: All;
Section 13: All;
Section 15: All;
Section 21: All;
Section 23: All;
Section 25: All;
Section 27: S1/2;
Section 33: All;
Section 35: All;

EXCEPTING THEREFROM Parcel 2 all petroleum, oil, natural gas, and products derived therefrom, lying in and under said land or that may be produced therefrom, as reserved by Southern Pacific Land Company in Deed recorded August 1, 1949 in Book 57, Page 126, Deed Records, Elko County, Nevada.

PARCEL 3:

TOWNSHIP 35 NORTH, RANGE 68 EAST, M.D.B.&M.

Section 7: All;

EXCEPTING THEREFROM all that portion of said land as conveyed to Western Pacific Railway Company in Deed recorded February 19, 1909 in Book 31, Page 71, Deed Records, Elko County, Nevada.

Section 17: All that portion lying northerly of a line parallel with and one hundred (100) feet northerly of the center center line of Western Pacific Railway Company's railroad known as Arnold "L-1" or "3 1/4" line and all that portion lying southerly of a line parallel with and one hundred (100) feet southerly of the center line of Western Pacific Railway Company's railroad known as "R-2" or "4 1/4" line, which railroad rights of way were conveyed to Western Pacific Railway Company by Deed No. 126-F, dated November 27, 1908, and recorded February 19, 1909 in Book 31, Page 71, and Deed No. 188-F, dated June 30, 1910, and recorded September 10, 1910 in Book 32, Page 319, Deed Records, Elko County, Nevada.

Continued on next page

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WFZ0863

Order No. 03012789

EXCEPTING FROM Parcel 3 all that portion of said land as conveyed to the State of Nevada, acting by and through its Department of Highways in Deed recorded September 7, 1973 in Book 184, Page 44 and recorded June 24, 1976 in Book 230, Page 377, Official Records, Elko County, Nevada, portions of which have been relinquished by Resolution Relinquishing portion of Highway Right of Way recorded October 11, 1985 in Book 504, Page 308, Official Records, Elko County, Nevada.

FURTHER EXCEPTING FROM Parcel 3 all right, title and interest to coal, oil, gas and other minerals of every kind and nature whatsoever, lying in and under said land, as reserved by Russell Wilkins, et ux, et al, in Deed recorded December 10, 1946 in Book 55, Page 63, Deed Records, Elko County, Nevada.

PARCEL 4:

TOWNSHIP 38 NORTH, RANGE 67 EAST, M.D.B.&M.

Section 31: All that portion lying southwesterly of a line two hundred (200) feet southwesterly and parallel with the center line of Central Pacific Railway Company's railroad as now constructed ;

EXCEPTING FROM Parcel 4 all right, title and interest to coal, oil, gas and other minerals of every kind and nature whatsoever, lying in and under said land, as reserved by Russell Wilkins, et ux, et al, in Deed recorded December 10, 1946 in Book 55, Page 63, Deed Records, Elko County, Nevada.

PARCEL 5:

TOWNSHIP 36 NORTH, RANGE 67 EAST, M.D.B.&M.

Section 7: All;
Section 19: All;
Section 31: All;

EXCEPTING FROM Parcel 5 all that portion of said land as conveyed to Nevada Northern Railway Company in Deed recorded February 7, 1906 in Book 28, Page 617, Deed Records, Elko County, Nevada.

FURTHER EXCEPTING FROM Section 19 all that portion of said land as conveyed to the State of Nevada, acting by and through its
Continued on next page.

-3-

3 72499

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WFZ0864

Order No. 03012789

Department of Highways, in Deed recorded September 7, 1973 in Book 184, Page 44, Official Records, Elko County, Nevada, portions of which have been relinquished by Resolution Relinquishing Portion of Highway Right-of-Way recorded October 11, 1985 in Book 504, Page 308, Official Records, Elko County, Nevada.

FURTHER EXCEPTING FROM Parcel 5 all right, title and interest to coal, oil, gas and other minerals of every kind and nature whatsoever, lying in and under said land, as reserved by Russell Wilkins, et ux, et al, in Deed recorded December 10, 1946 in Book 55, Page 63, Deed Records, Elko County, Nevada.

PARCEL 6:

TOWNSHIP 37 NORTH, RANGE 67 EAST, M.D.B.&M.

- Section 1: That portion lying southeasterly of a line two hundred (200) feet southeasterly and parallel with the center line of Central Pacific Railway Company's railroad, as now constructed;
- Section 5: That portion lying southwesterly of a line two hundred (200) feet southwesterly and parallel with the center line of Central Pacific Railway Company's railroad, as now constructed;
- Section 9: NW1/4; S1/2;

EXCEPTING FROM Section 9 all that portion of said land as conveyed to Nevada Northern Railway Company in Deed recorded February 7, 1906 in Book 28, Page 617 and recorded November 15, 1912 in Book 34, Page 130, Deed Records, Elko County, Nevada.

- Section 11: That part lying southeasterly of a line two hundred (200) feet southeasterly and parallel with the center line of Central Pacific Railway Company's railroad as now constructed;
- Section 17: All;
- Section 19: All;

EXCEPTING FROM Parcel 6 all right, title and interest to coal, oil, gas and other minerals of every kind and nature whatsoever, lying in and under said land, as reserved by Russell Wilkins, et ux, et al, in Deed recorded December 10, 1946 in Book 55, Page 63, Deed Records, Elko County, Nevada.

Continued on next page

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3 72500

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Order No. 03012789

PARCEL 7:

TOWNSHIP 37 NORTH, RANGE 66 EAST, M.D.B.&M.

Section 25: All;
Section 27: SE1/4SE1/4;
Section 35: All;

TOWNSHIP 38 NORTH, RANGE 66 EAST, M.D.B.&M.

Section 23: That portion southwesterly of a line parallel with and two hundred (200) feet distant southwesterly of center line of Central Pacific Railway Company's railroad as now constructed;
Section 25: That part southwesterly of a line parallel with and two hundred (200) feet distant southwesterly of center line of Central Pacific Railway Company's railroad as now constructed;

EXCEPTING FROM Section 25 a parcel of land in the north half of said Section 25, containing 6.44 acres for Central Pacific Railway Company's Wye track.

FURTHER EXCEPTING FROM Parcel 7 all petroleum, oil, natural gas, and products derived therefrom, lying in and under said land or that may be produced therefrom, as reserved by Southern Pacific Land Company in Deed recorded August 1, 1949 in Book 57, Page 126, Deed Records, Elko County, Nevada.

PARCEL 8:

TOWNSHIP 34 NORTH, RANGE 66 EAST, M.D.B.&M.

Section 3: All;
Section 5: All;
Section 9: All;
Section 15: All;

TOWNSHIP 36 NORTH, RANGE 66 EAST, M.D.B.&M.

Section 1: All;
Section 11: All;

EXCEPTING FROM Section 11 all that portion of said land condemned to the State of Nevada by Final Order of Condemnation recorded
Continued on next page

Order No. 03012789

August 22, 1973 in Book 182, Page 625, Official Records, Elko County, Nevada.

Section 13: All;

EXCEPTING FROM Section 13 all that portion of said land as conveyed to the State of Nevada, acting by and through its Department of Highways, in Deed recorded September 7, 1973 in Book 184, Page 44, Official Records, Elko County, Nevada.

Section 15: All;

Section 23: All;

Section 25: All;

EXCEPTING FROM Parcel 8 all petroleum, oil, natural gas and products derived therefrom, lying in and under said land or that may be produced therefrom, as reserved by Southern Pacific Land Company in Deed recorded August 1, 1949 in Book 57, Page 126, Deed Records, Elko County, Nevada.

PARCEL 9:

TOWNSHIP 36 NORTH, RANGE 66 EAST, M.D.B.&M.

Section 35: All;

EXCEPTING FROM Parcel 9 all petroleum, oil, natural gas, and products derived therefrom, as reserved by Southern Pacific Land Company in Deed recorded August 1, 1949 in Book 57, Page 126, Deed Records, Elko County, Nevada.

PARCEL 10:

TOWNSHIP 34 NORTH, RANGE 66 EAST, M.D.B.&M.

Section 4: Lots 3 and 4; S1/2NW1/4; SW1/4;

EXCEPTING THEREFROM all minerals, mineral rights, gas, oil, coal and other hydrocarbons, in, under or upon said property or that may in any way be produced therefrom as reserved by W.J. Thomas and Grace L. Thomas, his wife, in Deed recorded January 23, 1959 in Book 75, Page 376, Deed Records, Elko County, Nevada.

PARCEL 11:

Continued on next page

Order No. 03012789

TOWNSHIP 35 NORTH, RANGE 66 EAST, M.D.B.&M.

Section 2: Lots 3 and 4; S1/2NW1/4; SW1/4;
Section 10: E1/2E1/2;
Section 14: W1/2W1/2;
Section 22: NE1/4; SE1/4NW1/4; N1/2SE1/4; SW1/4SE1/4; SE1/4SW1/4;
Section 27: N1/2;
Section 28: SE1/4; SE1/4NE1/4;

EXCEPTING FROM Parcel 11 all right, title and interest to coal, oil, gas and other minerals of every kind and nature whatsoever, lying in and under said land, as reserved by Russell Wilkins, et ux, et al, in Deed Recorded December 10, 1946 in Book 55, Page 63, Deed Records, Elko County, Nevada.

PARCEL 12:

TOWNSHIP 36 NORTH, RANGE 66 EAST, M.D.B.&M.

Section 21: E1/2;
Section 22: W1/2NW1/4; S1/2;
Section 26: W1/2W1/2;
Section 27: All;
Section 28: E1/2E1/2; W1/2SE1/4;

EXCEPTING AND RESERVING THEREFROM the following described land:

Beginning at a point from which the Southwest Corner of Section 28, TOWNSHIP 36 NORTH, RANGE 66 EAST, M.D.B.&M., bears South 84°52' West, 2,519.9 feet distant;

THENCE North 25°20' East, 486.81 feet;

THENCE South 64°40' East, 303.07 feet;

THENCE South 25°21' West, 140.51 feet;

THENCE South 64°40' East, 140.00 feet;

THENCE South 25°20' West, 346.30 feet;

THENCE North 64°40' West, 443.07 feet;

Section 33: All;
Section 34: All;

Continued on next page

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WFZ0868

Order No. 03012789

EXCEPTING FROM Parcel 12 all right, title and interest to coal, oil, gas and other minerals of every kind and nature whatsoever, lying in and under said land, as reserved by Russell Wilkins, et ux, et al, in Deed recorded December 10, 1946 in Book 55, Page 63, Deed Records, Elko County, Nevada.

PARCEL 13:

TOWNSHIP 35 NORTH, RANGE 66 EAST, M.D.B.&M.

Section 34: W1/2;

EXCEPTING FROM Section 13 all minerals, mineral rights, gas, oil, coal and other hydrocarbons, in, under or upon said property or that may in any way be produced therefrom as reserved by W.J. Thomas and Grace L. Thomas, his wife, in Deed recorded January 23, 1959 in Book 75, Page 376, Deed Records, Elko County, Nevada.

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FEE 17 FILED
RECORDED

2003 DEC 30 PM 4:08

Stewart Title Co.
JERRY D. STEWART
LAND RECORDS

When recorded, return to:
JAMES R. CAVILIA, ESQ.
ALLISON, MacKENZIE, RUSSELL,
PA VLAKIS, WRIGHT & FAGAN, LTD.
402 North Division Street
P.O. Box 646
Carson City, NV 89702

A.P.N. Nos.: 009-530-001; 010-090-001

03012789

GRANT, BARGAIN, AND SALE DEED

THIS INDENTURE, made this 31st day of December, 2003, by and between NEVADA LAND AND RESOURCE COMPANY, L.L.C., a Delaware limited liability company ("NLRC"), Grantor, and BIG SPRING RANCH, L.L.C., a Nevada limited liability company, as to an undivided 75% interest and THE STAR LIVING TRUST as to an undivided 25% interest, Grantee.

WITNESSETH:

That the Grantor, in consideration of the sum of TEN DOLLARS (\$10.00), lawful money of the United States, and other good and valuable consideration to it in hand paid by the Grantee, the receipt whereof is hereby acknowledged, does by these presents grant, bargain and sell to the Grantee, and to its successors and assigns forever, all those certain lots, pieces or parcels of land situate, lying and being in Elko County, Nevada, and more particularly described in Exhibit "A" attached hereto and incorporated herein by reference.

TOGETHER WITH all and singular the tenements, hereditaments and appurtenances thereunto belonging or in anywise appertaining and the reversion and reversions,

3 72505

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remainder and remainders, rents, issues and profits thereof, including but not limited to any right title and interest in any and all grazing rights or allotments appurtenant thereto.

TO HAVE AND TO HOLD all and singular the premises, together with the appurtenances, unto the said Grantee and to its successors and assigns forever.

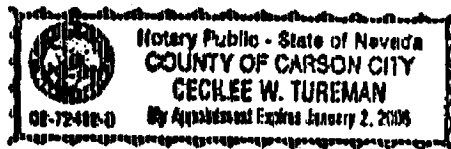
IN WITNESS WHEREOF, the Grantor has executed this conveyance the day and year first above written.

Nevada Land and Resource Company, LLC
a Delaware limited liability company

By: *Dorothy A. Timian Palmer*
DOROTHY A. TIMIAN-PALMER
Chief Operating Officer/Director

STATE OF NEVADA)
 : ss.
CARSON CITY)

On December 29, 2003, DOROTHY A. TIMIAN-PALMER, personally appeared before me, a notary public, personally known to me to be the person whose name is subscribed to the foregoing instrument and who acknowledged to me that she is the Chief Operating Officer and a Director of Nevada Land and Resource Company, a Delaware limited liability company, and who acknowledged to me that she executed the foregoing GRANT, BARGAIN AND SALE DEED on behalf of said corporation.



Cecilee W. Tureman
NOTARY PUBLIC

EXHIBIT A

County	APN#	Twn	Rng	Sec	Aliquot Parts	Acres
Elko	009-530-001	34N	66E	1	All except 0.23 Ac conv to WPR Co.	640.37
Elko	009-530-001	34N	66E	11	All	640.00
Elko	010-090-001	34N	67E	5	All	638.08
Elko	010-090-001	34N	67E	7	E/2 and ptn of W/2 east of the Nevada Northern Railroad as now constructed	366.98

3 72507

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WFZ0872

PARCEL 14:

TOWNSHIP 34 NORTH, RANGE 67 EAST, M.D.B.&M.

Section 5: All;
Section 7: All;

EXCEPTING THEREFROM all that portion of said land as conveyed to Nevada Northern Railway Company, in Deed recorded February 7, 1906 in Book 28, Page 617, Deed Records, Elko County, Nevada.

FURTHER EXCEPTING THEREFROM all that portion of said land as conveyed to Western Pacific Railway Company in Deed recorded February 19, 1909 in Book 31, Page 71, Deed Records, Elko County, Nevada.

FURTHER EXCEPTING THEREFROM that portion of the W1/2W1/2 lying west of the Nevada Northern Railroad as conveyed to Gordon Griswold and Kitty Griswold, his wife, in Deed recorded August 14, 1946 in Book 54, Page 354, Deed Records, Elko County, Nevada.

FURTHER EXCEPTING FROM all of Parcel 14 all right, title and interest to coal, oil, gas and other minerals of every kind and nature whatsoever, lying in and under said land, as reserved by Russell Wilkins, et ux, et al, in Deed recorded December 10, 1946 in Book 55, Page 63, Deed Records, Elko, Nevada.

PARCEL 15:

TOWNSHIP 34 NORTH, RANGE 66 EAST, M.D.B.&M.

Section 1: All;

EXCEPTING THEREFROM all that portion of said land as conveyed to Western Pacific Railway Company in Deed recorded February 19, 1909 in Book 31, Page 71, Deed Records, Elko County, Nevada.

Section 11: ALL;

EXCEPTING FROM Parcel 15 all petroleum, oil, natural gas and products derived therefrom, lying in and under said land or that may be produced therefrom, as reserved by Southern Pacific Land Company in Deed recorded August 1, 1949 in Book 57, Page 126, Deed Records, Elko County, Nevada.

FURTHER EXCEPTING FROM all of the above described land those portion lying within the railroad right-of-way.

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3 72508

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ASSIGNMENT OF INTEREST IN BIG SPRING RANCH, LLC

The undersigned Assignor, GHOLAMREZA ZANDIAN JAZI, currently holds an interest in BIG SPRING RANCH, LLC, a Nevada limited liability company, consisting of a membership, as well as a management right, and, in consideration of value received, GHOLAMREZA ZANDIAN JAZI herewith transfers and assigns to RAY KOROGHLI, individually, and FARIBORZ FRED SADRI, individually, and as Trustee of the Star Living Trust, all of the Assignor's right as Member or Manager in BIG SPRING RANCH, a Nevada LLC effective as of the _____ day of _____, 2006.

The Assignor represents that the interest herewith assigned has not been transferred, assigned, encumbered, the subject of any agreement, or security interest and that he holds the full and complete rights, the subject of this Assignment. The Assignor irrevocably appoints the Assignee as the Attorney in Fact to transfer such interests on the books and records of BIG SPRING RANCH, LLC, a Nevada LLC, the Assignor agrees to separately execute a resignation as a Member and Manager of BIG SPRING RANCH, LLC, a Nevada LLC.

The undersigned executes this Assignment on the _____ day of _____, 2006.

GHOLAMREZA ZANDIAN JAZI

ASSIGNMENT OF INTEREST IN
NEVADA LAND & WATER RESOURCES, LLC

The undersigned Assignor, GHOLAMREZA ZANDIAN JAZI, currently holds an interest in NEVADA LAND & WATER RESOURCES, LLC, a Nevada limited liability company, consisting of a membership, as well as a management right, and, in consideration of value received, GHOLAMREZA ZANDIAN JAZI herewith transfers and assigns to RAY KOROGHLI, individually, and FARIBORZ FRED SADRI, individually, and as Trustee of the Star Living Trust, all of the Assignor's right as Member or Manager in NEVADA LAND & WATER RESOURCES, LLC, a Nevada LLC effective as of the _____ day of _____, 2006.

The Assignor represents that the interest herewith assigned has not been transferred, assigned, encumbered, the subject of any agreement, or security interest and that he holds the full and complete rights, the subject of this Assignment. The Assignor irrevocably appoints the Assignee as the Attorney in Fact to transfer such interests on the books and records of NEVADA LAND & WATER, LLC, a Nevada LLC, the Assignor agrees to separately execute a resignation as a Member and Manager of NEVADA LAND & WATER RESOURCES, LLC, a Nevada LLC.

The undersigned executes this Assignment on the _____ day of _____, 2006.

GHOLAMREZA ZANDIAN JAZI

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

1 RELS
JOHN PETER LEE, LTD.
2 JOHN PETER LEE, ESQ.
Nevada Bar No. 001768
3 MICHAEL A. REYNOLDS, ESQ.
Nevada Bar No. 008631
4 830 Las Vegas Boulevard South
Las Vegas, Nevada 89101
5 (702) 382-4044 Fax: (702) 383-9950
Attorneys for Plaintiff/Counterdefendant
6

7 **DISTRICT COURT**

8 **CLARK COUNTY, NEVADA**

9 GHOLAMREZA ZANDIAN JAZI,

10 Plaintiff,

11 v.

12 RAY KOROGHLI, individually, FARIBORZ FRED
SADRI, individually, and as Trustee of the Star
13 Living Trust, WENDOVER PROJECT, LLC, a
Nevada limited liability company; BIG SPRING
14 RANCH, LLC, a Nevada limited liability company,
and NEVADA LAND AND WATER
15 RESOURCES, LLC, a Nevada limited liability
company.

16 Defendants.
17

18 RAY KOROGHLI, individually and FARIBORZ
FRED SADRI, individually,

19 Counterclaimants,
20

21 v.

22 GHOLAMREZ ZANDIAN JAZI,

23 Counterdefendant.
24

25 WENDOVER PROJECT, LLC,

26 Counterclaimant,
27

28 v.

GHOLAMREZ ZANDIAN JAZI,

Counterdefendant.

CASE NO.: A511131
DEPT. NO.: XIII

RELEASE OF LIS PENDENS

DATE: N/A
TIME: N/A

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

1 GHOLAMREZ ZANDIAN JAZI,)
2 Counterclaimant,)
3 v.)
4 WENDOVER PROJECT, LLC,)
5 Counterdefendant,)

6 1334.022860-JLR

7 NOTICE is hereby given that the undersigned did, on the 30th day of January, 2006 file a
8 Notice of Lis Pendens with the above-referenced Court, a copy of which was recorded with the Elko
9 County Recorder as Document Number 548113 on February 2, 2006.

10 NOW THEREFORE, for valuable consideration, the undersigned does by these presents
11 release, satisfy and discharge said Lis Pendens.

12 DATED this _____ day of _____, 2006.

13 JOHN PETER LEE, LTD.

14
15 BY: _____
16 John Peter Lee, Esq.
17 Nevada Bar No. 001768
18 Michael A. Reynolds, Esq.
19 Nevada Bar No. 008631
20 830 Las Vegas Boulevard South
21 Las Vegas, Nevada 89101
22 Ph: (702) 382-4044/Fax: (702) 383-9950
23 Attorneys for Plaintiffs
24
25
26
27
28

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

1 RELS
JOHN PETER LEE, LTD.
2 JOHN PETER LEE, ESQ.
Nevada Bar No. 001768
3 MICHAEL A. REYNOLDS, ESQ.
Nevada Bar No. 008631
4 830 Las Vegas Boulevard South
Las Vegas, Nevada 89101
5 (702) 382-4044 Fax: (702) 383-9950
Attorneys for Plaintiff/Counterdefendant
6

7 **DISTRICT COURT**

8 **CLARK COUNTY, NEVADA**

9 GHOLAMREZA ZANDIAN JAZI,
10 Plaintiff,

CASE NO.: A511131
DEPT. NO.: XIII

11 v.

12 RAY KOROGHLI, individually, FARIBORZ FRED
SADRI, individually, and as Trustee of the Star
13 Living Trust, WENDOVER PROJECT, LLC, a
Nevada limited liability company; BIG SPRING
14 RANCH, LLC, a Nevada limited liability company,
and NEVADA LAND AND WATER
15 RESOURCES, LLC, a Nevada limited liability
company,

RELEASE OF LIS PENDENS

16 Defendants.
17

18 RAY KOROGHLI, individually and FARIBORZ
FRED SADRI, individually,

19 Counterclaimants,
20

DATE: N/A
TIME: N/A

21 v.

22 GHOLAMREZ ZANDIAN JAZI,

23 Counterdefendant.
24

25 WENDOVER PROJECT, LLC,

26 Counterclaimant,
27

28 v.

GHOLAMREZ ZANDIAN JAZI,

Counterdefendant.

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

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GHOLAMREZ ZANDIAN JAZI,
Counterclaimant,
v.
WENDOVER PROJECT, LLC,
Counterdefendant,

1334.022860-JLR

NOTICE is hereby given that the undersigned did, on the 14th day of October, 2005 file a Notice of Lis Pendens with the above-referenced Court, a copy of which was recorded with the Elko County Recorder as Document Number 542563 on October 25, 2005.

NOW THEREFORE, for valuable consideration, the undersigned does by these presents release, satisfy and discharge said Lis Pendens.

DATED this _____ day of _____, 2006.

JOHN PETER LEE, LTD.

BY: _____
John Peter Lee, Esq.
Nevada Bar No. 001768
Michael A. Reynolds, Esq.
Nevada Bar No. 008631
830 Las Vegas Boulevard South
Las Vegas, Nevada 89101
Ph: (702) 382-4044/Fax: (702) 383-9950
Attorneys for Plaintiffs

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

1 RELS
JOHN PETER LEE, LTD.
2 JOHN PETER LEE, ESQ.
Nevada Bar No. 001768
3 MICHAEL A. REYNOLDS, ESQ.
Nevada Bar No. 008631
4 830 Las Vegas Boulevard South
Las Vegas, Nevada 89101
5 (702) 382-4044 Fax: (702) 383-9950
Attorneys for Plaintiff/Counterdefendant
6

7 **DISTRICT COURT**
8 **CLARK COUNTY, NEVADA**

9 GHOLAMREZA ZANDIAN JAZI,)
10 Plaintiff,)
11 v.)
12 RAY KOROGHLI, individually, FARIBORZ FRED)
SADRI, individually, and as Trustee of the Star)
13 Living Trust, WENDOVER PROJECT, LLC, a)
Nevada limited liability company; BIG SPRING)
14 RANCH, LLC, a Nevada limited liability company,)
and NEVADA LAND AND WATER)
15 RESOURCES, LLC, a Nevada limited liability)
company,)
16 Defendants.

CASE NO.: A511131.
DEPT. NO.: XIII

RELEASE OF LIS PENDENS

17 _____)
18 RAY KOROGHLI, individually and FARIBORZ)
FRED SADRI, individually,)
19 Counterclaimants,)
20 v.)
21 GHOLAMREZ ZANDIAN JAZI,)
22 Counterdefendant.)
23 _____)
24 WENDOVER PROJECT, LLC,)
25 Counterclaimant,)
26 v.)
27 GHOLAMREZ ZANDIAN JAZI,)
28 Counterdefendant.)

DATE: N/A
TIME: N/A

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

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GHOLAMREZ ZANDIAN JAZI,
Counterclaimant,
v.
WENDOVER PROJECT, LLC,
Counterdefendant,

1334.022860-JLR

NOTICE is hereby given that the undersigned did, on the 14th day of October, 2005 file a Notice of Lis Pendens with the above-referenced Court, a copy of which was recorded with the Washoe County Recorder as Document Number 3301912 on November 3, 2005.

NOW THEREFORE, for valuable consideration, the undersigned does by these presents release, satisfy and discharge said Lis Pendens.

DATED this _____ day of _____, 2006.

JOHN PETER LEE, LTD.

BY: _____
John Peter Lee, Esq.
Nevada Bar No. 001768
Michael A. Reynolds, Esq.
Nevada Bar No. 008631
830 Las Vegas Boulevard South
Las Vegas, Nevada 89101
Ph: (702) 382-4044/Fax: (702) 383-9950
Attorneys for Plaintiffs

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

1 RELS
JOHN PETER LEE, LTD.
2 JOHN PETER LEE, ESQ.
Nevada Bar No. 001768
3 MICHAEL A. REYNOLDS, ESQ.
Nevada Bar No. 008631
4 830 Las Vegas Boulevard South
Las Vegas, Nevada 89101
5 (702) 382-4044 Fax: (702) 383-9950
Attorneys for Plaintiff/Counterdefendant
6

7 DISTRICT COURT

8 CLARK COUNTY, NEVADA

9 GHOLAMREZA ZANDIAN JAZI,

10 Plaintiff,

11 v.

12 RAY KOROGHLI, individually, FARIBORZ FRED
SADRI, individually, and as Trustee of the Star
13 Living Trust, WENDOVER PROJECT, LLC, a
Nevada limited liability company; BIG SPRING
14 RANCH, LLC, a Nevada limited liability company,
and NEVADA LAND AND WATER
15 RESOURCES, LLC, a Nevada limited liability
company,
16

17 Defendants.

18 RAY KOROGHLI, individually and FARIBORZ
FRED SADRI, individually,
19

20 Counterclaimants,

21 v.

22 GHOLAMREZ ZANDIAN JAZI,

23 Counterdefendant.

24 WENDOVER PROJECT, LLC,

25 Counterclaimant,
26

27 v.

28 GHOLAMREZ ZANDIAN JAZI,

Counterdefendant.

CASE NO.: A511131
DEPT. NO.: XIII

RELEASE OF LIS PENDENS

DATE: N/A
TIME: N/A

JOHN PETER LEE, L.L.D.
ATTORNEYS AT LAW
830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

1 GHOLAMREZ ZANDIAN JAZI,
2 Counterclaimant,
3 v.
4 WENDOVER PROJECT, LLC,
5 Counterdefendant,

6 1334.022860-JLR

7 NOTICE is hereby given that the undersigned did, on the 16th day of November, 2005 file
8 a Notice of Lis Pendens with the above-referenced Court, a copy of which was recorded with the
9 Clark County Recorder in Book/Instrument 20051116-0004202 on November 16, 2005.

10 NOW THEREFORE, for valuable consideration, the undersigned does by these presents
11 release, satisfy and discharge said Lis Pendens.

12 DATED this _____ day of _____, 2006.

13 JOHN PETER LEE, LTD.

14
15 BY: _____
16 John Peter Lee, Esq.
17 Nevada Bar No. 001768
18 Michael A. Reynolds, Esq.
19 Nevada Bar No. 008631
20 830 Las Vegas Boulevard South
21 Las Vegas, Nevada 89101
22 Ph: (702) 382-4044/Fax: (702) 383-9950
23 Attorneys for Plaintiffs
24
25
26
27
28



DEAN HELLER
Secretary of State
202 North Carson Street
Carson City, Nevada 89701-4201
(775) 684 5708
Website: secretaryofstate.biz

**Certificate of Resignation of Officer,
Director, Manager, Member, General
Partner, Trustee or Subscriber**

ABOVE SPACE IS FOR OFFICE USE ONLY

**Certificate of Resignation of
Officer, Director, Manager, Member,
General Partner, Trustee or Subscriber**

1. The name and title(s) of person that desires to resign:

GHOLAMREZA ZANDIAN JAZI

(Name)

Manager

(Title(s))

2. The name and file number of the entity for which resignation is being made:

WENDOVER PROJECT L.L.C.

(Name of Entity)

(File Number)

3. Signature: _____

4. Fee: \$75.00 per form. Resignation of one person from one entity per form.

This form must be accompanied by appropriate fees.

Nevada Secretary of State Resignation of Officer 2503
Revised on 02/03/06

WFZ0888



DEAN HELLER
Secretary of State
202 North Carson Street
Carson City, Nevada 89701-4201
(775) 684 6708
Website: secretaryofstate.biz

Certificate of Resignation of Officer,
Director, Manager, Member, General
Partner, Trustee or Subscriber

ABOVE SPACE IS FOR OFFICE USE ONLY

Certificate of Resignation of
Officer, Director, Manager, Member,
General Partner, Trustee or Subscriber

1. The name and title(s) of person that desires to resign:

GHOLAMREZA ZANDIAN JAZI

(Name)

Manager

(Title(s))

2. The name and file number of the entity for which resignation is being made:

NEVADA LAND & WATER RESOURCES, L.L.C.

(Name of Entity)

(File Number)

3. Signature: _____

4. Fee: \$75.00 per form. Resignation of one person from one entity per form.

This form must be accompanied by appropriate fees.

Nevada Secretary of State Resignation of Officer 2003
Revised on: 02/03/06

WFZ0890



DEAN HELLER
 Secretary of State
 202 North Carson Street
 Carson City, Nevada 89701-4201
 (775) 684 5708
 Website: secretaryofstate.biz

**Certificate of Resignation of Officer,
 Director, Manager, Member, General
 Partner, Trustee or Subscriber**

ABOVE SPACE IS FOR OFFICE USE ONLY

**Certificate of Resignation of
 Officer, Director, Manager, Member,
 General Partner, Trustee or Subscriber**

1. The name and title(s) of person that desires to resign:

GHOLAMREZA ZANDIAN JAZI
 (Name)

Manager
 (Title(s))

2. The name and file number of the entity for which resignation is being made:

BIG SPRING RANCH LLC
 (Name of Entity)

(File Number)

3. Signature: _____

4. Fee: \$75.00 per form. Resignation of one person from one entity per form.

This form must be accompanied by appropriate fees.

Nevada Secretary of State Resignation of Officer 2503
 Revised on 02/03/06

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

1 RCPT
JOHN PETER LEE, LTD.
2 JOHN PETER LEE, ESQ.
Nevada Bar No. 001768
3 MICHAEL A. REYNOLDS, ESQ.
Nevada Bar No. 008631
4 830 Las Vegas Boulevard South
Las Vegas, Nevada 89101
5 (702) 382-4044 Fax: (702) 383-9950
Attorneys for Plaintiff/Counterdefendant
6

7 **DISTRICT COURT**
8 **CLARK COUNTY, NEVADA**

9 GHOLAMREZA ZANDIAN JAZI,)
10 Plaintiff,)
11 v.)
12 RAY KOROGHLI, individually, FARIBORZ FRED)
SADRI, individually, and as Trustee of the Star)
13 Living Trust, WENDOVER PROJECT, LLC, a)
Nevada limited liability company; BIG SPRING)
14 RANCH, LLC, a Nevada limited liability company,)
and NEVADA LAND AND WATER)
15 RESOURCES, LLC, a Nevada limited liability)
company,)
16 Defendants.

CASE NO.: A511131
DEPT. NO.: XIII

RECEIPT

17
18 RAY KOROGHLI, individually and FARIBORZ)
FRED SADRI, individually,)
19 Counterclaimants,)
20

DATE: N/A
TIME: N/A

21 v.)
22 GHOLAMREZ ZANDIAN JAZI,)
Counterdefendant.)
23

24 WENDOVER PROJECT, LLC,)
25 Counterclaimant,)

26 v.)
27 GHOLAMREZ ZANDIAN JAZI,)
28 Counterdefendant.)

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GHOLAMREZ ZANDIAN JAZI,
Counterclaimant,
v.
WENDOVER PROJECT, LLC,
Counterdefendant,

1334.022860-JLR

RECEIPT of \$250,000 made payable to John Peter Lee, Ltd., in compliance and in conformity with the Award of Floyd Hale, Arbitrator dated September 20, 2006 is acknowledged this ___ day of _____, 2006.

JOHN PETER LEE, LTD.

BY: _____
John Peter Lee, Esq.
Nevada Bar No. 001768
Michael A. Reynolds, Esq.
Nevada Bar No. 008631
830 Las Vegas Boulevard South
Las Vegas, Nevada 89101
Ph: (702) 382-4044/Fax: (702) 383-9950
Attorneys for Plaintiff/Counterdefendant

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

MUTUAL RELEASE OF CLAIMS

This Mutual Release of Claims is made this _____ day of _____, 2006 by and between GHOLAMREZA ZANDIAN JAZI ("Zandian"), Ray Koroghli ("Koroghi"), Fariborz Fred Sadri ("Sadri"), Wendover Project, LLC ("Wendover"), Nevada Land and Water Resources, LLC ("Nevada Land") and Big Spring Ranch, LLC, ("Big Spring"). For purposes of this agreement, Zandian is hereinafter called Plaintiff and all of the individuals and LLCs are jointly called Defendants.

RECITALS

WHEREAS disputes have arisen by and between the Plaintiff and the Defendants resulting in litigation which was commenced in the District Court, Clark County Nevada, given Case No. A511131; and

WHEREAS the matter was thereafter referred to arbitration before Floyd A. Hale by an agreement; and

WHEREAS, in addition to the Complaint, the Defendants filed various Counterclaims against the Plaintiff in the District Court action, all of which claims were heretofore referred to Floyd A. Hale to arbitrate; and

WHEREAS the parties to this Release, Plaintiff and the Defendants, commenced the arbitration process before Floyd A. Hale, which commenced on the 22nd day of August, 2006 and ended on the 8th day of September, 2006; and

WHEREAS on the latter date an order was entered on the record concerning settlement of the claims asserted by the Plaintiff, and the counterclaims asserted by the Defendants, which will be reduced to an order entered in the arbitration proceedings; and

WHEREAS the order provides for the release of certain rights by the parties, one against the other, and the payment of sums by certain of the Defendants, all as set forth in separate instruments, and further set forth in the Arbitration Order; and

WHEREAS these parties desire to settle and resolve all issues, allegations, claims, rights, defenses and obligations and causes of action asserted, or which could have been asserted by the Plaintiff against the Defendants and the Defendants against the Plaintiff;

NOW THEREFORE in consideration of these Recitals and the mutual covenants, promises and conditions hereinafter set forth, these parties agree as follows:

1. In consideration of the mutual covenants of the parties hereto, their heirs, executors, administrators, assigns, representative trustees, beneficiaries, directors, officers, employees, agents and attorneys and assigns to enter to this Mutual Release whereby the Plaintiff releases the Defendants and the Defendants release the Plaintiff from any and all demands, claims, damages, lawsuits, causes of action, costs and expenses of whatever character, known or unknown, and whenever occurring in the past, in the present or which will accrue in the future in any way, which are directly or indirectly related to the demands, claims and causes of action alleged, or which could have been alleged by the parties in the Complaint, the Amended Complaint and the various Counterclaims, or any amendments which could have been filed in the underlying proceedings.

2. The parties recognize that the Plaintiff and that the Defendants each may have claims against the others, of which they are unaware, it is the intention of the parties entering into this Mutual Release that this instrument will terminate the claim of the Plaintiff as against the Defendants and the Defendants against the Plaintiff, and prevent them from asserting the same. To this end, the

parties, and each of them, do waive all rights and benefits conferred upon them by statute or common law of any jurisdiction which has provisions which provides generally as follows:

“a general release does not extend to claims which the creditor does know or suspect in his favor at the time of executing the Release, which, if known by him, must have materially effected his settlement with the Debtor.”

The Plaintiff indemnifies the Defendants and the Defendants indemnify the Plaintiff from any and all claims asserted against any of them as a result of, or in connection with, any action or proceeding brought directly or indirectly on behalf, in the name of anyone claiming standing through the Plaintiff or the Defendants, contrary to the provisions of the Releases as provided for in this agreement.

3. This mutual settlement agreement is a compromise of disputed claims and arises out of, connected with, and relating to the underlying action and is not to be constructed as an admission of liability on the part of any party, all of whom expressly deny liability.

4. The construction, effect and validity of this agreement is governed by the laws of the State of Nevada and shall bind and inure to the benefit of each party and constitutes the entire agreement among the parties with respect to the subject hereto and may not be amended, except in writing, executed by the party to be charged.

5. Each party agrees to do anything necessary, and to execute all instruments necessary proper to effectuate the provisions and intent of this agreement, and each party shall mark cancelled and deliver to the other all evidence of any debt or obligation owed to the other, including Notes, Deeds of Trust or promises to pay, including, but not limited to, that certain Promissory Note

executed by Zandian in favor of Fariborz Fred Sadri and the Star Living Trust for \$333,333 secured by a Deed of Trust on 4,400 acres of property in Washoe County, Nevada.

6. Each party warrants that he has the power, capacity and authority to enter into this Mutual Release.

7. The Plaintiff and the Defendants separately acknowledge that their execution of this Release is freely and voluntarily done, and that all Recitals are true and correct, and they have not assigned or transferred to any person the matters released hereunder.

8. All the terms and conditions herein are severable in the event that any terms held are considered unenforceable by any court of competent jurisdiction. This agreement shall be interpreted as if the unenforceable terms were not contained herein.

9. This mutual agreement shall not create any rights in any person who is not a party hereto.

10. This mutual settlement agreement may be signed in multiple originals, each of which is considered a counterpart of the others, and taken together shall constitute one original.

DATED the day above first written.

GHOLAMREZA ZANDIAN JAZI

RAY KOROGHLI, individually

FARIBORZ FRED SADRI, individually and
as Trustee of the Star Living Trust

WENDOVER PROJECT, LLC

BY: _____

NEVADA LAND & WATER RESOURCES, LLC

BY: _____

BIG SPRING RANCH, LLC

BY: _____

1 ARB
2 FLOYD A. HALE, ESQ.
3 Nevada Bar No. 1873
4 JAMS
5 2300 W. Sahara, #900
6 Las Vegas, NV 89102
7 Ph: (702) 457-5267
8 Fax: (702) 437-5267
9 Arbitrator.

RECEIVED
MAR 02 2007
JOHN PETER LEE, LTD.

DISTRICT COURT
CLARK COUNTY, NEVADA

10 GHOLAMREZA ZANDIAN JAZI,) Case No. A511131
11) Dept. No. XII
12 Plaintiff,)
13 vs.)
14 RAY KOROGHLI, individually,)
15 FABIRORZ FRED SADRI, individually,)
16 and as Trustee of the Star Living Trust,)
17 WENDOVER PROJECT, LLC, a Nevada)
18 limited liability company; BIG SPRING)
19 RANCH, LLC, a Nevada limited liability)
20 company, and NEVADA LAND AND)
21 WATER RESOURCES, LLC, a Nevada)
22 limited liability company,)
23 Defendants.)

ARBITRATOR REPORT AND RECOMMENDATION TO
DISTRICT COURT

23 This matter was submitted to Arbitration and Arbitration Hearings were conducted for two
24 days, as well as the submission of voluminous exhibits, depositions and briefs. During the
25 Arbitration proceeding, the parties agreed to meet with the Arbitrator in an effort to resolve the
26 dispute. With agreement of counsel, the parties met directly with the Arbitrator and an agreement
27 for a final conclusion of this matter was read into the record, being recorded by a court reporter.
28

FLOYD A. HALE
SPECIALIST
2300 W. SAHARA, SUITE 900
LAS VEGAS, NEVADA 89102
PHONE (702) 457-5267 EMAIL fhaile@floydahale.com

FLOYD A HALE
SPECIALIST
2300 W. SARA, SUITE 900
LAS VEGAS, NEVADA 89102
PHONE (702) 457-5267 EMAIL fhaile@floydahale.com

1 The undersigned then issued an Arbitration Decision based upon the evidence submitted as well
2 as the agreement of the parties.

3
4 On January 11, 2007, counsel for the parties conducted a hearing before this Court
5 regarding confirmation of the Arbitration Award. Counsel for the parties could not reach an
6 agreement as to what documents needed to be signed to effect the Arbitration Decision. For that
7 reason, the matter was referred back to the Arbitrator for further proceedings. The actual
8 reference, contained in page 25, line 6-14 of the January 11, 2007, transcript is as follows:

9
10 THE COURT: I'm going to resolve your problem. Its real easy. I am
11 going to refer the matter back to Floyd Hale for further proceedings,
12 consistent with the 9/8/06 transcript. Those will include getting the
13 mechanism for the spouses of the parties to sign the documents, getting
14 a mechanism for the waiver of the release of the rights of first refusal
15 that exist, entering into the settlement agreement the parties entered
16 into. If he is unable to reach an agreement among the parties, then I
17 will have the final word.

18
19 The District Court has already indicated that wives of the principals will need to sign
20 documents. The following report and recommendation will reference the parties to the
21 Arbitration with the understanding that the District Court has already indicated that wives for
22 those parties will be required to sign all necessary documents.

23
24 IT IS REPORTED AND RECOMMENDED to the Court that the following documents
25 will need to be executed by the parties and their wives:

26
27 4,400 acres of real estate, owned by Poh Rah, LLC: The only members of the Pah Rah,
28 LLC are the parties to this action: Zandian Jazi; Ray Koroghli and Fred Sadri. These parties will
be required to sign a Grant Bargain Sale Deed to transfer the 4,400 acres of real estate to Zandian
Jazi. Fred Sadri will need to execute a full reconveyance of the Deed of Trust and release the
Promissory Note which was secured by the Deed of Trust as to this property. The parties will also

FLOYD A HALE
SPECIALIST
2300 W. SAHA, SUITE 900
LAS VEGAS, NEVADA 89102
PHONE (702) 457-5267 EMAIL fhaale@floydahale.com

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have to sign a waiver of any right of first refusal to this property.

320 acres owned by Big Springs Ranch, LLC. The only members of the Big Springs Ranch LLC, are the parties to this action and Mr. Abrishami. If Mr. Zandian Jazi can obtain the signature of Mr. Abrishami on a Deed to transfer this property, then the parties to this action must all execute a Grant Bargain Sale Deed transferring this real estate to Zandian Jazi. If Mr. Jandian Jazi is unable to obtain the signature of Mr. Abrishami, then Mr. Sadri and Mr. Koroghli are required to sign a Quit Claim Deed from Big Springs Ranch, LLC to Zandian Jazi to sign waivers of rights of first refusal.

\$250,000.00 Payment to Zandian Jazi: There has been a dispute as to what entity is responsible for making this payment. During the Arbitration Proceedings, as well as during prior meetings with the parties, it was represented to the Arbitrator that Mr. Sadri and Mr. Koroghli would make this payment. It is Recommended that either Mr. Sadri or Mr. Koroghli, or both, are individually responsible for this payment. Sadri and Koroghli may, however, execute the payment check or draft in whatever representative capacity that they believe is the most appropriate.

Transfer of Wendover Project, LLC Interest: Zandian Jazi has agreed to waive or transfer any interest that he has, if any, in the Wendover Project, LLC. Mr. Netzorg has argued that it is incumbent upon Mr. Zandian Jazi to obtain signatures on waivers of rights of first refusal from all members of the LLC. This was not part of the settlement agreement and the District Court should be aware that the Defendants contested that Zandian Jazi even owned rights in the Wendover Project, LLC at the time of the arbitration.

It is the Report and Recommendation of the Arbitrator that Zandian Jazi sign a transfer of all interest that he owns in the Wendover Project, LLC directly to: "Wendover Project, LLC."

FLOYD A. HALE
SPECIAL INTEREST
2300 W. SAHARA, SUITE 900
LAS VEGAS, NEVADA 89102
PHONE (702) 457-5257 EMAIL fhaale@floydahale.com

1 Zandian Jazi must also sign a waiver of any right of first refusal that he has as to that LLC.
2
3 The remaining managing members of the Wendover Project LLC are responsible for
4 determining the appropriate allocation of the Zandian Jazi interest. If they believe that it is
5 necessary to obtain waivers of rights of first refusal to make that allocation of interest, then it is
6 their responsibility to do so. Before distributing Mr. Zandian Jazi's interest, the managing
7 members of the LLC should either distribute that interest in accordance with the operating
8 agreements or, alternatively, obtain whatever signatures that the managing members determine
9 are necessary to make a different distribution or allocation of that interest. It would seem unfair
10 to place this burden on the transferring party who is merely transferring his interest to the entire
11 Wendover Project, LLC.
12

13 Big Springs Ranch, LLC: As with the Wendover Project, LLC, Mr. Zandian Jazi will be
14 required to execute a transfer of interest and waiver of any interest of the Big Springs Ranch,
15 LLC, directly to: "Big Springs Ranch, LLC." He must also execute a waiver of right of first
16 refusal that he would have under that LLC. As stated with the Wendover Project, LLC, it is the
17 duty of the managing members of the Big Springs Ranch, LLC, to make an appropriate
18 distribution or allocation of this interest. The remaining managing members of the Big Springs
19 Ranch, LLC must either transfer the property as required by the operating agreement or obtain
20 whatever waivers of rights of first refusal that are necessary to make a transfer which they believe
21 are necessary.
22
23

24 CONCLUSION:

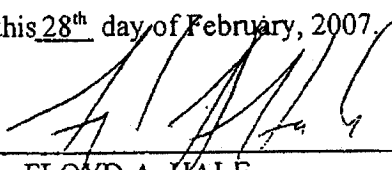
25
26 Mr. Netzorg has contested the requirement that the receiving LLC entities are required to
27 obtain waivers of rights of first refusal. Actually, waivers are not necessary if the receiving
28 interest is transferred pursuant to the operating agreement. If the managing members want to

FLOYD A. HALE
SPECIAL ARBITRATOR
2300 W. SAHARA, S.E., SUITE 900
LAS VEGAS, NEVADA 89102
PHONE (702) 457-5267 EMAIL fhaale@floydahale.com

1 obtain waivers of rights of first refusal to make a different distribution, they are certainly free to
2 do so. That should not be the burden of Mr. Zandian Jazi.

3
4 Mr. Netzorg has also asked for numerous documents regarding a purported transfer of Mr.
5 Zandian Jazi's shipyard stock. There was absolutely no evidence that any entity related to these
6 proceedings acknowledged receipt of that stock or issued any credit related to receipt of that
7 stock. Although that stock was discussed during the Arbitration proceedings, there was no
8 competent evidence regarding that stock being relevant to the Arbitration proceedings.
9

10 RESPECTFULLY SUBMITTED this 28th day of February, 2007.

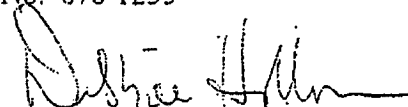
11
12 By: 
13 FLOYD A. HALE
14 2300 W. Sahara, #900
15 Las Vegas, NV 89102
16 Arbitrator

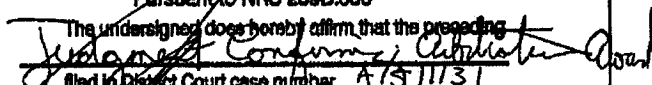

17 CERTIFICATE OF FACSIMILE AND MAIL

18 I hereby certify that on the 28th day of February, 2007, I faxed and mailed a true and
19 correct copy of the foregoing addressed to:

20 John Peter Lee, Esq.
21 830 Las Vegas Boulevard South
22 Las Vegas, NV 89101
23 Attorneys for Plaintiffs
24 Fax No. 383-9950

25 John Netzorg, Esq.
26 2810 West Charleston Blvd. #H-81
27 Las Vegas, NV 89102
28 Attorneys for Defendants
29 Fax No. 878-1255

30 By: 
31 Employee of Jams

32 **AFFIRMATION**
33 Pursuant to NRS 239B.030
34 The undersigned does hereby affirm that the proceeding
35 
36 filed in District Court case number A1511131
37 DOES NOT contain the social security number of any person.
38  Date 6/8/07

CIVIL COURT MINUTES

05-A-511131-C Jazi, Gholamreza Z vs Koroghli, Ray

11/28/05 09:00 AM 00 PLTF'S MTN TO DISMISS COMPLAINT OR
COMPEL ARBITRATION /01

HEARD BY: Mark R. Denton, Judge; Dept. 13

OFFICERS: Sue Burdette, Court Clerk

PARTIES: NO PARTIES PRESENT

John Netzorg, Esq., present.

Mr. Netzorg advised the matter is resolved and there are no other matters to come before the Court today. COURT ORDERED, matter OFF CALENDAR.

CLERK'S NOTE: LATER, it was determined that a Stipulation for arbitration was filed.../sb

04/17/06 09:00 AM 00 DEFT'S MTN TO DISMISS COMPLAINT /02

HEARD BY: Mark R. Denton, Judge; Dept. 13

OFFICERS: Sue Burdette, Court Clerk

PARTIES: NO PARTIES PRESENT

COURT finds there are no appearances; finds that counsel has contacted Chambers and indicated the parties are stipulating to arbitration; and ORDERED, matter OFF CALENDAR.

CIVIL COURT MINUTES

05-A-511131-C Jazi, Gholamreza Z vs Koroghli, Ray
CONTINUED FROM PAGE: 001

12/22/06 ??:?? ?M 00 MINUTE ORDER RE: INCORRECT CASE REASSIGNMENT

HEARD BY: Elizabeth Gonzalez, Judge; Dept. 11

OFFICERS: Willa Pettice, Court Clerk

PARTIES: NO PARTIES PRESENT

The Court stated this is a Business Court case that was transferred from Dept. 13 in error. Judge Denton is to retain this case. COURT ORDERED, matter referred back to Dept. 13 as a Business Court case.

01/11/07 09:00 AM 00 ALL PENDING MOTIONS (1/11/07)

HEARD BY: Elizabeth Gonzalez, Judge; Dept. 11

OFFICERS: Melissa Swinn, Relief Clerk
Jill Hawkins, Reporter/Recorder

PARTIES: 0001 P1 Jazi, Gholamreza Z
008631 Reynolds, Michael A.
007699 Fic, Holly

N
Y
Y

0002 D1 Koroghli, Ray
001335 Netzorg, John M.

N
Y

PLAINTIFF/COUNTER DEFENDANT JAZI MOTION FOR CONFIRMATION AND ENTRY OF JUDGMENT ON ARBITRATION AWARD . . . DEFT'S MOTION TO VACATE ARBITRATION AWARD/MOTION TO MODIFY OR CORRECT

Arguments by counsel. COURT ORDERED, both motions DENIED. FURTHER, matter REFERRED back to Floyd Hale to resolve the following issues:

- 1 - Spouses need to sign on documents;
- 2 - Obtain waiver from anyone with the first right of refusal;
- 3 - Complete settlement agreement.

Further, it is this Court's recommendation that escrow be opened if real property is being transferred. Counsel advised all parties present that they can return to this Court to either resolve the issues or to assist in implementing the resolution.

CIVIL COURT MINUTES

05-A-511131-C Jazi, Gholamreza Z vs Koroghli, Ray
CONTINUED FROM PAGE: 002

04/24/07 ??:?? ?M 00 PLTF'S MTN FOR REFERRAL TO ARBITRATOR/07

HEARD BY: Elizabeth Gonzalez, Judge; Dept. 11

OFFICERS: Willa Pettice, Court Clerk

PARTIES: NO PARTIES PRESENT

COURT ORDERED, Pltf's Motion for Referral to Arbitrator is DENIED.

05/29/07 09:00 AM 00 ZANDIAN'S MTN FOR CONFIRMATION/ENTRY OF
JGMNT ON ARBITRATION AWARD AND OST /08

HEARD BY: Elizabeth Gonzalez, Judge; Dept. 11

OFFICERS: Denise Trujillo, Court Clerk
Debbie Winn, Reporter/Recorder

PARTIES: NO PARTIES PRESENT

At request of both counsel, COURT ORDERED, matter CONTINUED.

CONTINUED TO: 06/05/07 09:00 AM 01

CIVIL COURT MINUTES

05-A-511131-C Jazi, Gholamreza Z

vs Koroghli, Ray

CONTINUED FROM PAGE: 003

06/05/07 09:00 AM 01 ZANDIAN'S MTN FOR CONFIRMATION/ENTRY OF JGMNT ON ARBITRATION AWARD AND OST /08

HEARD BY: Elizabeth Gonzalez, Judge; Dept. 11

OFFICERS: Phyllis Irby/pi, Court Clerk
Jill Hawkins, Reporter/Recorder

REQ. BY: Jazi Gholamreza Z, Plaintiff

PARTIES:	0001 P1	Jazi, Gholamreza Z	N
	007373	Hatfield, Trevor J.	Y
	008631	Reynolds, Michael A.	Y
	0002 D1	Koroghli, Ray	N
	001335	Netzorg, John M.	Y
	0003 D	Sadri, Fariborz F	N
	001335	Netzorg, John M.	Y
	0005 D	Wendover Project LLC	N
	001335	Netzorg, John M.	Y
	0006 D	Big Spring Ranch LLC	N
	001335	Netzorg, John M.	Y
	0007 D	Nevada Land And Water Resources LLC	N
	001335	Netzorg, John M.	Y
	0008 CO	Wendover Project LLC	N
	001335	Netzorg, John M.	Y

Following arguments of counsel. COURT ORDERED, Zandian's Motion is GRANTED; matter set for status check.

7-24-07 9:00 AM STATUS CHECK: COMPLIANCE

CIVIL COURT MINUTES

05-A-511131-C Jazi, Gholamreza Z

vs Koroghli, Ray

CONTINUED FROM PAGE: 004

06/21/07 09:00 AM 00 ALL PENDING MOTIONS (06-21-07)

HEARD BY: Elizabeth Gonzalez, Judge; Dept. 11

OFFICERS: Carol Donahoo, Relief Clerk
Jill Hawkins, Reporter/Recorder

PARTIES: 0001 P1 Jazi, Gholamreza Z
007373 Hatfield, Trevor J.

N
Y

0002 D1 Koroghli, Ray
001335 Netzorg, John M.

N
Y

DRFT.'S MOTION FOR STAY OF PROCEEDINGS TO ENFORCE THE JUDGMENT...DEFT.'S
MOTION FOR REHEARING

Argument on Deft.'s Motion for Stay of Proceedings. COURT ORDERED, Motion
GRANTED during the period of resolution of post-trial motions only. Court
will require a bond in the amount of \$10,000 for that limited period;
however, the Court will reconsider the amount of the bond after resolution
of the pending motions. COURT FURTHER ORDERED, Deft.'s Motion for Rehearing
rescheduled to July 17, 2007, at 9:00 a.m.

CIVIL COURT MINUTES

05-A-511131-C Jazi, Gholamreza Z vs Koroghli, Ray

CONTINUED FROM PAGE: 005

07/17/07 09:00 AM 00 ALL PENDING MOTIONS (07-17-07)

HEARD BY: Elizabeth Gonzalez, Judge; Dept. 11

OFFICERS: Carol Donahoo, Relief Clerk
Jill Hawkins, Reporter/Recorder

PARTIES:	0001 P1	Jazi, Gholamreza Z	N
	008631	Reynolds, Michael A.	Y
	0002 D1	Koroghli, Ray	N
	003708	Day, Steven L.	Y

DEFT.'S MOTION FOR REHEARING PURSUANT TO E.D.C.R. 2.24...DEFT.'S MOTION TO AMEND OR ALTER JUDGMENT PURSUANT TO NRCP 59(e), OR IN THE ALTERNATIVE, MOTION FOR A NEW TRIAL PURSUANT TO NRCP 59(e)

Arguments by counsel on both Motions. COURT ORDERED, Motions DENIED. Colloquy regarding the July 24 Status Check. COURT FURTHER ORDERED status check VACATED and RESET.

08/23/07 9:00 AM STATUS CHECK: COMPLIANCE

CIVIL COURT MINUTES

05-A-511131-C Jazi, Gholamreza Z vs Koroghli, Ray

CONTINUED FROM PAGE: 006

08/07/07 09:00 AM 00 DEFT'S MTN TO STAY OF PROCEEDINGS TO ENFORCE/17

HEARD BY: Elizabeth Gonzalez, Judge; Dept. 11

OFFICERS: Kathy Klein, Court Clerk
Jill Hawkins, Reporter/Recorder

PARTIES: 0001 P1 Jazi, Gholamreza Z
009898 Freedman, Yvette R.

N
Y

0002 D1 Koroghli, Ray
003708 Day, Steven L.

N
Y

Mr. Day advised no reason to post bond, and if Court set a bond, then should consider the \$10,000.00 as previous. Colloquy regarding lis pendes, pending appeal, and security in the property. Ms. Freedman noted security is not sufficient, this is separate and apart, and could be tied up for years. COURT ORDERED, Deft's Motion to Stay of Proceedings to Enforce Judgement and to Set Supersedeas Bond, GRANTED, BOND SET at \$250,000.00.

eff: 9/1/96

**CLERK OF COURT
NOTICE OF DEFICIENCY
ON APPEAL TO NEVADA SUPREME COURT**

**JOHN PETER LEE, ESQ.
830 LAS VEGAS BLVD. SOUTH
LAS VEGAS, NV 89101**

DATE: August 10, 2007

CASE: A511131

RE CASE: GHOLAMREZA ZANDIAN JAZI vs. RAY KOROGHLI

NOTICE OF APPEAL FILED: 08/09/07

RULE 3(e) DOCUMENTS TRANSMITTED: 08/10/07

RULE 3(e) DOCUMENTS **NOT** TRANSMITTED/MISSING:

ORDER

NOTICE OF ENTRY OF ORDER

EXPLANATION OF POSSIBLE DEFICIENCIES:

DOCUMENTS/FEE:

REFER TO:

PROCEDURE:

NOTICE OF APPEAL

NRAP 3(a)

\$24.00 District Court Filing Fee (if applicable).

CASE APPEAL STATEMENT

NRAP 3(a)(1)

To be filed with Notice of Appeal:
Lists information necessary for docketing in the supreme court: district court case number; party names; counsel names; trial judge; whether trial or appellate counsel was appointed; whether appellant is proceeding in forma pauperis; date the proceedings commenced in the district court {*NRAP Form 2*}*.

COST ON APPEAL BOND

NRAP 7

To be posted with Notice of Appeal
\$250 (Civil) {No Personal Checks}

\$250.00 FILING FEE

NRAP12
NRS 2.250

Check or money order payable to the Clerk of the Supreme Court for the docket filing fee. **Submit with Notice of Appeal***.

*Must be mailed directly to Supreme Court if not submitted at time of filing Notice of Appeal

WFZ0915

Certification of Copy

State of Nevada }
County of Clark } SS:

I, Charles J. Short, the duly elected, qualifying and acting Clerk of Clark County, in the State of Nevada, and Ex-Officio Clerk of the District Court, do hereby certify that the foregoing is a true, full and correct copy of the original.

NOTICE OF CROSS-APPEAL; CASE CROSS-APPEAL STATEMENT; COST BOND ON CROSS-APPEAL; DISTRICT COURT DOCKET ENTRIES; JUDGMENT CONFIRMING ARBITRATION AWARD; DISTRICT COURT MINUTES; NOTICE OF DEFICIENCY

GHOLAMREZA ZANDIAN JAZI,)

Plaintiff(s),)

vs.)

RAY KOROGHLI; FARIBORZ FRED SADRI,)
individually and as Trustee of the Star Living)
Trust; WENDOVER PROJECT, LLC; BIG)
SPRING RANCH, LLC; NEVADA LAND)
AND WATER RESOURCES, LLC,)

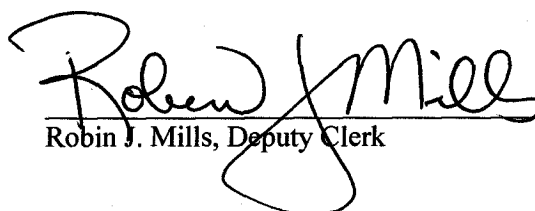
Defendant(s),)

Case No: A511131
Dept No: XI

now on file and of record in this office.

IN WITNESS THEREOF, I have hereunto
Set my hand and Affixed the seal of the
Court at my office, Las Vegas, Nevada
This 10 day of August 2007.

Charles J. Short, Clerk of the Court


Robin J. Mills, Deputy Clerk

WFZ0916

JOHN PETER LEE
ATTORNEY AT LAW
830 LAS VEGAS BLVD. SOUTH
LAS VEGAS, NEVADA 89101

AS11131
1768

REMITTANCE ADVICE					
8/9/07	250.00				

94-72/1224

36443

JOHN PETER LEE LTD 250 DOLS 00 CTS

PAY _____ DOLLARS

DATE	TO THE ORDER OF	RE
8/9/07	Supreme Court Clerk	RE Notice of Cross Appeal

CHECK AMOUNT
250.00

TRUST ACCOUNT
VOID AFTER 90 DAYS

Lou Kwiatkowski



BANK OF AMERICA Nevada
P.O. BOX 15427 LAS VEGAS, NEVADA 89114

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**SUPREME COURT OF THE STATE OF NEVADA
OFFICE OF THE CLERK**

GHOLAMREZA ZANDIAN JAZI,
Appellant/Cross-Respondent,

vs.

RAY KOROGHLI, INDIVIDUALLY; FARIBORZ FRED SADRI,
INDIVIDUALLY AND AS TRUSTEE OF THE STAR LIVING TRUST;
WENDOVER PROJECT, LLC, A NEVADA LIMITED LIABILITY
COMPANY; BIG SPRING RANCH, LLC, A NEVADA LIMITED
LIABILITY COMPANY; AND NEVADA LAND AND WATER
RESOURCES, LLC, A NEVADA LIMITED LIABILITY COMPANY,
Respondent/Cross-Appellants.

Supreme Court No. 49924

District Court Case No. A511131

RECEIPT FOR DOCUMENTS

TO: John Peter Lee Ltd. and John Peter Lee
Cohen, Johnson & Day and Steven L. Day and James R. Nance
Charles J. Short, District Court Clerk

You are hereby notified that the Clerk of the Supreme Court has received and/or filed the following:

08/14/07	Received Filing Fee. \$250.00 from John Peter Lee-check no. 36443.
08/14/07	Filed Certified Copy of Notice of Cross-Appeal. (Docketing statement mailed to counsel for cross-respondent.)

DATE: August 14, 2007

Janette M. Bloom, Clerk of Court

By: _____

AP
Deputy Clerk

WFZ0918

**SUPREME COURT OF THE STATE OF NEVADA
OFFICE OF THE CLERK**

GHOLAMREZA ZANDIAN JAZI,
Appellant/Cross-Respondent,
vs.

Supreme Court No. 49924

District Court Case No. A511131

RAY KOROGHLI, INDIVIDUALLY; FARIBORZ FRED SADRI,
INDIVIDUALLY AND AS TRUSTEE OF THE STAR LIVING TRUST;
WENDOVER PROJECT, LLC, A NEVADA LIMITED LIABILITY
COMPANY; BIG SPRING RANCH, LLC, A NEVADA LIMITED
LIABILITY COMPANY; AND NEVADA LAND AND WATER
RESOURCES, LLC, A NEVADA LIMITED LIABILITY COMPANY,
Respondent/Cross-Appellants.

NOTICE OF FILING OF CROSS-APPEAL

TO: John Peter Lee Ltd. and John Peter Lee
Cohen, Johnson & Day and Steven L. Day and James R. Nance

A cross-appeal has been filed in the above-entitled case and the caption has been styled as shown above.

"In cases involving a cross-appeal, the plaintiff in the court below shall be deemed the appellant for all purposes, unless the parties otherwise agree or the court otherwise orders." NRAP 28(h). If the parties wish to stipulate to or move for a change in designation of parties, please file an appropriate document with this court immediately.

DATE: August 14, 2007

Janette M. Bloom, Clerk of Court

By: 

Deputy Clerk

cc:

WFZ0919
07-17896

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ORIGINAL

IN THE SUPREME COURT OF THE STATE OF NEVADA

FILED

AUG 14 2007

JANETTE M. BLOOM
CLERK OF SUPREME COURT
BY J. M. Casado
DEPUTY CLERK

RAY KOROGHLI, individually, FARIBORZ FRED)
SADRI, individually, and as Trustee of the Star)
Living Trust, WENDOVER PROJECT, LLC, a Nevada)
limited liability company; BIG SPRING RANCH,)
LLC, a Nevada limited liability company, and)
NEVADA LAND AND WATER RESOURCES, LLC)
a Nevada limited liability company,)

Supreme Court No. 49924

District Court No. A511131

Appellants,

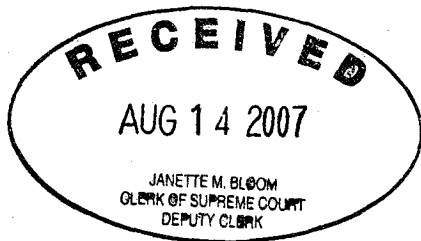
vs.

GHOLAMREZA ZANDIAN JAZI,

Respondent.

OPPOSITION TO MOTION TO DISMISS

STEVEN L. DAY, ESQ.
Nevada Bar No. 3708
JAMES R. NANCE, ESQ.
Nevada Bar No. 9878
COHEN, JOHNSON & DAY
1060 Wigwam Parkway
Henderson, NV 89074
(702) 309-3333
Attorneys for Defendants/Appellants



1 Hale's good efforts, he was able to get the parties to agree to settle the case though may of
2 the material terms and conditions of the settlement still needed to be worked out. At no
3 point during the September 8, 2006, proceeding or any time thereafter did the parties
4 attempt to complete the arbitration.

5
6 The general terms of the settlement agreement were memorialized at the
7 conclusion of the mediation which included the Defendants transferring their interests in
8 certain property in Nevada to the Plaintiff along with \$250,000.00, in cash in exchange
9 for the Plaintiff transferring his interest in two Nevada LLC's to Defendants Koroghli and
10 Sadri. However, there were additional items that needed to be addressed and agreed to by
11 the settling parties which included how the general terms of the settlement agreement
12 were going to be implemented and in what form title would pass. Instead of continuing to
13 work with the parties toward reaching an agreement as to how the transactions would take
14 place, Mr. Hale put his arbitrator hat back on and rendered an "Arbitration Award" in
15 spite of the fact that **the case was not arbitrated** and the parties, including the
16 Defendants, did not put on their case.¹ It was clearly not the Defendants' expectation
17 when agreeing to mediation that any agreement to settle would be consummated in an
18 arbitration award. There was still a lot to be done with respect to the intent of the parties
19 to settle and without the parties agreeing to how the transaction was to take place and how
20 title was to be conveyed to the various real estate and partnership interests, there was no
21 settlement. For example, LLC interests were to be transferred by Jazi to Koroghli and
22 Sadri and there was nothing included in the proposed agreement to settle which addressed
23
24

25
26 ¹The Plaintiff presented only one witness before the parties agreed to mediate the case.
27 Plaintiff's counsel had not even concluded the examination of this witness and Defense
28 counsel had conducted no cross-examination of the witness when the parties decided to try
to settle the case.

1 | how the parties were going to deal with the other LLC member's rights of first refusal.
2 | Again, these material terms and conditions still needed to be worked out before a final
3 | settlement could be reached. As a side note, once Mr. Hale and the parties decided that
4 | the case would be mediated and the case was in fact mediated, Mr. Hale could no longer be
5 | the arbitrator in the case.

6 | The fact that we were dealing with an agreement to settle and not an arbitration
7 | award was not lost on the Court during the January 11, 2007, hearing on Plaintiff's Motion
8 | for Confirmation and Entry of Judgment on Arbitration Award. The Court further
9 | understood the need for the parties to reconvene and work out additional details relating
10 | to the agreement to settle when the matter was remanded back to mediator Floyd Hale.

11 | MS. FIC: Your Honor, I have a suggestion, okay. Because what I
12 | keep hearing is settlement, settlement, settlement. We
13 | agree there was a settlement. I did say settlement,
14 | okay. But the settlement terms were – on the transcript
15 | by the court reporter. So we have the essential terms,
16 | okay.

16 | THE COURT: You do.

17 | MS. FIC: What I'm hearing is –

18 | THE COURT: **And you're missing some of the things in the**
19 | **documents you have as to those essential terms.**

20 | MS. FIC: Okay. And that's – okay, Your Honor, so fine. So if we have
21 | the essential terms, if we've got disputes with this, why don't
22 | we – okay. I don't want to do a new arbitrator, because that's
23 | going to be costs to both parties. It's not going to be efficient.
24 | Arbitrator Hale was agreed to –

25 | THE COURT: I'm going to solve your problem. It's really easy. I'm going to
26 | refer the matter back to Floyd Hale for further proceedings,
27 | consistent with the 9/8/06 transcript. Those will include
28 | **getting the mechanism for the spouses of the parties**
 to sign documents, getting a mechanism for the
 waiver of the release of the rights of first refusal that

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exist, entering into the settlement agreement the parties entered into. If he is unable to reach an agreement amount the parties, then I will have the final word. I –

MS. FIC: Because, Your Honor –

THE COURT: Wait, wait, wait. I’m not done.

MS. FIC: Okay. Sorry, Your Honor.

THE COURT: Okay. I recommend – this is not an order – that an escrow be opened for the transfers of the real property. If you are merely transfer interests in an LLC, which has different tax consequences to both of your clients, I don’t think it’s necessary for an escrow to be opened. But if you’re transferring real property, which is what it currently looks like to me you were trying to do based upon the settlement, then an escrow needs to be opened.

I’m referring it back to Mr. Hale, since I would typically in a case where a settlement was reached and there was a mediator or arbitrator involved refer it to that individual for some additional work with you to try and resolve those disputed issues, since they were there at the time you reached the settlement. Hopefully I have a transcript that helps me. If you are unable to reach an accommodation after speaking to Mr. Hale, then I will reach an accommodation, because I have a transcript and I’ll make a decision. And it won’t be one that anybody’s tax benefits are in favor of, because there’s no indication in the transcript that you’re going to work together to minimize tax consequences to each other, which sometimes I see in settlement agreements. And I didn’t see that in this one.

MS. FIC: Yeah. Cause the only concern was I didn’t want to have like maybe one wife not sign, because there’s a lot of – you know, one wife not signing upset the whole thing.

THE COURT: **The wives have to sign.** That was part of the deal you guys cut. You cut a deal the wives are going to sign. The wive’s have got to sign.

(See January 11, 2007, hearing transcript, pp. 24-26, attached hereto as Exhibit “3,” emphasis added.)

1 The District Court understood that there were additional matters that needed to be
2 addressed and worked out to effectuate the final settlement of the matter and remanded
3 the case back to Mr. Hale to work out those details.

4 THE COURT: How are you going to – wait now. This is just really
5 common sense.

6 MS. FIC: Okay.

7 THE COURT: How are you going to transfer an interest in real
8 property which may be owned by both of the people and
9 the wife has a claim, especially in places where it is
10 voidable if you do not have the spouse sign? How are
11 you going to transfer that property free and clear?

12 MS. FIC: Because the husbands – I mean, there's NRS statutes –

13 THE COURT: Okay. I'm going to send you back to Mr. Hale, and **the**
14 **wives need to sign. Spouses need to sign, and**
15 **the people who have the first right of refusal**
16 **need to waive.**

17 MS. FIC: So we'll come back to you if one of the wives refuse.
18 That's the only thing. I just don't want to –

19 THE COURT: **You're going to come back to me if you are**
20 **unable to reach an agreement,** if you need me to
21 confirm an order. You are also going to some back to
22 me if there is any problem in the implementation of the
23 agreement.

24 But you reached a settlement, it was put on the record.
25 **You've got to have a settlement agreement.** I
26 know that Mr. Hale drafted an arbitration award,
27 because he conducted a portion of the arbitration. And
28 I don't really have a problem with that, but we need to
have the documentation consistent with the discussions
that were – that occurred on September 8th, 2006,
which are a part of the actual record the court reporter
made, at which time both parties stipulated in front of
the arbitrator that they had agreed to go to as part of the
extrajudicial proceedings, which in my mind makes it an
enforceable settlement. Okay.

(See Exhibit "3," pp. 27-28, emphasis added.)

1 The case was remanded back to Mr. Hale, but instead of the parties working out the
2 details of a settlement with Mr. Hale as this Court instructed them to do, Mr. Hale again
3 put on his arbitrator hat and issued an Arbitrator Report and Recommendation to District
4 Court for a case **that was not arbitrated**. In his Report and Recommendation, Mr.
5 Hale continues to refer to the agreement to settle as an "Arbitration Award." From Mr.
6 Hale's Report and Recommendation, this case ultimately morphed into a Judgment
7 Confirming Arbitration Award in a case that was never arbitrated. (See Judgment
8 Confirming Arbitration Award attached hereto as Exhibit "4.")

10 **ARGUMENT**

11 **A. Defendants/Appellants are appealing from a judgment granted relative** 12 **to an agreement to settle.**

13 As Plaintiff/Respondent represents, the parties agreed to submit the matter to
14 binding arbitration with no right of appeal. Plaintiff/Respondent submits that because
15 the parties stipulated that there would be no right of appeal, Defendants/Appellants'
16 appeal should be dismissed. However, Defendants/Appellants contend that the case was
17 never arbitrated and, therefore, the language within the stipulation prohibiting an appeal
18 does not apply. The parties simply agreed to settle the case. The arbitration was not
19 completed and there should have never been an arbitration award or an ensuing judgment
20 on an arbitration award. Defendants/Appellants are appealing the Judgment on an
21 agreement to settle.
22

23 **B. Common-law grounds exist for this Court to review a private** 24 **arbitration award.**

25 This Court has held that common-law grounds are available for a court to review
26 the results of a private arbitration:

27 In this appeal, we clarify the common-law grounds available
28 for a court to review a private arbitration award. We have

1 previously recognized that a private arbitration award may be
2 reviewed under two common-law grounds:

- 3 (1) the award is arbitrary, capricious, or
4 unsupported by the arbitration agreement; or
5 (2) the arbitrator manifestly disregarded the law.

6 *See Clark County Education Association v. Clark County School District*, 122 Nev. 337,
7 339, 131 P.3d 5, 7 (2006)

8 As Defendants/Appellants will argue and ultimately brief in their appellate brief, it
9 is their position that the arbitrator's findings and his issuance of an arbitration award
10 were not consistent with the fact that the case was not arbitrated. Because the case was
11 not arbitrated, the judgment on the arbitration award should not have been entered.
12 Defendants/Appellants will further argue that the arbitrator (mediator in this case),
13 consciously disregarded the fact that an arbitration award is not proper in a case that was
14 merely mediated, not arbitrated. Defendants/Appellants respectfully request the
15 opportunity to submit to the Court a brief on these issues.
16

17 **C. Defendants/Appellants notice of appeal is not deficient and**
18 **Defendants/Appellants have filed a Cost Bond pursuant to NRAP 7.**

19 Attached to this Opposition as Exhibit "5" is the Amended Case Appeal Statement.
20 The Notice of Filing Cost Bond was filed in the District Court on July 31, 2007. (See
21 Notice of Posting Cost Bond attached hereto as Exhibit "6.")
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1 **CONCLUSION**

2 Based on the foregoing, Defendants/Appellants respectfully request an order
3 denying Respondent's Motion to Dismiss.

4 DATED this 13th day of August, 2007.

5 COHEN, JOHNSON & DAY

6
7
8 By 

9 STEVEN L. DAY, ESQ.
10 Nevada Bar No. 3708
11 1060 Wigwam Parkway
12 Henderson, NV 89074
13 Attorneys for Appellants

14 **CERTIFICATE OF MAILING**

15 I HEREBY CERTIFY that on the 13th day of August, 2007, I served a copy of the
16 foregoing OPPOSITION TO MOTION TO DISMISS, by causing a copy of the same to be
17 deposited in the United States mail, postage prepaid, addressed as follows:

18 John Peter Lee, Esq.
19 JOHN PETER LEE, LTD.
20 830 Las Vegas Blvd. South
21 Las Vegas, NV 89101
22 Attorneys for Respondent

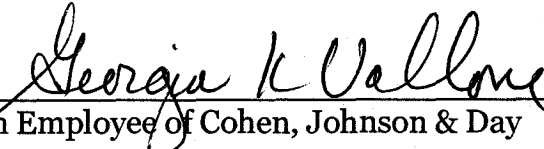
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An Employee of Cohen, Johnson & Day

Exhibit 1

ORIGINAL

Shirley B. Panagiere

Nov 8 3 11 PM '05

FILED

1 ACOM
 JOHN PETER LEE, LTD.
 2 JOHN PETER LEE, ESQ.
 Nevada Bar No. 001768
 3 MICHAEL A. REYNOLDS, ESQ.
 Nevada Bar No.008631
 4 830 Las Vegas Boulevard South
 Las Vegas, Nevada 89101
 5 (702) 382-4044 Fax: (702) 383-9950
 Attorneys for Plaintiff

JOHN PETER LEE, LTD.
 ATTORNEYS AT LAW
 830 LAS VEGAS BLVD. SOUTH
 LAS VEGAS, NEVADA 89101
 Telephone (702) 382-4044
 Telecopier (702) 383-9950

DISTRICT COURT

CLARK COUNTY, NEVADA

10 GHOLAMREZA ZANDIAN JAZI,
 11 Plaintiff,

CASE NO.: A511131
 DEPT. NO.: XIII

12 v.

**EXEMPTION FROM
 ARBITRATION**
 (ACTION IN EQUITY SEEKING
 INJUNCTIVE RELIEF)

13 RAY KOROGHLI, individually, FARIBORZ FRED
 SADRI, individually, and as Trustee of the Star
 14 Living Trust, WENDOVER PROJECT, LLC, a
 Nevada limited liability company; BIG SPRING
 15 RANCH, LLC, a Nevada limited liability company,
 and NEVADA LAND AND WATER
 16 RESOURCES, LLC, a Nevada limited liability
 company,

17 Defendants.

DATE: N/A
 TIME: N/A

18 1334.022860-maf

FIRST AMENDED COMPLAINT

21 COMES NOW the Plaintiff, Gholamreza Zandian Jazi ("Zandian") by and through his
 22 counsel, John Peter Lee, Ltd. and as and for a First Amended Complaint against the Defendants, and
 23 each of them, alleges as follows:

- 24 1. Zandian is a resident of the State of California.
- 25 2. Defendant Ray Koroghli ("Koroghli") is a resident of the State of Nevada.
- 26 3. Defendant Fariborz Fred Sadri ("Sadri") is a resident of the State of Nevada and is

27 also the Trustee of the Star Living Trust.

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 COUNTY

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JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BLVD. SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

1 4. Wendover Project, LLC, Big Spring Ranch, LLC and Nevada Land and Water
2 Resources, LLC are named as Defendants in these proceedings so that total and complete relief can
3 be given to Zandian.

4 5. Zandian and the individual Defendants entered into a Joint Venture Agreement within
5 the past three years which created a fiduciary relationship between them, and which provided that
6 Zandian would look for and find unimproved Nevada real estate and negotiate a price below market
7 value. Zandian and the individual Defendants agreed to form Nevada Limited Liability Companies
8 to buy the land with the agreement that all would contribute either time, money, effort or knowledge
9 in that acquisition and that each of them would be a Managing Member and all would share in the
10 management decisions and in the acquisition, development, sale and division of profits from the sale
11 of those properties.

12 6. Zandian complied with the oral and written agreements and found three (3) parcels
13 of unimproved real property in the State of Nevada ranging from 320 to 35,000 acres for each parcel,
14 and negotiated a below market purchase price from \$95,000 to \$12 million for each parcel. He
15 additionally caused transfer of the unimproved real property into three (3) separate entities here
16 named as Defendants, and he likewise did all of the other acts required of him in conformity with
17 the agreements referred to above. The legal descriptions of the properties are attached hereto as
18 composite Exhibit "A."

19 7. Zandian received an interest in each of the entities, and became a Member and a Co-
20 Manager with the individual Defendants in each of those entities.

21 8. Each of the individual Defendants breached the oral and written agreements,
22 including the Operating Agreement for each entity, and likewise breached the implied covenant of
23 good faith and fair dealing and violated his fiduciary duties as co-partner and joint venturer with
24 Zandian and as Manager and Member of each entity and then proceeded to slander and defame
25 Zandian with accusations of acts constituting felonious conduct against the laws of the United States.

26 9. The individual Defendants acting together, and in consort, wrongfully, secretly and
27 with intent to cause harm to Zandian and in conscious disregard of his rights and converted to
28 themselves his rights and benefits in the entities and further intimidated him by their defamatory

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
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LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

1 statements, which was designed to discourage him from pursuing his rights described in this
2 Complaint, and specifically the Defendants did the following acts:

3 (a) The individual Defendants redrafted the Operating Agreements of the entities
4 without Zandian's knowledge and consent and thereby eliminated provisions which thereby reduced
5 and diminished his rights to co-manage the entities.

6 (b) The individual Defendants sold land in Wendover, Nevada held by Wendover
7 Project, LLC for a sum in excess of \$5 million without Zandian's prior knowledge, authority or
8 consent being sought or obtained from Zandian in violation of their oral and written agreements.
9 Additionally, the individual Defendants disposed of the sale proceeds, but failed to divide the profits
10 with Zandian or pay him \$100,000 due him by agreement.

11 (c) The individual Defendants published letters and E-mails containing
12 defamatory statements about Zandian falsely accusing him of engaging in acts constituting felonies
13 and further enlisting their attorney Craig K. Perry, Esq. to disseminate those statements, none of
14 which are privileged. The statements made as described were additionally circulated to friends,
15 relatives and business associates and thereby caused Zandian harm and embarrassment. (See, letters
16 attached as Exhibit "B").

17 (d) The individual Defendants refused to allow or permit Zandian and his counsel
18 access to the books and records which they had in the entities despite written demand conveyed to
19 them by virtue of Exhibit "C" attached to this Complaint.

20 (e) Zandian and Defendants Koroghli and Sadri purchased 4,485 acres in Washoe
21 County described in Exhibit "D" attached hereto, for \$1,000,000.00 and each owns an undivided
22 1/3 interest in the Property.

23 Pursuant to NRS 39.010 Plaintiff seeks an Order from this Court that the
24 Property be partitioned or sold and the proceeds distributed according to the interests of the parties.

25 Zandian gave a Deed of Trust in the amount of \$333,996.56 to Sadri as
26 Trustee of the Star Living Trust for his share of purchase price. Defendants agreed with Zandian that
27 the Note would be not be due until proceeds from the sale of this and other properties was
28 distributed.

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Telecopier (702) 383-9950

1 Defendants are in breach of this agreement by attempting to foreclose on said
2 Deed of Trust prematurely.

3 (f) Zandian and Sadri agreed that Zandian would be paid 25% of all amounts over
4 \$6,000,000.00 received from the sale of certain property in Clark County, owned by Sadri. Sadri
5 denies that he is obligated to pay any amount to Zandian.

6 A dispute and controversy has arisen between the parties concerning their
7 respective rights. Plaintiff requests a judicial determination concerning the parties' rights with
8 respect to this dispute and a declaratory judgment that Plaintiff is entitled to receive 25% of all
9 amounts over \$6,000,000.00 received from the sale of said property by Sadri.

10 10. Zandian's remedy at law is inadequate to compensate him for the damages which will
11 result from the improper foreclosure of his real property interest, and Zandian is entitled to an
12 injunction to prevent the sale and to further prevent further defamatory statements which have been
13 made and are ongoing and which would otherwise require a multiplicity of suits to compensate him.

14 11. Zandian suffers and will continue to suffer monetary loss in amount in excess of
15 \$10,000 and also is entitled to punitive damages because of the actions of the individual Defendants
16 which were done intentionally with conscious disregard of his rights and benefits.

17 12. Pursuant to NRS 32.010 Zandian is likewise entitled to the appointment of a Receiver
18 for each of the Defendant entities which is necessary to prevent the individual Defendants from
19 mismanaging the affairs of the entities and from secreting cash income and hiding the books and
20 records which by law and the Operating Agreements of the entities were required to be produced to
21 Zandian and his counsel on demand.

22 **ATTORNEYS' FEE**

23 In order to bring this action, Zandian has been required to retain the services of John Peter
24 Lee, Ltd. and is entitled to a fee for the services so rendered by his attorneys.

25 WHEREFORE, Zandian prays for judgment against the Defendants and each of them as
26 follows:

- 27 1. For actual damages of more than \$10,000;
28 2. For punitive damages over \$10,000;

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BLVD. SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

- 1 3. For injunctive relief as asserted in this Complaint;
- 2 4. For the appointment of a Receiver;
- 3 5. For attorneys fees and costs;
- 4 6. Such other and further relief as this Court deems just and proper.

5 DATED this 7th day of November, 2005.

6 JOHN PETER LEE, LTD.

7
8 BY: 

9 JOHN PETER LEE, ESQ.
10 Nevada Bar No. 001768
11 MICHAEL A. REYNOLDS, ESQ.
12 Nevada Bar No. 008631
13 830 Las Vegas Boulevard South
14 Las Vegas, Nevada 89101
15 Ph: (702) 382-4044 Fax: (702) 383-9950
16 Attorneys for Plaintiff

17 **CERTIFICATE OF SERVICE**

18 I HEREBY CERTIFY that I am an employee of John Peter Lee, Ltd. and that on the 8th day
19 of November, 2005, pursuant to the amendment of the Eighth Judicial District Court Rule 7.26, I
20 served by facsimile transmission, and by enclosing it in a sealed envelope upon which first class
21 postage was fully prepaid, a copy of the **FIRST AMENDED COMPLAINT** in the above captioned
22 matter to the following:

23 John M. Netzorg, Esq.
24 2810 W. Charleston Blvd., #81
25 Las Vegas, NV 89102
26 Attorneys for Defendants,
27 RAY KOROGHLI, FARIBORZ FRED SADRI
28 FAX:878.1255

A copy of the facsimile transmission confirmation is attached to the original. There is regular communication by mail between the place of mailing and the place so addressed.


An Employee of JOHN PETER LEE, LTD.

Exhibit "B"
Big Springs Ranch Property

County	APN #	Twn	Rng	Sec	Aliquot Parts	Acres
Elko	008-530-001	34N	66E	01	All except 0.23 Ac conv to WPR Co.	640.37
Elko	008-530-001	34N	66E	03	All	643.64
Elko	008-530-001	34N	66E	04	Lots 3 and 4, S/2 NW/4, SW/4 (W/2)	319.92
Elko	008-530-001	34N	66E	06	All	638.12
Elko	008-530-001	34N	66E	09	All	640.00
Elko	008-530-001	34N	66E	11	All	640.00
Elko	008-530-001	34N	66E	15	All	640.00
Elko	008-540-001	35N	66E	01	All	666.40
Elko	008-540-001	35N	66E	02	Lots 3 and 4, S/2 NW/4, SW/4 (W/2)	331.44
Elko	008-540-001	35N	66E	03	All	665.12
Elko	008-540-001	35N	66E	09	All	640.00
Elko	008-540-001	35N	66E	10	E/2 E/2	160.00
Elko	008-540-001	35N	66E	11	All	640.00
Elko	008-540-001	35N	66E	13	All	640.00
Elko	008-540-001	35N	66E	14	W/2 W/2	160.00
Elko	008-540-001	35N	66E	15	All	640.00
Elko	008-540-001	35N	66E	21	All	640.00
Elko	008-540-001	36N	66E	22	NE/4, SE/4 NW/4, N/2 SE/4, SW/4 SE/4, SE/4 SW/4	360.00
Elko	008-540-001	35N	66E	23	All	640.00
Elko	008-540-001	35N	66E	25	All	640.00
Elko	008-540-001	35N	66E	27	All	640.00
Elko	008-540-001	35N	66E	28	SE/4, SE/4 NE/4	200.00
Elko	008-540-001	35N	66E	33	All	640.00
Elko	008-540-001	35N	66E	34	W/2	320.00
Elko	008-540-001	36N	66E	35	All	640.00
Elko	008-550-001	36N	66E	01	All	642.24
Elko	008-550-001	36N	66E	11	All less 70.23 In I-80 RW	569.77
Elko	008-550-001	36N	66E	13	All	640.00
Elko	008-550-001	36N	66E	15	All	640.00
Elko	008-550-001	36N	66E	21	E/2	320.00
Elko	008-550-001	36N	66E	22	W/2 NW/4, S/2	400.00
Elko	008-550-001	36N	66E	23	All	640.00
Elko	008-550-001	36N	66E	25	All	640.00
Elko	008-550-001	36N	66E	26	W/2 W/2	160.00
Elko	008-550-001	36N	66E	27	All	640.00
Elko	008-550-001	36N	66E	28	E/2 E/2, W/2 SE/4 less 4.50 Ac to Easement in SE/4 SW/4, SW/4 SE/4	235.50
Elko	008-550-001	36N	66E	33	All	640.00
Elko	008-550-001	36N	66E	34	All	640.00
Elko	008-550-001	36N	66E	35	All	640.00
Elko	008-560-004	37N	66E	25	All less 15.22 Ac SR-30 RW	624.78
Elko	008-560-004	37N	66E	27	SE/4 SE/4	40.00
Elko	008-560-004	37N	66E	35	All	625.34
Elko	008-570-011	38N	66E	23	Pin 200' south of the CPRR centerline	588.06
Elko	008-570-011	38N	66E	25	Pin 200' south of the CPRR centerline except 6.44 Ac in N/2 for Wye Inlet	591.44
Elko	010-090-001	34N	67E	01	All	638.80
Elko	010-090-001	34N	67E	03	All	638.04
Elko	010-090-001	34N	67E	05	All	638.08
Elko	010-090-001	34N	67E	07	E/2 and pin of W/2 NE/4 of No. Nevada Railroad Co.; 0.23 Ac conv to WPR Co.; and 12.79 Ac conv to Nevada Northern Railroad Co.	366.98
Elko	010-090-001	34N	67E	09	All	640.00
Elko	010-090-001	34N	67E	11	All	640.00
Elko	010-090-001	34N	67E	13	All	640.00
Elko	010-090-001	34N	67E	15	All	640.00
Elko	010-090-001	34N	67E	17	All	640.00
Elko	010-090-001	34N	67E	19	All	306.35
Elko	010-090-001	34N	67E	21	N/2	320.00
Elko	010-090-001	34N	67E	22	All	640.00
Elko	010-090-001	34N	67E	23	N/2	320.00
Elko	010-090-003	34N	67E	07	Pin of the E/2 W/2 west of the NNRR RW	46.98
Elko	010-110-001	36N	67E	07	All except 12.70 Ac conv to Northern Nevada Railroad Co.	618.98
Elko	010-110-001	36N	67E	19	All except 12.08 Ac conv to Northern Nevada Railroad Co. except pin conv to State of NV for Hwy	608.15
Elko	010-110-001	36N	67E	31	All except 12.14 Ac conv to Northern Nevada Railroad Co.	627.26
Elko	010-120-001	37N	67E	01	Pin 200' south of the CPRR centerline less 12.76 Ac to SR-30 RW	589.64
Elko	010-120-001	37N	67E	05	Pin 200' south of the CPRR centerline	604.67
Elko	010-120-001	37N	67E	09	NW/4, S/2 less 6.70 Ac conv to Northern Nevada Railroad Co. and 16.18 Ac to SR-30 RW	458.20
Elko	010-120-001	37N	67E	11	Pin 200' south of the CPRR centerline less 11.07 Ac to SR-30 RW	611.42
Elko	010-120-001	37N	67E	17	All less 16.33 Ac to SR-30 RW	623.67
Elko	010-120-001	37N	67E	19	All	628.68
Elko	010-130-001	38N	67E	31	Pin 200' south of the CPRR centerline	594.40
Elko	010-320-001	35N	68E	07	All except 21.26 Ac conv to Western Pacific Railroad Co. less 45.33 to I-80 RW	614.35
Elko	010-320-001	35N	68E	17	All north of the WPRR centerline, and all south of the WPRR centerline less 6.89 Ac to I-80 RW	521.86

Total Acreage (Approximate): 37,538.77

EXHIBIT 'B'

Those certain water rights which are appurtenant to certain real property located in Elko County, Nevada designated as follows:

CERTIFICATED WATER RIGHTS

Number 20489

Number 27877

PERMITTED WATER RIGHTS

Number 53018

Number 53019

Number 58144*

Number 58145

Number 58146

Number 58147

Only that portion of Application Number 58144 equaling 820.80 acre feet will transferred to the Buyer, the balance of the Application will be retained on the Big Springs Ranch for use in accordance with the ranch operation.

Exhibit "A"
Big Springs Ranch Water Rights

Application #	Certificate #
Certificated Water Rights:	
4552	509
4558	512
4559	513
4562	516
5422	979
13469	3990
13471	3992
20858	6044
22372	6652
38988	11364
38992	14807
38993	14200
38998	14201
39429	11366
40810	11367
40811	11368
40812	11369
53021	15420
62703	15545
Permitted Water Rights:	
53020	-
58142	-
58143	-
58144	-
58148	-

Application #	Certificate #
Vested Water Rights:	
V03233	-
V03300	-
V03301	-
V03302	-
V03303	-
V03305	-
V04692	-
V05318	-
Pending Water Rights Applications:	
52307	-
52308	-
Other Water Rights:	
2210	440
18310	5831
25350	-
28587	-
35898	-
38996	-
38999	-
39111	-
39112	-
39428	-
46188	-

G *1/19* R.K.

EXHIBIT "B"
Big Springs Ranch Grazing Permit

- Allotment 04306 - Big Springs



any rights of ingress and egress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded February 22, 1991 in Book 3216, Page 526 as Document No. 1461483 of Official Records.

PARCEL C:
A.P.N. 079-150-13

The Northeast $\frac{1}{4}$; South $\frac{1}{2}$ of the Northwest $\frac{1}{4}$; South $\frac{1}{2}$ of Section 27,
Township 21 North; Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with any rights of ingress and egress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded January 09, 1990 in Book 3019, Page 756 as Document No. 1373452 of Official Records.

PARCEL D:
A.P.N. 084-040-02

Section 5, Township 20 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with any rights of ingress and egress in, upon or over the property and to make such



use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded February 22, 1991 in Book 3216, Page 526 as Document No. 1461483 of Official Records.

PARCEL E:
A.P.N. 084-040-04

Section 3, Township 20 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with any rights of ingress and egress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded January 03, 1992 in Book 3391, Page 840 as Document No. 1534872 of Official Records.

PARCEL F:
A.P.N. 084-040-06

Section 1, Township 20 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with any rights of ingress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection



therewith, as reserved in the Deed recorded January 03, 1992 in Book 3391, Page 840 as Document No. 1534872 of Official Records.

PARCEL G:
A.P.N. 084-040-10

The North 1/2 and the North 1/2 of the Northwest 1/4 of the Southwest 1/4 and the Southwest 1/4 of the Northwest 1/4 of the Southwest 1/4 and the North 1/2 of the Northeast 1/4 of the Southwest 1/4 and the North 1/2 of the Northwest 1/4 of the Southeast 1/4, all in Section 11, Township 20 North, Range 23 East, M.D.B.&M.

ALSO EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with any rights of ingress and egress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded January 03, 1992 in Book 3391, Page 840 as Document No. 1534872 of Official Records.

PARCEL H:
A.P.N. 084-130-07

The Northwest 1/4 and the North 1/2 of the Southwest 1/4 and Government Lot 1 in the Southwest 1/4 of Section 15, Township 20 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with

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any rights of ingress and egress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded January 03, 1992 in Book 3391, Page 840 as Document No. 1534872 of Official Records.

PARCEL I:

A.P.N. 084-140-17

The Northeast $\frac{1}{4}$ of Section 15, Township 20 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with any rights of ingress and egress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded January 03, 1992 in Book 3391, Page 840 as Document No. 1534872 of Official Records.

Order No.: 03011167

Wendover property

LEGAL DESCRIPTION

The land referred to herein is situated in the State of Nevada, County of ELKO COUNTY, described as follows:

PARCEL 1:

TOWNSHIP 32 NORTH, RANGE 69 EAST, M.D.B.&M.

Section 1: Lots 1, 2 and 3; S1/2N1/2; S1/2;
 Section 2: S1/2N1/2; S1/2;

TOWNSHIP 33 NORTH, RANGE 69 EAST, M.D.B.&M.

Section 1: S1/2;
 Section 12: All;
 Section 25: All;
 Section 35: N1/2; N1/2S1/2;
 Section 36: N1/2; N1/2SW1/4; SE1/4; SE1/4SW1/4;

TOWNSHIP 32 NORTH, RANGE 70 EAST, M.D.B.&M.

Section 6: Lots 4, 6, 7, 10, 12 and 13; SW1/4NW1/4;

TOWNSHIP 33 NORTH, RANGE 70 EAST, M.D.B.&M.

Section 8: Lots 2, 3, 4, 5, 6, 9 and 11;
 Section 9: SE1/4SE1/4; N1/2SW1/4SW1/4SE1/4; E1/2SW1/4SE1/4;
 Section 10: Lot 4;
 Section 15: Lots 12, 13, 15, 18, 20, 23, 24, 25, 26, 28, 29 and 30; NE1/4SW1/4SE1/4NW1/4; E1/2SE1/4SE1/4NW1/4; NW1/4SE1/4SE1/4NW1/4;
 Section 16: N1/2NE1/4NE1/4NE1/4;
 Section 17: S1/2S1/2;
 Section 19: All;
 Section 20: Lots 2, 3, 6 and 11; NW1/4NE1/4; N1/2SW1/4NE1/4; SE1/4SW1/4NE1/4; N1/2SW1/4SW1/4NE1/4; NW1/4; N1/2SW1/4; SW1/4SW1/4;
 Section 21: Lot 2;
 Section 29: Lots 3, 5 and 8; NW1/4NW1/4;
 Section 30: Lots 2 and 3; NE1/4; W1/2; W1/2SE1/4;
 Section 31: Lots 2, 4, 5, 8, 10 and 11; NW1/4; W1/2SW1/4;

EXCEPTING FROM Sections 9, 10 and 16, Parcels 1, 2, 3 and 4 as shown on Parcel Map for Big Springs Land & Resource Co., filed in the Office of the Elko County Recorder on July 16, 2002 as

Continued on next page

Order No. 03011167

File Number 485646.

PARCEL 2:

Parcel 1, 2 and 4 as shown on that certain Parcel Map for Big Springs Land & Resource Co. filed in the office of the County Recorder of Elko County, State of Nevada, on July 16, 2002, as File No. 485646, being a portion of Sections 9, 10 and 16, Township 33 North, Range 70 East, M.D.B.&M..

EXCEPTING FROM Parcels 1 and 2 all the oil and gas and geothermal resources in the lands so patented as reserved by the UNITED STATES OF AMERICA in Patent recorded May 26, 1999 in Book 1100, Page 615, Official Records, Elko County, Nevada.

FURTHER EXCEPTING FROM Parcels 1 and 2 those portions lying within the railroad right-of-ways.

PARCEL 3:

TOWNSHIP 33 NORTH, RANGE 70 EAST, M.D.B.&M.

Section 20: Lots 8 and 9; S1/2SW1/4SW1/4NE1/4;

Section 29: Lot 2;

EXCEPTING THEREFROM all the oil and gas and geothermal resources in the lands so patented as reserved by the UNITED STATES OF AMERICA in Patent recorded August 15, 2003 in Book 3, Page 45700, Official Records, Elko County, Nevada.

LEGAL DESCRIPTION

The land referred to herein is situated in the State of Nevada, County of ELKO COUNTY, described as follows:

PARCEL 1:

TOWNSHIP 34 NORTH, RANGE 67 EAST, M.D.B.&M.

Section 1: All;
Section 3: All;
Section 9: All;
Section 11: All;
Section 13: All;
Section 15: All;
Section 17: All;
Section 19: Lots 1 and 2; E1/2NW1/4; NE1/4;

EXCEPTING THEREFROM all that portion of said land as conveyed to Nevada Northern Railway Company in Deed recorded February 7, 1906 in Book 28, Page 617, Deed Records, Elko County, Nevada.

Section 21: N1/2;
Section 22: All;
Section 23: N1/2;

EXCEPTING FROM Section 22, TOWNSHIP 34 NORTH, RANGE 67 EAST, M.D.B.&M., all the coal and other valuable minerals in the lands so granted as reserved by The United States of America in Patent recorded June 28, 1946 in Book 8, Page 413, Patent Records, Elko County, Nevada.

FURTHER EXCEPTING FROM all of Parcel 1 all right, title and interest to coal, oil, gas and other minerals of every kind and nature whatsoever, lying in and under said land, as reserved by Russell Wilkins, et ux, et al, in Deed recorded December 10, 1946 in Book 55, Page 63, Deed Records, Elko, Nevada.

FURTHER EXCEPTING FROM Section 22, TOWNSHIP 34 NORTH, RANGE 67 EAST, M.D.B.&M., an undivided 1/2 interest in and to all gas, oil, petroleum, minerals and/or mineral rights, lying in and under said land, as reserved by Theodore E. Smith and Pearl Smith, his wife, in Deed recorded August 15, 1958 in Book 74, Page 181, Deed Records, Elko County.

PARCEL 2:

Continued on next page

TOWNSHIP 35 NORTH, RANGE 66 EAST, M.D.B.&M.

Section 1: All;
Section 3: All;
Section 9: All;
Section 11: All;
Section 13: All;
Section 15: All;
Section 21: All;
Section 23: All;
Section 25: All;
Section 27: S1/2;
Section 33: All;
Section 35: All;

EXCEPTING THEREFROM Parcel 2 all petroleum, oil, natural gas, and products derived therefrom, lying in and under said land or that may be produced therefrom, as reserved by Southern Pacific Land Company in Deed recorded August 1, 1949 in Book 57, Page 126, Deed Records, Elko County, Nevada.

PARCEL 3:

TOWNSHIP 35 NORTH, RANGE 68 EAST, M.D.B.&M.

Section 7: All;

EXCEPTING THEREFROM all that portion of said land as conveyed to Western Pacific Railway Company in Deed recorded February 19, 1909 in Book 31, Page 71, Deed Records, Elko County, Nevada.

Section 17: All that portion lying northerly of a line parallel with and one hundred (100) feet northerly of the center center line of Western Pacific Railway Company's railroad known as Arnold "L-1" or "3%" line and all that portion lying southerly of a line parallel with and one hundred (100) feet southerly of the center line of Western Pacific Railway Company's railroad known as "R-2" or "4%" line, which railroad rights of way were conveyed to Western Pacific Railway Company by Deed No. 126-F, dated November 27, 1908, and recorded February 19, 1909 in Book 31, Page 71, and Deed No. 188-F, dated June 30, 1910, and recorded September 10, 1910 in Book 32, Page 319, Deed Records, Elko County, Nevada.

Continued on next page

EXCEPTING FROM Parcel 3 all that portion of said land as conveyed to the State of Nevada, acting by and through its Department of Highways in Deed recorded September 7, 1973 in Book 184, Page 44 and recorded June 24, 1976 in Book 230, Page 377, Official Records, Elko County, Nevada, portions of which have been relinquished by Resolution Relinquishing portion of Highway Right of Way recorded October 11, 1985 in Book 504, Page 308, Official Records, Elko County, Nevada.

FURTHER EXCEPTING FROM Parcel 3 all right, title and interest to coal, oil, gas and other minerals of every kind and nature whatsoever, lying in and under said land, as reserved by Russell Wilkins, et ux, et al, in Deed recorded December 10, 1946 in Book 55, Page 63, Deed Records, Elko County, Nevada.

PARCEL 4:

TOWNSHIP 38 NORTH, RANGE 67 EAST, M.D.B.&M.

Section 31: All that portion lying southwesterly of a line two hundred (200) feet southwesterly and parallel with the center line of Central Pacific Railway Company's railroad as now constructed ;

EXCEPTING FROM Parcel 4 all right, title and interest to coal, oil, gas and other minerals of every kind and nature whatsoever, lying in and under said land, as reserved by Russell Wilkins, et ux, et al, in Deed recorded December 10, 1946 in Book 55, Page 63, Deed Records, Elko County, Nevada.

PARCEL 5:

TOWNSHIP 36 NORTH, RANGE 67 EAST, M.D.B.&M.

Section 7: All;
Section 19: All;
Section 31: All;

EXCEPTING FROM Parcel 5 all that portion of said land as conveyed to Nevada Northern Railway Company in Deed recorded February 7, 1906 in Book 28, Page 617, Deed Records, Elko County, Nevada.

FURTHER EXCEPTING FROM Section 19 all that portion of said land as conveyed to the State of Nevada, acting by and through its
Continued on next page

Department of Highways, in Deed recorded September 7, 1973 in Book 184, Page 44, Official Records, Elko County, Nevada, portions of which have been relinquished by Resolution Relinquishing Portion of Highway Right-of-Way recorded October 11, 1985 in Book 504, Page 308, Official Records, Elko County, Nevada.

FURTHER EXCEPTING FROM Parcel 5 all right, title and interest to coal, oil, gas and other minerals of every kind and nature whatsoever, lying in and under said land, as reserved by Russell Wilkins, et ux, et al, in Deed recorded December 10, 1946 in Book 55, Page 63, Deed Records, Elko County, Nevada.

PARCEL 6:

TOWNSHIP 37 NORTH, RANGE 67 EAST, M.D.B.&M.

Section 1: That portion lying southeasterly of a line two hundred (200) feet southeasterly and parallel with the center line of Central Pacific Railway Company's railroad, as now constructed;

Section 5: That portion lying southwesterly of a line two hundred (200) feet southwesterly and parallel with the center line of Central Pacific Railway Company's railroad, as now constructed;

Section 9: NW1/4; S1/2;

EXCEPTING FROM Section 9 all that portion of said land as conveyed to Nevada Northern Railway Company in Deed recorded February 7, 1906 in Book 28, Page 617 and recorded November 15, 1912 in Book 34, Page 130, Deed Records, Elko County, Nevada.

Section 11: That part lying southeasterly of a line two hundred (200) feet southeasterly and parallel with the center line of Central Pacific Railway Company's railroad as now constructed;

Section 17: All;

Section 19: All;

EXCEPTING FROM Parcel 6 all right, title and interest to coal, oil, gas and other minerals of every kind and nature whatsoever, lying in and under said land, as reserved by Russell Wilkins, et ux, et al, in Deed recorded December 10, 1946 in Book 55, Page 63, Deed Records, Elko County, Nevada.

Continued on next page

Order No. 0301278

PARCEL 7:

TOWNSHIP 37 NORTH, RANGE 66 EAST, M.D.B.&M.

Section 25: All;
Section 27: SE1/4SE1/4;
Section 35: All;

TOWNSHIP 38 NORTH, RANGE 66 EAST, M.D.B.&M.

Section 23: That portion southwesterly of a line parallel with and two hundred (200) feet distant southwesterly of center line of Central Pacific Railway Company's railroad as now constructed;
Section 25: That part southwesterly of a line parallel with and two hundred (200) feet distant southwesterly of center line of Central Pacific Railway Company's railroad as now constructed;

EXCEPTING FROM Section 25 a parcel of land in the north half of said Section 25, containing 6.44 acres for Central Pacific Railway Company's Wye track.

FURTHER EXCEPTING FROM Parcel 7 all petroleum, oil, natural gas, and products derived therefrom, lying in and under said land or that may be produced therefrom, as reserved by Southern Pacific Land Company in Deed recorded August 1, 1949 in Book 57, Page 126, Deed Records, Elko County, Nevada.

PARCEL 8:

TOWNSHIP 34 NORTH, RANGE 66 EAST, M.D.B.&M.

Section 3: All;
Section 5: All;
Section 9: All;
Section 15: All;

TOWNSHIP 36 NORTH, RANGE 66 EAST, M.D.B.&M.

Section 1: All;
Section 11: All;

EXCEPTING FROM Section 11 all that portion of said land condemned to the State of Nevada by Final Order of Condemnation recorded

Continued on next page

August 22, 1973 in Book 182, Page 625, Official Records, Elko County, Nevada.

Section 13: All;

EXCEPTING FROM Section 13 all that portion of said land as conveyed to the State of Nevada, acting by and through its Department of Highways, in Deed recorded September 7, 1973 in Book 184, Page 44, Official Records, Elko County, Nevada.

Section 15: All;

Section 23: All;

Section 25: All;

EXCEPTING FROM Parcel 8 all petroleum, oil, natural gas and products derived therefrom, lying in and under said land or that may be produced therefrom, as reserved by Southern Pacific Land Company in Deed recorded August 1, 1949 in Book 57, Page 126, Deed Records, Elko County, Nevada.

PARCEL 9:

TOWNSHIP 36 NORTH, RANGE 66 EAST, M.D.B.&M.

Section 35: All;

EXCEPTING FROM Parcel 9 all petroleum, oil, natural gas, and products derived therefrom, as reserved by Southern Pacific Land Company in Deed recorded August 1, 1949 in Book 57, Page 126, Deed Records, Elko County, Nevada.

PARCEL 10:

TOWNSHIP 34 NORTH, RANGE 66 EAST, M.D.B.&M.

Section 4: Lots 3 and 4; S1/2NW1/4; SW1/4;

EXCEPTING THEREFROM all minerals, mineral rights, gas, oil, coal and other hydrocarbons, in, under or upon said property or that may in any way be produced therefrom as reserved by W.J. Thomas and Grace L. Thomas, his wife, in Deed recorded January 23, 1959 in Book 75, Page 376, Deed Records, Elko County, Nevada.

PARCEL 11:

Continued on next page

TOWNSHIP 35 NORTH, RANGE 66 EAST, M.D.B.&M.

Section 2: Lots 3 and 4; S1/2NW1/4; SW1/4;
Section 10: E1/2E1/2;
Section 14: W1/2W1/2;
Section 22: NE1/4; SE1/4NW1/4; N1/2SE1/4; SW1/4SE1/4; SE1/4SW1/4;
Section 27: N1/2;
Section 28: SE1/4; SE1/4NE1/4;

EXCEPTING FROM Parcel 11 all right, title and interest to coal, oil, gas and other minerals of every kind and nature whatsoever, lying in and under said land, as reserved by Russell Wilkins, et ux, et al, in Deed Recorded December 10, 1946 in Book 55, Page 63, Deed Records, Elko County, Nevada.

PARCEL 12:

TOWNSHIP 36 NORTH, RANGE 66 EAST, M.D.B.&M.

Section 21: E1/2;
Section 22: W1/2NW1/4; S1/2;
Section 26: W1/2W1/2;
Section 27: All;
Section 28: E1/2E1/2; W1/2SE1/4;

EXCEPTING AND RESERVING THEREFROM the following described land:

Beginning at a point from which the Southwest Corner of Section 28, TOWNSHIP 36 NORTH, RANGE 66 EAST, M.D.B.&M., bears South 84°52' West, 2,519.9 feet distant;

THENCE North 25°20' East, 486.81 feet;

THENCE South 64°40' East, 303.07 feet;

THENCE South 25°21' West, 140.51 feet;

THENCE South 64°40' East, 140.00 feet;

THENCE South 25°20' West, 346.30 feet;

THENCE North 64°40' West, 443.07 feet;

Section 33: All;
Section 34: All;

Continued on next page

Order No. 03012789

EXCEPTING FROM Parcel 12 all right, title and interest to coal, oil, gas and other minerals of every kind and nature whatsoever, lying in and under said land, as reserved by Russell Wilkins, et ux, et al, in Deed recorded December 10, 1946 in Book 55, Page 63, Deed Records, Elko County, Nevada.

PARCEL 13:

TOWNSHIP 35 NORTH, RANGE 66 EAST, M.D.B.&M.

Section 34: W1/2;

EXCEPTING FROM Section 34 all minerals, mineral rights, gas, oil, coal and other hydrocarbons, in, under or upon said property or that may in any way be produced therefrom as reserved by W.J. Thomas and Grace I. Thomas, his wife, in Deed recorded January 23, 1959 in Book 75, Page 376, Deed Records, Elko County, Nevada.

PARCEL 14:

TOWNSHIP 34 NORTH, RANGE 67 EAST, M.D.B.&M.

Section 5: All;

Section 7: All;

EXCEPTING THEREFROM all that portion of said land as conveyed to Nevada Northern Railway Company, in Deed recorded February 7, 1906 in Book 28, Page 617, Deed Records, Elko County, Nevada.

FURTHER EXCEPTING THEREFROM all that portion of said land as conveyed to Western Pacific Railway Company in Deed recorded February 19, 1909 in Book 31, Page 71, Deed Records, Elko County, Nevada.

FURTHER EXCEPTING THEREFROM that portion of the W1/2W1/2 lying west of the Nevada Northern Railroad as conveyed to Gordon Griswold and Kitty Griswold, his wife, in Deed recorded August 14, 1946 in Book 54, Page 354, Deed Records, Elko County, Nevada.

FURTHER EXCEPTING FROM all of Parcel 14 all right, title and interest to coal, oil, gas and other minerals of every kind and nature whatsoever, lying in and under said land, as reserved by Russell Wilkins, et ux, et al, in Deed recorded December 10,

Continued on next page

Order No. 0301278

1946 in Book 55, Page 63, Deed Records, Elko, Nevada.

PARCEL 15:

TOWNSHIP 34 NORTH, RANGE 66 EAST, M.D.B.&M.

Section 1: All;

EXCEPTING THEREFROM all that portion of said land as conveyed to Western Pacific Railway Company in Deed recorded February 19, 1909 in Book 31, Page 71, Deed Records, Elko County, Nevada.

Section 11: ALL;

EXCEPTING FROM Parcel 15 all petroleum, oil, natural gas and products derived therefrom, lying in and under said land or that may be produced therefrom, as reserved by Southern Pacific Land Company in Deed recorded August 1, 1949 in Book 57, Page 126, Deed Records, Elko County, Nevada.

FURTHER EXCEPTING FROM all of the above described land those portion lying within the railroad right-of-way.



CRAIG K. PERRY & ASSOCIATES

September 1, 2005

RESENT VIA FAX: 9/7/05

John Peter Lee
John Peter Lee, Ltd.
830 Las Vegas Boulevard South
Las Vegas, NV 89101

RECEIVED
SEP - 03 2005
JOHN PETER LEE, LTD.

RE: Wendover Project, LLC
Your Client: Gholamreza Zandian Jazi

Dear Mr. Lee:

Yesterday morning, Mr. Sadri faxed me over a copy of your letter dated August 25, 2005. I have been asked to respond on behalf of Wendover Project, LLC, and the managing members, Ray Koroghli and Faribouz "Fred" Sadri, Trustee, Star Living Trust (hereafter referred to as "Mr. Sadri").

Mr. Sadri and Mr. Koroghli have indicated to me that under normal circumstances a reasonable request for inspection of company records by a managing member in good standing would be accommodated. That situation is non-existent here.

Mr. Sadri and Mr. Koroghli have explained to me their latest findings concerning Mr. Jazi, and how he has abused sensitive company information, has made intentional misrepresentations while acting as if he represents the company, has not acted in the best interests of the company, and has failed to provide any of the promised consideration needed to become a functional, managing member of Wendover Project LLC. Since Messrs. Sadri and Koroghli seriously doubt that your client will come clean with you, they have asked me to prepare a list of his relevant wrongful acts. They tell me they are learning more about other wrongful acts with each passing day.

You should know also know that Mr. Jazi has admitted to them many of his faults and wrongdoings that they have uncovered, and has apologized--asking for more chances. These issues have been the topic of many discussions between them. Issues that serve as the basis for their denial of his view of company records are set forth below:

1. Illegal Presence in the United States; Wanted by Office of Homeland Security and INS. Messrs. Sadri and Koroghli have learned that as early as 1993, Mr. Jazi was indicted on charges of attempting export a controlled commodity, conspiracy, and making a false statement to the Commerce Department. See attached article from archives of the LA Times. Mr. Jazi disappeared rather than face the charges and go to trial. He allegedly fled the country, and returned only recently, illegally, without proper INS authorization. Mr. Jazi's illegal presence has been reported to both the INS in conjunction with the Department of Homeland Security. Other information obtained states he may have received jail time for other criminal misconduct. They expect him to be picked up and face deportation any day.

900 South Fourth Street
Las Vegas, Nevada 89101
702.228.4777 Telephone 702.384.5386 Fax

WFZ0956

John Peter Lee
Sept. 1, 2005
Page Two

Neither Messrs. Sadri nor Koroghli were aware of Mr. Jazi's criminal background at the time they became associated with him. He told them he was here legally and had a "Green Card."

You can imagine their shock and concern, as well as the ill will it has generated for the company when this information was recently discovered by Wendover officials (i.e., City Manager, Chris Melville was the first to find this out). The city has acted with greater caution and manifested heightened concern about this project on the remaining issues, such as water rights. The company's goodwill, and the reputations of Sadri and Koroghli, has been tarnished by their association with him.

The members of the LLC relied upon Mr. Jazi's false representations about his immigration status and non-criminal background in associating with him. Mr. Jazi continues to misrepresent himself and hides his true background to others, including the members and managing members of Wendover Project LLC, as well as to others he contacts without permission, misrepresenting himself as acting on behalf of Wendover Project LLC. He continues to use any sensitive Wendover Project LLC information he can to perpetuate his lies, luring away and misleading important investors, leads, and contacts.

2. Lack Of Consideration; Bogus Consideration. Mr. Jazi was going to contribute \$1 million towards the purchase of the land by selling foreign properties he allegedly owned. When it came time for him to pay, he failed to contribute any money towards making any of the payments. His involvement in Wendover Project LLC and status as a managing member was pre-conditioned upon his agreement to split the payment of costs and purchase of the property as consideration.

Mr. Zandian was supposed to have also provided \$3 million worth of consideration (i.e., stock ownership in one of his corporations) to John Hart towards the payment of the property. It turns out that the stock he transferred to Steve Hart was worthless, therefore bogus consideration. To date, Mr. Jazi has not put in a single into Wendover Project LLC. All he has ever given in this regard are hollow promises.

3. Unlawful Receipt of Real Estate Commission. Once Wendover Project bought the property from Pico Holding, Mr. Jazi received an illegal kickback commission of \$600,000 from the sellers. Attached are the checks. Mr. Jazi's receipt of this commission is regulated by and in violation of Nevada state law regarding the payment of such commissions; it diverted investor funds away from the LLC and inflated the purchase price; Mr. Jazi broke the law, breached his fiduciary duties, and put his own interests ahead of the company. The Nevada Department of Commerce has informed Mr. Sadri that the actions of Mr. Jazi are constitute serious violations of law and he faces violation charges. Messrs. Sadri and Koroghli are in possession of copies of the checks demonstrating the illegal commission he received, and they are attached for your reference.

John Peter Lee
Sept. 1, 2005
Page Three

Mr. Jazi, as a fraudulent inducement to rush the members of Wendover Project LLC into action, told them there was another buyer who was willing to pay \$25 million for the land being sold by Pico Holding. This turned out to be false information that induced the investors to act quickly and agree to a higher price that greatly benefitted Mr. Jazi.

3. Misuse of Company and Investor Information. Mr. Jazi has repeatedly used the name of Wendover Project LLC and the names of Messrs. Sadri and Koroghli with others, and has disclosed their sensitive financial information and misrepresented to other parties his authority to act on behalf of Wendover Project LLC. His attempts to obtain access to corporate information at this time is a subterfuge acquire more company information that he can use to harm the company and its members.

Next, Mr. Jazi took it upon himself to set up a second mailing address in violation of the one stated in the Operating Agreement, on behalf of Wendover Project LLC, without the permission or consent of Messrs. Sadri or Koroghli, and thereby received and diverted valuable business and trade opportunities and communiques addressed to Wendover Project LLC which has harmed the LLC, and prevented this LLC from profiting or benefitting from the information he is receiving at that address. No one has given him permission to do this.

On another occasion, Mr. Jazi contacted a valuable LLC investor, Mr. Abrishami, and caused him to invest in one of Mr. Jazi's personal projects. The diversion of this capital came at a time when the company faced capital needs to pay down a loan that Mr. Abrishami's money could have facilitated with paying down. This is but one more example of Mr. Jazi not acting in the best interests of this LLC.

Mr. Jazi has used multiple social security numbers to fraudulently hide his identity in violation of federal law, and he will not be given additional opportunities to steal the identities of other members by looking at the company records.

Finally, Mr. Jazi's misuse of sensitive company and personal information of the managing members has resulted in Mr. Jazi improperly furthering his own interests, illegally or otherwise, at the expense of the company and its members. There is every reason to suspect he has not changed and will continue to operate in this manner.

4. Website For LLC Created Without Permission and Containing Material Misstatements. Mr. Jazi, without direction or approval, set up a website for the LLC. Mr. Jazi published on the website that the LLC owned 1.2 million acres of Nevada land, which is patently false. This misrepresentation was discovered by Pico Holding last year, and they understandably issued a cease and desist letter. In addition, he improperly listed on the website properties that were not even owned by the LLC—they were owned by Star Living Trust. This was done by him in an effort to attract other investors to himself on other projects. Apparently, his ploy was somewhat successful.

John Peter Lee
Sept. 1, 2005
Page Four

For these reasons and more, Messrs. Sadri and Koroghli will not provide Mr. Jazi with further means to cause further harm to Wendover Project LLC or to its operations. Based upon his prior misconduct, they believe this will continue to occur. They have a fiduciary duty to the other investors to protect them from Mr. Jazi's unwanted solicitations and misrepresentations.

Both Mr. Koroghli and Mr. Sadri have discussed all of these issues with your client in an effort to rectify the problems he has created for the company. So far, Mr. Jazi, while admitting and apologizing repeatedly for his misconduct, has not made any reparations or taken any corrective action.

Please advise your client that as a result of his failure to provide the agreed-upon consideration, and for his abuses adversely affecting the LLC, demand is made that he (1) cease and desist making any representations made concerning the LLC or its members, or in contacting them; (2) resign as a listed managing member of the LLC effective immediately, and (3) take nothing by way of ownership interest in this LLC. If he does this, the LLC will not seek any monetary recovery from him. Obviously, any efforts made by the any governmental agency or body will continue.


The Operating Agreement provides for formal disputes to be resolved through binding arbitration. If you and I cannot work through the present issues informally, which I hope we can, then I suggest we invoke the terms of the Operating Agreement and move forward with resolution of the presently outstanding issues through binding arbitration.

The things listed thus far are just the tip of iceberg regarding Mr. Janzi's misconduct. They are aware his attempts to sue Optima owners after he sold out, when he learned that they were close to receiving a settlement on a disputed infringement; they know he failed to appear for his deposition that was to be held a few days ago; we know he has used and continues to use various social security numbers; they know he has misrepresented the extent of his asset holdings to others; they know that he has defrauded many other people through sharp business practices over many years. He has, for example, tied up warehouse space of Ray Koroghli and others with shipping containers, at Koroghli's expense. All of this will be uncovered as it relates to this LLC and Mr. Janzi's pattern of conduct in defrauding people associates, investors, and those who believed he was and could be trusted as a friend.

Please feel free to call me any time—with the exception that I will be unavailable over the Labor Day weekend beginning Thursday, September 1, 2005 at noon until Tuesday morning, September 6, 2005.

Sincerely Yours,

CRAIG K. PERRY & ASSOCIATES


Craig K. Perry
Attorney at Law

WFZ0959

Leila,

This fax came in from Fred Sadri

----- Original Message -----

From: Matthew Bahrami

To: Robert Adams

Sent: Monday, July 11, 2005 4:40 PM

Subject: More of Zandian's fraud

Robert,

I just got a call from Fred Sadri, he is my ex-wife's cosine, Ali Faeghi's nephew. He is in ligitimate land business in Las Vegas.

He told me that Zandian has defrauded him and some of his investors for over \$15 million dollars. Along with Faeghi who is in bed with Zandian. Zandian has also done many other fraudulent deals as well. He also had some information about the printing equipment, I guess Reza fucked that guy for a couple of Millions also.

They are getting a law suit ready against Zandian and he is in touch with Homeland Security, FBI and INS to find him.

He wanted to talk to you about this guy to see if you had any information that can help him nail Zandian, he wants all of us to join forces to nail this SOB.

I told him I wouldn't give him your phone number but I'll talk to you and have you call him and hear what he has to say. Thought you maybe interested to put Reza away once and for all.

His phone number is (702) 873-8170, please call him and just hear what he has to say, if you want to refer him to your attorneys, fine but at least just talk to him and hear what he says. Reza is a much bigger crook than you and I thought.

Thanks,
Matt.

Do You Yahoo!?

Tired of spam? Yahoo! Mail has the best spam protection around

<http://mail.yahoo.com>

TO: Who It May Concern:

Protect the National Security of the U.S. Government by denying the permanent residency to Reza Zandian

RE: Reza Zandian, Reza Zandian Jazi,
Gholamreza Zandian, or Gholamreza Zandian Jazi
(All is one person using in various transactions)
Social Security # 625-34-1563
Date of Birth January 15th 1952:

Reza Zandian has several Social Security number, the one mentioned above is one of them being used by this man.

Reza Zandian was born in Iran/Esfahan. He has attended several Anti Tax activities in Los Angeles, and Nevada. He has criminal records since 1993 with the US Dept. of Commerce. Charged with shipping the sophisticated computers to Iranian Government against the United States. Not to mention that Reza has close relationship with Rafsanjani's son, the head of the Islamic Republic of Iran.

Reza Zandian was arrested at Los Angeles Air Port by the Federal agents. He had criminal records with the United States Government for a long time, and was deported from United States. He moved to France for several years. In France he defrauded the Melli Bank of Iran in France and Iran. He had close relationship with Iranian regime and trusted by them, that he purchased weapons for the Iranian Government in the past.

He moved back to United States. The Immigration office denied his visa. Somehow he entered to US and was residing at Howard Johnson's Hotel on 1401 S. Las Vegas Blvd. 89104. He has a close relationship with the Hotel owner, Ali Fayeghi, and his son Sean S. Fayeghi. He has been doing real estate transactions, without obtaining the real estate license. He has been using false web sites to attract innocent people and taking their money to sell them land. Reza or Gholamreza Zandian has been using different names in the real estate transactions. He has been constantly moving from one place to another within the last two years. So people won't be able to find him, and in order to confuse the authorities.

The followings are some of the addresses that he has lived during the past two years or used as his mailing address:

FROM :

PHONE NO. :

Jun. 17 2002 02:22AM

2

-950 S. Seven Hill Dr. #1026 Henderson, Nevada 89052
-1401 N. Las Vegas Blvd. 89104 (Howard Johnson's Hotel)
-9550 W. Sahara Apt. 2148 Las Vegas, Nevada 89117
-731 Mall Ring Circle Henderson, Nevada 89014
-220 Sussex Pl. Carson City NV. 89703
-P.O.Box 81624 Las Vegas, NV 89180-1624
-8350 W. Sahara Ave. ste #150 Las Vegas NV 89117
-8 San Ramon Dr. 92612 Irvine Ca.
-Tower 8775, 4240 La Jolla Village Dr. Costa Verde Blvd.
92037 (across from the Marriot Hotel in La Jolla Beach
(on the 14th floor) Probably Apt. 1460, which might be the
current address.

Reza Zandian is married to Nilufar Foughani. At the present times they are living with his sister-in-law (Nilufar's sister, called Nastaran, in La Jolla)

Not to mention that Reza Zandian has been using more than 20 different phone numbers, while he carries 4-5 cell. phones in his pocket or his car. Most of time he uses the public phone for important calls. Some the phone numbers are as follow:

(775)450-6833	(858)344-2955
(858)587-1414	(858)625-2460
(949)400-5614	
(702)325-1849	

There are a lot more than this that we don't know the numbers

Reza Zandian shipped 20 containers from Paris or Germany, one of the shipyard companies to the United State/Long Beach, California. He claims that all containers were containing the printing equipment. But it seems like there is more to it. Zandian is trying to proof to IRS that he has lost over 2 million dollars in business related to the shipyard containers! The informations are false, and he is trying to avoid paying the Federal Tax and the State Tax. On 2003-2004 Reza collected close \$1.5 million dollars commissions from Pico Holdings, Inc. at 874 Prospect Street, ste. 301 La Jolla, Ca. 92037-4264. (You may call Richard or Max at 888-389-3222 for more information.

Reza Zandian did paid taxes on that amount. He has not filed for the income tax at all.

Reza Zandian has set up false California Companies by using the former Optima employ's social security number. This company was called "Optima Technology Company". Zandian some how sold the company and did not pay any capital gain and cheated the IRS again.

The followings are some of the L.L.c.'s that has been open by Reza Zandian:

WFZ0962

FROM : _____

PHONE NO. :

Jun. 17 2002 02:23AM P3

3

Sparks Village L.L.C (100 Acres commercial, Active date 12/15/04):

- Sean S. Fayeghi, 1401 S. Las Vegas Blvd. Las Vegas, NV 89104
- Ali Fayeghi, 3080 Tioga Way, Las Vegas, NV. 89117
- Reza Zandian, 8350 W. Sahara Ave. Las Vegas, NV. 89117

Churchill Park Development L.L.C (active date 9/22/04):

- Elias Abrishami
- Rafi Abrishami
- Reza Zandian, 220 Sussex Pl, Carson City, NV. 89703

1-5- Plaza L.L.C, (Active date 2/3/05)

- Sean S. Fayeghi
- Sima Behnamjou
- Ali Fayeghi
- Reza Zandian, 8350 W. Sahara Ave. ste 150, Las Vegas NV. 89117

Optima Technology Corporation: (Active date 10/11/04)

- Reza Zandian 8 San Ramon Dr. Irvine, Ca. 92612

Gold Canyon Development: File date: 5/27/04

- Elias Abrishami
- Rafi Abrishami
- Reza Zandian, 9550 W. Sahara ave. ste. 1011 Las Vegas, Nv 89117

Lyon Park Development L.L.C: (Active Date 9/22/04)

- Elias Abrishami
- Rafi Abriasami
- Reza Zandian, 220 Sussex Pl Carson City, NV. 89703

High Tech Development L.L.C: (Active Date 9/22/04)

- Elias Abrishami
- Rafi Abrishami

WFZ0963

-Reza Zandian

REMOVED PROJECT M.I.C. (ACTIVE DATE 10/1/03)

-Gholamreza Zandian Jazi, 9550 W. Sahara Ave. 2148
Las Vegas, NV. 89117

Big Spring Ranch L.L.C (Active Date: 10/1/03)

-Gholamreza Zandi, P.O.Box 81624 Las Vegas, NV. 89180-1624

Nevada Land Water Resource L.L.C: (File date 5/13/03)

-Gholamreza Zandian Jazi, 9550 W. Sahara Ave. # 2148
Las Vegas, NV. 89117

Reza Zandian has been trying to obtain the Green card for his family and himself. Issuing the Green Card to this man is a very bad news to the Middle Eastern community, specially Iranian in California and Nevada.

If Homeland security or INS issue this man a permanent residency, it is like issuing a passport to Ben Laden. This man is capable of doing any thing for money. Two years ago he did not have a dime in his pocket, but all of a sudden he is talking of Million dollar deals! He has committed several frauds through the web sites by advertising real estate auctions. He has many victims in real estate transactions in Northern and Southern Nevada. He is providing false informatins to Immigration office. by opening false L.L.C's, to prove to Immigration that he has many investments in this country, while he did not even put one dime in any deal. He will do anything to obtain his green card.

Reza Zandian is very dangerous man, by investigating on him you will be really surprised. If you need more informations you may call Fred Sadri at (702) 873-8170.

Jun. 17 2002 02:24PM PT

PHONE NO. :

FROM :

WFZ0964



JOHN PETER LEE, LTD.

ATTORNEYS AT LAW

830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
TELEPHONE (702) 382-4044
FACSIMILE (702) 383-9950
E-MAIL: info@johnpeterlee.com

August 25, 2005

Mr. Fariborz Fred Sadri
Mr. Ray Koroghli
3055 Via Sarafina
Henderson, Nevada 89012

Re: Gholamreza Zandian Jazi

Gentlemen:

This office represents Gholamreza Zandian Jazi. He is a Managing Member of Wendover L.L.C. We have copies of Operating Agreements dated May 8, 2003 and December 26, 2003 naming each of you as a Managing Member, together with Mr. Zandian; providing that the principal place of business was at 4225 South Eastern Avenue, Las Vegas, Nevada 89119; that Managing Member Fariborz Fred Sadri's address is 2827 South Monte Cristo, Las Vegas, Nevada 89117 that the Resident Agent Ray Koroghli's address is 3055 Via Sarafina, Henderson, Nevada 89012; and that the principal place of business changed to the Via Sarafina address by the December Operating Agreement.

According to Paragraph 1.6 of each Agreement, Wendover is required to maintain books and records at its principal office. Accordingly, this letter is being delivered to you at each of the addresses which are shown in the Operating Agreements.

This letter makes demand upon you and each of you, at whatever address you are and wherever the books and records of Wendover L.L.C. are kept, to permit inspection and copying of the following records specifically identified in each of the Operating Agreements referred to in Paragraph 1.6, together with the company books as specified in Paragraph 4.2(a) designated as "books of account" and "books of account" as defined in Paragraph 5.6:

- (a) A current list of the full name and last known business address of each Managing Member and Member separately identifying all Members in alphabetical order.
- (b) A copy of the filed Articles of Organization and all amendments thereto, together with executed copies of any powers of attorney pursuant to which any document has been executed.

WFZ0966

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW

Mr. Fariborz Fred Sadri
Mr. Ray Koroghli
August 25, 2005
Page Two

- (c) Copies of the Company's federal income tax returns and reports, if any, for the three (3) most recent years.
- (d) Copies of any then effective Operating Agreement and of any financial statements for the Company for the three (3) most recent years.
- (e) A statement setting forth the Capital Contributions of each Member including:
 - (1) The amount of cash and description and statement of the agreed value of the other property or services contributed by each Member and which each Member has agreed to contribute.
 - (2) The items as to which or events on the happening of which any additional contributions agreed to be made by each Member are to be made.
 - (3) Any right of a Member to receive, or of a Managing Member to make, distributions to a Member (including Managing Members) which include the return of all or any part of the Member's contributions as set forth more fully in Article 3, paragraph 3.8.
 - (4) Any events upon the happening of which the Company is to be dissolved and its affairs wound up.

J
This request requires you to produce for inspection the aforementioned books and documents on the 2nd day of September, 2005 at the hour of 10:00 a.m. at the principal place of business of Wendover L.L.C. at 3055 Via Sarafina, Henderson, Nevada. At that time, our client, and a representative of this office, will review the records demanded and copy those documents which are necessary to support our client's rights.

Yours truly,

JOHN PETER LEE, LTD.

John Peter Lee
John Peter Lee, Esq.

JPL/jlr
cc: Client
1334.022860

WFZ0967

5 5 •





EXHIBIT "A"

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

PARCEL A:
A.P.N. 079-150-09

The Northeast $\frac{1}{4}$ and the South $\frac{1}{2}$ of the Northwest $\frac{1}{4}$ and the South $\frac{1}{2}$ in
Section 33, Township 21 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar
and other valuable minerals as reserved by the United States of America or the
State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores
within or underlying the property, including, without limitation, oil, natural gas
and hydrocarbon substances, geothermal steam, brines and minerals in solution,
and sand gravel and aggregates, and products derived therefrom, together with
any rights of ingress and egress in, upon or over the property and to make such
use of the property and the surface thereof as is necessary or useful in
connection therewith, as reserved in the Deed recorded January 09, 1990 in
Book 3019, Page 756 as Document No. 1373452 of Official Records.

PARCEL B:
A.P.N. 079-150-10

Section 31, Township 21 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar
and other valuable minerals as reserved by the United States of America or the
State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores
within or underlying the property, including, without limitation, oil, natural gas
and hydrocarbon substances, geothermal steam, brines and minerals in solution,
and sand gravel and aggregates, and products derived therefrom, together with



any rights of ingress and egress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded February 22, 1991 in Book 3216, Page 526 as Document No. 1461483 of Official Records.

PARCEL C:
A.P.N. 079-150-13

The Northeast $\frac{1}{4}$; South $\frac{1}{2}$ of the Northwest $\frac{1}{4}$; South $\frac{1}{2}$ of Section 27,
Township 21 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with any rights of ingress and egress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded January 09, 1990 in Book 3019, Page 756 as Document No. 1373452 of Official Records.

PARCEL D:
A.P.N. 084-040-02

Section 5, Township 20 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with any rights of ingress and egress in, upon or over the property and to make such



use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded February 22, 1991 in Book 3216, Page 526 as Document No. 1461483 of Official Records.

PARCEL E:
A.P.N. 084-040-04

Section 3, Township 20 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with any rights of ingress and egress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded January 03, 1992 in Book 3391, Page 840 as Document No. 1534872 of Official Records.

PARCEL F:
A.P.N. 084-040-06

Section 1, Township 20 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with any rights of ingress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection



therewith, as reserved in the Deed recorded January 03, 1992 in Book 3391, Page 840 as Document No. 1534872 of Official Records.

PARCEL G:
A.P.N. 084-040-10

The North $\frac{1}{2}$ and the North $\frac{1}{2}$ of the Northwest $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ and the Southwest $\frac{1}{4}$ of the Northwest $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ and the North $\frac{1}{2}$ of the Northeast $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ and the North $\frac{1}{2}$ of the Northwest $\frac{1}{4}$ of the Southeast $\frac{1}{4}$, all in Section 11, Township 20 North, Range 23 East, M.D.B.&M.

ALSO EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with any rights of ingress and egress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded January 03, 1992 in Book 3391, Page 840 as Document No. 1534872 of Official Records.

PARCEL H:
A.P.N. 084-130-07

The Northwest $\frac{1}{4}$ and the North $\frac{1}{2}$ of the Southwest $\frac{1}{4}$ and Government Lot 1 in the Southwest $\frac{1}{4}$ of Section 15, Township 20 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with



any rights of ingress and egress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded January 03, 1992 in Book 3391, Page 840 as Document No. 1534872 of Official Records.

PARCEL I:
A.P.N. 084-140-17

The Northeast ¼ of Section 15, Township 20 North, Range 23 East, M.D.B.&M.

~~EXCEPTING THEREFROM~~ all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

~~FURTHER EXCEPTING~~ and reserving any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with any rights of ingress and egress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded January 03, 1992 in Book 3391, Page 840 as Document No. 1534872 of Official Records.

Exhibit 2

WFZ0974

ORIGINAL

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DEC 8 11 35 AM '05

Shirley B. Longine
CLERK

ANS
1 JOHN M. NETZORG, ESQ.
2 Nevada Bar No. 1335
3 2810 West Charleston Boulevard, #H-81
4 Las Vegas, Nevada 89102
5 (702) 878-3400
6 Attorney for RAY KOROGHLI, individually
7 FARIBORZ FRED SADRI, individually and as Trustee
8 of the STAR LIVING TRUST

DISTRICT COURT
CLARK COUNTY, NEVADA

9 GHOLAMREZA ZANDIAN JAZI,)

10 Plaintiff,)

11 vs.)

12 RAY KOROGHLI, individually, FARIBORZ)
13 FRED SADRI, individually and as Trustee of the)
14 the Star Living Trust, WENDOVER PROJECT,)
15 LLC, a Nevada limited liability company; BIG)
16 SPRING RANCH, LLC, a Nevada limited liability)
17 company, and NEVADA LAND AND WATER)
18 RESOURCES, LLC, a Nevada limited liability)
19 company)

20 Defendants)

CASE NO. A 511131
DEPT. NO. XIII

DEFENDANTS' RAY
KOROGHLI AND FARIBORZ
SADRI'S ANSWER AND
COUNTERCLAIM

Date of Hearing: n/a
Time of Hearing: n/a

21 COME NOW, Defendants Ray Koroghli and Fariborz Fred Sadri, by and through their
22 counsel, John M. Netzorg, Esq., and for their Answer to Plaintiff's First Amended Complaint,
23 state as follows:

24 1. Answering Paragraph 1, Answering Defendants are without sufficient
25 knowledge or information upon which to base a belief as to the truth of the allegations contained
26 in Paragraph 1, and upon said ground deny each and every allegation contained therein.
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CE15

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2810 W. CHARLESTON BLVD., SUITE H-81
LAS VEGAS, NEVADA 89102
(702) 878-3400

COUNTY CLERK

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LAS VEGAS, NEVADA 89102
(702) 878-3400

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2. Answering Defendants admit the allegations contained in Paragraph 2.

3. Answering Defendants admit the allegations contained in Paragraph 3.

4. Answering Paragraph 4, Answering Defendants are without sufficient knowledge or information upon which to base a belief as to the truth of the allegations contained in Paragraph 4, and upon said ground deny each and every allegation contained therein.

5. Answering Defendants deny the allegations contained in Paragraph 5.

6. Answering Defendants deny the allegations contained in Paragraph 6.

7. Answering Defendants deny the allegations contained in Paragraph 7.

8. Answering Defendants deny the allegations contained in Paragraph 8.

9. Answering Defendants deny the allegations contained in Paragraph 9.

10. Answering Defendants deny the allegations contained in Paragraph 10.

11. Answering Defendants deny the allegations contained in Paragraph 11.

12. Answering Defendants deny the allegations contained in Paragraph 12.

Attorney's Fee

Answering Defendants deny this allegation.

COUNTERCLAIM

COME NOW, Counterclaimants, RAY KOROGHLI and FARIBORZ FRED SADRI and for their counterclaims against the Counterdefendant GHOLAMREZ ZANDIAN JAZI, allege as follows:

1. Counterclaimant RAY KOROGHLI (hereinafter "Ray") is a member and manager of the three named LLCs.

2. Counterclaimant FARIBORZ FRED SADRI (hereinafter "Fred") is a member and manager of the three named LLCs.

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3. Counterdefendant GHOLAMREZA ZANDIAN JAZI aka Zandian and Zandian Jazi (hereinafter "Zandian") is believed to live in California.

4. Zandian was introduced to Fred by Fred's uncle who indicated Zandian was a prominent business man, was down on his luck, and needed some assistance.

5. Zandian and his family befriended Fred.

6. Zandian represented to Fred and Ray that he had substantial holdings in Europe and in Iran.

7. Zandian further represented that he had a personal relationship with Vidler Water Company, an affiliate of Pico Holdings, Inc., the purchasers of the Union Pacific land holdings in northern Nevada and water rights appurtenant thereto.

8. Zandian represented that by reason of his relationships with Vidler, its CEO, John R. Hart, and other officers, that he was in a position to acquire substantial land holdings in Nevada for a fraction of their value.

9. Based on these representations, the parties undertook a number of investments.

10. The parties' initial investment was Nevada Land and Water Resources, LLC.

11. This transaction closed in the summer of 2003.

12. Each of the partners was to be responsible for one-third of the million dollar investment in this 4400-acre parcel in Pah Rah, Washoe County, Nevada.

13. Zandian represented that he had a shipping company in Europe as well as houses in Paris, Nice, and Iran and was temporarily without funds.

14. Fred advanced 100% of Zandian's investment in the form of a purchase money note and deed of trust.

15. Later that year, in December, the parties closed on two other transactions, one of

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which the Big Springs Ranch Project, a 37,000 acre parcel and 20,000 acre feet of water located 25 miles from Wendover.

16. As with the prior project, Fred and Ray put up \$900,000.00 apiece and Zandian nothing.

17. The third investment was the Wendover Project, LLC.

18. When Zandian introduced the Wendover Project to his partners, he represented that this 6400 acre Vidler holding, west of Wendover, Nevada, could be acquired for \$15,000,000.00, or approximately one-third of its \$50,000,000.00 value.

19. Zandian, claiming to own a shipping yard in Europe, was to contribute his \$3,000,000.00 in stock in the facility and the partners would share equally.

20. Fred and Ray organized the financing and brought in several new investors to invest to reduce the loan amount.

21. The operating agreements disclosed what the managing partners were to receive.

22. The original purchase included a substantial purchase money deed of trust.

23. When debt service was necessary, Fred and Ray made the payments.

24. When the note and deed of trust matured, Fred hypothecated his other properties in order to save the Wendover Project from foreclosure.

25. Subsequently, several investors were brought to Wendover to view the project and introduced to City officials.

26. In response to inquiries as to the value of the land, the City officials indicated that it was \$200.00 to \$400.00 an acre.

27. As a result of Zandian's failure to contribute anything, questions as to the accuracy of his representations and his refusal to assist in the financing, Fred and Ray became concerned

1 and flew to California to meet with John Hart, the CEO of Vidler Water Company and Pico
2 Holdings, the sellers of the land.

3 28. Fred and Ray were advised by Mr. Hart that the stock tendered by Zandian was
4 worthless.

5 29. On further demand, Fred and Ray were provided with documentation that
6 Zandian had received undisclosed commissions on all transactions from his principal, the seller.

7 30. Zandian represented that Fred and Ray would be partners in a 2,000 acre parcel in
8 Dayton, Nevada.

9 31. Without Fred and Ray's knowledge, Zandian proceeded with the acquisition of
10 this and other properties excluding Fred and Ray, but using investors introduced to him by them
11 to close the transactions.

12 32. Zandian proceeded to form LLCs including Gold Canyon Development, LLC,
13 High-Tech Development, LLC, Lion Park Development, LLC, Churchill Park Development,
14 LLC and Sparks Village, LLC during 2004 and additional LLCs during 2005 including Dayton
15 Plaza, LLC and Misfits Development, LLC.

16 33. As a result of learning that not only had Zandian tendered no consideration for his
17 interests, but that he had received undisclosed and improper commissions from the sellers on
18 each of the land transactions, the agreements were rescinded.

19 34. Nevada Land and Water, LLC, the first transaction, was never conveyed to the
20 LLC, but rather, Zandian refused and the interests were held as tenants-in-common.

21 35. Zandian has neither tendered nor paid one penny on the note and deed of trust
22 which was on the eve of foreclosure in December 2005.

23 36. As a result of having tendered worthless stock for the acquisition of the Wendover
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1 Project, and actually having received hundreds of thousands of dollars in secret compensation,
2 his rescinded interest was transferred to the other investors pro rata.

3 **FIRST COUNTERCLAIM FOR RELIEF**

4 **(Rescission)**

5 37. Counterclaimants repeat and reallege each and every allegation set forth above in
6 Paragraphs 1 through 36 as though fully set forth at length herein.

7 38. The Counterdefendant misrepresented the terms and conditions of the
8 investments.

9 39. The Counterdefendant has taken over half a million dollars in undisclosed
10 commissions and profits while simultaneously representing their value and Counterclaimants'
11 intentions.

12 40. Had Counterclaimants been aware of the true facts, they never would have entered
13 into the transactions.

14 41. By reason of the misrepresentations, breach of fiduciary duties, and receipt of
15 undisclosed commissions and compensation, the Counterclaimants and investment entities are
16 entitled to rescission.

17 42. By reason of a failure of consideration, the Counterclaimants and investment
18 entities are entitled to rescission.

19 43. By reason of Counterdefendant's intentional misrepresentations and omissions of
20 material fact, the Counterclaimants are entitled to rescission.

21 **SECOND COUNTERCLAIM FOR RELIEF**

22 **(Derivative Claims by the LLCs and by Counterclaimants)**

23 44. Counterclaimants repeat and reallege each and every allegation set forth in
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LAS VEGAS, NEVADA 89102
(702) 878-3400

1 Paragraphs 1 through 43 above as though fully set forth at length herein.

2 45. Counterdefendant was the fiduciary of the investors and was under a duty to
3 disclose all compensation received.

4 46. By negotiating commissions, not only was this conduct in violation of Nevada real
5 estate law, but it worked a fraud against the Counterclaimants in that Counterdefendant received
6 undisclosed commissions and profits.

7 47. The Counterdefendant had fiduciary duties and statutory duties to disclose all
8 compensation and agency relationships.

9 48. Even though Counterdefendant was not a Nevada licensee, he was nonetheless
10 required to comply with Nevada Agency Disclosure Statutes and the other real estate licensee
11 requirements.

12 49. Counterdefendant has not contributed one penny towards the principal amounts,
13 interest, property taxes, water rights, engineering or anything.

14 50. In receiving hundreds of thousands of dollars in undisclosed commissions, the
15 Counterdefendant has enriched himself at his fiduciaries' and the Counterclaimants' expense.

16 51. In so acting, the Counterdefendant has caused the Counterclaimants damages in
17 an amount in excess of \$10,000.00.

18 52. In doing the acts set forth, the Counterdefendant has acted willfully, maliciously,
19 and with the intent to injure the Counterclaimants such that the Counterclaimants are entitled to
20 punitive and exemplary damages in an amount in excess of \$10,000.00.

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24 **THIRD COUNTERCLAIM FOR RELIEF**

25 **(Breach of Fiduciary Duties)**

26 53. Counterclaimants repeat and reallege each and every allegation set forth in
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1 Paragraphs 1 through 51 above as though fully set forth at length herein.

2 54. Counterdefendant, as a partner, co-member, co-manager, undisclosed agent, and
3 purported friend owed duties of disclosure to the Counterclaimants.

4 55. The standard for disclosure in Nevada is that each partner knows everything the
5 other partner knows.

6 56. In negotiating secret commissions, misrepresenting assets, misrepresenting values,
7 and in the other conduct complained of above, the Counterdefendant breached his fiduciary
8 duties causing the Counterclaimants damages in an amount in excess of \$10,000.00.
9

10 57. In so acting In doing the acts set forth, the Counterdefendant has acted willfully,
11 maliciously, and with the intent to injure the Counterclaimants such that the Counterclaimants
12 are entitled to punitive and exemplary damages in an amount in excess of \$10,000.00.
13

14 **FOURTH COUNTERCLAIM FOR RELIEF**

15 **(Derivative Claims)**

16 58. Counterclaimants repeat and reallege each and every allegation contained in
17 Paragraphs 1 through 56 above as though fully set forth at length herein.

18 59. Independently, and in the alternative, Counterclaimants make claim on behalf of
19 the LLCs for recovery of the undisclosed commissions and profits and for rescission of
20 Counterdefendant's membership interests.
21

22 60. Accordingly, the entities request an accounting and a judicial declaration that by
23 reason of the misrepresentations, failure of consideration, breach of fiduciary duties and
24 otherwise, that the membership interests claimed by Counterdefendant be declared null and void
25 and rescinded and that the parties be restored to their status quo ante.
26

27 61. Derivatively and additionally, Counterclaimants request that all undisclosed
28

1 commissions and compensation received by Counterdefendant be disgorged together with the
2 rescission.

3 **FIFTH COUNTERCLAIM FOR RELIEF**

4 **(Constructive Trust)**

5 62. Counterclaimants repeat and reallege each and every allegation contained in
6 Paragraphs 1 through 60 above as though fully set forth at length herein.

7 63. Counterclaimants were advised that there were four Vidler properties being
8 pursued.

9 64. Counterdefendant acquired one of the four properties, without the
10 Counterclaimants' knowledge or consent, for his own account.

11 65. In acquiring the Dayton property, after advising the Counterclaimants that they
12 would receive it, the Counterdefendant acquired the property utilizing funds apparently provided
13 by one of the Counterclaimants' original investors.

14 66. In breaching his fiduciary duties, converting this company opportunity, and
15 defrauding his co-investors, Counterdefendant has damaged the Counterclaimants in an amount
16 in excess of \$10,000.00.

17 67. The conduct of Counterdefendant is such that a constructive trust need be imposed
18 upon the asset so that it may be retained for the benefit of the defrauded Counterclaimants.

19 **SIXTH COUNTERCLAIM FOR RELIEF**

20 **(Negligence)**

21 68. Counterclaimants repeat and reallege each and every allegation contained in
22 Paragraphs 1 through 66 above as though fully set forth herein.

23 69. Counterdefendant, in his dealings with Counterclaimants, owed them duties of
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2810 W. CHARLESTON BLVD., SUITE H-81
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1 good faith and to conduct himself in a manner which would not adversely impact the
2 Counterclaimants' interests.

3 70. Counterdefendant owed both a contractual duty of good faith and by reason of the
4 fiduciary relationships, a tort duty of good faith as well.

5 71. In breaching his duties to the Counterclaimants, the Counterdefendant has caused
6 the Counterclaimants damages in an amount in excess of \$10,000.00 for negligence damages.

7 **SEVENTH COUNTERCLAIM FOR RELIEF**

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9 72. Counterclaimants repeat and reallege each and every allegation contained in
10 Paragraphs 1 through 70 above as though fully set forth at length herein.

11 73. In no event should this Counterclaim nor any provision of this pleading ever be
12 interpreted as an action on the Star Living Trust note and deed of trust which are secured by the
13 Nevada Land and Water Company interest of Counterdefendant.

14 74. The Star Living Trust has elected to proceed with non-judicial disclosure of that
15 note and obligation.

16 75. Other than the note and deed of trust discussed herein, Counterdefendant has
17 breached his obligations under the LLC agreements and in so doing, has caused
18 Counterclaimants and the LLCs damages in an amount in excess of \$10,000.00.

19 **EIGHTH CLAIM FOR RELIEF**

20 **(Declaratory Relief)**

21 76. Counterclaimants repeat and reallege each and every allegation contained in
22 Paragraphs 1 through 74 above as though fully set at length herein.

23 77. Disputes have arisen between the parties as to their mutual rights and
24 entitlements.
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JOHN M. NETZORG
2810 W. CHARLESTON BLVD., SUITE H-81
LAS VEGAS, NEVADA 89102
(702) 878-3400

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78. As outlined above, Counterclaimants have rescinded, legally or equitably, Counterdefendant's interests in the Wendover Project, LLC and the Big Springs, LLC.

79. Furthermore, Counterclaimants claim an interest in the fourth Vidler property located in Dayton.

80. The Counterclaimants do not seek the dissolution and winding up of the LLCs, but rather seek the rescission of Counterdefendant's interests.

81. It is otherwise necessary for the Court to adjudicate the parties' rights and entitlements.

82. Accordingly, Counterclaimants request a declaration from this Court determining the rights and entitlements of the parties in each of the investments.

NINTH CLAIM FOR RELIEF

(For Attorney's Fees and Special Damages)

83. Counterclaimants repeat and reallege each and every allegation contained in Paragraphs 1 through 82 above as though fully set forth at length herein.

84. By reason of Counterdefendant's activities, it has been necessary to retain attorneys.

85. In seeking the disgorgement of the profits, rescission and the other equitable relief requested herein, Counterclaimants are incurring attorney's fees due to Counterdefendant's conduct.

86. In so acting, Counterdefendant has caused Counterclaimants' damages in an amount in excess of \$10,000.00.

WHEREFORE, Counterclaimants pray for relief as follows:

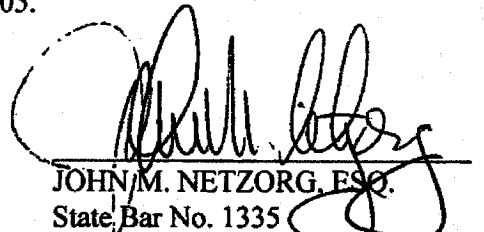
1. That Plaintiff take nothing by way of his Complaint;

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JOHN M. NETZORG
2810 W. CHARLESTON BLVD., SUITE H-81
LAS VEGAS, NEVADA 89102
(702) 878-3400

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2. For rescission of Counterdefendant's interests;
3. For disgorgement by Counterdefendant of all undisclosed commissions and profits;
4. For an accounting of all proceeds received by Counterdefendant;
5. For general damages in an amount in excess of \$10,000.00;
6. For punitive damages in an amount in excess of \$10,000.00;
7. For the imposition of a constructive trust on the Dayton property and any other misappropriated opportunities or ventures;
8. For declaratory relief;
9. For such further relief as the court deems just and proper, including attorney's fees, costs, and interest.

Dated this 6th day of December 2005.


JOHN M. NETZORG, ESQ.
State Bar No. 1335
2810 W. Charleston Boulevard, #81
Las Vegas, Nevada 89102
Attorney for KOROGHLI/SADRI

RECEIPT OF COPY

RECEIPT OF COPY of the foregoing Answer and Counterclaim is acknowledged this

6 day of December 2005.



JOHN PETER LEE, ESQ.
JOHN PETER LEE, LTD.

Nevada Bar No. 1768

830 Las Vegas Boulevard South

Las Vegas, Nevada 89101

Attorney for Plaintiff/Counterdefendant

LAW OFFICES OF
JOHN M. NETZORG
2810 W. CHARLESTON BLVD., SUITE H-81
LAS VEGAS, NEVADA 89102
(702) 878-3400

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Exhibit 3

WVZ0988

ORIGINAL

DISTRICT COURT
CLARK COUNTY, NEVADA Jan 16 10 38 AM '07

GHOLAMREZA Z. JAZI, et al. .
Plaintiffs .
vs. .
RAY KOROGHLI, et al. .
Defendants .
.....

FILED
CASE NO. A-511131
[Signature]
DEPT. NO. XI
CLERK OF THE COURT

Transcript of
Proceedings

BEFORE THE HONORABLE ELIZABETH GONZALEZ, DISTRICT JUDGE

HEARING ON MOTIONS

THURSDAY, JANUARY 11, 2007

APPEARANCES:

FOR THE PLAINTIFFS: HOLLY FIC, ESQ.
MICHAEL A. REYNOLDS, ESQ.
FOR THE DEFENDANTS: JOHN M. NETZORG, ESQ.

COURT RECORDER:

JILL HAWKINS
District Court

TRANSCRIPTION BY:

FLORENCE HOYT
Las Vegas, Nevada 89146
(702) 221-0246

Proceedings recorded by audio-visual recording, transcript produced by transcription service.

1 formed the basis of the settlement removed.

2 So the defendants were denied under the statutes,
3 NRS 38, basically what amounts to their day in court. And
4 there's no pretense that this was a complete, full and fair
5 hearing, nor did the parties intend that it be such. They
6 settled it, they put the settlement on the record. The
7 plaintiffs are now disagreeing and started immediately, our
8 spouses won't sign, that'll be confusing. Well, we didn't get
9 the benefit -- had they notified us the day that we were
10 putting it on the record, it never would have happened.

11 And the other items I detailed in my opposition to
12 their motion and their reply. So thank you, Your Honor.

13 THE COURT: Okay.

14 MS. FIC: Your Honor, I have a suggestion, okay.
15 Because what I keep hearing is settlement, settlement,
16 settlement. We agree there was a settlement. I did say
17 settlement, okay. But the settlement terms were -- the terms
18 -- essential terms were put in -- recorded by a -- on the
19 transcript by the court reporter. So we have the essential
20 terms, okay.

21 THE COURT: You do.

22 MS. FIC: What I'm hearing is --

23 THE COURT: And you're missing some of the things in
24 the documents you have as to those essential terms.

25 MS. FIC: Okay. And that's -- okay, Your Honor, so

1 fine. So if we have the essential terms, if we've got
2 disputes with this, why don't we -- okay. I don't want to do
3 a new arbitrator, because that's going to be costs to both
4 parties. It's not going to be efficient. Arbitrator Hale was
5 agreed to --

6 THE COURT: I'm going to solve your problem. It's
7 really easy. I'm going to refer the matter back to Floyd Hale
8 for further proceedings, consistent with the 9/8/06
9 transcript. Those will include getting the mechanism for the
10 spouses of the parties to sign the documents, getting a
11 mechanism for the waiver of the release of the rights of first
12 refusal that exist, entering into the settlement agreement the
13 parties entered into. If he is unable to reach an agreement
14 among the parties, then I will have the final word. I --

15 MS. FIC: Because, Your Honor --

16 THE COURT: Wait, wait, wait. I'm not done.

17 MS. FIC: Okay. Sorry, Your Honor.

18 THE COURT: Okay. I recommend -- this is not an
19 order -- that an escrow be opened for the transfers of the
20 real property. If you are merely transfer interests in an
21 LLC, which has different tax consequences to both of your
22 clients, I don't think it's necessary for an escrow to be
23 opened. But if you're transferring real property, which is
24 what it currently looks like to me you were trying to do based
25 upon the settlement, then an escrow needs to be opened.

1 I'm referring it back to Mr. Hale, since I would
2 typically in a case where a settlement was reached and there
3 was a mediator or arbitrator involved refer it to that
4 individual for some additional work with you to try and
5 resolve those disputed issues, since they were there at the
6 time you reached the settlement. Hopefully I have a
7 transcript that helps me. If you are unable to reach an
8 accommodation after speaking to Mr. Hale, then I will reach an
9 accommodation, because I have a transcript, and I'll make a
10 decision. And it won't be one that anybody's tax benefits are
11 in favor of, because there's no indication in the transcript
12 that you're going to work together to minimize tax
13 consequences to each other, which sometimes I see in
14 settlement agreements. And I didn't see that in this one.

15 MS. FIC: Yeah. 'Cause the only concern was I
16 didn't want to have like maybe one wife not sign, because
17 there's a lot of -- you know, one wife not signing upset the
18 whole thing.

19 THE COURT: The wives have to sign. That was part
20 of the deal you guys cut. You cut a deal the wives are going
21 to sign. The wife's have got to sign.

22 MS. FIC: We --

23 THE COURT: That was part of the discussion on
24 September 8th during the --

25 MS. FIC: Floyd Hale said that, but then it was not

1 added to at the end of it that we were required to have all
2 the wives sign. Because here's the thing, they're non-
3 parties. And what happens if one --

4 THE COURT: How are you going to -- wait now. This
5 is just really common sense.

6 MS. FIC: Okay.

7 THE COURT: How are you going to transfer an
8 interest in real property which may be owned by both of the
9 people and the wife has a claim, especially in places where it
10 is voidable if you do not have the spouse sign? How are you
11 going to transfer that property free and clear?

12 MS. FIC: Because the husbands -- I mean, there's
13 NRS statutes --

14 THE COURT: Okay. I'm going to send you back to Mr.
15 Hale, and the wives need to sign. Spouses need to sign, and
16 the people who have the first right of refusal need to waive.

17 MS. FIC: So we'll come back to you if one of the
18 wives refuse. That's the only thing. I just don't want to --

19 THE COURT: You're going to come back to me if you
20 are unable to reach an agreement, if you need me to confirm an
21 order. You are also going to come back to me if there is any
22 problem in the implementation of the agreement.

23 But you reached a settlement, it was put on the
24 record. You've got to have a settlement agreement. I know
25 that Mr. Hale drafted an arbitration award, because he

1 conducted a portion of the arbitration. And I don't really
2 have a problem with that, but we need to have the
3 documentation consistent with the discussions that were --
4 that occurred on September 8th, 2006, which are a part of the
5 actual record the court reporter made, at which time both
6 parties stipulated in front of the arbitrator that they had
7 agreed to go to as part of the extrajudicial proceedings,
8 which in my mind makes it an enforceable settlement. Okay.

9 MR. NETZORG: Thank you, Your Honor.

10 THE COURT: Have a lovely day.

11 MR. NETZORG: We appreciate it. Happy New Year.

12 MS. FIC: Thank you, Your Honor.

13 MR. NETZORG: Happy to have business court back.

14 THE COURT: Any more business court cases you want
15 to send me, send them along.

16 (Off-record colloquy)

17 THE PROCEEDINGS CONCLUDED AT 9:59 A.M.

18 * * * * *

19

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Exhibit 4

WFZ0995

12

ORIGINAL

FILED

JUN 8 10 50 AM '07

Clark
CLERK OF THE COURT

1 JUDGE
JOHN PETER LEE, LTD.
2 JOHN PETER LEE, ESQ.
Nevada Bar No. 001768
3 MICHAEL A. REYNOLDS, ESQ.
Nevada Bar No. 008631
4 830 Las Vegas Boulevard South
Las Vegas, Nevada 89101
5 (702) 382-4044 Fax: (702) 383-9950
Attorneys for Plaintiff/Counterdefendant
6

DISTRICT COURT

CLARK COUNTY, NEVADA

9 GHOLAMREZA ZANDIAN JAZI,
10 Plaintiff,
11 v.
12 RAY KOROGHLI, individually, FARIBORZ FRED
13 SADRI, individually, and as Trustee of the Star
14 Living Trust, WENDOVER PROJECT, LLC, a
15 Nevada limited liability company; BIG SPRING
RANCH, LLC, a Nevada limited liability company,
and NEVADA LAND AND WATER
16 RESOURCES, LLC, a Nevada limited liability
company,
17 Defendants.

CASE NO.: A511131
DEPT. NO.: XI

**JUDGMENT CONFIRMING
ARBITRATION AWARD**

18 RAY KOROGHLI, individually and FARIBORZ
19 FRED SADRI, individually,
20 Counterclaimants,

DATE: 6-5-07
TIME: 9:00 a.m.

21 v.
22 GHOLAMREZA ZANDIAN JAZI,
23 Counterdefendant.

24 WENDOVER PROJECT, LLC,
25 Counterclaimant,

26 v.
27 GHOLAMREZA ZANDIAN JAZI,
28 Counterdefendant.

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

RECEIVED
JUN 08 2007
CLERK OF THE COURT

JOHN PETER LEE, LTD.

ATTORNEYS AT LAW

830 LAS VEGAS BOULEVARD SOUTH

LAS VEGAS, NEVADA 89101

Telephone (702) 382-4044

Telecopier (702) 383-9950

1 GHOLAMREZA ZANDIAN JAZI,)
2 Counterclaimant,)
3 v.)
4 WENDOVER PROJECT, LLC,)
5 Counterdefendant.)

6 1334.022860-JLR

7 ZANDIAN'S MOTION FOR CONFIRMATION AND ENTRY OF JUDGMENT ON
8 ARBITRATION AWARD and the Defendants' COUNTERMOTION TO VACATE
9 ARBITRATION AWARD having come before this Court on Tuesday, June 5, 2007, the Honorable
10 Elizabeth Gonzalez presiding, and the Court being fully apprised in the premises and good cause
11 appearing, it is hereby

12 ORDERED that Plaintiff's MOTION FOR CONFIRMATION AND ENTRY OF
13 JUDGMENT ON ARBITRATION AWARD is granted, and Defendants' COUNTERMOTION TO
14 VACATE ARBITRATION AWARD is denied.

15 IT IS FURTHER ORDERED that this Court confirms the Arbitration Awards made and
16 entered by Floyd A. Hale, Esq., and enters judgment on the Arbitration Awards as follows:

17 IT IS ORDERED, ADJUDGED AND DECREED that all of the relief granted by the
18 aforesaid Arbitrator in his Arbitration Decision dated the 20th day of September, 2006, a copy of
19 which is attached hereto as Exhibit "1" is granted by this Court.

20 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that the Arbitrator's Decision
21 Denying Defendants' Motion to Change Award dated the 11th day of October, 2006, a copy of which
22 is attached hereto as Exhibit "2" is granted by this Court.

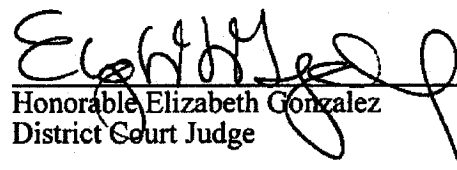
23 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that all relief granted in the
24 Implementation Award dated the 29th day of November, 2006, a copy of which is attached hereto
25 as Exhibit "3" is granted by this Court.

26 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that the Arbitrator's Report
27 and Recommendation to District Court dated the 28th day of February, 2007, a copy of which is
28 attached hereto as Exhibit "4" is granted by this Court.

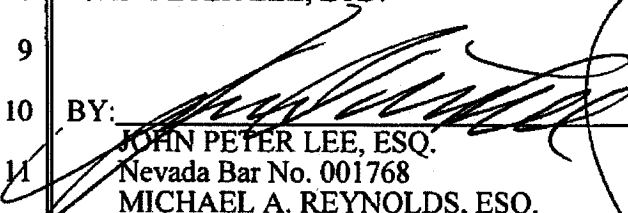
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IT IS FURTHER ORDERED, ADJUDGED AND DECREED that this Court retains jurisdiction to implement this Judgment.

Dated this 7 day of June, 2007.


Honorable Elizabeth Gonzalez
District Court Judge

SUBMITTED BY:
JOHN PETER LEE, LTD.

BY: 
JOHN PETER LEE, ESQ.
Nevada Bar No. 001768
MICHAEL A. REYNOLDS, ESQ.
Nevada Bar No. 008631
830 Las Vegas Boulevard South
Las Vegas, Nevada 89101
Ph: (702) 382-4044/Fax: (702) 383-9950
Attorneys for Plaintiff/Counterdefendant

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

RECEIVED
SEP 22 2006
JOHN PETER LEE, LTD.

1 ARB
2 FLOYD A. HALE, ESQ.
3 Nevada Bar No. 1873
4 JAMS
5 2300 W. Sahara, #900
6 Las Vegas, NV 89102
7 Ph: (702) 457-5267
8 Fax: (702) 437-5267
9 Arbitrator

DISTRICT COURT

CLARK COUNTY, NEVADA

10 GHOLAMREZA ZANDIAN JAZI,) Case No. A511131
11)) Dept. No. XII
12 Plaintiff,)
13 vs.)
14 RAY KOROGHLI, individually,)
15 FABIRORZ FRED SADRI, individually,)
16 and as Trustee-of the Star Living Trust,)
17 WENDOVER PROJECT, LLC, a Nevada)
18 limited liability company; BIG SPRING)
19 RANCH, LLC, a Nevada limited liability)
20 company, and NEVADA LAND AND)
21 WATER RESOURCES, LLC, a Nevada)
22 limited liability company,)
23 Defendants.)

ARBITRATION DECISION

22 Arbitration Hearings in this matter were conducted for two full days. The parties
23 submitted voluminous exhibits, depositions and briefs to the Arbitrator. Having reviewed the
24 documentation submitted and having heard the testimony and representations of the parties, the
25 following Arbitration Decision is entered:
26

- 27 1. The entire interest in the Pah Rah, LLC, property will be transferred to Gholamreza
28

FLOYD A. HALE
SPECIAL MASTER
2300 W. SAHARA AVE. SUITE 900
LAS VEGAS, NEVADA 89102
PHONE (702) 457-5267 EMAIL fhaale@floydahale.com

FLOYD A. HALE
SPECIAL MASTER
2300 W. I. AVE. SUITE 900
LAS VEGAS, NEVADA 89102
PHONE (702) 457-5287 EMAIL fhaale@floydahale.com

1 Zandian Jazi, free and clear of all encumbrances, including the promissory note secured by Deed
2 of Trust issued for the benefit of Fariborz Fred Sadri; any obligation owed to Jeff Codega, related
3 to work that was performed as to the Pah Rah real estate will be the obligation of Gholamreza
4 Zandian Jazi;

5
6 2. The 320 acres referenced in the briefs and this lawsuit will be transferred free and clear
7 to Gholamreza Zandian Jazi without any obligation to the other litigants or parties to this
8 Arbitration or to any other party who may profess to have an interest in the 320 acres that are
9 bound by this lawsuit and Arbitration;

10
11 3. Fariborz Fred Sadri and Ray Koroghli will, within 30 days from the service of this
12 Arbitration Decision, pay Gholamreza Zandian Jazi \$250,000.00 in return for Gholamreza
13 Zandian Jazi waiving any claims or any rights as to the Big Springs Ranch, LLC or any of its
14 assets;

15
16 4. That Gholamreza Zandian Jazi will transfer any interest in the Wendover project, LLC,
17 including all assets and real estate to Fariborz Fred Sadri and Ray Koroghli;


18
19 5. All of the entities and properties that are the subject of this Arbitration and lawsuit,
20 including Pah Rah, LLC, the owners of the 300 acres referenced above, the Big Springs Ranch,
21 LLC, and the Wendover purchase or Wendover Project, LLC, referenced in this lawsuit and
22 Arbitration waive any claims to reimbursement or participation in any consulting fees previously
23 paid to Gholamreza Zandian Jazi from the seller of the real estate to those entities;

24
25 6. That the parties, through counsel, will prepare all necessary documents to effect the
26 transfers of the real estate assets and LLC entities and the parties to this lawsuit and Arbitration
27 will execute all necessary documents to effect this Arbitration Order, including a mutual Release
28 to be executed by all parties.

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7. That each party pay their own fees and costs incurred herein.

DATED this 20th day of September, 2006.

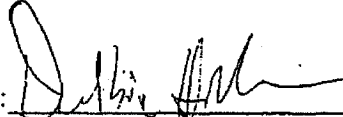
By: 
FLOYD HALE, Arbitrator
2300 West Sahara Avenue, #900
Las Vegas, NV 89102

CERTIFICATE OF FACSIMILE AND MAIL

I hereby certify that on the 21 day of September, 2006, I faxed and mailed a true and correct copy of the foregoing addressed to:

John Peter Lee, Esq.
830 Las Vegas Boulevard South
Las Vegas, NV 89101
Attorneys for Plaintiffs
Fax No. 383-9950

John Netzorg, Esq.
2810 West Charleston Blvd. #H-81
Las Vegas, NV 89102
Attorneys for Defendants
Fax No. 878-1255

By: 
Employee of Jams

FLOYD A. HALE
SPEECH MASTER
2300 W. S
LAS VEG.
PHONE (702) 457-5267
3000 W. S. SUITE 900
LAS VEGAS, NV 89102
EMAIL: fhale@floydahale.com



1 ARB
 2 FLOYD A. HALE, ESQ.
 3 Nevada Bar No. 1873
 4 JAMS
 5 2300 W. Sahara, #900
 6 Las Vegas, NV 89102
 7 Ph: (702) 457-5267
 8 Fax: (702) 437-5267
 9 Arbitrator

DISTRICT COURT

CLARK COUNTY, NEVADA

10	GHOLAMREZA ZANDIAN JAZI,	)	Case No. A511131
		)	Dept. No. XII
11	Plaintiff,)	
)	
12	vs.)	
)	
13	RAY KOROGHILI, individually,)	
14	FABIRORZ FRED SADRI, individually,)	
	and as Trustee of the Star Living Trust,)	
15	WENDOVER PROJECT, LLC, a Nevada)	
16	limited liability company; BIG SPRING)	
17	RANCH, LLC, a Nevada limited liability)	
	company, and NEVADA LAND AND)	
18	WATER RESOURCES, LLC, a Nevada)	
	limited liability company,)	
19)	
	Defendants.)	
20)	

ARBITRATION DECISION

21
 22 On October 11, 2006, the Arbitrator received the Defendant's **MOTION TO CHANGE**
 23 **AWARD BY ARBITRATOR PURSUANT TO NRS 38.237.** The Motion requests that
 24 Zandian Jazi: Execute documents necessary to have the property transferred as required by the
 25 Arbitration Decision; issue guarantees that he has not made transfers to third parties; assign shares
 26 of shipyard stock; warrant and verify that he is in a position to execute documents required by the
 27
 28

FLOYD A. HALE
 SPECIAL MASTER
 2300 W. SAHARA, SUITE 900
 LAS VEGAS, NV 89102
 EMAIL: fhaile@floydahale.com
 PHONE: (702) 457-5267

1 Arbitration Decision and verify other factual issues that were the subject of the Arbitration
2 Agreement.

3
4 The Motion goes well beyond the Arbitration Decision asking to reopen evidentiary
5 matters which are unnecessary at this time. Furthermore, paragraph 6 of the Arbitration Decision
6 indicates as follows:

7
8 6. That the parties, through counsel, will prepare all necessary
9 documents to effect the transfers of the real estate assets and LLC
10 entities and the parties to this lawsuit and Arbitration will execute all
11 necessary documents to effect this Arbitration Order, including a
12 mutual Release to be executed by all parties.

13
14 The Defendant's MOTION TO CHANGE AWARD BY ARBITRATOR PURSUANT
15 TO NRS 38.237 is denied.

16 DATED this 11th day of October, 2006.

17 By: 

18 FLOYD A. HALE
19 2300 W. Sahara, #900
20 Las Vegas, NV 89102
21 Arbitrator

22 CERTIFICATE OF FACSIMILE

23 I hereby certify that on the 11th day of October, 2006, I faxed and mailed a true and
24 correct copy of the foregoing addressed to:

25 John Peter Lec, Esq.
26 830 Las Vegas Boulevard South
27 Las Vegas, NV 89101
28 Attorneys for Plaintiff's
Fax No. 383-9950

John Netzorg, Esq.
2810 West Charleston Blvd. #H-81
Las Vegas, NV 89102
Attorneys for Defendants
Fax No. 878-1255

By: 

Employee of Jams

FLOYD A. HALE
SPEC. MASTER
2300 W. SAHARA, SUITE 900
LAS VEGAS, NV 89102
PHONE (702) 467-6267 EMAIL fhav@jamsadr.com



JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BLVD. SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9951

1 AWD
2 JOHN PETER LEE, LTD.
3 JOHN PETER LEE, ESQ.
4 Nevada Bar No. 001768
5 MICHAEL A. REYNOLDS, ESQ.
6 Nevada Bar No. 008631
7 830 Las Vegas Boulevard South
8 Las Vegas, Nevada 89101
9 (702) 382-4044 Fax: (702) 383-9950
10 Attorneys for Plaintiff/Counterdefendant
11 GHOLAMREZA ZANDIAN JAZI

RECEIVED
NOV 30 2006
JOHN PETER LEE, LTD.

DISTRICT COURT

CLARK COUNTY, NEVADA

9 GHOLAMREZA ZANDIAN JAZI,

CASE NO.: A511131
DEPT. NO.: XIII

10 Plaintiff,

11 v.

12 RAY KOROGHLI, individually, FARIBORZ, FRED)
13 SADRI, individually, and as Trustee of the Star)
14 Living Trust, WENDOVER PROJECT, LLC, a)
15 Nevada limited liability company; BIG SPRING)
16 RANCH, LLC, a Nevada limited liability company,)
17 and NEVADA LAND AND WATER)
18 RESOURCES, LLC, a Nevada limited liability)
19 company,)

BEFORE ARBITRATOR
FLOYD A. HALE

16 Defendants.

IMPLEMENTATION AWARD

18 RAY KOROGHLI, individually and FARIBORZ)
19 FRED SADRI, individually,)

20 Counterclaimants,

21 v.

22 GHOLAMREZA ZANDIAN JAZI,

23 Counterdefendant.

24 WENDOVER PROJECT, LLC,

25 Counterclaimant,

26 v.

27 GHOLAMREZA ZANDIAN JAZI,

28 Counterdefendant.

JOHN PETER LEE, LTD.
ATTORNEY AT LAW
830 LAS VEGAS BLVD. SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4064
Telecopier (702) 383-9953

1 GHOLAMREZA ZANDIAN JAZI,)
2 Counterclaimant,)
3 v.)
4 WENDOVER PROJECT, LLC,)
5 Counterdefendant.)

6 1334.022860-sy

7 **IMPLEMENTATION AWARD**

8 On September 20, 2006, an Arbitration Decision was issued in this dispute. Plaintiff
9 GHOLAMREZA ZANDIAN JAZI filed his Motion to Enforce Arbitration Decision on September
10 25, 2006. On October 24, 2006, Plaintiff filed his Motion to Implement Arbitration Award. On
11 October 26, 2006, Plaintiff filed his Amendment to Motion to Implement Arbitration Award and
12 Request for Expedited Hearing. On October 31, 2006, Defendants Sadri and Koroghli filed their
13 Opposition to Motion to Implement Arbitration Award. Plaintiff filed his Reply Re: Motion to
14 Implement Arbitration Award on November 2, 2006.

15 After considering the papers filed by both parties including draft transfer documents;
16 **THE FOLLOWING IMPLEMENTATION AWARD IS ENTERED:**

- 17 1. Defendants shall pay to John Peter Lee, Ltd., the sum of \$250,000 within five (5)
18 days.
- 19 2. Defendants are to execute and deliver to Plaintiff's Counsel within ten days of this
20 Award a Quitclaim Deed of the 320 acre parcel provided as Exhibit "1" by Plaintiff
21 on the 2nd day of November, 2006.
- 22 3. Defendants are to execute and deliver to Plaintiff's counsel within ten days of this
23 Award the Grant, Bargain and Sale Deed of the 320 acre parcel provided by Plaintiff
24 as Exhibit "2" on the 2nd of November, 2006.
- 25 4. Defendants are to execute and deliver to Plaintiff's counsel within ten days of this
26 Award the Quitclaim Deed of the 320 acre parcel provided by Plaintiff as Exhibit "3"
27 on November 2, 2006.
- 28 5. Defendants are to execute and deliver to Plaintiff's counsel within ten days of this

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BLVD. SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9953

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- Award the Grant, Bargain and Sale Deed of the Pah-Rah parcel provided by Plaintiff as Exhibit "4" on November 2, 2006.
6. Mr. Sadri is to execute and deliver to Plaintiff's counsel within ten days of this Award the Request for Full Reconveyance concerning the \$333,000 Note provided by Plaintiff as Exhibit "5" on November 2, 2006.
7. Mr. Zandian is to execute and deliver to Defendants' counsel within ten days of this Award the Quitclaim Deed of the Wendover parcel provided by Plaintiff as Exhibit "6" on November 2, 2006.
8. Mr. Zandian is to execute and deliver to Defendants' counsel within ten days of this Award the Assignment of Interest in Wendover Project, LLC, provided by Plaintiff as Exhibit "7" on November 2, 2006.
9. Mr. Zandian is to execute and deliver to Defendants' counsel within ten days of this Award the Quitclaim Deed of the Big Spring Ranch parcel provided by Plaintiff as Exhibit "8" on November 2, 2006.
10. Mr. Zandian is to execute and deliver to Defendant's counsel within ten days of this Award the Assignment of Interest in Big Spring Ranch, LLC., provided by Plaintiff as Exhibit "9" on November 2, 2006.
11. Mr. Zandian is to execute and deliver to Defendants' counsel within ten days of this Award the Assignment of Interest in Nevada Land and Water Resources, LLC., provided by Plaintiff as Exhibit "10" on November 11, 2006.
12. Mr. Zandian is to record and deliver to Defendants' counsel within ten days of this Award the four (4) Releases of Lis Pendens provided by Plaintiff as Exhibit "11" on November 2, 2006.
13. Mr. Zandian is to execute, file and deliver to Defendants' counsel within ten days of this Award the Certificate of Resignation concerning Wendover Project, LLC., provided by Plaintiff as Exhibit "12" on November 2, 2006.
14. Mr. Zandian is to execute, file and deliver to Defendants' counsel within ten days of this Award the Certificate of Resignation concerning Nevada Land and Water

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BLVD. SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

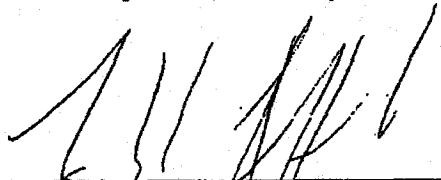
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Resources, LLC, provided as Exhibit "13" on November 2, 2006.

15. Mr. Zandian is to execute, file and deliver to Defendants' counsel within ten days of this Award the Certificate of Resignation concerning Big Spring Ranch, LLC., provided by Plaintiff as Exhibit "14" on November 2, 2006.

16. All parties are to sign the Mutual Release of Claims provided by Plaintiff as Exhibit "16" on November 2, 2006, and deliver a Counterpart to the other party's counsel within ten (10) from this Award.

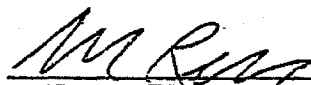
Dated this 29th day of November, 2006.



FLOYD A. HALE, ARBITRATOR

Respectfully submitted

JOHN PETER LEE, LTD.



JOHN PETER LEE, ESQ.
Nevada Bar No. 001768
MICHAEL A. REYNOLDS, ESQ.
Nevada Bar No. 008631
830 Las Vegas Boulevard South
Las Vegas, Nevada 89101
(702) 382-4044 Fax: (702) 383-9950
Attorneys for Plaintiff/Counterdefendant

CERTIFICATE OF FACSIMILE AND MAILING

I hereby certify that on the 29th day of November 2006, I faxed and mailed a true and correct copy of the foregoing Implementation Award addressed to:

John Peter Lee, Esq.
830 Las Vegas Boulevard South
Las Vegas, NV 89101
Attorneys for Plaintiffs
Fax No. 383-9950

John Netzorg, Esq.
2810 West Charleston Blvd. #H-81
Las Vegas, NV 89102
Attorneys for Defendants
Fax No. 878-1255

By: 

Employee of Jams

Exhibit 5

WFZ1012

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STAT
STEVEN L. DAY, ESQ.
Nevada Bar No. 3708
JAMES R. NANCE, ESQ.
Nevada Bar No. 9878
COHEN, JOHNSON & DAY
1060 Wigwam Parkway
Henderson, NV 89074
(702) 309-3333

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Chaf
CLERK OF THE COURT

Attorneys for Defendants

DISTRICT COURT

CLARK COUNTY, NEVADA

GHOLAMREZA ZANDIAN JAZI,)
)
Plaintiff,)
)
vs.)
)
RAY KOROGHLI, individually, FAIRBORZ)
FRED SADRI, individually and as Trustee of)
the Star Living Trust, WENDOVER PROJECT,)
LLC, a Nevada limited liability company; BIG)
SPRING RANCH, LLC, a Nevada limited)
liability company, and NEVADA LAND AND)
WATER RESOURCES, LLC, a Nevada)
limited liability company,)
)
Defendants.)
)

CASE NO. A511131
DEPT. NO. XI

AMENDED CASE APPEAL STATEMENT

- Name of appellant filing this case appeal statement:** Ray Koroghli,
Fairborz Fred Sadri, Wendover Project, LLC, Big Spring Ranch, LLC and
Nevada Land and Water Resources, LLC.

COHEN, JOHNSON & DAY
1060 Wigwam Parkway
Henderson, NV 89074
(702) 309-3333

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2. **District Court Judge:** Honorable Elizabeth Gonzalez

3. **All parties to the District Court proceedings are as follows:**

Gholamreza Zandian Jazi, Ray Koroghli, Fairborz Fred Sadri, Wendover Project, LLC, Big Spring Ranch, LLC and Nevada Land and Water Resources, LLC.

4. **All parties involved in this appeal are as follows:** Gholamreza

Zandian Jazi as Plaintiff. Ray Koroghli, Fairborz Fred Sadri, individually and as trustee of the Star Living Trust, Wendover Project, LLC, Big Spring Ranch, LLC and Nevada Land and Water Resources, LLC, as Defendants.

5. **The following are all parties and their counsel involved in this appeal:**

John Peter Lee, Esq.
JOHN PETER LEE, LTD.
830 Las Vegas Blvd. South
Las Vegas, NV 89101
Attorneys for Plaintiff/
Counterdefendant

Steven L. Day, Esq.
COHEN, JOHNSON & DAY
1060 Wigwam Parkway
Henderson, NV 89074
Attorneys for Defendants/
Counterclaimants

6. **Appellants' counsel:** Appellants were represented by retained counsel in the district court.

7. **Appellants' counsel on appeal:** Appellants are represented by retained counsel on appeal.

8. **Forma Pauperis:** Appellant was not granted leave to proceed into forma pauperis.

1 9. **Commencement of action in district court:** October 5, 2005,
2 Complaint (Case No. A511131) filed against Defendants.

3 DATED this 31st day of July, 2007.

4 COHEN, JOHNSON & DAY

5
6
7 By 

8 STEVEN L. DAY, ESQ.
9 Nevada Bar No. 3708
10 JAMES R. NANCE, ESQ.
11 Nevada Bar No. 9878
12 1060 Wigwam Parkway
13 Henderson, NV 89074
14 Attorneys for Defendants

15 **CERTIFICATE OF MAILING**

16 I HEREBY CERTIFY that on the 31st day of July, 2007, I served a
17 copy of the foregoing AMENDED CASE APPEAL STATEMENT, by causing a copy of the
18 same to be deposited in the United States mail, postage prepaid, addressed as follows:

19 John Peter Lee, Esq.
20 JOHN PETER LEE, LTD.
21 830 Las Vegas Blvd. South
22 Las Vegas, NV 89101
23 Attorneys for Plaintiff/Counterdefendant

24 John M. Netzorg, Esq.
25 2810 W. Charleston Blvd., #H-81
26 Las Vegas, NV 89102
27 Attorney for Defendants

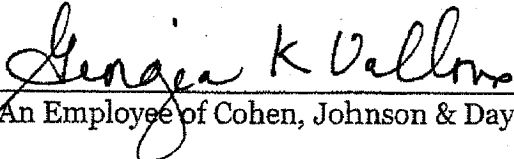
28 
An Employee of Cohen, Johnson & Day

Exhibit 6

WFZ1016

1 NOTC
2 STEVEN L. DAY, ESQ.
3 Nevada Bar No. 3708
4 COHEN, JOHNSON & DAY
5 1060 Wigwam Parkway
6 Henderson, NV 89074
7 (702) 309-3333

8 Attorneys for Defendants

9 DISTRICT COURT

10 CLARK COUNTY, NEVADA

11 GHOLAMREZA ZANDIAN JAZI,)

12 Plaintiff,)

13 vs.)

14 RAY KOROGHLI, individually, FAIRBORZ)
15 FRED SADRI, individually and as Trustee of)
16 the Star Living Trust, WENDOVER PROJECT,)
17 LLC, a Nevada limited liability company; BIG)
18 SPRING RANCH, LLC, a Nevada limited)
19 liability company, and NEVADA LAND AND)
20 WATER RESOURCES, LLC, a Nevada)
21 limited liability company,)

22 Defendants.)

23 CASE NO. A511131
24 DEPT. NO. XI

25 **NOTICE OF POSTING**
26 **COST BOND**

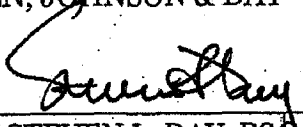
27 TO ALL PARTIES AND THEIR ATTORNEYS OF RECORD:

28 PLEASE TAKE NOTICE that concurrently with the filing of the Notice of Appeal
herein, Defendants are posting Two Hundred Fifty Dollars (\$250) pursuant to NRAP 7.

DATED this 31st day of July, 2007.

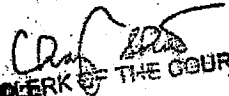
COHEN, JOHNSON & DAY

By


STEVEN L. DAY, ESQ.
Nevada Bar No. 3708
1060 Wigwam Parkway
Henderson, NV 89074
Attorneys for Defendants

COHEN, JOHNSON & DAY
1060 Wigwam Parkway
Henderson, NV 89074
(702) 309-3333

FILED
JUL 31 4 35 PM '07


CLERK OF THE COURT

**SUPREME COURT OF THE STATE OF NEVADA
OFFICE OF THE CLERK**

GHOLAMREZA ZANDIAN JAZI,
Appellant/Cross-Respondent,
vs.

Supreme Court No. 49924

District Court Case No. A511131

RAY KOROGHLI, INDIVIDUALLY; FARIBORZ FRED SADRI,
INDIVIDUALLY AND AS TRUSTEE OF THE STAR LIVING TRUST;
WENDOVER PROJECT, LLC, A NEVADA LIMITED LIABILITY
COMPANY; BIG SPRING RANCH, LLC, A NEVADA LIMITED
LIABILITY COMPANY; AND NEVADA LAND AND WATER
RESOURCES, LLC, A NEVADA LIMITED LIABILITY COMPANY,
Respondent/Cross-Appellants.

NOTICE TO PROVIDE PROOF OF SERVICE ON SETTLEMENT JUDGE

TO: John Peter Lee Ltd. and Yvette Y. Freedman and John Peter Lee

This court has received Appellant/Cross-Respondent's document entitled, "Response to Appellant's Docketing Statement" which was not accompanied by proof of service on the assigned settlement judge. NRAP 16(a)(3) requires that "papers or documents filed with the Supreme Court while a case is in the settlement program shall be served on all parties and the settlement judge."

Please provide this court with the required proof of service within 10 days from the date of this notice. Include the caption and case number on the proof of service.

DATE: August 17, 2007

Janette M. Bloom, Clerk of Court

By: _____ Sy _____
Deputy Clerk

cc: Cohen, Johnson & Day and Steven L. Day and James R. Nance
Robert F. Saint-Aubin, Settlement Judge

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IN THE SUPREME COURT OF THE STATE OF NEVADA

RAY KOROGHLI, individually, FARIBORZ FRED))
SADRI, individually, and as Trustee of the Star)
Living Trust, WENDOVER PROJECT, LLC, a)
Nevada limited liability company; BIG SPRING)
RANCH, LLC, a Nevada limited liability company,)
and NEVADA LAND AND WATER)
RESOURCES, LLC, a Nevada limited liability)
company,)

Appellants,

vs.

GHOLAMREZA ZANDIAN JAZI,

Respondent.

Supreme Court No.:49924

District Court No.: A 511131

FILED

AUG 17 2007

JANETTE M. BLOOM
CLERK OF SUPREME COURT
BY S. V. [Signature]
DEPUTY CLERK

1334.022860 dp

RESPONSE TO APPELLANTS' DOCKETING STATEMENT

COMES NOW, Respondent, GHOLEMREZA ZANDIAN JAZI, ("Zandian") by and through his counsel, John Peter Lee, Ltd. and files this Response to Appellants' Docketing Statement.

Respondent Zandian strongly disagrees with Appellants' docketing statement, paragraph 9, which states that the issue is: "whether the district court committed error in granting judgment on an arbitration award in a case that was not arbitrated." However, the dispute was arbitrated by Arbitrator Floyd Hale, Esq.

Therefore, the proper issue is: whether the district court committed error in confirming an arbitration award where the parties stipulated that the "the arbitration shall be binding with no right to appeal", the arbitrator conducted two full days of hearing; the arbitrator resolved the issues on the record with consent of all parties and their counsel; the arbitrator issued an Arbitration Decision; and the parties always treated the proceedings as an arbitration before, during and after the hearing before Arbitrator Hale.

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RECEIVED
AUG 17 2007
JANETTE M. BLOOM
CLERK OF SUPREME COURT
DEPUTY CLERK

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CONCLUSION

The Court should adopt Respondent's statement of the issues on appeal rather than Appellants' statement because it is a more accurate reflection of what procedures transpired below.

Dated this 16th day of August, 2007.

JOHN PETER LEE, LTD.

BY: 

JOHN PETER LEE, ESQ.
Nevada Bar No. 001768
MICHAEL A. REYNOLDS, ESQ.,
Nevada Bar No. 008631
YVETTE R. FREEDMAN, ESQ.
Nevada Bar No. 009898
830 Las Vegas Boulevard South
Las Vegas, Nevada 89101
(702) 382-4044/ Fax (702) 383-9950
e-mail: info@johnpeterlee.com
Attorneys for Respondent
Gholamreza Zandian Jazi

1 CERTIFICATE OF MAILING

2 I HEREBY CERTIFY that on the 16th day of August, 2007, I served a copy of the above and
3 foregoing RESPONSE TO APPELLANTS' DOCKETING STATEMENT upon the appropriate
4 parties hereto, by enclosing it in a sealed envelope, deposited in the United States mail, upon which
5 first class postage was fully prepaid addressed to:

6 COHEN, JOHNSON & DAY
7 Steven L. Day, Esq.
8 James R. Nance, Esq.
1060 Wigwam Parkway
Henderson, NV 89074

9 There is regular communication by mail between the place of mailing and the place so
10 addressed.

11 
12 An Employee of JOHN PETER LEE, LTD.

ORIGINAL

FILED

AUG 20 2007

JANETTE M. BLOOM
CLERK OF SUPREME COURT
BY *J. Castillo*
DEPUTY CLERK

1 JOHN PETER LEE, LTD.
JOHN PETER LEE, ESQ.
2 Nevada Bar No. 001768
MICHAEL A. REYNOLDS, ESQ.
3 Nevada Bar No. 009898
YVETTE R. FREEDMAN, ESQ.
4 Nevada Bar No. 009898
830 Las Vegas Boulevard South
5 Las Vegas, Nevada 89101
Ph: (702) 382-4044/Fax: (702) 383-9950
6 Attorneys for Respondent

8 IN THE SUPREME COURT OF THE STATE OF NEVADA

10 RAY KOROGHLI, individually, FARIBORZ FRED) Supreme Court No.:49924
SADRI, individually, and as Trustee of the Star)
11 Living Trust, WENDOVER PROJECT, LLC, a) District Court No.: A 511131
Nevada limited liability company; BIG SPRING)
12 RANCH, LLC, a Nevada limited liability company,)
and NEVADA LAND AND WATER)
13 RESOURCES, LLC, a Nevada limited liability)
company,)

14 Appellants,

15 vs.

16 GHOLAMREZA ZANDIAN JAZI,

17 Respondent.

18 1334.023317-JLR

19 MOTION FOR LEAVE TO FILE A REPLY
20 IN SUPPORT OF MOTION TO DISMISS

21 COMES NOW, Respondent, GHOLEMREZA ZANDIAN JAZI, ("Zandian") by and through
22 his counsel, John Peter Lee, Ltd. and files this Motion for Leave to File a Reply in Support of
23 Motion to Dismiss. This Motion is made and based upon the following Points and Authorities, all
24 pleadings and papers filed herein and any oral argument the Court may schedule regarding this
25 matter.

26 Zandian requests the Court enter an order granting permission for him to file a Reply in
27 Support of Motion to Dismiss in substantially the same form as is attached hereto.

28 AUG 20 2007

JANETTE M. BLOOM
CLERK OF SUPREME COURT
DEPUTY CLERK

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

07-18301022

JOHN PETER LEE, LTD.

ATTORNEYS AT LAW

830 LAS VEGAS BOULEVARD SOUTH

LAS VEGAS, NEVADA 89101

Telephone (702) 382-4044

Telecopier (702) 383-9950

POINTS AND AUTHORITIES

NRAP 27(a) authorizes the filing of a reply in support of a motion only upon the granting of permission by the Court. Appellants filed their Opposition to Zandian's Motion to Dismiss on or about August 13, 2007. This Opposition argues that the parties did not arbitrate their dispute. This argument is disingenuous given the fact that Appellants always treated this matter as an arbitration and Appellants conceded that the dispute was arbitrated by challenging the Arbitration Award under NRS 38.000 *et seq.*

Appellants' Opposition to the Motion to Dismiss intentionally mischaracterizes the proceedings below to such an extent that Zandian must respectfully request the opportunity to demonstrate the lack of merit to the Appellants' Opposition.

CONCLUSION

Respondent Zandian respectfully requests the Court enter an order granting permission for him to file a Reply in Support of Motion to Dismiss in substantially the same form as is attached hereto.

Dated this 17th day of August, 2007.

JOHN PETER LEE, LTD.

BY: 

JOHN PETER LEE, ESQ.

Nevada Bar No. 001768

MICHAEL A. REYNOLDS, ESQ.

Nevada Bar No. 008631

YVETTE R. FREEDMAN, ESQ.

Nevada Bar No. 009898

830 Las Vegas Boulevard South

Las Vegas, Nevada 89101

(702) 382-4044/ Fax (702) 383-9950

e-mail: info@johnpeterlee.com

Attorneys for Respondent

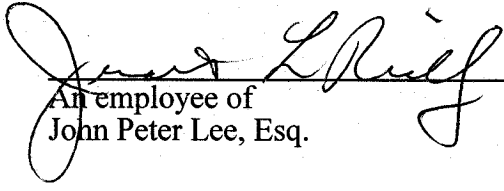
JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

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CERTIFICATE OF MAILING

I HEREBY CERTIFY that on the 17th day of August, 2007, I served a copy of the above and foregoing MOTION FOR LEAVE TO FILE A REPLY IN SUPPORT OF MOTION TO DISMISS upon the appropriate parties hereto, by enclosing it in a sealed envelope, deposited in the United States mail, upon which first class postage was fully prepaid addressed to:

Steven L. Day, Esq.
Cohen, Johnson & Day
1060 West Wigwam Parkway
Henderson, Nevada 89074


An employee of
John Peter Lee, Esq.

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

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IN THE SUPREME COURT OF THE STATE OF NEVADA

RAY KOROGHLI, individually, FARIBORZ FRED)
SADRI, individually, and as Trustee of the Star
Living Trust, WENDOVER PROJECT, LLC, a
Nevada limited liability company; BIG SPRING
RANCH, LLC, a Nevada limited liability company,
and NEVADA LAND AND WATER
RESOURCES, LLC, a Nevada limited liability
company,

Supreme Court No.: 49924
District Court No.: A 511131

Appellants,

vs.

GHOLAMREZA ZANDIAN JAZI,

Respondent.

1334.023317-JLR

REPLY TO OPPOSITION TO MOTION TO DISMISS APPEAL

JOHN PETER LEE, LTD.
John Peter Lee, Esq.
Nevada Bar No. 001768
Michael A. Reynolds, Esq.
Nevada Bar No. 008631
Yvette R. Freedman, Esq.
Nevada Bar No. 009898
830 Las Vegas Boulevard South
Las Vegas, Nevada 89101
(702) 382-4044
Attorneys for Respondent,
Gholamreza Zandian Jazi

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

1 COMES NOW Respondent GHOLAMREZA ZANDIAN JAZI, by and through his counsel,
2 John Peter Lee, Ltd., and files this Reply to Opposition to Motion to Dismiss the Appeal of
3 Appellants RAY KOROGHLI, individually, FARIBORZ FRED SADRI, individually, and as Trustee
4 of the Star Living Trust, WENDOVER PROJECT, LLC, a Nevada limited liability company; BIG
5 SPRING RANCH, LLC, a Nevada limited liability company, and NEVADA LAND AND WATER
6 RESOURCES, LLC, a Nevada limited liability company.

7 This Reply is based upon NRS 38.231, the following points and authorities, all papers on file
8 herein, the record on appeal, and any oral argument to be presented if permitted by the Court.

9 **MEMORANDUM OF**
10 **POINTS AND AUTHORITIES**

11 **INTRODUCTION**

12 The Court should dismiss Appellants' appeal because: (1) throughout Arbitrator Hale's
13 recitation of his intention to file an arbitration decision, Appellants and their counsel were given
14 multiple opportunities to object or question the arbitrator concerning their late assertion that the
15 arbitration metamorphosized into a mediation, but instead they sat silent; and (2) a review of the
16 pleadings and transcripts reveal that both parties, the Arbitrator and the district court consistently
17 considered the proceedings to be an arbitration.

18 **ARGUMENT**

19 NRS 38.231 provides authority for Arbitrator Hale's Arbitration Award and Arbitration
20 Decision whereby he decided a request for a summary disposition of a claim or a particular issue
21 when all interested parties agreed. Specifically, NRS 38.231(2)(a) states:

22 An arbitrator may decide a request for summary
23 disposition of a claim or a particular issue:
(a) If all interested parties agree . . .

24 In the present case, all interested parties and their counsel attended the arbitration hearings and
25 agreed on the record that Arbitrator Hale should decide their request for summary disposition of
26 particular issues and the claims. With this statutory authority to issue an Arbitration Decision which
27 disposes of particular issues and claims, Arbitrator Hale's Decision and Award should be confirmed
28 and the instant appeal dismissed.

1 **I. The Arbitration Award Is Not A Settlement Agreement Because The Parties Agreed**
2 **To Retain Arbitrator Hale To Incorporate Agreed Upon Terms Into An Arbitration**
3 **Award Instead Of A Settlement Agreement.**

4 Appellants' representation that "the case was never arbitrated" is disingenuous. A review
5 of the pleadings and transcripts reveal that both parties, the Arbitrator and the Court consistently
6 considered the proceedings to be an arbitration. Appellants participated fully in arbitration
7 proceedings before Floyd Hale and even unsuccessfully moved for a change in the Hale Arbitration
8 Award. See Exhibit 1. Therefore, the Arbitration Award is not a settlement agreement and the
9 Parties never agreed to treat the Arbitration Award as a settlement agreement.

10 The parties stipulated that "the arbitration shall be binding with no right to appeal."
11 Arbitrator Hale conducted two full days of hearing allowing Appellant to cross-examine Respondent
12 Zandian. Appellants' present counsel did not attend the arbitration hearing and therefore, incorrectly
13 states that there was no cross-examination. Appellants' misrepresent the arbitration hearing in an
14 effort to minimize the proceedings to bolster their stance that somehow the dispute was not
15 arbitrated.

16 The Court should look beyond Appellants' argument and review the pleadings and
17 transcripts. From the transcript of the arbitration hearing, it is evidence that Arbitrator Hale resolved
18 the issues on the record with consent of all parties and their counsel. Arbitrator Hale stated for the
19 record:

20 Having heard two full days of testimony, having reviewed
21 all the exhibits, the depositions that were submitted, and
22 arguments of counsel, it appears to me that this resolution
23 of the case will be as follows: And counsel are free to
24 correct me. See Exhibit 2, 3:16. Reporter's Transcript of
25 Arbitration Proceedings.

26 During the arbitration hearing, the Arbitrator also stated for the record "so the resolution will
27 be as follows" and then proceeded to set out the terms of the Arbitration Decision. See Exhibit 2,
28 4:18. The Arbitrator concluded the arbitration hearing by stating on the record:

I thought what I would do is take the transcript and file
an arbitration decision, indicating that I heard evidence, that
I interviewed the parties, that my arbitration decision is
attached hereto as Exhibit A."

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

1 In reply to the above statement, neither Appellants or their counsel offered any objection.
2 Instead, Arbitrator Hale confirmed his intent to file an arbitration decision by stating “[i]n case there
3 is any questions is that all right?” Again, neither Appellants or their counsel offered any objection.
4 Arbitrator Hale further stated “[t]hat is why I was ordering a transcript.” See Exhibit 2, 12:3-7.
5 Throughout Arbitrator Hale’s recitation of his plans to file an arbitration decision, Appellants and
6 their counsel were given opportunities to object or question the arbitrator about the form of the
7 process, but instead they sat silent. See Exhibit 2, 12:3-7.

8 Shortly thereafter, the arbitrator followed through with his statements made during the
9 arbitration hearing and issued an Arbitration Decision. See Exhibit 3. Thereupon, appellants filed
10 a “Motion to Change Award by Arbitrator Pursuant to NRS 38.237” with Arbitrator Hale and Motion
11 to Vacate Arbitration Award, or in the alternative, Motion to Modify or Correct, thereby conceding
12 that Arbitrator Hale had the power and authority to act as an arbitrator. See Exhibits 4 and 5. It is
13 only upon retrospection fueled by Arbitrator Hale’s refusal to change the Arbitration Award, that
14 appellants now concoct the argument that the case was not arbitrated despite Appellants’ motion
15 which recognized Arbitrator Hale’s authority as arbitrator to change his Arbitration Award. The
16 parties always treated the proceedings as an arbitration before, during and after the hearing before
17 Arbitrator Hale.

18 Appellants rely extensively on the transcript of the January 11, 2007 hearing on Plaintiff’s
19 Motion for Confirmation. However, Appellants fail to attach the entire transcript to their
20 Opposition. Upon review of the entire transcript, it is clear that the while district court ordered the
21 parties to go back to Arbitrator Hale, as arbitrator; the court never divested Arbitrator Hale of his
22 authority to act as an arbitrator. See Exhibit 6.

23 Respondent’s counsel, Ms. Holly Fic, maintained that “Mr. Hale stated that he would file
24 an arbitration decision, to which none of the parties objected.” See Exhibit 6; 3:17-18. Even with
25 the representation that Arbitrator Hale would file an arbitration decision, the district court did not
26 order the Arbitrator Hale conduct some sort of mediation or craft a settlement agreement. Exhibit
27 7. The district court did not find offense to Arbitrator Hale filing an arbitration decision because all
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parties, counsel, arbitrator and court understood that the case had been arbitrated. Instead, the court stated:

I know that Mr. Hale drafted an arbitration award, because he conducted a portion of the arbitration. And I don't really have a problem with that . . . See Exhibit 6; 27:25, 28:2.

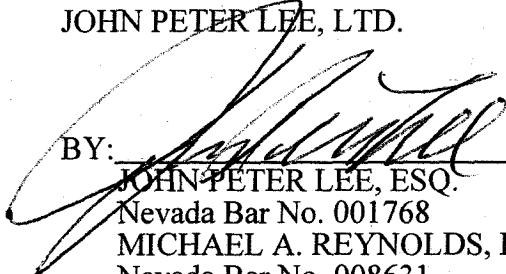
The Appellants' tactics have consistently amounted to attempts to disrupt, delay, re-negotiate, and overturn a straightforward Arbitration Award. Notwithstanding Appellants tactics, the Arbitrator Report and Recommendation to the District Court thoroughly addresses all the issues resolved by the original Arbitration Award. Exhibit 8. The Court should dismiss Appellants' appeal because it is only orchestrated to treat an Arbitration Award as a settlement agreement despite the intent of the parties and its plain language.

CONCLUSION

Based on the foregoing, Respondent Zandian respectfully requests that this Court grant his Motion to Dismiss the Appeal.

Dated this 17th day of August, 2007.

JOHN PETER LEE, LTD.

BY: 

JOHN PETER LEE, ESQ.
Nevada Bar No. 001768
MICHAEL A. REYNOLDS, ESQ.,
Nevada Bar No. 008631
YVETTE R. FREEDMAN, ESQ.
Nevada Bar No. 009898
830 Las Vegas Boulevard South
Las Vegas, Nevada 89101
(702) 382-4044/ Fax (702) 383-9950
e-mail: info@johnpeterlee.com
Attorneys for Respondent

1 ARB
2 FLOYD A. HALE, ESQ.
3 Nevada Bar No. 1873
4 JAMS
5 2300 W. Sahara, #900
6 Las Vegas, NV 89102
7 Ph: (702) 457-5267
8 Fax: (702) 437-5267
9 Arbitrator

7 DISTRICT COURT

8 CLARK COUNTY, NEVADA

10 GHOLAMREZA ZANDIAN JAZI,) Case No. A511131
11) Dept. No. XII
12 Plaintiff,)
13 vs.)
14 RAY KOROGHILI, individually,)
15 FABIRORZ FRED SADRI, individually,)
16 and as Trustee of the Star Living Trust,)
17 WENDOVER PROJECT, LLC, a Nevada)
18 limited liability company; BIG SPRING)
19 RANCH, LLC, a Nevada limited liability)
20 company, and NEVADA LAND AND)
21 WATER RESOURCES, LLC, a Nevada)
22 limited liability company,)
23 Defendants.)

21 **ARBITRATION DECISION**

22 On October 11, 2006, the Arbitrator received the Defendant's **MOTION TO CHANGE**
23 **AWARD BY ARBITRATOR PURSUANT TO NRS 38.237.** The Motion requests that
24 Zandian Jazi: Execute documents necessary to have the property transferred as required by the
25 Arbitration Decision; issue guarantees that he has not made transfers to third parties; assign shares
26 of shipyard stock; warrant and verify that he is in a position to execute documents required by the
27
28

FLOYD A. HALE
SPECIAL MASTER
2300 W. SAHARA, SUITE 900
LAS VEGAS, NV 89102
PHONE (702) 457-5267 EMAIL fhaale@floydahale.com

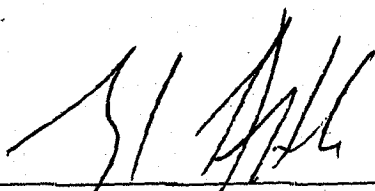
1 Arbitration Decision and verify other factual issues that were the subject of the Arbitration
2 Agreement.

3 The Motion goes well beyond the Arbitration Decision asking to reopen evidentiary
4 matters which are unnecessary at this time. Furthermore, paragraph 6 of the Arbitration Decision
5 indicates as follows:
6

7 6. That the parties, through counsel, will prepare all necessary
8 documents to effect the transfers of the real estate assets and LLC
9 entities and the parties to this lawsuit and Arbitration will execute all
10 necessary documents to effect this Arbitration Order, including a
mutual Release to be executed by all parties.

11 The Defendant's MOTION TO CHANGE AWARD BY ARBITRATOR PURSUANT
12 TO NRS 38.237 is denied.

13 DATED this 11th day of October, 2006.

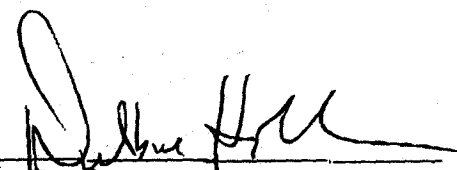
14 By: 
15
16 FLOYD A. HALE
17 2300 W. Sahara, #900
18 Las Vegas, NV 89102
19 Arbitrator

20 CERTIFICATE OF FACSIMILE

21 I hereby certify that on the 11th day of October, 2006, I faxed and mailed a true and
22 correct copy of the foregoing addressed to:

23 John Peter Lec, Esq.
24 830 Las Vegas Boulevard South
25 Las Vegas, NV 89101
26 Attorneys for Plaintiffs
27 Fax No. 383-9950

John Netzorg, Esq.
2810 West Charleston Blvd. #H-81
Las Vegas, NV 89102
Attorneys for Defendants
Fax No. 878-1255

26 By: 
27 Employee of Jams
28

FLOYD A. HALE
SPEC. MASTER
2300 W. SAHARA, SUITE 900
LAS VEGAS, NV 89102
PHONE (702) 457-5257 EMAIL: fhaale@floydahale.com

DISTRICT COURT

CLARK COUNTY, NEVADA

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GHOLAMREZA ZANDIAN JAZI,)

Plaintiff,)

vs.)

RAY KOROGHLI, individually,)
FARIBORZ FRED SADRI,)
individually, and as Trustee)
of the Star Living Trust,)
WENDOVER PROJECT, LLC, a)
Nevada limited liability)
company; BIG SPRING RANCH,)
LLC, a Nevada limited)
liability company, and NEVADA)
LAND AND WATER RESOURCES, LLC,)
a Nevada limited liability)
company,)

Defendants.)

-----)
RAY KOROGHLI, individually)
and FARIBORZ FRED SADRI,)
individually,)

Counterclaimants,)

vs.)

GHOLAMREZA ZANDIAN JAZI,)

Counterdefendant.)
-----)

COPY

CASE NO. A511131
DEPT. NO. XIII

RECEIVED
SEP 12 2006

JOHN PETER LEE, LTD.

REPORTER'S TRANSCRIPT OF ARBITRATION PROCEEDINGS

BEFORE ARBITRATOR FLOYD A. HALE, ESQ.

Taken on Friday, September 8, 2006

At 2:48 o'clock p.m.

At 2300 W. Sahara, Ste. 900

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Las Vegas, Nevada

REPORTED BY: MARY DANE McCOY, CCR NO. 219

APPEARANCES:

For the Plaintiff/
Counterdefendant:

JOHN PETER LEE, ESQ.

&

MICHAEL A. REYNOLDS, ESQ.

John Peter Lee, Ltd.
830 Las Vegas Blvd. South
Las Vegas, Nevada 89101

For the Defendants:

JOHN M. NETZORG, ESQ.

2810 W. Charleston, Ste. H-81
Las Vegas, Nevada 89102

Also Present:

AMY CONNELL, PARALEGAL
GHOLAMREZA ZANDIAN JAZI
RAY KOROGHLI
FARIBORZ FRED SADRI

1 ARBITRATOR HALE: This is the time that was
2 set this morning for the continuation of the binding
3 arbitration related to the litigation initiated in
4 District Court for Clark County, Nevada, Case A511131,
5 Jazi versus Koroghli, et al. Would people please note
6 their appearance for the court reporter?

7 MR. LEE: John Peter Lee representing Mr.
8 Zandian who is present here today, Mr. Michael Reynolds
9 in association with me.

10 MR. NETZORG: John Netzorg with Ray Koroghli,
11 Fred Sadri individually and both as managing members of
12 the Nevada Land & Water Company, LLC; Big Springs
13 Ranch, LLC; and Wendover Project, LLC.

14 MR. LEE: Let the record further show that
15 Amy Connell is here as our paralegal.

16 ARBITRATOR HALE: Having heard two full days
17 of testimony, having reviewed all the exhibits, the
18 depositions that were submitted, and arguments of
19 counsel, it appears to me that the resolution of this
20 case will be as follows: And counsel are free to
21 correct me.

22 MR. NETZORG: This is pursuant to a
23 stipulation obviously, so we want to make sure there is
24 a universal and complete resolution of all issues --

25 MR. LEE: Let's let him get through this,

1 John.

2 ARBITRATOR HALE: This will completely
3 resolve all claims of the LLCs and the individuals that
4 are involved in this litigation.

5 The entire interest in the Pah Rah, LLC and
6 property will be transferred to Mr. Zandian free and
7 clear of all indebtedness, including the promissory
8 note secured by deed of trust issued for the benefit of
9 Mr. Sadri.

10 MR. NETZORG: With that there is the
11 outstanding obligation to Mr. Jeff Codega or
12 whatever --

13 MR. LEE: John, please do me a favor, let the
14 gentleman finish, let him finish and we will put our
15 comments --

16 ARBITRATOR HALE: Yeah, let me start all
17 over.

18 So the resolution will be as follows: The
19 Pah Rah property and LLC and all interest therein will
20 be transferred free and clear to Mr. Zandian, including
21 a waiver of any rights under the promissory note
22 secured by deed of trust or other security for the
23 benefit of Mr. Sadri. Any obligation to Mr. Jeff
24 Codega, C-O-D-E-G-A, related to work that he has
25 performed as to that specific real property will be the

1 obligation of Mr. Zandian. That is the first item.

2 Item 2: The 320 acres referenced in the
3 lawsuit and the briefs will be transferred free and
4 clear to Mr. Zandian without any obligation to the
5 other litigants or parties to this arbitration or
6 anyone else who may profess to have an interest in the
7 320 acres that are bound by this lawsuit.

8 No. 3: Mr. Sadri and Mr. Koroghli will,
9 within 30 days from today, pay Mr. Zandian \$250,000
10 cash in return for Mr. Zandian waiving any claims or
11 any rights to the Big Springs, LLC?

12 MR. KOROGHLI: Ranch, LLC.

13 ARBITRATOR HALE: Big Springs Ranch, LLC, or
14 the Wendover Project -- I had purchase -- Project.
15 That is the next item.

16 Finally all of the LLCs and properties that
17 are the subject of this arbitration lawsuit, including
18 Pah Rah, the 320 acres, the Big Springs Ranch, and the
19 Wendover Purchase or Project waive any claim to
20 reimbursement or participation in any consulting fees
21 paid to Mr. Zandian from the seller. The parties will
22 through counsel prepare any necessary documents to
23 effect the transfers of the LLCs and any underlying
24 real estate, and the parties and representatives of
25 these LLCs will execute all necessary documents to

1 effect this settlement and arbitration order.

2 Would counsel like to add anything to these
3 terms?

4 MR. LEE: We would like to have the check
5 payable to my office for 250,000.

6 ARBITRATOR HALE: All right. The settlement
7 check will be payable to John Peter Lee, Ltd.

8 Anything else?

9 MR. NETZORG: We would like a mutual release
10 executed by and between the parties.

11 ARBITRATOR HALE: I think that is part of the
12 documents that I referenced and I would agree.

13 MR. NETZORG: We need a warranty from the
14 parties that the properties and interest being
15 transferred haven't been previously transferred, that
16 the parties, in fact, do currently hold those
17 interests, and they are capable of transferring the
18 interests that are subject to this order free and clear
19 of claims by any third parties.

20 ARBITRATOR HALE: I'll allow the two of you
21 to work out that language. Obviously if you signed for
22 an LLC, you are representing and warranting that you
23 have that authority, but you can work that into the
24 settlement language and see if we have an agreement.

25 MR. NETZORG: In particular, we are dealing

1 with three married guys and we want to know they are
2 speaking for the community interest of their spouses on
3 each and every one of these transfers.

4 ARBITRATOR HALE: We may want spouses to
5 sign --

6 MR. LEE: We can work out the form of the
7 details, I'm not concerned about that, if necessary we
8 can get preliminary title reports. That is what I plan
9 on doing.

10 MR. NETZORG: Just to -- some of interests
11 aren't going to be reflected and the conveyance
12 of the membership interest in the LLCs is not of
13 record, so we need to have warranties in satisfaction
14 that there hasn't been a pledge of these interests
15 previously.

16 ARBITRATOR HALE: That is fine, that can be
17 in the settlement agreement.

18 Any issue regarding the sufficiency or the
19 necessity of settlement agreements or documentations
20 for transfer of property, I'm retaining my authority as
21 the arbitrator to resolve that issue.

22 MR. NETZORG: We would want to do an
23 allocation of the purchase price for the LLC interests
24 that correspond -- we may do an allocation of the
25 purchase price for the LLC interests.

1 MR. LEE: You can allocate anything you want
2 to.

3 MR. NETZORG: That is good, as long as you
4 understand.

5 MR. LEE: It is not my involvement. You can
6 allocate anything you want.

7 ARBITRATOR HALE: Mr. Netzorg, you will have
8 the right to do whatever accounting you wish on Big
9 Springs and Wendover and Mr. Lee and his client will
10 have the right to do whatever allocation they want on
11 the 320 acres and the Pah Rah property.

12 MR. NETZORG: I would ask that you retain
13 jurisdiction to enforce the settlement agreement.

14 ARBITRATOR HALE: I already took it.

15 MR. NETZORG: Okay.

16 MR. LEE: He just did it. That is crucial.

17 MR. NETZORG: The candy has been excellent
18 but I'm -- then there is, with the understanding that
19 those items, thank you very much and thank you for the
20 excellent job you have done.

21 ARBITRATOR HALE: I omitted something you two
22 didn't catch. The defamation claim is resolved by this
23 agreement.

24 MR. LEE: Everybody pays their own fees and
25 otherwise bears their own fees and costs.

1 ARBITRATOR HALE: Mr. Netzorg, you may have
2 missed that, I'm sorry, you were conversing with your
3 client. This agreement also includes a dismissal and
4 waiver of all claims of Mr. Zandian for defamation as
5 alleged in the documents that are the subject of this,
6 and each party is to pay their own fees and costs.

7 MR. NETZORG: Very good. Also, any third
8 party claims that may have arisen, apparently there was
9 some suggestion about litigation as a result of the
10 July 21, '05 transfer of the property from Wendover
11 Project, LLC to the Peppermill, just to make certain --

12 ARBITRATOR HALE: He waived all claims as to
13 the Wendover Property or Project.

14 MR. NETZORG: Very good.

15 MR. LEE: All claims except what is on the
16 record.

17 ARBITRATOR HALE: The payments he is entitled
18 to under the record on the transfer of the property and
19 rights under the record.

20 MR. KOROGHLI: Against the purchaser, against
21 the title company, we want to make sure that everybody
22 -- there is not going to be another lawsuit flying over
23 six months from now, a year from now from Mr. Zandian.

24 ARBITRATOR HALE: All claims related to all
25 LLCs and properties that are the subject of this

1 arbitration are completely resolved by this agreement.

2 MR. KOROGHLI: Thank you, sir.

3 MR. NETZORG: Thank you very much, I
4 appreciate it.

5 ARBITRATOR HALE: I do want to state for the
6 record I would like to have a copy of the transcript.

7 I would like to advise the parties that I
8 consider it an honor that you asked me to help attempt
9 to mediate this as opposed to arbitrate it. I think
10 you have all been very candid with me in a very
11 difficult, personal, gut-wrenching project. It was a
12 compliment to me that attorneys of this caliber asked
13 me to arbitrate it, but it is even more of a compliment
14 to me and an honor to try to mediate a case for three
15 people that know a lot more about these issues than I
16 do and I appreciate that.

17 And I have to tell you, as you know, I've
18 been here 31 years, I do three or four or five
19 arbitrations or mediations a week, I deal with
20 attorneys from all over the country, I'm a special
21 master on six hotel construction projects now and three
22 other high-rise projects and I deal with attorneys from
23 every state. You don't get attorneys of any higher
24 caliber than the two attorneys that are working on this
25 case. So I know it was hard fought, I know it was

1 probably expensive, and I know it was thorough and
2 probably difficult for all of you, but both sides are
3 very lucky to get these attorneys on this type of case,
4 because I have to tell you, unfortunately in the
5 overwhelming number of cases, there is usually some
6 weak link in the chain and we got two -- it was a
7 pleasure to watch them work and do their craft in this
8 case.

9 So if I can be of any further assistance,
10 I'll be glad to. I will resolve any disputes on the
11 written agreements if it is necessary, I doubt it with
12 these two attorneys, but with that, I think we can all
13 take the rest of our Friday afternoon off.

14 MR. LEE: Thank you, Mr. Hale, for taking it
15 on and doing such a fine job in getting it resolved.

16 MR. NETZORG: It was a very difficult case.
17 A lot of details. Mastered incredibly.

18 ARBITRATOR HALE: Thank you. We are done.

19 MR. LEE: There is going to be an order of
20 some kind to get filed, I would think?

21 ARBITRATOR HALE: I thought what I would do
22 is take the transcript and file an arbitration
23 decision, indicating that I heard evidence, that we
24 heard testimony, that I reviewed documents, that I
25 interviewed the parties, that my arbitration decision

1 is attached hereto as Exhibit A.

2 MR. LEE: Okay.

3 ARBITRATOR HALE: In case there is any
4 question. Is that all right?

5 MR. LEE: Very good.

6 ARBITRATOR HALE: That is why I was ordering
7 a transcript.

8 (Thereupon, the proceedings
9 concluded at 3:02 p.m.)

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SPECIAL MASTER
2300 W. LAKE SUITE 900
LAS VEGAS, NEVADA 89102
PHONE (702) 457-5267 EMAIL fhale@floydhale.com

1 ARB
2 FLOYD A. HALE, ESQ.
3 Nevada Bar No. 1873
4 JAMS
5 2300 W. Sahara, #900
6 Las Vegas, NV 89102
7 Ph: (702) 457-5267
8 Fax: (702) 437-5267
9 Arbitrator

DISTRICT COURT

CLARK COUNTY, NEVADA

10 GHOLAMREZA ZANDIAN JAZI,) Case No. A511131
11) Dept. No. XII
12 Plaintiff,)
13 vs.)
14 RAY KOROGHLI, individually,)
15 FABIRORZ FRED SADRI, individually,)
16 and as Trustee of the Star Living Trust,)
17 WENDOVER PROJECT, LLC, a Nevada)
18 limited liability company; BIG SPRING)
19 RANCH, LLC, a Nevada limited liability)
20 company, and NEVADA LAND AND)
21 WATER RESOURCES, LLC, a Nevada)
22 limited liability company,)
23 Defendants.)

ARBITRATION DECISION

24 Arbitration Hearings in this matter were conducted for two full days. The parties
25 submitted voluminous exhibits, depositions and briefs to the Arbitrator. Having reviewed the
26 documentation submitted and having heard the testimony and representations of the parties, the
27 following Arbitration Decision is entered:

- 28 1. The entire interest in the Pah Rah, LLC, property will be transferred to Gholamreza

1 Zandian Jazi, free and clear of all encumbrances, including the promissory note secured by Deed
2 of Trust issued for the benefit of Fariborz Fred Sadri; any obligation owed to Jeff Codega, related
3 to work that was performed as to the Pah Rah real estate will be the obligation of Gholamreza
4 Zandian Jazi;
5

6 2. The 320 acres referenced in the briefs and this lawsuit will be transferred free and clear
7 to Gholamreza Zandian Jazi without any obligation to the other litigants or parties to this
8 Arbitration or to any other party who may profess to have an interest in the 320 acres that are
9 bound by this lawsuit and Arbitration;

10
11 3. Fariborz Fred Sadri and Ray Koroghli will, within 30 days from the service of this
12 Arbitration Decision, pay Gholamreza Zandian Jazi \$250,000.00 in return for Gholamreza
13 Zandian Jazi waiving any claims or any rights as to the Big Springs Ranch, LLC or any of its
14 assets;

15
16 4. That Gholamreza Zandian Jazi will transfer any interest in the Wendover project, LLC,
17 including all assets and real estate to Fariborz Fred Sadri and Ray Koroghli;

18 5. All of the entities and properties that are the subject of this Arbitration and lawsuit,
19 including Pah Rah, LLC, the owners of the 300 acres referenced above, the Big Springs Ranch,
20 LLC, and the Wendover purchase or Wendover Project, LLC, referenced in this lawsuit and
21 Arbitration waive any claims to reimbursement or participation in any consulting fees previously
22 paid to Gholamreza Zandian Jazi from the seller of the real estate to those entities;

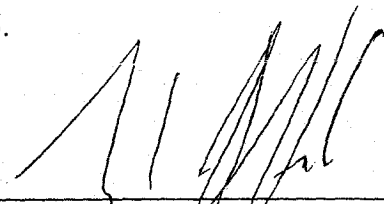
23
24 6. That the parties, through counsel, will prepare all necessary documents to effect the
25 transfers of the real estate assets and LLC entities and the parties to this lawsuit and Arbitration
26 will execute all necessary documents to effect this Arbitration Order, including a mutual Release
27 to be executed by all parties.
28

FLOYD A. HALE
SPECIAL MASTER
2300 W. LAS VEGAS AVE. SUITE 900
LAS VEGAS, NEVADA 89102
PHONE (702) 457-5267 EMAIL fhaile@floydahale.com

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7. That each party pay their own fees and costs incurred herein.

DATED this 20th day of September, 2006.

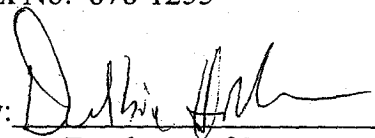
By: 
FLOYD HALE, Arbitrator
2300 West Sahara Avenue, #900
Las Vegas, NV 89102

CERTIFICATE OF FACSIMILE AND MAIL

I hereby certify that on the 21 day of September, 2006, I faxed and mailed a true and correct copy of the foregoing addressed to:

John Peter Lee, Esq.
830 Las Vegas Boulevard South
Las Vegas, NV 89101
Attorneys for Plaintiffs
Fax No. 383-9950

John Netzorg, Esq.
2810 West Charleston Blvd. #H-81
Las Vegas, NV 89102
Attorneys for Defendants
Fax No. 878-1255

By: 
Employee of Jams

FLOYD A. HALE
SPECIAL MASTER
2300 W. S. W. SUITE 900
LAS VEGAS, NV 89102
PHONE (702) 457-5267 EMAIL fhale@floydahale.com

John M. Netzorg
10-11-14

LAW OFFICES OF
JOHN M. NETZORG
2810 W. CHARLESTON E SUITE H-81
LAS VEGAS, NEVADA 89102
(702) 878-3400

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MOT
JOHN M. NETZORG, ESQ.
Nevada Bar No. 1335
2810 West Charleston Boulevard, #H-81
Las Vegas, Nevada 89102
(702) 878-3400
Attorney for RAY KOROGHLI, individually
FARIBORZ FRED SADRI, individually and as Trustee
of the STAR LIVING TRUST

**DISTRICT COURT
CLARK COUNTY, NEVADA**

GHOLAMREZA ZANDIAN JAZI,)
)
Plaintiff,) CASE NO. A 511131
) DEPT. NO. XIII
)
vs.)
) **MOTION TO CHANGE**
) **AWARD BY ARBITRATOR**
) **PURSUANT TO NRS 38.237**
RAY KOROGHLI, individually, FARIBORZ)
FRED SADRI, individually and as Trustee of the)
the Star Living Trust, WENDOVER PROJECT,)
LLC, a Nevada limited liability company; BIG)
SPRING RANCH, LLC, a Nevada limited liability)
company, and NEVADA LAND AND WATER)
RESOURCES, LLC, a Nevada limited liability)
company) (BEFORE ARBITRATOR)
Defendants)
_____)
RAY KOROGHLI, individually and FARIBORZ)
FRED SADRI, individually)
)
Counterclaimants)
)
vs.)
)
GHOLAMREZA ZANDIAN REZA)
)
Counterdefendant)
_____)

Pursuant to N.R.S. 38.237, the Defendants/Counterclaimants would request that the

1 Arbitrator modify or correct the award to conform with the Arbitrator's oral pronouncements and
2 the intention of the parties. *N.R.S. 38.237* provides that there may be a modification or
3 correction on a motion within twenty days of receipt of notice of the award.

4 **1. There was an express requirement of the settlement that Mr. Zandian's**
5 **wife sign the documents.**

6 The transcript of the settlement in this case, (Exhibit "A"), specifically provides that the wives
7 will sign. Nonetheless, Zandian has refused this requirement. (Exhibit "B"). Under no
8 circumstances will the Defendants proceed unless Zandian honors his commitments.
9

10 The seriousness of the matter is demonstrated by the Shipyard settlement, a matter which was
11 collaterally raised in this Arbitration. After Mr. Zandian settled with K. Damen, his partner in
12 the Dutch shipyards, and received \$2.1 million Dutch guilders, one year later Zandian rescinded
13 the settlement because his wife had not signed the document. (Exhibit "C"). On April 1, 1998,
14 Mr. Zandian's Dutch counsel announced to Shipyard K. Damen that Mr. Zandian was rescinding
15 their previous year's settlement agreement because:
16

17 Mr. Zandian considers the Settlement Agreement of 2 April
18 1997 null and void because his (former) wife did not sign the
19 agreement.

20 In this case, the wives' signatures were made a condition of the settlement because of Mr.
21 Zandian's established position that absent wives' signatures, settlement agreements are void and
22 rescindable.

23 The settlement agreement requires Mr. Zandian to deliver clear title to his interests in Wendover
24 Project, LLC and Big Springs Ranch, LLC. Zandian testified that his bankruptcy proceedings are
25 still being actively litigated in France and that his claims to stock ownership in the Shipyard K.
26 Damen, the very consideration he tendered, is the subject of the French litigation. Since he
27
28

JOHN M. NORTZORG
2810 W. CHARLESTON E. SUITE H-81
LAS VEGAS, NEVADA 89102
(702) 878-3400

1 purports to have given \$3,000,000.00 in stock from this bankruptcy court asset to Pico in
2 exchange for an interest in Wendover Project, LLC, he will need to provide an order from the
3 French Bankruptcy Court demonstrating he in fact owned the stock and that the French
4 Bankruptcy Court has no claim or interest in the Wendover Project, LLC interests which he is
5 transferring. The requirement would be the same if he were in bankruptcy in Nevada and was
6 seeking to exchange an asset subject to a Bankruptcy Court proceeding without Bankruptcy
7 Court approval.

8
9 **2. The Operating Agreements provide that Managing Members may name**
10 **beneficiaries who receive the Manager's interest automatically in the event**
11 **of the Managing Member's withdrawal, expulsion or removal.**

12 A predicate to the transfer of Zandian's interest in the Wendover Project, LLC and Big Springs
13 Ranch, LLC limited liability companies is the designation of the transferors as beneficiaries.
14 (Exhibit "D" attached hereto).

15 As written, the Arbitration award does not accomplish that which it purports to accomplish. Mr.
16 Zandian may not transfer his interests to the Defendants unless he has first designated them as
17 beneficiaries prior to his resignation or removal as Managing Member(s). Accordingly, the
18 award needs to be amended to name the Star Living Trust and Mr. Koroghli as beneficiaries of
19 Mr. Zandian (and his wife as is appropriate) for the automatic transfer of these interests to the
20 recipients on his subsequent removal as Managing Member.

21
22
23 **3. Mr. Zandian was to guarantee that he had not pledged or sold his membership**
24 **interests to a third party. Mr. Zandian must demonstrate that he has not sold,**
25 **transferred, hypothecated or assigned his interests by operation of law**
26 **or otherwise.**

27 The Defendants' real property ownership are matters of record. The documentation produced by
28 Mr. Zandian consistently reveals third party arrangements. Mr. Zandian claims additional

1 ownership in Wendover Project, LLC and Big Springs Ranch, LLC by reason of off record
2 transfers and oral agreements with third parties.

3 Mr. Zandian must identify with particularity both off record transfers from which he claims to
4 have benefited as well as off record transfers and pledges he has made to third parties. Mr.
5 Zandian testified that he had received a \$750,000.00 interest from a third party in Wendover
6 Project, LLC and had received other off-record transfers of interests in Wendover Project, LLC.
7 Mr. Zandian must identify each and every interest which he owns in the LLCs, either of record or
8 otherwise and he must transfer, free and clear of any third party claims, these interests in
9 consideration of the transfer by the Defendants of the real property interests and monies to be
10 paid.
11

12 **4. Mr. Zandian must include in his assignment of interests any, all and**
13 **every interest he has in the 500 shares of Shipyard K. Damen stock which**
14 **he purportedly transferred in consideration of a \$3,000,000.00 discount in**
15 **the purchase price of the West Wendover land holdings received by Wendover**
16 **Project, LLC from Pico Holdings.**

17 Mr. Zandian has indicated, before and after the Arbitration hearings, that he intends to bring an
18 action against Pico Holdings, its subsidiaries and its Executives, Western Title, the Peppermill
19 and others based on transactions involving Wendover Project, LLC. All his right, title and
20 interest in any proceeding, directly or indirectly related to Wendover Project, LLC and Big
21 Springs Ranch, LLC must be assigned including any choses in action or entitlements to recovery
22 from any claims.

23 Because there are real and personal property interests being exchanged, there must be escrow.

24 All parties must demonstrate good title. The real property interests of the Star Living Trust and
25 Ray Koroghli are easily ascertainable and insurable. On the other hand, the personal property
26 interests of Mr. Zandian in the LLCs are subject to third party claims, all of which are generated
27
28

1 by Mr. Zandian's own testimony and documents presented. He must provide proof of title and
2 disclaimers of any interest by:

- 3 1. The French Bankruptcy Court (Liquidation Judiciaire)
- 4 2. Third Party Creditors
- 5 3. Judgment Lienholders (Al Makaaseb General Trading
6 Company); and
- 7 4. Any third parties to whom or from whom he purports
8 to have transferred interests voluntarily or
9 involuntarily by operation of law.

10 He must assign to the LLCs and the purchasers of his interests any, all and every ownership he
11 has directly or indirectly, including all benefit, choses in action, or any, all and every other thing
12 of value including but not limited to Items 1 through 4 above.

13 **5. Mr. Zandian must warrant and verify that he is in a position, legally, to
14 perform the actions required pursuant to the Settlement Agreement
15 including the following:**

- 16 (a) proof that his ownership interests are not affected
17 by his pending personal and corporate bankruptcy in
18 France;
- 19 (b) proof that he has not transferred his interests in
20 the LLCs;
- 21 (c) proof that his ex-wife does not have a claim to
22 the 500 shares of Shipyard K. Damen stock transferred by
23 Zandian to Pico Holdings as consideration for a
24 \$3,000,000.00 discount in the purchase price, ownership to
25 which has been asserted by Mr. Zandian's bankruptcy
26 counsel in Exhibit "A";
- 27 (d) a complete release of the Defendants, the LLCs,
28 all of their members, managers, agents, attorneys and assigns
from any, all and every claim, known or unknown, including
the real properties, LLCs, partnerships, joint ventures or
relationships of any kind arising from or related to the real
property acquisitions involved in this Arbitration;

6. Mr. Zandian must expressly disavow any interest in entitlements to:

- (a) commissions resulting from the sale of water rights
to Pico Holdings;

(b) any interest in Star Living Trust's pending action with J. Bingham and assurances that any claims made by Mr. Zandian in this Arbitration were unsupported by any evidence, documentary or otherwise, that would support his claim, directly or indirectly in the proceeds of that litigation or in the underlying real property. Mr. Zandian must further acknowledge that the testimony provided regarding an unwritten and un-witnessed representation that Zandian was to receive an interest as the result of providing perjured testimony was fabricated.

7. **The Settlement Agreement must unequivocally include provisions that no consideration whatsoever was paid based on Mr. Zandian's scurrilous allegations that he had an ownership interest in any Clark County real properties owned by the Star Living Trust and Fred Sadri as Trustee, or that he was ever promised an interest in these properties.**

8. **Mr. Zandian testified on August 25, 2006 "I have contributed \$80,000.00 and I have received back that money, there was no protest whatever about this."**

Mr. Zandian indicated that he had the checks to prove his payment. Settlement was based on his sworn testimony. In reliance on Mr. Zandian's representations that he had paid this \$80,000.00, the Defendants were amenable to paying \$250,000.00 in cash. Despite a diligent search, the Defendants have been unable to locate any evidence of a payment by Mr. Zandian. He must produce evidence of payment of this \$80,000.00 or deduct that amount from the settlement.

9. **\$17,000.00.**

Mr. Zandian took \$17,000.00 from Big Springs Ranch, LLC. Likewise, he claims to have paid it back. He must produce evidence of payment or credit amount from the settlement. Attached as Exhibit "E" are copies of Bank of America documents pertaining to the \$17,000.00.

10. **Mr. Zandian is to receive title to Pah Rah and the 320 Acres.**

Mr. Zandian is to take title subject to his note and deed of trust. The Star Living Trust is to forfeit all claims to the principal, or \$333,996.56. Mr. Zandian is responsible for all other costs,

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including foreclosure fees, trustee's fees, attorney's fees, interest and other similar expenses.

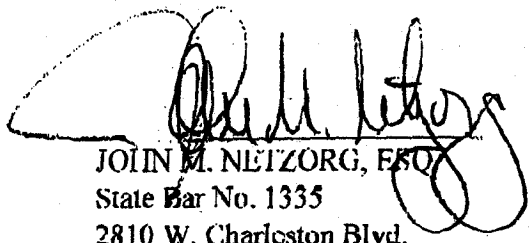
Attached as Exhibit "F" are copies of an amortization schedule and statement from First Centennial Title showing foreclosure fees and costs.

Conclusion,

Fred and Ray have the \$250,000.00 and are ready to close escrow as soon as Mr. Zandian demonstrates that the interests to be transferred by him are his to convey and that the transfers are in accordance with the requirements of the LLCs' Operating Agreements and he provides proof that he paid the \$97,000.00 referenced above.

Finally, a mutual release must be executed, releasing all claims known or unknown, whether relating to the property and defamation claims asserted or any claim which could have been raised.

Dated this 11th day of October 2006.



JOHN M. NETZORG, ESQ.
State Bar No. 1335
2810 W. Charleston Blvd.
Suite 81
Las Vegas, Nevada 89102
Attorney for Defendants/
Counterclaimants

LAW OFFICES OF
JOHN M. NETZORG
2810 W. CHARLESTON BLVD., SUITE H-81
LAS VEGAS, NEVADA 89102
(702) 878-3400

NOTICE OF MOTION

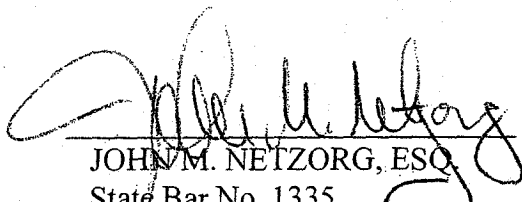
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2 TO: PLAINTIFF

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5 TO: John Peter Lee, Esq., his counsel of record

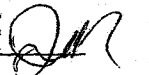
6 PLEASE TAKE NOTICE that the Defendants/Counterclaimants will bring the above
7 and foregoing MOTION TO CHANGE AWARD BY ARBITRATOR PURSUANT TO NRS
8 38.237 on for hearing on the _____ day of _____, 2006 at the hour of _____ a.m.
9 before the Arbitrator, Floyd Hale, Esq., or as soon thereafter as counsel may be heard.

10 Dated this 11th day of October 2006.

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13 
14 JOHN M. NETZORG, ESQ.
15 State Bar No. 1335
16 2810 W. Charleston Blvd.
17 Suite 81
18 Las Vegas, Nevada 89102
19 Attorney for Defendants/
20 Counterclaimants

21 RECEIPT OF COPY

22 RECEIPT OF COPY OF the foregoing Motion to Change Award by Arbitrator Pursuant
23 to NRS 38.237 is acknowledged this 11 day of October 2006.

24 JOHN PETER LEE 
25 JOHN PETER LEE, ESQ.
26 JOHN PETER LEE, LTD.
27 Nevada Bar No. 1768
28 830 Las Vegas Boulevard South
Las Vegas, Nevada 89101
Attorney for Plaintiff/Counterdefendant

LAW OFFICES OF
JOHN M. NETZORG
2810 W. CHARLESTON , SUITE H-81
LAS VEGAS, NEVADA 89102
(702) 878-3400

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DISTRICT COURT

2

CLARK COUNTY, NEVADA

3

GHOLAMREZA ZANDIAN JAZI,)

)

4

Plaintiff,)

)

5

vs.)

CASE NO. A511131

) DEPT. NO. XIII

6

RAY KOROGHLI, individually,)

FARIBORZ FRED SADRI,)

7

individually, and as Trustee)

of the Star Living Trust,)

8

WENDOVER PROJECT, LLC, a)

Nevada limited liability)

9

company; BIG SPRING RANCH,)

LLC, a Nevada limited)

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liability company, and NEVADA)

LAND AND WATER RESOURCES, LLC,))

11

a Nevada limited liability)

company,)

12

Defendants.)

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_____)

)

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RAY KOROGHLI, individually)

and FARIBORZ FRED SADRI,)
 15 individually,)
)
 16 Counterclaimants,)
)
 17 vs.)
)
 18 GHOLAMREZA ZANDIAN JAZI,)
)
 19 Counterdefendant.)
 _____)

20

21 REPORTER'S TRANSCRIPT OF ARBITRATION PROCEEDINGS

22 BEFORE ARBITRATOR FLOYD A. HALE, ESQ.

23 Taken on Friday, September 8, 2006

24 At 2:48 o'clock p.m.

25 At 2300 W. Sahara, Ste. 900

Mary Dane McCoy (702)655-9900

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1 Las Vegas, Nevada

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Mary Dane McCoy (702)655-9900

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1 ARBITRATOR HALE: This is the time that was
2 set this morning for the continuation of the binding
3 arbitration related to the litigation initiated in
4 District Court for Clark County, Nevada, Case A511131,
5 Jazi versus Koroghli, et al. would people please note

6 their appearance for the court reporter?

7 MR. LEE: John Peter Lee representing Mr.

8 Zandian who is present here today, Mr. Michael Reynolds

9 in association with me.

10 MR. NETZORG: John Netzorg with Ray Koroghli,

11 Fred Sadri individually and both as managing members of

12 the Nevada Land & Water Company, LLC; Big Springs

13 Ranch, LLC; and Wendover Project, LLC.

14 MR. LEE: Let the record further show that

15 Amy Connell is here as our paralegal.

16 ARBITRATOR HALE: Having heard two full days

17 of testimony, having reviewed all the exhibits, the

18 depositions that were submitted, and arguments of

19 counsel, it appears to me that the resolution of this

20 case will be as follows: And counsel are free to

21 correct me.

22 MR. NETZORG: This is pursuant to a
23 stipulation obviously, so we want to make sure there is
24 a universal and complete resolution of all issues --

25 MR. LEE: Let's let him get through this,

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1 John.

2 ARBITRATOR HALE: This will completely
3 resolve all claims of the LLCs and the individuals that
4 are involved in this litigation.

5 The entire interest in the Pah Rah, LLC and
6 property will be transferred to Mr. Zandian free and
7 clear of all indebtedness, including the promissory
8 note secured by deed of trust issued for the benefit of

9 Mr. Sadri.

10 MR. NETZORG: With that there is the
11 outstanding obligation to Mr. Jeff Codega or
12 whatever --

13 MR. LEE: John, please do me a favor, let the
14 gentleman finish, let him finish and we will put our
15 comments --

16 ARBITRATOR HALE: Yeah, let me start all
17 over.

18 So the resolution will be as follows: The
19 Pah Rah property and LLC and all interest therein will
20 be transferred free and clear to Mr. Zandian, including
21 a waiver of any rights under the promissory note
22 secured by deed of trust or other security for the
23 benefit of Mr. Sadri. Any obligation to Mr. Jeff
24 Codega, C-O-D-E-G-A, related to work that he has

25 performed as to that specific real property will be the

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1 obligation of Mr. Zandian. That is the first item.

2 Item 2: The 320 acres referenced in the
3 lawsuit and the briefs will be transferred free and
4 clear to Mr. Zandian without any obligation to the
5 other litigants or parties to this arbitration or
6 anyone else who may profess to have an interest in the
7 320 acres that are bound by this lawsuit.

8 No. 3: Mr. Sadri and Mr. Koroghli will,
9 within 30 days from today, pay Mr. Zandian \$250,000
10 cash in return for Mr. Zandian waiving any claims or
11 any rights to the Big Springs, LLC?

12 MR. KOROGHLI: Ranch, LLC.

13 ARBITRATOR HALE: Big Springs Ranch, LLC, or
14 the Wendover Project -- I had purchase -- Project.
15 That is the next item.

16 Finally all of the LLCs and properties that
17 are the subject of this arbitration lawsuit, including
18 Pah Rah, the 320 acres, the Big Springs Ranch, and the
19 Wendover Purchase or Project waive any claim to
20 reimbursement or participation in any consulting fees
21 paid to Mr. Zandian from the seller. The parties will
22 through counsel prepare any necessary documents to
23 effect the transfers of the LLCs and any underlying
24 real estate, and the parties and representatives of
25 these LLCs will execute all necessary documents to

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1 effect this settlement and arbitration order.

2 would counsel like to add anything to these
3 terms?

4 MR. LEE: We would like to have the check
5 payable to my office for 250,000.

6 ARBITRATOR HALE: All right. The settlement
7 check will be payable to John Peter Lee, Ltd.

8 Anything else?

9 MR. NETZORG: We would like a mutual release
10 executed by and between the parties.

11 ARBITRATOR HALE: I think that is part of the
12 documents that I referenced and I would agree.

13 MR. NETZORG: We need a warranty from the
14 parties that the properties and interest being
15 transferred haven't been previously transferred, that

4 ARBITRATOR HALE: We may want spouses to
5 sign --

6 MR. LEE: We can work out the form of the
7 details, I'm not concerned about that, if necessary we
8 can get preliminary title reports. That is what I plan
9 on doing.

10 MR. NETZORG: Just to -- some of interests
11 aren't going to be reflected and the conveyance
12 of the membership interest in the LLCs is not of
13 record, so we need to have warranties in satisfaction
14 that there hasn't been a pledge of these interests
15 previously.

16 ARBITRATOR HALE: That is fine, that can be
17 in the settlement agreement.

18 Any issue regarding the sufficiency or the
19 necessity of settlement agreements or documentations

20 for transfer of property, I'm retaining my authority as
21 the arbitrator to resolve that issue.

22 MR. NETZORG: We would want to do an
23 allocation of the purchase price for the LLC interests
24 that correspond -- we may do an allocation of the
25 purchase price for the LLC interests.

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1 MR. LEE: You can allocate anything you want
2 to.

3 MR. NETZORG: That is good, as long as you
4 understand.

5 MR. LEE: It is not my involvement. You can
6 allocate anything you want.

7 ARBITRATOR HALE: Mr. Netzorg, you will have
Page 13

8 the right to do whatever accounting you wish on Big
9 Springs and Wendover and Mr. Lee and his client will
10 have the right to do whatever allocation they want on
11 the 320 acres and the Pah Rah property.

12 MR. NETZORG: I would ask that you retain
13 jurisdiction to enforce the settlement agreement.

14 ARBITRATOR HALE: I already took it.

15 MR. NETZORG: Okay.

16 MR. LEE: He just did it. That is crucial.

17 MR. NETZORG: The candy has been excellent
18 but I'm -- then there is, with the understanding that
19 those items, thank you very much and thank you for the
20 excellent job you have done.

21 ARBITRATOR HALE: I omitted something you two
22 didn't catch. The defamation claim is resolved by this

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23 agreement.

24 MR. LEE: Everybody pays their own fees and

25 otherwise bears their own fees and costs.

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1 ARBITRATOR HALE: Mr. Netzorg, you may have

2 missed that, I'm sorry, you were conversing with your

3 client. This agreement also includes a dismissal and

4 waiver of all claims of Mr. Zandian for defamation as

5 alleged in the documents that are the subject of this,

6 and each party is to pay their own fees and costs.

7 MR. NETZORG: Very good. Also, any third

8 party claims that may have arisen, apparently there was

9 some suggestion about litigation as a result of the

10 July 21, '05 transfer of the property from Wendover

11 Project, LLC to the Peppermill, just to make certain --

12 ARBITRATOR HALE: He waived all claims as to
13 the Wendover Property or Project.

14 MR. NETZORG: Very good.

15 MR. LEE: All claims except what is on the
16 record.

17 ARBITRATOR HALE: The payments he is entitled
18 to under the record on the transfer of the property and
19 rights under the record.

20 MR. KOROGHLI: Against the purchaser, against
21 the title company, we want to make sure that everybody
22 -- there is not going to be another lawsuit flying over
23 six months from now, a year from now from Mr. Zandian.

24 ARBITRATOR HALE: All claims related to all
25 LLCs and properties that are the subject of this

15 people that know a lot more about these issues than I
16 do and I appreciate that.

17 And I have to tell you, as you know, I've
18 been here 31 years, I do three or four or five
19 arbitrations or mediations a week, I deal with
20 attorneys from all over the country, I'm a special
21 master on six hotel construction projects now and three
22 other high-rise projects and I deal with attorneys from
23 every state. You don't get attorneys of any higher
24 caliber than the two attorneys that are working on this
25 case. So I know it was hard fought, I know it was

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1 probably expensive, and I know it was thorough and

2 probably difficult for all of you, but both sides are
3 very lucky to get these attorneys on this type of case,
4 because I have to tell you, unfortunately in the
5 overwhelming number of cases, there is usually some
6 weak link in the chain and we got two -- it was a
7 pleasure to watch them work and do their craft in this
8 case.

9 So if I can be of any further assistance,
10 I'll be glad to. I will resolve any disputes on the
11 written agreements if it is necessary, I doubt it with
12 these two attorneys, but with that, I think we can all
13 take the rest of our Friday afternoon off.

14 MR. LEE: Thank you, Mr. Hale, for taking it
15 on and doing such a fine job in getting it resolved.

16 MR. NETZORG: It was a very difficult case.
17 A lot of details. Mastered incredibly.

6 ARBITRATOR HALE: That is why I was ordering

7 a transcript.

8 (Thereupon, the proceedings

9 concluded at 3:02 p.m.)

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JOHN PETER LEE, LTD.

ATTORNEYS AT LAW

830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
TELEPHONE (702) 382-4044
FACSIMILE (702) 383-9950
E-MAIL: info@johnpeterlee.com

September 13, 2006

John M. Netzorg, Esq.
2810 West Charleston, #81
Las Vegas, Nevada 89102

FAX 878-1255

Re: Jazi v. Koroghli, et al.

Dear Mr. Netzorg:

I have your communication of this date and note that you have added wives into your mix. I can't imagine the purpose for doing so. There is no indication they were participants in any of the business transactions. Their inclusion would cause confusion and potential mischief.

Yours truly,

JOHN PETER LEE, LTD.

John Peter Lee, Esq.

JPL/jlr
cc: Client
1334.022860

WFZ1079

Assa... 2 de
Wm Oakes 17-01-2001

LOEFF CLAEYS VERBEKE

BY COUNSEL

BY FAX: 06-20193
Van Arken Knippen Damstra
P.A. Mr Ch. H. Kiser
Stationsweg 4
3211 JW DORDRECHT

Wants to
post on 02/28/03
10:00 AM
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Rotterdam, 1 April 1998
Re JO/iv - 96-2-0193
Ref. Zandman/K. Damen
From Mr J. Orlmans, advocaat

Dear Mr Kiser,

As you may be aware I act on behalf of Mr G.R. Zandman just with regard to his interests in the Netherlands.

This letter is to inform you that Mr Zandman considers the documents as specified hereinafter null and void. Furthermore, to the extent necessary, these documents are herewith nullified. If these documents are not null and void, Mr Zandman herewith requests the hereinafter described documents.

On 2 April 1997 Mr Damen and Mr Zandman entered into a Settlement Agreement whereby it was agreed that on certain dates certain amounts would be transferred to the bank accounts of Mr Zandman in full and final settlement of the dispute(s) that had arisen between parties. It was further agreed that Mr Zandman would transfer 40 of his shares in Scheepswaaf K. Damen B.V. to Mr K. Damen. On page 3 of the Settlement Agreement parties added by handwritten agreement that time was of the essence with regard to the scheduled payments.

As a result of the Settlement Agreement of 2 April 1997 parties entered into 1) the (notarial) Deed of Settlement of 7 May 1997, 2) the (notarial) Deed of Transfer of Shares of 7 May 1997, and 3) a handwritten Agreement of 7 May 1997 stating that 1) and 2) would be null and void if the payments as scheduled in the Settlement Agreement of 2 April 1997 are not fulfilled and paid in full (the "Documents").

Jou hebt niet te maken met de afzender van dit bericht. Het bericht is afkomstig van de afzender van dit bericht en kan vertrouwelijk of anderszins wettelijk beschermd zijn. Indien u niet de geadresseerde bent, wordt verzocht de afzender hiervan in kennis te stellen. Het bericht kan vertrouwelijk of anderszins wettelijk beschermd zijn. Indien u niet de geadresseerde bent, wordt verzocht de afzender hiervan in kennis te stellen.

LOEFF CLAYS VERBEEK

With regard to the transfer of 49 shares to Mr K. Damen please note that by Deed of Issuance of 13 May 1987 49 shares with a nominal value of NLG 1,000.- each were issued to Mr Zandien. According to an excerpt from the Trade Registry dated 28 September 1987 Schoepwerf K. Damen B.V. had an issued and paid up capital of NLG 99,000.- consisting of 99 shares with a nominal value of NLG 1,000.- each.

However, according to an excerpt from the Trade Registry dated 11 April 1996 (and 1 April 1996) Schoepwerf K. Damen B.V. at the moment had (and has) an issued and paid up capital of NLG 2,300,000.- consisting of 2,300 shares of NLG 1,000.- each.

Apparently, 2,401 shares in Schoepwerf K. Damen B.V. with a nominal value of NLG 1,000.- each were issued during the period that Mr Zandien was a shareholder. As a shareholder Mr Zandien has had a right of preemption on 1/10th of the total capital increase, being 1,176 shares. Despite the right of preemption as laid down in article 2206a of the Dutch Civil Code these shares have never been issued/offered to Mr Zandien. Moreover, Mr Zandien has never been invited to a shareholders' meeting whereby the authorized capital as laid down in the articles of association was amended.

In this regard I would like to request you to submit the invitation and the minutes of the meeting of said shareholders' meeting, the Deed of issuance of 2,401 shares, the Deed of Acceptance of such by Mr K. Damen and the shareholders' register. For the avoidance of doubt it is noted that the abovementioned observations are made without prejudice to any rights and/or defenses available to Mr Zandien.

Mr Zandien considers the Settlement Agreement of 2 April 1997 null and void because his (former) wife did not assign this agreement. Mrs Lella Gerchl never consented to nor witnessed the Settlement Agreement. The Settlement Agreement merely states that it is accepted by Mrs Lella Gerchl. Therefore, the (proposed) Deeds of 7 May 1997 are also null and void. Moreover, I understand that the civil law notary that executed the Deeds of 7 May 1997 has requested Mr Zandien to have his (former) wife assign the Deeds but failed to persist in such request.

To the extent that the referred documents are not null and void, Mr Zandien herewith nullifies the Documents on the basis of error in fact. Mr Zandien signed the Documents assuming that Schoepwerf K. Damen B.V. was virtually bankrupt at the time. Mr Zandien assumed this on basis of the information made available to him by Mr K. Damen.

However, after 7 May 1997 Mr Zandien found out that Schoepwerf K. Damen B.V. (and affiliates) had received millions worth of confirmed orders prior to 7 May 1997.

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LOEIJ CLAYE VERBOD

however, a large German chemical company had deposited NLG 30,000,000. in the bank account of Schoepwerf K. Damen B.V. as an advanced payment to such orders. Mr Zandien also found out that NCM - the largest creditor of Schoepwerf K. Damen B.V. (NLG 12,000,000.-) had withdrawn all of its claims on Schoepwerf K. Damen B.V. and that Schoepwerf K. Damen B.V. was in negotiation with the Dutch Authorities with regard to the construction of a new "dijk" on its premises as a result whereof it would make over NLG 10,000,000.- in competitors.

If the Documents are not null and void as a result of any of the circumstances, then Mr Zandien herewith rescinds the Documents on the basis of the violation by Mr K. Damen of the (hand-written) "time is of the essence"-clauses as laid down in the Settlement Agreement of 4 April 1997 and 7 May 1997. The related amounts were not transferred before the end of April 1997 in accordance with the schedule. The amounts were not paid in full and not to the designated parties.

I am looking forward to your reply.

Yours sincerely,


Mr. J. Carlemans

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**OPERATING AGREEMENT
OF
BIG SPRING RANCH L.L.C**

THIS OPERATING AGREEMENT ("Agreement") is entered into this **1ST** day of **October, 2003** by and between the following as Managing Member and Members of **BIG SPRING RANCH A LIMITED LIABILITY COMPANY**:

<u>NAME</u>	<u>ADDRESS</u>
STAR LIVING TRUST (Fariborz Fred Sadri) (Managing Member)	2827 S. Monte Cristo Las Vegas NV 89117
RAY KOROGHLI (Managing Member)	3055 Via Sarafina Henderson, Nevada 89012
Gholamreza Zandian JAZI (Managing Member)	9550 W. Sahara Ave. Apt.# 2148 Las Vegas, NV 89117

1. ARTICLE

FORMATION AND PURPOSE OF LIMITED LIABILITY COMPANY

1.1 Formation of Limited Liability Company.

(a) The parties to this Agreement hereby agree to become members and to form a Limited Liability Company pursuant to the provisions of Chapter 86 of the Nevada Revised Statutes (N.R.S.) as adopted in Nevada for the purpose set forth hereinbelow.

(b) Except as expressly provided herein, the rights and obligations of the Members and the administration and termination of the Company as specified herein shall be construed in accordance with N.R.S. Chapter 86, et. seq.

1.2 Name of Company. The Company's business shall be conducted solely under the name of **BIG SPRING RANCH L.L.C** (the "Company").

1.3 Purpose and Scope of the Company.

(a) The Company is organized to engage in and do any lawful act concerning any and all lawful business, other than banking or insurance, for which a Company may be organized.

(b) Nothing herein contained shall be deemed in any way or manner to prohibit or restrict the right or freedom of any Member separately, as a separate entity apart from the Company, to conduct any business or activity

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(b) A Member shall be reimbursed by the Company for the reasonable out-of-pocket expenses incurred by such Member on behalf of the Company in connection with the Company's business and affairs upon presentment of proper receipts and invoices and approved by the Managing Member. However, no Member shall be entitled for reimbursement by the Company for meals, travel, transportation and entertainment.

ARTICLE 6

ROLE AND LIABILITY OF MEMBERS

6.1 Liability of Members. No Member shall have any personal liability whatsoever to the creditors of the Company for the debts of the Company or any losses beyond their Capital Contribution except as set forth in Article 3.

In accordance with Nevada law, a Member may, under certain circumstances, be required to return to the Company, for the benefit of Company creditors, amounts previously distributed to it as a return of capital. For purposes of this paragraph, the Members intend that no distribution to any Member of Net Cash From Operations or Net Cash From Sales or Refinancings shall be deemed a return or withdrawal of capital, even if such distribution represents, for federal income tax purposes or otherwise (in whole or in part), a return of capital, and that no Member shall be obligated to pay any such amount to or for the account of the Company or any creditor of the Company.

ARTICLE 7

SALE OR TRANSFER OF A LIMITED LIABILITY COMPANY INTEREST

7.1 Restriction on Transfer. No Member shall sell, exchange, assign, pledge, give, or otherwise transfer or encumber in any manner or by any means whatsoever, all or part of such Member's Interest in the Company, without obtaining the prior written consent of the Managing Member.

(a) Upon the Managing Member consent, each Member shall have an equal right of first refusal to purchase the transferring Member's interest in proportion to the purchasing Member's then percentage interest ownership in the Company subject to Paragraph 7.5. In the event some or all Members do not exercise their right of first refusal, the Managing Members are authorized to structure the transfer in the best interest of the Company.

(b) Upon the death, retirement, resignation, expulsion, bankruptcy or dissolution of a Member or upon the occurrence of any other event which terminates the continued Membership of a Member of the Company the Company shall immediately dissolve unless all remaining Members vote to continue the Company without dissolution. Beneficiaries of the Managing Members will be herein named, and equal percent to that of Managing Member of the Company will be automatically be transferred to beneficiaries of said Managing Member. (see Exhibit B)

u 10/3

OPERATING AGREEMENT
OF
WENDOVER PROJECT L.L.C

THIS OPERATING AGREEMENT ("Agreement") is entered into this 26th day of December, 2003 by and between the following as Managing Member and Members of WENDOVER PROJECT A LIMITED LIABILITY COMPANY and supercedes and replaces any and all prior Operating Agreements for the company.

<u>NAME</u>	<u>ADDRESS</u>
STAR LIVING TRUST (Fariborz Fred Sadri) (Managing Member)	2827 S. Monte Cristo Las Vegas NV 89117
RAY KOROGLI (Managing Member)	3055 Via Sarafina Henderson, Nevada 89012
Gholamreza zandian JAZI (Managing Member)	9550 W. Sahara Ave. Apt. #2148 Las Vegas NV 89117

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(b) Except as expressly provided herein, the rights and obligations of the Members and the administration and termination of the Company as specified herein shall be construed in accordance with N.R.S. Chapter 86, et. seq.

1.2 Name of Company. The Company's business shall be conducted solely under the name of WENDOVER PROJECT L.L.C (the "Company").

1.3 Purpose and Scope of the Company.

(a) The Company is organized to engage in and do any lawful act concerning any and all lawful business, other than banking or insurance, for which a Company may be organized.

(b) Nothing herein contained shall be deemed in any way or manner to prohibit or restrict the right or freedom of any Member separately, as a

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(b) A Member shall be reimbursed by the Company for the reasonable out-of-pocket expenses incurred by such Member on behalf of the Company in connection with the Company's business and affairs upon presentation of proper receipts and invoices and approved by the Managing Member. However, no Member shall be entitled for reimbursement by the Company for meals, travel, transportation and entertainment.

ARTICLE 6

ROLE AND LIABILITY OF MEMBERS

6.1 Liability of Members. No Member shall have any personal liability whatsoever to the creditors of the Company for the debts of the Company or any losses beyond their Capital Contribution except as set forth in Article 3.

In accordance with Nevada law, a Member may, under certain circumstances, be required to return to the Company, for the benefit of Company creditors, amounts previously distributed to it as a return of capital. For purposes of this paragraph, the Members intend that no distribution to any Member of Net Cash From Operations or Net Cash From Sales or Refinancings shall be deemed a return or withdrawal of capital, even if such distribution represents, for federal income tax purposes or otherwise (in whole or in part), a return of capital, and that no Member shall be obligated to pay any such amount to or for the account of the Company or any creditor of the Company.

ARTICLE 7

SALE OR TRANSFER OF A LIMITED LIABILITY COMPANY INTEREST

7.1 Restriction on Transfer. No Member shall sell, exchange, assign, pledge, give, or otherwise transfer or encumber in any manner or by any means whatsoever, all or part of such Member's Interest in the Company, without obtaining the prior written consent of the Managing Member.

(a) Upon the Managing Member consent, each Member shall have an equal right of first refusal to purchase the transferring Member's interest in proportion to the purchasing Member's then percentage interest ownership in the Company subject to Paragraph 7.5. In the event some or all Members do not exercise their right of first refusal, the Managing Members are authorized to structure the transfer in the best interest of the Company.

(b) Upon the death, retirement, resignation, expulsion, bankruptcy or dissolution of a Member or upon the occurrence of any other event which terminates the continued Membership of a Member of the Company the Company shall immediately dissolve unless all remaining Members vote to continue the Company without dissolution. Beneficiaries of the Managing Members will be herein named, and equal percent to that of Managing Member of the Company will be automatically be transferred to beneficiaries of said Managing Member. (see Exhibit B)

12/28/03

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R.K.

ATTENTION
Mr. Abrishami
Bank of America.

Checking / Savings Withdrawal - NV **DEBIT**

Not Negotiable - Withdrawals are permitted only through Payment to the depositor

Date 4/6/04

Name and Address Big Spring Ranch
3055 S. Laguna
Henderson NV 89052
Telephone No. ()

Seventeen Thousand Dollars

Save time in line and help us avoid errors. The next time you make a withdrawal, please use your pre-printed withdrawal slips for your account.

[Signature]
Customer Signature

Account Number

004968226867

Total Withdrawal

\$ 17000.00

⑆540880⑆33⑆

004968226867⑈

⑈0001700000⑈

Mr. Zardian's signature

VS DATE 04/06/04
P97 E C 044 NV

BANK OF AMERICA, NA LUC
⑈1224⑆0734⑆56359 01 P01
00000252563581 04/06/04
2250169973

TRN 00022 04/06/2004 11:03
Entity TRN CC 0008071 Tr 00005
Account 004968226867
R/TN 040880133
01110301 Check Sale \$17,000.00
R LNC 0422***** 12/05

Bank of America



Bank of America, N.A.
P.O. Box 25118
Tampa, FL 33622-5118

1.800.432.1000
www.bankofamerica.com

Page 1 of 2
Account Number: 0040 6822 6867
ED P OC Enclosures 3 44
Statement Period
04/01/04 through 04/30/04 00889

00003661 2 AT 0.517 05 01336 001 SCM999 I1 34
BIG SPRING RANCH LLC
3055 VIA SARAFINA DR
HENDERSON NV 89052-4031

4/04

Our free Online Banking service allows you to check account balances, transfer funds, pay bills and more. Enroll at www.bankofamerica.com.

Business Economy Checking

Account Summary Information

Statement Period	04/01/04 through 04/30/04	Statement Beginning Balance	32,096.40
Number of Deposits/Credits	3	Amount of Deposits/Credits	18,045.25
Number of Withdrawals/Debits	3	Amount of Withdrawals/Debits	47,515.00
Number of Deposited Items	2	Statement Ending Balance	2,626.65
Number of Enclosures	3	Average Ledger Balance	3,866.66
Number of Days in Cycle	30	Service Charge	0.00

Deposits and Credits

Date Posted	Amount	Description	Bank Reference
04/05	3,000.00	Counter Credit	813002250974160
04/06	15,000.00	NV Tr transfer Banking Ctr Mill Fwy Confirmation# 1272945971	957604067504834 #0008071 NV
04/19	45.25	Counter Credit	813002350889457

Refund From Western title

Withdrawals and Debits

Checks

Check Number	Amount	Date Posted	Bank Reference	Check Number	Amount	Date Posted	Bank Reference
1008	30,015.00	04/02	813002350890967	1009	500.00	04/21	8130023504773

Other Debits

Date Posted	Amount	Description	Bank Reference
04/06	17,000.00	Counter Debit	81300225016997

Debit 20000
20000
2

FROM : Fred. F. Sadri

PHONE NO. : 702 8735171

Oct. 11 2006 11:39AM P5

MAR-06-2005 SUN 12:54 PM

SEP. 18. 2006 5:03PM

FIRST CENTENNIAL

FAX NO. 7028735171

NOV 22 11 11 AM '06

P. 05/08



FIRST CENTENNIAL TITLE COMPANY OF NEVADA

1025 ROBERTA LANE
SPARKS, NV 89431

PHONE: (775) 685-2121 • FAX: (775) 685-2140

September 18, 2006

Fred Sadri

Via fax: 702-873-5171

RE: Foreclosure No. 00145063 - LM1
Sadri / Zandian

Dear Mr. Sadri:

The foreclosure fees and costs to date are as follows:

Trustee Sale Guarantee	\$1182.00
Trustee's Fee	\$1500.00
Document Preparation	\$ 125.00
Posting Notices (Reno & Wadsworth)	\$ 60.00
Publication (1-run)	\$ 617.33
Recording Fees	\$ 78.00
Certified mail	\$ 44.20
TOTAL	\$3516.53
Less Deposit received	\$1500.00
BALANCE DUE	\$2016.53

Please remit the balance due payable to First Centennial Title Company. A Rescission of the Notice of Default will be recorded upon receipt of your written instructions to cancel the foreclosure and payment of remainder of foreclosure fees. If you have any questions, please call.

Sincerely,

Lucy McSuire
Lucy McSuire
Foreclosure Officer

PLUS ATTORNEY FEES OVER \$600.00

lm

Promissory Note Payable by Zandian to Sadri

Compound Period: Annual

Nominal Annual Rate: 7.000 %
 Effective Annual Rate ...: 7.000 %
 Periodic Rate: 7.0000 %
 Daily Rate: 0.01918 %

CASH FLOW DATA

Event	Start Date	Amount	Number Period	End Date
1 Loan	07/31/2003	333,996.56	1	
2 Payment	10/15/2006	0.00	1	

AMORTIZATION SCHEDULE - Normal Amortization

Date	Payment	Interest	Principal	Balance
Loan 07/31/2003				333,996.56
2003 Totals	0.00	0.00	0.00	
1 10/15/2006	0.00	81,127.24	81,127.24-	415,123.80
2006 Totals	0.00	81,127.24	81,127.24-	
Grand Totals	0.00	81,127.24	81,127.24-	

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183

FILED

2006 DEC 18 P 4: 16

John Peter Lee
CLERK

RECEIVED
DEC 19 2006

JOHN PETER LEE, LTD.

0001
JOHN M. NETZORG, ESQ.
Nevada Bar No. 1335
2810 West Charleston Boulevard, #H-81
Las Vegas, Nevada 89102
(702) 878-3400
Attorney for RAY KOROGHLI, individually
FARIBORZ FRED SADRI, individually and as Trustee
of the STAR LIVING TRUST

DISTRICT COURT
CLARK COUNTY, NEVADA

GHOLAMREZA ZANDIAN JAZI,

Plaintiff,

vs.

RAY KOROGHLI, individually,
FARIBORZ FRED SADRI, individually
and as Trustee of the Star Living Trust,
WENDOVER PROJECT, LLC, a
Nevada limited liability company; BIG
SPRING RANCH, LLC, a Nevada
limited liability company, and
NEVADA LAND AND WATER
RESOURCES, LLC, a Nevada limited
liability company,

Defendants.

CASE NO. A 511131
DEPT. NO. ~~XIII~~ XI

MOTION TO VACATE
ARBITRATION AWARD; or, in
the alternative, MOTION TO
MODIFY OR CORRECT

Date of hearing:
Time of hearing:

DATE OF HEARING 1-23-07 ✓
OPPOSITION DUE 12-29-06 ✓
REPLY DUE 1-16-07 ✓

1. Introduction

This case arises out of a dispute among real estate investors who purchased large tracts of land in Northern Nevada, totaling over 43,000 acres and \$16,000,000.00, title to most of which is held by Limited Liability Companies. Other investors and LLC members are involved in the two largest transactions and have rights in and to the LLCs and their real estate assets, but are not directly involved in this lawsuit. Briefly, Plaintiff Gholamreza Zandian Jazi ("Zandian") alleged that Defendants tried to unlawfully divest him of his interests, while Defendants Ray Koroghli,

CC TO CLIENT

INITIALS WFZ1093

JOHN M. NETZORG
2810 W. CHARLESTON BLVD., SUITE H-81
LAS VEGAS, NE 89102
(702) 878-3400

101

1 ("Ray") and Fariborz Fred Sadri ("Fred") alleged that Zandian had paid for his interests with
2 bogus stock and has received \$600,000.00 in hidden commissions.

3 During the cross-examination of the first witness, Mr. Zandian, the parties agreed to let
4 the arbitrator attempt to mediate the dispute. Acting as mediator, Mr. Hale met many times
5 separately and many times jointly with the parties. The "Arbitration Decision" in this case that
6 the Defendants move now to vacate arose from this mediation. There have been no findings of
7 fact or conclusions of law. Only one witness was sworn, and even the cross-examination of this
8 witness was only partially completed. On September 8, 2006, the parties met with the arbitrator,
9 now acting as mediator, to place the broad outline of an agreement on the record. [Exhibit A] On
10 September 21, 2006, the arbitrator served his "Arbitration Decision." [Exhibit B]

11 This is not a case where a party objects to the arbitrator's interpretation or application of
12 the law after a decision and award on the merits following a trial. This case was not arbitrated.
13 It was mediated. After a tentative broad arrangement was placed on the record, the arbitrator
14 entered an "Arbitration Decision" and followed it up with an "Implementation Award" as though
15 the case had been fully tried, when, in fact, it had not been. The problem with this procedure is
16 that it is misleading, especially where the parties did not reach an agreement on essential terms
17 of a settlement. A further problem is that the settlement terms effectively dictated by the
18 arbitrator are in manifest disregard of the recorded intent of the parties to transfer the Plaintiff's
19 interests in the Big Springs Ranch and Wendover Project LLCs to the Defendants free and clear.
20 The land involved cost over \$16,000,000.00. The Decision requires the Defendants to deliver
21 millions of dollars in property in consideration for which they receive nothing. The procedures
22 and terms imposed deliver clouded title subject to third parties' rights of first refusal and end up
23 dissolving the LLCs altogether.
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1 Although the parties agreed to let the arbitrator attempt to mediate the case, in hindsight it
2 would appear to be the better practice to send the matter to an independent mediator so that the
3 arbitrator could pick up where he left off if the mediation failed. The question for this court is
4 whether it will put judicial approval upon the strange hybrid presented by this case where after
5 mediating a case the arbitrator files an "arbitration decision" that dictates terms of a settlement
6 that not only the parties did not agree on, but also deprives of the parties of any benefit
7 whatsoever.

8
9 Defendants move the court to vacate the "Arbitration Decision" of September 20, 2006,
10 and the "Implementation Award" of November 29, 2006, on the statutory and common law
11 grounds that they do not reflect the agreement of the parties, that the arbitrator exceeded his
12 authority in filling in terms that had not been agreed to by the parties and leaving out terms that
13 had been agreed to, and that the "Arbitration Decision" manifestly disregards the law and the
14 intent of the parties. In the alternative, the Defendants ask the court to modify or correct the
15 "Arbitration Decision" and the "Implementation Award" that followed it to a workable
16 implementation of the parties' settlement intent, if this can be done without mediating the case
17 by judicial decree.

18
19 **2. The statutory and common law standards for vacating an arbitration award**

20 "In Nevada, both '[c]ommon law grounds and statutory grounds exist for the review of
21 arbitration decisions.'" *Clark County Sch. Dist. v. Rolling Plains*, 117 Nev. 101, 103, 16 P.3d
22 1079 (2001) (quoting *Graber v. Comstock Bank*, 111 Nev. 1421, 1426, 905 P.2d 1112, 1115
23 (1995)). Pursuant to NRS 38.241 (formerly 38.145), an arbitration decision can be reviewed and
24 vacated "for a variety of reasons, including instances in which the arbitrator has exceeded his
25 power or shown a propensity for misconduct." *Id.*
26
27
28

JUDITH M. ANELZBURG
2810 W. CHARLESTON P. O., SUITE H-81
LAS VEGAS, NEV. 89102
(702) 878-3300

1 Under the common law, an award may be reviewed and vacated for “manifest disregard
2 of the law,” defined as “error that is ‘obvious and capable of being readily and instantly
3 perceived by the average person qualified to serve as an arbitrator,’” or “a decision that is
4 ‘arbitrary, capricious, or unsupported by the agreement.’” *Id.* at 104, 16 P.3d at 1081. The district
5 court has the authority and obligation to review the arbitrator’s award and the transcripts and
6 exhibits before confirming the award. *Graber v. Comstock Bank*, 111 Nev. 1421, 1428, 905 P.2d
7 1112 (1995). Application by the district court of the manifest disregard standard is reviewed de
8 novo. *Rolling Plains*, 111 Nev. at 104, 16 P.3d at 1081 .

9
10 Here, before completion of the cross-examination of the first witness, the arbitrator
11 switched hats and attempted to mediate the case. Ultimately, the arbitrator transformed what the
12 arbitrator perceived to be an agreement of the parties into an arbitration decision. The transcript
13 shows that his “decision” manifestly disregards the agreement of the parties, assuming that there
14 was one, in multiple and critical respects, and is in excess of the arbitrator’s authority.

15 **3. The broad agreement sketched in the record**

16
17 On September 8, 2006, the parties placed a broad preliminary outline of a proposed
18 settlement on the record: (1) the Defendants would transfer to Zandian Gholamreza Jazi “the
19 entire interest in the Pah Rah, LLC and property, free and clear of all indebtedness” [Exh., A, p.
20 5, lines 5 to 25]; (2) the 320 acres will be transferred free and clear to Mr. Zandian [Exh. A., p. 6,
21 lines 2-7]; (3) the Defendants will pay Zandian \$250,000 within 30 days [Exh. A. p. 6, lines 8-
22 11] in return for Zandian’s waiver of any claim to Big Springs Ranch, LLC; (4) Zandian waives
23 any claim to Big Springs Ranch, LLC [Exh. A. p. 6, lines 8-11]; (5) Zandian gives up any claim
24 to the Wendover Project, LLC [Exh. A, p. 6, lines 13-14]; (6) the Defendants waive any claim to
25 consulting fees paid to Zandian by the seller [Exh. A., p. 6, lines 16-21]; and (7) the defamation
26 claims are waived and dismissed. [Exh. A, p. 10, lines 3-6]
27
28

1 The parties and the arbitrator then discussed, again in general terms, preparation of the
2 necessary documents. There were still numerous items to be worked out. Mr. Netzorg, for
3 example, stated that his clients would need a mutual release [Exh. A, p. 7, lines 9-10] and

4 a warranty from the parties that the properties and interest being transferred
5 haven't been previously transferred, that the parties, in fact, do currently hold
6 those interests, and they are capable of transferring the interests that are subject to
7 this order free and clear of claims by any third parties.

8 [Exh. A, p. 7, line 13 to p. 11, line 19]

9 The arbitrator then stated:

10 I'll allow the two of you to work out that language. Obviously if you signed for
11 an LLC, you are representing and warranting that you have that authority, but you
12 can work that into the settlement language and see if we have an agreement.

13 [Exh. A, p. 7, lines 20-24]

14 Mr. Netzorg then stated that his clients wanted the spouses to execute the documents to
15 take care of any community interest questions [Exh. A, p. 7, line 25 to p. 8, line 3], to which the
16 following ensued:

17 Arbitrator Hale: We may want spouses to sign –

18 Mr. Lee: We can work out the form of the details, I'm not concerned about
19 that, if necessary we can get preliminary title reports. That is what I plan on
20 doing.

21 [Exh. A, p. 8, lines 4 to 9]

22 Because conveyance of LLC membership is not of record, Mr. Netzorg stated that they
23 should have "warranties in satisfaction that there hasn't been a pledge of these interests
24 previously." [Exh. A, p. 8, lines 10-15] Arbitrator Hale responded: "That is fine, that can be in
25 the settlement agreement." [Exh. A, p. 8, lines 16-17] The arbitrator then added: "Any issue
26 regarding the sufficiency or the necessity of settlement agreements or documentation for transfer
27 of property, I'm retaining my authority as the arbitrator to resolve that issue." [Exh. A, p. 8,
28 lines 18-21]

The arbitrator advised that he considered it an honor that the parties asked him "to help
attempt to mediate this as opposed to arbitrate it." [Exh. A, p. 11, lines 7-9]

1 Arbitrator Hale later stated: "I will resolve any disputes on the written agreements if it is
2 necessary, I doubt it with these two attorneys, but with that, I think we can all take the rest of the
3 Friday afternoon off." [Exh. A, p. 12, lines 10-13] In closing, Mr. Hale stated that he would
4 "file an arbitration decision, indicating that I heard evidence, that we heard testimony, that I
5 reviewed documents, that I interviewed the parties, that my arbitration decision is attached hereto
6 as Exhibit A." [Exh. A, p. 12, line 21 to p. 13, line 1]

7 **4. The "Arbitration Decision"**

8 The Arbitration Decision, dated September 20, 2006 [Exh. B], should be vacated because
9 it (1) recites that it was the result of a trial on the merits, when, in fact, it was based on a
10 purported agreement between the parties, (2) purports to be an arbitration decision, when, in fact,
11 it is only a mediator's memorandum of a purported agreement between the parties, (3) was
12 issued contrary to representations and assurances on the record that the parties still had essential
13 issues to work out between themselves, and (4) does not fairly reflect the purported agreement of
14 the parties, such as it was.
15

16 The introductory paragraph of the Arbitration Decision states:
17

18 Arbitration Hearings in this matter were conducted for two full days. The parties
19 submitted voluminous exhibits, depositions and briefs to the Arbitrator. Having
20 reviewed the documentation submitted and having heard the testimony and
21 representations of the parties, the following Arbitration Decision is submitted:

22 Hearings were, in fact, conducted for two full days and the parties did, in fact, submit
23 voluminous exhibits, depositions and briefs. Whether the arbitrator reviewed it all is unknown,
24 but the arbitrator definitely did not hear the testimony and representations of the parties. He
25 heard the direct examination and a part of the cross-examination of the Plaintiff, and no more.
26 This Decision purports that the case was tried and heard to its conclusion. It was not. This
27 Decision purports to have been based on "the testimony and representations of the parties." It
28 was not.

1 On September 8, 2006, after the parties placed their arrangement on the record, the
2 arbitrator stated that he would be glad to be of further assistance and "will resolve any disputes
3 on the written agreements if it is necessary....I think we can all take the rest of our Friday
4 afternoon off." [Exh. A, p. 12, lines 9-13] After the parties thanked him, Mr. Hale concluded
5 the proceedings: "Thank you. We are done." [Exh. A, p. 12, line 18] After conclusion of the
6 proceedings, the court reporter then caught the following discourse between the arbitrator and
7 Plaintiff's attorney:

8 Mr. Lee: There is going to be an order of some kind to get filed, I would think?

9 Arbitrator Hale: I thought what I would do is take the transcript and file an
10 arbitration decision, indicating that I heard evidence, that we heard testimony, that
11 I reviewed documents, that I interviewed the parties, that my arbitration decision
is attached hereto as Exhibit A.

12 Mr. Lee: Okay.

13 Arbitrator Hale: In case there is any question. Is that all right?

14 Mr. Lee: Very Good.

15 Unfortunately, the arbitration decision was filed prior to the critical moment of working
16 out the language for free and clear transfer of Zandian's LLC interests. ["I'll allow the two of
17 you to work out that language. Obviously if you signed for an LLC, you are representing and
18 warranting that you have that authority, but you can work that into the settlement language and
19 see if we have an agreement." (Exh. A, p. 7, lines 20-24)]

20 This is especially unfortunate because the "Arbitration Decision" and "Implementation
21 Award" that followed it will not result in free and clear transfer of Zandian's interests in the
22 LLCs. They will result, instead, in the dissolution of the LLCs, in the right of other investors to
23 exercise a right of first refusal, in possible claims by a bankruptcy court in France in control of
24 Zandian's assets, and in possible claims by Zandian's wife, or by Zandian himself, because the
25 Decision and Implementation Award do not require the wife's signature or written consent.

26 These problems will be discussed in detail in sections 6 and 7 below. The point at this
27 stage is that the documents entitled "Arbitration Decision" and "Implementation Award" are
28

1 invalid because they do not, in fact, constitute an arbitration decision, because they do not, as
2 they purport, decide the case on the merits after "having heard the testimony and representations
3 of the parties," and because they were entered prematurely without allowing, as the record states,
4 the parties to work out the details "and see if we have an agreement" as well as the language
5 necessary to implement free and clear transfers.

6 It is one thing for the parties to place a settlement agreement on the record. It is
7 another thing altogether for the judge or arbitrator to then issue a decision or judgment
8 contrary to the agreement or that fills in essential terms in highly complex arrangements
9 involving multiple LLCs, numerous investors, millions of dollars, and tens of thousands
10 of acres of real property, that were, on the record, to be left to the parties to work out.

11 The procedure that was implemented here has one other critical flaw. After the
12 arbitrator met separately with the parties, sometimes with, sometimes without, their
13 attorneys, there could be no turning back. Although this was all done with the consent of
14 the parties and their counsel, this arbitrator – now mediator – could no longer arbitrate the
15 case should the mediation fail. Whatever the good intentions, this placed the parties in
16 the unfortunate and inappropriate position of either reaching an agreement or starting all
17 over again with another arbitrator.
18
19

20 The "Arbitration Decision" of September 20, 2006, should be vacated.

21 **5. The Implementation Award**

22 The Defendants filed a motion to amend the award of arbitration decision because,
23 among other things, it did not require, as agreed, that Zandian's wife sign the transfer documents,
24 because it did not require assurances that Zandian's interests would not be subject to his ongoing
25 bankruptcy proceedings in France, and because it does not require Zandian to designate the
26 Defendants as his LLC beneficiaries, to avoid other members' right of first refusal under the
27
28

1 LLC formation documents. [Exhibit C] With no opposition or hearing, this motion was denied
2 sua sponte the same day, October 11, 2006, in a short order, also entitled "Arbitration Decision,"
3 that reminded the parties, per paragraph 6 of the Arbitration Decision, that they were still to

4 Prepare all necessary documents to effect the transfers of the real estate assets and
5 LLC entities and the parties to this lawsuit and Arbitration will execute all
6 necessary documents to effect this Arbitration Order, including a mutual Release
7 to be executed by all parties.

8 [Exhibit D, p. 2]

9 Two weeks later, on October 24, 2006, the Plaintiff filed a "Motion to Implement
10 Arbitration Award," asking the arbitrator to exercise its "jurisdiction to enforce the Award and
11 Decision." [Exhibit E] On October 31, 2006, the Defendants filed their Opposition and attached
12 two versions of a "Sale and Assignment of Interest Agreement," one for Wendover Project, LLC,
13 and the other for Big Springs Ranch, LLC, that would effect a transfer of Zandian's LLC
14 interests free and clear of rights of first refusal. [Exhibit F]

15 On November 2, 2006, the Plaintiff filed a Reply, attaching the Plaintiffs' preferred
16 documents of transfer, whereby Zandian would assign his interests in Wendover Project, LLC
17 and Nevada land and Water Resources, LLC [Exhibit G], which would not grant clear title, since
18 the operating agreements grant other members the right of first refusal.

19 While the parties were awaiting decision or a call to further discuss the matter, the
20 Plaintiff delivered, on October 28, 2006, to the Arbitrator a proposed "Implementation Award"
21 that would require the Defendants to execute the transfers exactly as submitted by the Plaintiff.
22 [Exhibit H] The Defendants immediately moved to strike this submittal [Exhibit I], but on the
23 very next day, October 29, 2006, the Arbitrator signed and entered the proposed Implementation
24 Award exactly as written by the Plaintiff on the Plaintiff's paper. [Exhibit J]
25
26
27
28

1 These are the same documents that the Plaintiff had earlier submitted to the Defendants
2 as a take-it-or-leave-it ultimatum. On October 18, 2006, Plaintiff's counsel wrote to counsel for
3 the Defendants:

4 Please review the enclosed copies of documents designed to effectuate the
5 implementation of the Award of the Honorable Floyd Hale. We expect that we will obtain your
6 approval by Friday, October 20, 2006 at 5:00 p.m.

7 If we do not receive your confirmation, we will ask Arbitrator Hale to implant the Award
8 and assist us in obtaining the transfers required to accomplish the intent of his Award.
9 [Exhibit K]

10 This ultimatum was hardly in the good faith spirit of "working out settlement language to
11 see if we have an agreement." Plaintiff's counsel had sent a copy of these documents on
12 September 11, whereupon negotiations over disputed terms ensued. On October 20, 2006, the
13 Defendants submitted to the Plaintiff proposed Sale and Assignment of Interest Agreements, a
14 Mutual Release Agreement, and a list of deficiencies. [Exhibit L]

15 Since there has been no agreement on the settlement language, the "Arbitration Decision"
16 and "Implementation Award" were improvidently filed. The Arbitration Decision and the
17 Implementation Award are in excess of the arbitrator's authority and in manifest disregard of the
18 agreement of the parties and should be vacated.

19 **6. The Plaintiff's proposed settlement papers would result in a one-sided transfer whereby
20 the Plaintiff would receive free and clear title, but the Defendants could end up with little
21 or nothing.**

22 Although it is clear so far that there has been no meeting of the minds and no settlement
23 agreement, and that the "Arbitration Decision" and the "Implementation Award" should not have
24 been issued, the Defendants take this opportunity to demonstrate at least one reason why the
25 decision and award, based as they are on the Plaintiff's proposed transfer documents, do not
26 accord with the broad outline recited in the transcript and would result in a grave injustice.

27 Mr. Zandian may not transfer his interests to the Defendants unless he has first
28 designated them as beneficiaries prior to his resignation or removal as Managing Member.

1 Paragraph 7.1(a) of Big Springs Ranch, LLC's Operating Agreement dated October 1,
2 2003 [Exh. C1] contains the following restrictions on transfers:

3 Upon the Managing Members' consent, each member shall have an equal right of
4 first refusal to purchase the transferring member's interest in proportion to the
5 purchasing member's then percentage interest ownership in the company subject
6 to Paragraph 7.5.

7 Paragraph 7.5 provides:

8 Right of First Refusal. In addition to the other limitations and restrictions set
9 forth herein, no member may sell all or any portion of his interest unless such
10 member (the "Selling Member") has first (i) given written notice to the other
11 members and the company of his intention to sell all or a portion of such interest
12 (that which is intended to be sold is hereinafter called the "Subject Interest") and
13 (ii) offer to sell the Subject Interest to the other members at a price no greater, and
14 on terms and conditions no less favorable to the purchaser, than specified in a
15 bona fide written offer received by the Selling Member from a third party.

16 Paragraph 7.1(b) provides, in pertinent part:

17 Beneficiaries of the Managing Members will be herein named, an equal percent to
18 that of Managing Member of the Company will automatically be transferred to
19 beneficiaries of said Managing Member.

20 The language is identical for Wendover Project, LLC. [Exh. C2]

21 The Plaintiff's Assignments, adopted by the Arbitrator, transfer nothing to the
22 Defendants and deny them the benefit of the settlement.

23 Pursuant to the broad outline recited in the transcript, the parties were required to be
24 "capable of transferring the interests that are subject to this Order free and clear of claims by any
25 third parties." [Exh. A, p. 6, lines 13-19] A right of first refusal is such a claim. The proposed
26 transfer would be completely illusory since it is, as drafted, subject to the express rights of first
27 refusal provisions contained within the Operating Agreement.

28 The first item in Plaintiff's ultimatum, adopted verbatim by the "Implementation Award,"
is payment to Plaintiff's counsel within 5 days prior to any other conveyance. This is not a

1 minor detail. Under the Implementation Award, the Defendants would be required to pay out
2 \$250,000 without assurance that the rest of the process would take place.

3 The best – and only – way to handle such complex transactions would be to place the
4 money, the deeds, assignments and beneficiary designations into an escrow account. An escrow
5 transaction would also require certain federally mandated disclosures for IRS purposes [Exhibit
6 M.] pursuant to 26 U.S.C. § 1445, which the Defendants believe should not be allowed to be
7 avoided by the Plaintiff's ultimatum.

8
9 **7. The Decision and Award fail to address other essential terms of the settlement.**

10 The Arbitration Decision and Implementation Award also wholly fail to address essential
11 elements of the Defendants' settlement position. The Defendants were adamant that the wives
12 sign the documents because the Plaintiff had a history of disavowing a settlement because his
13 wife didn't sign. No mention of the requirement that the spouses sign is in any of the transfer
14 documents. [Exh. A, p. 7, line 25 to p. 8, lines 3-9] The seriousness of the matter is
15 demonstrated by the Shipyard settlement, a matter which comprised a substantial portion of the
16 arbitration before the mediation began. One year after Mr. Zandian settled with K. Damen, his
17 partner in the Dutch shipyards, and received \$2.1 million Dutch guilders, Zandian rescinded the
18 settlement because his wife had not signed the document. On April 1, 1998, Mr. Zandian's Dutch
19 counsel announced to Shipyard K. Damen that Mr. Zandian was rescinding their previous year's
20 settlement agreement because:
21

22 Mr. Zandian considers the Settlement Agreement of 2 April 1997 null and void
23 because his (former) wife did not sign the agreement.

24 The wife's signature is therefore a material aspect of this settlement. The Plaintiff fired
25 the first shot on September 13, 2006, only five days after the last appearance before the
26 Arbitrator, when he backed out of this part of the arrangement. [Exhibit N]
27
28

1 The settlement agreement requires Mr. Zandian to deliver clear title to his interests in
2 Wendover Project, LLC and Big Springs Ranch, LLC. Zandian testified during the arbitration
3 that his bankruptcy proceedings are still being actively litigated in France and that his claims to
4 stock ownership in the Shipyard K. Damen, the very consideration he tendered for his
5 participation in the transactions at issue in this case, are the subject of the ongoing French
6 bankruptcy litigation. Since Zandian purports to have given \$3,000,000.00 in stock from this
7 bankruptcy court asset to Pico Holdings, in exchange for an interest in Wendover Project, LLC,
8 he will need to provide an order from the French Bankruptcy Court demonstrating he in fact
9 owned the stock and that the French Bankruptcy Court has no claim or interest in the Wendover
10 Project, LLC interests which he is transferring. The requirement would be the same if he were in
11 bankruptcy in Nevada and was seeking to exchange an asset subject to a Bankruptcy Court
12 proceeding without Bankruptcy Court approval.

13 The Plaintiff's quitclaim deeds adopted by the Implementation Award are presented with
14 no legal descriptions. Internet printouts from the Washoe County assessor's office are no
15 substitute. It's hard to tell from these documents what the Defendants would be quitclaiming.
16 The documents are blank deeds that Plaintiff would receive outside of escrow with no
17 requirement that anything be delivered to the Defendants.
18
19

20 Last, but not least, there is no mention in either the Arbitration Decision or the
21 Implementation Award that the defamation claims are dismissed.

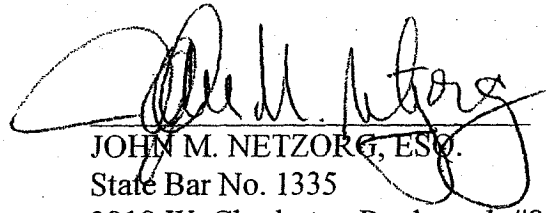
22 8. Conclusion

23 This court can do one of four things with this dispute. First, it could reject and vacate the
24 Arbitration Decision and Implementation Award on the ground that they were not the result of
25 arbitration on the merits as they purport to be. Second, it could reject and vacate the decision
26 and award on the ground that the parties did not reach essential terms of a settlement. Third, it
27
28

1 could reject and vacate the decision and award on the ground that they do not properly
2 incorporate essential terms of the proposed settlement agreement. Finally, it could attempt to
3 reform the decision and award to properly reflect essential settlement terms based on the outline
4 in the record and the terms and exigencies of the LLC Operating Agreements.

5 Because the fourth alternative would place the court itself in the position of a mediator,
6 the "Arbitration Decision" and "Implementation Award" should be vacated.

7 Dated this 18th day of December 2006.

8
9
10 

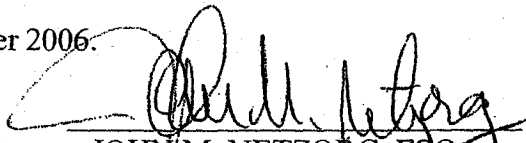
11 JOHN M. NETZORG, ESQ.
12 State Bar No. 1335
13 2810 W. Charleston Boulevard, #81
14 Las Vegas, Nevada 89102
15 Attorney for Defendants

16 **NOTICE OF MOTION**

17 TO: PLAINTIFF
18 and
19 TO: John Peter Lee, Esq., his counsel of record

20 PLEASE TAKE NOTICE that the Defendants will bring the above and foregoing
21 Motion to Vacate Arbitration Award; or, in the Alternative, Motion to Modify or Correct on for
22 hearing on the 23 day of JANUARY 2007 at the hour of Chambers a.m. in Department
23 XI
24 ~~XIII~~ of the above entitled Court, or as soon thereafter as counsel may be heard.

25 Dated this 18th day of December 2006.

26 

27 JOHN M. NETZORG, ESQ.
28 State Bar No. 1335
2810 W. Charleston Blvd.
Suite 81
Las Vegas, Nevada 89102
Attorney for Defendants

2810 W. CHARLESTON P... SUITE H-81
LAS VEGAS, NE 89102
(702) 878-...

JOHN PETER LEE, LTD.

ATTORNEYS AT LAW
830 Las Vegas Boulevard South
Las Vegas, Nevada 89101
Telephone (702) 382-4044
Fax (702) 383-9950
E-Mail: info@johnpeterlee.com

MOTION TO
VACATE

Esq.

DATE: December 19,

FROM: John Peter Lee

If there is a problem with this transmission, please call us at (702) 382-4044

To: Reza Zandian
Fax No. 858-625-2460
Pages: 14
Our File No. Zandian, 1334.022860
Hard Copy to Follow: no

Message: Enclosed find copy of Motion to Vacate Arbitration Award or in the alternative Motion to Modify or Correct.

The information contained in this facsimile is confidential and may also be attorney-client privileged. The information is intended only for the use of the individual or entity to whom it is addressed and others who have been specifically authorized to receive it. If you are not the intended recipient, or the employee responsible to deliver it to the intended recipient, you are hereby notified that any use, dissemination, distribution or copying of this communication is strictly prohibited. If you have received this communication in error, please immediately notify us by telephone and return the original message to us at the address above by mail. Thank you.

MEMORY TRANSMISSION REPORT

TIME : DEC-19-2006 13:10
TEL NUMBER : 7022564592
NAME : JOHN PETER LEE

FILE NUMBER : 486
DATE : DEC-19 13:08
TO : 18586252460
DOCUMENT PAGES : 015
START TIME : DEC-19 13:08
END TIME : DEC-19 13:10
SENT PAGES : 015
STATUS : OK

FILE NUMBER : 486 *** SUCCESSFUL TX NOTICE ***

JOHN PETER LEE, LTD.

ATTORNEYS AT LAW
830 Las Vegas Boulevard South
Las Vegas, Nevada 89101
Telephone (702) 382-4044
Fax (702) 383-9950
E-Mail: info@johnpeterlee.com

John Peter Lee, Esq.
Paul C. Ray, Esq.
Holly A. Fic, Esq.
Trevor J. Hatfield, Esq.
Michael A. Reynolds, Esq.

FACSIMILE TRANSMISSION

DATE: December 19, 2006
FROM: John Peter Lee, Esq.

If there is a problem with this transmission, please call Judy Reilly at (702) 382-4044

To: Reza Zandian
Fax No. 858-625-2460
Pages: 14
Our File No. Zandian, 1334.022860
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COPY

DISTRICT COURT
CLARK COUNTY, NEVADA

JAN 16 10 39 AM '07

GHOLAMREZA Z. JAZI, et al.

Plaintiffs

vs.

RAY KOROGHLI, et al.

Defendants

FILED

CASE NO. A-511131

DEPT. NO. XI
CLERK OF THE COURT

Transcript of
Proceedings

BEFORE THE HONORABLE ELIZABETH GONZALEZ, DISTRICT JUDGE

HEARING ON MOTIONS

THURSDAY, JANUARY 11, 2007

RECEIVED
JAN 16 2007
JOHN PETER LEE, LTD.

APPEARANCES:

FOR THE PLAINTIFFS:

HOLLY FIC, ESQ.
MICHAEL A. REYNOLDS, ESQ.

FOR THE DEFENDANTS:

JOHN M. NETZORG, ESQ.

COURT RECORDER:

JILL HAWKINS
District Court

TRANSCRIPTION BY:

FLORENCE HOYT
Las Vegas, Nevada 89146
(702) 221-0246

Proceedings recorded by audio-visual recording, transcript produced by transcription service.

ACC TO CLIENT: WFZ1110
INITIALS: 1/12/07

1 LAS VEGAS, NEVADA, THURSDAY, JANUARY 11, 2007, 10:23 A.M.

2 (Court was called to order)

3 THE COURT: Okay. A-511131, Jazi versus Koroghli.

4 (Pause in the proceedings)

5 MS. FIC: Holly Fic, Your Honor, for the plaintiff.
6 Bar Number 7699.

7 MR. REYNOLDS: And Mike Reynolds, also.

8 MR. NETZORG: Good morning, Your Honor. John
9 Netzorg on behalf of the defendants.

10 (Off-record colloquy - Court and Clerk)

11 THE COURT: Okay. Which motion do you want to do
12 first, the motion to vacate, or the motion to confirm the
13 arbitration award?

14 MS. FIC: Since our motion is first, Your Honor, I'd
15 like to argue first. And I promise I won't be that long. I
16 have an 11:00 o'clock, actually a settlement conference, to go
17 to.

18 THE COURT: You saw that the gentleman who was here
19 earlier kept saying he was going to be brief, and even though
20 he's not a lawyer, he talked for a really, really long time.

21 MS. FIC: I promise you I won't be --

22 (Off-record colloquy)

23 MS. FIC: Your Honor, hopefully, I mean, I consider
24 -- you know, we have our motion to confirm an entry of
25 judgment. We've got a simple premise here. We've got an

1 11/28, 2005, stipulation to arbitration. Not for mediation,
2 it's for arbitration. The defendants fully agreed to submit
3 to arbitration and that the arbitration shall be binding with
4 no right of appeal. It's Exhibit 2. And it shows that the
5 defendants actually, you know, participated in the language,
6 because they hand-wrote certain notes that they did or did not
7 agree to and initialled any changes. But they left the
8 provision that the arbitration shall be binding with no right
9 of appeal as unmarked, and therefore it stands. And it is our
10 stipulation for arbitration.

11 We also had an arbitration scheduling order. The
12 parties agreed -- specifically, defendants agreed to Mr. Hale
13 to arbitrate the matter, who, after having heard two full days
14 of testimony, having reviewed all the exhibits, the
15 depositions that were submitted, and arguments of counsel on
16 9/8/06, set forth the parties' stipulation on the record. And
17 he even stated that -- Mr. Hale stated that he would file an
18 arbitration decision, to which none of the parties objected.
19 He fully asked the parties if they would want to participate
20 in any changes. He asked on two occasions. He invited the
21 parties to add any additional terms, and they were set on the
22 record. The court reporter recorded the terms of the
23 agreement as if it was a stipulated judgment. The arbitrator
24 recorded these and memorialized the terms, and he even said,
25 this will completely resolve all claims of the LLCs and the

1 individuals that are involved in this litigation.

2 And consistent with the arbitrator's record of the
3 September 8th, 2006, resolution, Arbitrator Floyd Hale issued
4 the arbitration decision. So not only did the parties have
5 the terms recorded by a court reporter, but this was
6 formalized by a decision by the arbitrator called an
7 "Arbitration Decision."

8 So there's case law out there, Your Honor, that when
9 there's just even the attorneys doing -- who have
10 authorization to settle and they put it down in writing with
11 the court reporter, that's almost like EDCR 7.50, which
12 provides that stipulations should be in writing or entered in
13 the court minutes.

14 Here we had an arbitration which had gone on for
15 some time. It wasn't just a one-shot deal. Parties had given
16 opening testimony -- I mean opening statements, and testimony
17 was taken and everything like that. So here we have it.
18 We've got an agreement on the record with counsel present,
19 with the parties present, and a neutral third-party
20 arbitrator. The terms were recorded by a court reporter, like
21 EDCR 7.50, and then it was actually reduced to a writing in
22 the arbitration decision.

23 And so -- and, you know, and counsel were free to
24 add anything they want. And then we get it down to where
25 we're going to have it down -- put it down to writing, have

1 the parties sign these agreements, and they back out. We
2 prepared everything for them to sign it. And also, too, the
3 parties had gone back and forth with Arbitrator Hale, asking
4 to reopen these issues, asking -- and they were denied. And
5 we did a motion to implement the award, and that was granted
6 by the arbitrator.

7 So what we're seeking, Your Honor, today is to
8 confirm and enter this arbitration award and confirm the
9 decision of the arbitrator, because we don't want to keep
10 going back and forth. The terms were set forth, the parties
11 agreed to them, the parties were present, counsel was present,
12 and we had an arbitrator there. So we would submit that, Your
13 Honor, please confirm the arbitration decision and enter the
14 judgment so that the parties will sign the release agreements.

15 THE COURT: Mr. Netzorg.

16 MR. NETZORG: Thank you, Your Honor.

17 As we've argued in the briefs rather extensively,
18 this started out as an --

19 THE COURT: Very extensively. My son thought I had
20 more homework than he did last night.

21 MR. NETZORG: I know. And I appreciate it. I know
22 it's rather voluminous. It's very important, obviously, to
23 the client.

24 THE COURT: Okay. I understand. It's important to
25 everybody.

1 MR. NETZORG: And this started out as an
2 arbitration, and that is correct. And then there were a
3 couple items that weren't accurate. There were opening
4 arguments by counsel. The plaintiff gave his direct
5 examination, and then he was cross-examined on about one third
6 of the materials, at which point a mediation started. Counsel
7 argues that as a result of these proceedings that the parties
8 understand it was put on the record. And, Your Honor, this is
9 the only place where you see the defendants' participation.

10 But first and foremost, Your Honor, Arbitrator Hale
11 mentions that he was proud that the parties asked him to
12 mediate instead of arbitrate. He references that the terms
13 and conditions will be in the settlement agreement. We'll go
14 into these in more specifics in a second.

15 But, Your Honor, what has happened is there was a
16 settlement of this case, and the plaintiffs haven't performed
17 material terms and conditions, material terms and conditions
18 that appear in the recorded arbitration statement. And I'd
19 ask the Court -- it's just a few pages, and we might go
20 through that and review it, because it is critically
21 important. This is where the parties' understandings are
22 discussed. It's Exhibit A to our motion to vacate, which
23 makes it the easiest to locate, because it's Exhibit A. But
24 it's attached on numerous occasions. I'm sure the Court's had
25 a chance to review it. The pagination --

1 THE COURT: What page?

2 MR. NETZORG: Our motion to vacate, Exhibit A.

3 THE COURT: But what page on that?

4 MR. NETZORG: I would ask the Court to turn to
5 page 4 at the bottom. And my cross-references will be to the
6 pagination at the bottom of the exhibit, rather -- because for
7 some reason --

8 THE COURT: This is a rough transcript, so its page
9 numbers differ from that which is attached to the other
10 side's, plaintiffs' transcript.

11 MR. NETZORG: Oh. Very good. Very good.

12 THE COURT: I noticed that when I looked at them
13 last night.

14 MR. NETZORG: Well, thank you, Your Honor. Because
15 I -- it was most confusing to counsel, as well.

16 But as we review it, after -- and understand this
17 arbitration lasted for weeks, but that was because we went
18 over our allotted time and Arbitrator Hale had Fridays
19 available. So the fact it went on for weeks was not
20 indicative that the actual -- we were hearing testimony day
21 in, day out.

22 But Mr. Hale went on the record, and he announces
23 the case at page 4 and at page 5, and he says -- he says,
24 "Having heard two full days of testimony and the arguments of
25 counsel, it appears that the resolution of this case will be

1 as follows. And counsel are free to correct me."

2 And the intention was, Your Honor, that because this
3 was a settlement and we were putting it on the record, that
4 the people's intentions -- the parties intentions be added.
5 This wasn't a decision on the merits. It was exactly what it
6 was, a settlement, as if I were to come in here and say, Your
7 Honor, we've settled today, we want to put the terms and
8 conditions on the record.

9 What were those terms and conditions? Very first
10 thing -- page 5, Your Honor, of Exhibit A. Very first thing,
11 to make sure that there was no confusion. "This is pursuant
12 to a stipulation, obviously, so we want to make sure there is
13 a universal and complete resolution of all issues." That was
14 a material consideration.

15 THE COURT: That's you talking, as opposed to Mr.
16 Hale?

17 MR. NETZORG: That's me, talking, yes. That's the
18 very first thing after -- after -- just to make sure that that
19 was on the record, that there wasn't any confusion later and
20 that someone would try and deny us the benefits of why it was
21 that we were going to be tendering over \$5 million in
22 consideration. So this wasn't a situation where we had a car
23 accident and we were worried about the fender. This was a
24 real estate case that involves over 40,000 acres of land over
25 7 square miles of property located in four separate sections

1 that had been acquired at a price in excess of 16 million.

2 And did we not ask to have this recorded?

3 THE COURT: It's always recorded in here.

4 MR. NETZORG: Ah. Very wonderful.

5 THE COURT: Now you're going to get a bill for it.

6 MR. NETZORG: Thank you very much. I appreciate
7 that. Please send me your bill. I'm too old to be forgetting
8 that one. But thank the Court to deferring to business
9 litigants who --

10 Okay. So the defendants were looking for a
11 universal settlement. And the Supreme Court has held on
12 innumerable occasions that obviously a settlement and
13 resolution is a material consideration.

14 Mr. Hale then went on and discussed some portions of
15 it. He talks about Mr. Zandian [phonetic] at page 6, and he's
16 going to get the Pahrah [phonetic] property, and the Pahrah is
17 I believe 4400 -- 4600 acres, and I may be wrong, and he's to
18 receive it free and clear. Well, that was very important,
19 that he receive it free and clear, just as it was important to
20 the defendants that they receive his consideration free and
21 clear. So the Pahrah land -- this is in Fernley, Nevada, and
22 it is 4600 acres, but I may be mistaken, it's over a thousand.
23 At which point on page 7 at line 11 I mention that there's --
24 there's some engineering that hasn't been done.

25 And then Mr. Lee states -- and this is I take

1 umbrage with the position that's been argued that we didn't
2 present the arguments or didn't complain at the time. It
3 says, "John, please do me a favor --" "John" referring to me
4 at page 7 and line 13 at the top "-- let the gentleman finish.
5 Let him finish, and we will put our comments --" So he's
6 asking that we put the comments, I understood it, at the end.

7 So Mr. Hales starts all over and he talks about the
8 Pahrah property at page 7, line 20, is to be free and clear to
9 Mr. Zandian.

10 And then on page 8 he talks about 320 acres, also
11 located in Washoe County, and that's to be free and clear to
12 Mr. Zandian, because it was very important that it be free and
13 clear. "Mr. Sadri and Mr. Koroghli will within 30 days from
14 today pay Mr. Zandian \$250,000." There was nothing about
15 paying Mr. Lee \$250,000. That's what the parties had
16 negotiated. They were to pay Mr. Zandian \$250,000. There is
17 a change subsequently, but that money was money that wasn't
18 fees awarded to Mr. Lee. That was part of the consideration
19 we're talking. And this has serious importance to the
20 defendants because there are tax consequences of this
21 transaction, there are innumerable other parties involved,
22 there are other people that hold ownership interests, and
23 we're -- we address these at a later -- very shortly,
24 actually.

25 Then at page 9 Mr. Hale goes on and talks about, at

1 line 16, all the LLCs and properties that are subject to this
2 arbitration herein, including the Pahrah properties and the
3 Wendover project, waive any claim to reimbursement for
4 consulting fees.

5 And then he states, "The parties will through
6 counsel prepare any necessary documents to effect the
7 transfers of the LLCs and the underlying real estate." This
8 is page 9, lines 21 through 23. So it's understood that
9 there's going to be a preparation of further documents.

10 But going on at page 9 on the rough draft, our
11 Exhibit A, line 24, "And the parties and representatives of
12 these LLCs will execute all necessary documents to effect this
13 settlement and arbitration order." This settlement. This is
14 a settlement and the meeting of the minds. The defendants had
15 an understanding of what they were to get, and it's expressed
16 in this document.

17 Now, "Mr. Lee: We would like to have the check
18 payable to my office for \$250,000." He wants the check made
19 payable to his office. This is Mr. Zandian's \$250,000. He
20 wants it payable to his office. There's nothing about he's
21 supposed to get paid five days in advance, there's nothing
22 about that the defendants are under a unilateral obligation to
23 perform.

24 Then, "Mr. Hale: The settlement check will be
25 payable to John Peter Lee." This is a settlement. This is

1 what we understood. That's what everyone talked about,
2 settlement agreements and settlement.

3 Then finally, "Anything else?" Now, Mr. Lee had
4 requested that we put our items -- or withhold them to the
5 end, so at page 10, line 9, "We would like a mutual release
6 executed by and between the parties." And Mr. Hale agrees to
7 that.

8 Then below that we talk about -- page 10, line 13 --
9 "We need a warranty from the parties that the properties and
10 interests being transferred haven't been previously
11 transferred --" this is typical; you're not going to take some
12 interest not of record with no warranty "-- that the parties
13 in fact do currently hold these interests --" we want to know
14 that there hasn't been a conveyance, typical, it would be
15 boilerplate warranties "-- and that they are capable of
16 transferring the interests that are subject to this order free
17 and clear of claims by any third parties." This is at pages
18 10 and 11 of Exhibit A. Free and clear.

19 Well, Your Honor, we've provided the Court with
20 Exhibit C1, which is the rights of first refusal that the
21 plaintiff has assigned all of his LLC interest, he has given a
22 prior transfer to a limited number of members. In the Big
23 Springs Ranch, LLC, which is 35,000 acres, there's one other
24 member, Mr. Abershombie. With the Wendover Project, which is
25 approximately 67 acres located outside of Wendover, I think

1 there may be 13 other members of the LLC. He was under an
2 obligation to deliver this free and clear. He has never
3 tendered his property free and clear. Every tender has been
4 subject to rights of first refusal in third parties.

5 It is customary -- we went to West, we went to
6 business transactions and filled out a form assignment of an
7 LLC or limited partnership interest, and the form assignment
8 necessarily is the consent from the other parties that hold
9 rights of first refusal. There are two reasons. One, even
10 absent a right of first refusal, a transfer without the
11 consent would liquidate the limited partnership. Mr. Zandian
12 was receiving thousands of acres free and clear, and he was to
13 deliver the consideration free and clear. And he has not.

14 And so under the proposed -- you know, why they
15 would try and cram this thing down, why -- why in the world
16 would the defendants be required to transfer their assets
17 encumbered subject to rights of first refusal in third parties
18 while the plaintiff would receive them free and clear? It
19 clearly was not the intention. And they have refused to sign
20 this document. It is in here. We are asking that which is
21 customary. These are standard, customary requirements.
22 There's nothing exceptional.

23 Your Honor, also in 100 percent of all escrows
24 handled in Nevada and everywhere else in the United States of
25 America the parties to the real estate escrow are required

1 under federal law, 26 USC, Section 1445, to make a declaration
2 to the Internal Revenue Service of their non-foreign residency
3 status. That is federal law. Typically that appears in a
4 separate document.

5 The only change we made to the form document was to
6 eliminate a number of the provisions and to include the non-
7 foreign resident declaration because this involved transfers
8 of interest in real property. Those --

9 MS. FIC: I don't mean to interrupt. Can we
10 clarify? I don't -- how are we in an escrow? I mean, I don't
11 think escrow even applies. I mean, I --

12 THE COURT: You've got to do an escrow.

13 MS. FIC: You do?

14 THE COURT: You have land that you're transferring;
15 right?

16 MS. FIC: Okay.

17 THE COURT: So --

18 MS. FIC: Well, because we -- we did quitclaim
19 deeds, and we sent over all the paperwork and --

20 MR. NETZORG: Excuse me. I'm sorry. I waited
21 for --

22 THE COURT: Somebody not going to tell the IRS about
23 this transaction? Because that would be bad.

24 MS. FIC: I just didn't think there had to be
25 escrow.

1 THE COURT: That's all right.

2 MR. NETZORG: Then -- so this -- this is the essence
3 of the transaction. Why would we -- why would we take
4 interests that were encumbered by third parties so that we
5 could invite future litigation when the whole -- the very
6 first thing I said is, Your Honor, we need a universal
7 settlement? This is a universal settlement. We don't -- we
8 want the property free and clear. They have consistently
9 refused.

10 On that issue, we were provided blank quitclaim
11 deeds with runoffs from some database, no legal description
12 incorporated in them, where we would just sign them in blank
13 and hand them to the defendant. We're supposed to give five
14 days before we get anything a quarter of a million dollars to
15 the attorney. Where this requirement came from I cannot
16 fathom. "I'll let the two of you to work out the language."

17 Well, Your Honor, I didn't think taking a --
18 whatever. I took a form document as I would have done in any
19 other transaction for an assignment of an LLC interest,
20 especially -- this wasn't -- if it was five or ten dollars,
21 maybe you could do it on a cocktail napkin like the one the
22 plaintiffs put together, but any other document would have
23 necessarily have required, you know, the representations to
24 which the parties had agreed.

25 Then looking at page 11, line 2, I mentioned that

1 they were speaking of three married guys, we want to know if
2 they're speaking for the community interest of their spouses
3 on each and every one that is transferred. This was
4 specifically in the -- in the transcript. And why was this
5 important?

6 We've given you the history of the Dutch Shipyard.
7 The testimony -- cross-examination of Mr. Zandian had simply
8 covered the Dutch Shipyard transaction. We hadn't even gotten
9 much beyond that. This is a case where in 1997 he had signed
10 off for \$2.1 Dutch guilders. He settled with his Dutch
11 partner to sell his interest. One year later he rescinds that
12 transaction, that settlement, that global release, premised on
13 the fact his wife hadn't signed. So with that track history
14 these were documents in there. It was critically important
15 that the wife sign, because we knew that the last major
16 settlement that he was involved in, he'd used that for
17 rescission. And he testified that eight years later he still
18 had that Dutch Shipyard tied up in litigation over the wife
19 issue and his French bankruptcy.

20 Then he showed up at the hearing with a liquidacione
21 fiduciare [phonetic], a personal bankruptcy filing that he had
22 in France. And he testified that this litigation involved his
23 -- his -- he said it was his corporate bankruptcy in France,
24 so we, having been alerted to that, as with anyone, as if --
25 if he'd been in bankruptcy in Oklahoma and the consideration

1 that he paid for the interest was in litigation in bankruptcy
2 court, we asked for an order from the court verifying that
3 they had no interest -- this was subsequently, but, I mean,
4 yeah, we wanted it free and clear, and one of the things was
5 free and clear of the bankruptcy interest.

6 "Mr. Lee: With regard to the spouses issue --" at
7 page 12, line 6 "-- we can work out the form of the details.
8 I'm not concerned about this." This is in response to
9 Arbitrator Hale's, "We may want spouses to sign."

10 So it wasn't even an issue. It wasn't an issue
11 until four days later, when Mr. Lee said the spouses weren't
12 going to sign. And that's where the problems started, when
13 the plaintiff immediately reneged on the agreement and how has
14 come in and said, well, gee, the arbitrator wrote a form
15 that's completely inconsistent with everyone's understanding
16 and the record and we're going to cram that down your throat,
17 we're not going to have the spouses sign, we're not going to
18 provide clear title to the LLC interests, we're going to give
19 you an assignment subject to rights of first refusal that will
20 guarantee the liquidation of your entities.

21 There's another provision in the LLC agreements that
22 provides on the resignation that the LLC shall dissolve. So
23 without -- they prepared a separate resignation form to
24 guarantee that they would have that resolved.

25 So the defendants are asked to transfer what

1 arguably could be millions of dollars in assets and in
2 consideration for nothing. And that was not the
3 understanding.

4 Then once again I point at page 12, lines 16 and 17,
5 "That is fine. That can be in the settlement agreement."
6 Once again we're talking about the settlement agreement. This
7 is page 12, lines 16 and 17, when I'm talking about the
8 warranties and satisfaction. So the notion that this was not
9 a settlement agreement, we're calling it a settlement
10 agreement, here it's the settlement agreement, everybody knew
11 there was going to be a settlement agreement -- no one in
12 their wildest imaginations dreamed that something would be
13 concocted completely inconsistent with this, denying the
14 defendants any of the benefits that they'd negotiated for.

15 At the next page, page 13, line 22, "We want to do
16 an allocation of the purchase price." If we were transferring
17 five and a half million dollars or more in assets and there
18 was potentially rights of first refusal, we couldn't have the
19 situation which the defendants have intentionally engineered.
20 Big Springs Ranch, for instance. There's a recital that
21 \$250,000 is to go for the waiver of the Big Springs Ranch
22 issue. There are four members -- or there -- of Big Springs
23 Ranch, arguably. If you just waived the interest, then all
24 those members, even Mr. Abershombie, who's not a party to the
25 litigation and not paying any consideration, would be the

1 beneficiary of that grandess.

2 The parties paid \$2.8 million for that property, and
3 to say, well, we're going to allocate a \$250,000 value? No.
4 I mean, for tax purposes, for basis purposes it was important
5 that the consideration that the defendants were tendered would
6 be allocated and there'd be some correlation between the
7 values and the allocation made. What do we get? \$250,000 for
8 a waiver of the Big Springs Ranch interest. So that in effect
9 gives us nothing. It permits the other partner to, arguably,
10 I guess, under that resolution exercise a right of first
11 refusal, which would allow him to buy an interest for a
12 fraction of what it cost three years previously. "Mr. Lee:
13 You can allocate anything you want to." "Mr. Netzorg: That
14 is good, as long as you understand." It was important to us.

15 And then finally, on page 14 -- and I'd mentioned
16 the candy's been excellent because the arbitrator had candy
17 there and we were going on and on, eating this candy. "And
18 then there is -- with the understanding that those items --
19 thank you very much for the excellent job you did."

20 Your Honor, I've said those items were all important
21 to us. This is a part and parcel of our consideration. We
22 have not been provided it. There have been quitclaim deeds,
23 there've been grant, bargain and sale deeds. There's no
24 spouses. The assignments contained -- are subject to rights
25 of first refusal. So obviously, Your Honor, there was no

1 meeting of the minds. The plaintiff steadfastly refuses to
2 perform any of those. And this is -- these were material
3 consideration which was not provided.

4 When we filed -- and under the rules, Your Honor,
5 there's a requirement that you file within 20 days of the
6 decision. All of a sudden here comes the decision. So --

7 THE COURT: Which one? Because I've got three.

8 MR. NETZORG: The first one.

9 So within 20 days you have to move to modify under
10 the rules. That's what we did. We put our motion to modify
11 in, it was delivered to the arbitrator's office, and an hour
12 later we had a decision denying our motion. There was never a
13 settlement agreement.

14 Then there was a motion to enforce the award. The
15 arbitrator correctly said he had no authority to enforce the
16 award, take it to District Court, I believe was --

17 And then finally there was a motion to implement the
18 award. It went under advisement. Out of the blue here comes
19 an implementation order from the plaintiff, which doesn't deal
20 with the spouses, doesn't deal with our rights of first
21 refusal, doesn't deal with the fact that the LLCs will be
22 dissolved by the documents that have been prepared, doesn't
23 even address our request that they sign our form assignment
24 provision and get the consent. And the next day that comes
25 back basically signed by the arbitrator.

1 Now we have these motions in here, and we're
2 pretending the apples are oranges. It was a settlement
3 agreement, everyone knew it was a settlement agreement, the
4 settlement's put on the record. Even today the argument is
5 they put the settlement on the record. And the plaintiffs
6 haven't performed.

7 So if we were to stuff this down the defendants'
8 throats and give them nothing when their intention was clearly
9 to the contrary, then these are the very items which are
10 reviewable under NRS Chapter 38. You look for modification of
11 the award; was there an evident mathematical miscalculation or
12 an evident mistake in the description of a person, thing or
13 property; the arbitrator's made a award on a claim not
14 submitted to him; the award is imperfect in matter of form not
15 affecting the merits. "The motion to modify or correct an
16 award pursuant to this section may be joined with a motion to
17 vacate the award."

18 Well, the reason that you put things on the record
19 is so you have a record of it. And that reflects what the
20 parties' intentions were. And the other, later items do not.
21 There wasn't any substantive changes. There is a
22 misinterpretation of that which was clear and unambiguous.
23 And it's so one-sided. Why are these requirements that we
24 transfer our assets free and clear and they transfer them to
25 us -- well, they don't even transfer them to us. They give us

1 their title subject to third parties' rights and interests and
2 potentially bankruptcy court's ownership.

3 And, Your Honor, also, additionally, if you look at
4 it, I mean, just for the purposes of doing the analysis on the
5 vacation, the process itself, you know, was there fraud or was
6 this an undue process. Well, this was an undue process. You
7 don't have people do a settlement, tell them it's a
8 settlement, tell them there's going to be a settlement
9 agreement, and then say, oh, here's an award -- here's an
10 award and we're going to treat this as if I'd actually
11 conducted the trials.

12 The defendants had numerous witnesses that they were
13 going to call. None of them were called. One of the
14 plaintiffs' witnesses was -- the plaintiff was called and
15 direct examination. There was no testimony from the other
16 witnesses. There was no testimony by the defendants.

17 So, Your Honor, for these reasons there just has
18 been no meeting of the minds. And this is reflected -- the
19 statutory grounds for the vacation are met. This settlement
20 has not been fulfilled. And, Your Honor, basically we had a
21 mediation, obviously there was not a meeting of the minds and
22 material consideration. We would ask that the matter be
23 reverted with a new arbitrator. Because if the parties
24 haven't decided, then let them go arbitrate. If all these
25 plaintiffs are going to give us is clouded title to the assets

1 that we were to pay five and a half million dollars for, then
2 obviously there's no meeting of the minds, go arbitrate.

3 Under the circumstances, Your Honor, it should be in
4 front of a new arbitrator because of the involvement in the
5 mediation. And the other bases are articulated in our motion.
6 And the other issues that this -- you know, the fact that for
7 some reason why when we submitted our documents they were
8 summarily denied without even consideration and without -- we
9 do our motion for -- to modify, we have our form assignment
10 agreement with no oppositions filed, nothing, just, bam,
11 denied. You know, we have our final motion, implementation,
12 which we consider as under consideration raising many of these
13 issues. I mean, how can we just arbitrarily not comply with
14 federal law? How can we leave the spouses out? How can we
15 ignore the rights of first refusal? We can't. That
16 invalidates the procedure.

17 The only question is what's the remedy. And the
18 remedy under the circumstances where the arbitrator has
19 performed a mediation is to send it to a new arbitrator and
20 let the parties finalize it, give the defendants an
21 opportunity to testify. The defendants have not. The
22 defendants were told repeatedly the settlement, settlement,
23 this is a settlement, there'll be an agreement, put your items
24 at the end. They were put there at the end without objection,
25 and then summarily eliminated, the very consideration that

1 formed the basis of the settlement removed.

2 So the defendants were denied under the statutes,
3 NRS 38, basically what amounts to their day in court. And
4 there's no pretense that this was a complete, full and fair
5 hearing, nor did the parties intend that it be such. They
6 settled it, they put the settlement on the record. The
7 plaintiffs are now disagreeing and started immediately, our
8 spouses won't sign, that'll be confusing. Well, we didn't get
9 the benefit -- had they notified us the day that we were
10 putting it on the record, it never would have happened.

11 And the other items I detailed in my opposition to
12 their motion and their reply. So thank you, Your Honor.

13 THE COURT: Okay.

14 MS. FIC: Your Honor, I have a suggestion, okay.
15 Because what I keep hearing is settlement, settlement,
16 settlement. We agree there was a settlement. I did say
17 settlement, okay. But the settlement terms were -- the terms
18 -- essential terms were put in -- recorded by a -- on the
19 transcript by the court reporter. So we have the essential
20 terms, okay.

21 THE COURT: You do.

22 MS. FIC: What I'm hearing is --

23 THE COURT: And you're missing some of the things in
24 the documents you have as to those essential terms.

25 MS. FIC: Okay. And that's -- okay, Your Honor, so

1 fine. So if we have the essential terms, if we've got
2 disputes with this, why don't we -- okay. I don't want to do
3 a new arbitrator, because that's going to be costs to both
4 parties. It's not going to be efficient. Arbitrator Hale was
5 agreed to --

6 THE COURT: I'm going to solve your problem. It's
7 really easy. I'm going to refer the matter back to Floyd Hale
8 for further proceedings, consistent with the 9/8/06
9 transcript. Those will include getting the mechanism for the
10 spouses of the parties to sign the documents, getting a
11 mechanism for the waiver of the release of the rights of first
12 refusal that exist, entering into the settlement agreement the
13 parties entered into. If he is unable to reach an agreement
14 among the parties, then I will have the final word. I --

15 MS. FIC: Because, Your Honor --

16 THE COURT: Wait, wait, wait. I'm not done.

17 MS. FIC: Okay. Sorry, Your Honor.

18 THE COURT: Okay. I recommend -- this is not an
19 order -- that an escrow be opened for the transfers of the
20 real property. If you are merely transfer interests in an
21 LLC, which has different tax consequences to both of your
22 clients, I don't think it's necessary for an escrow to be
23 opened. But if you're transferring real property, which is
24 what it currently looks like to me you were trying to do based
25 upon the settlement, then an escrow needs to be opened.

1 I'm referring it back to Mr. Hale, since I would
2 typically in a case where a settlement was reached and there
3 was a mediator or arbitrator involved refer it to that
4 individual for some additional work with you to try and
5 resolve those disputed issues, since they were there at the
6 time you reached the settlement. Hopefully I have a
7 transcript that helps me. If you are unable to reach an
8 accommodation after speaking to Mr. Hale, then I will reach an
9 accommodation, because I have a transcript, and I'll make a
10 decision. And it won't be one that anybody's tax benefits are
11 in favor of, because there's no indication in the transcript
12 that you're going to work together to minimize tax
13 consequences to each other, which sometimes I see in
14 settlement agreements. And I didn't see that in this one.

15 MS. FIC: Yeah. 'Cause the only concern was I
16 didn't want to have like maybe one wife not sign, because
17 there's a lot of -- you know, one wife not signing upset the
18 whole thing.

19 THE COURT: The wives have to sign. That was part
20 of the deal you guys cut. You cut a deal the wives are going
21 to sign. The wive's have got to sign.

22 MS. FIC: We --

23 THE COURT: That was part of the discussion on
24 September 8th during the --

25 MS. FIC: Floyd Hale said that, but then it was not

1 added to at the end of it that we were required to have all
2 the wives sign. Because here's the thing, they're non-
3 parties. And what happens if one --

4 THE COURT: How are you going to -- wait now. This
5 is just really common sense.

6 MS. FIC: Okay.

7 THE COURT: How are you going to transfer an
8 interest in real property which may be owned by both of the
9 people and the wife has a claim, especially in places where it
10 is voidable if you do not have the spouse sign? How are you
11 going to transfer that property free and clear?

12 MS. FIC: Because the husbands -- I mean, there's
13 NRS statutes --

14 THE COURT: Okay. I'm going to send you back to Mr.
15 Hale, and the wives need to sign. Spouses need to sign, and
16 the people who have the first right of refusal need to waive.

17 MS. FIC: So we'll come back to you if one of the
18 wives refuse. That's the only thing. I just don't want to --

19 THE COURT: You're going to come back to me if you
20 are unable to reach an agreement, if you need me to confirm an
21 order. You are also going to come back to me if there is any
22 problem in the implementation of the agreement.

23 But you reached a settlement, it was put on the
24 record. You've got to have a settlement agreement. I know
25 that Mr. Hale drafted an arbitration award, because he

1 conducted a portion of the arbitration. And I don't really
2 have a problem with that, but we need to have the
3 documentation consistent with the discussions that were --
4 that occurred on September 8th, 2006, which are a part of the
5 actual record the court reporter made, at which time both
6 parties stipulated in front of the arbitrator that they had
7 agreed to go to as part of the extrajudicial proceedings,
8 which in my mind makes it an enforceable settlement. Okay.

9 MR. NETZORG: Thank you, Your Honor.

10 THE COURT: Have a lovely day.

11 MR. NETZORG: We appreciate it. Happy New Year.

12 MS. FIC: Thank you, Your Honor.

13 MR. NETZORG: Happy to have business court back.

14 THE COURT: Any more business court cases you want
15 to send me, send them along.

16 (Off-record colloquy)

17 THE PROCEEDINGS CONCLUDED AT 9:59 A.M.

18 * * * * *

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25

CERTIFICATION

I CERTIFY THAT THE FOREGOING IS A CORRECT TRANSCRIPT FROM THE AUDIO-VISUAL RECORDING OF THE PROCEEDINGS IN THE ABOVE-ENTITLED MATTER.

AFFIRMATION

I AFFIRM THAT THIS TRANSCRIPT DOES NOT CONTAIN THE SOCIAL SECURITY OR TAX IDENTIFICATION OF ANY PERSON OR ENTITY.

FLORENCE HOYT
LAS VEGAS, NEVADA 89146
(702) 221-0246

Florence M. Hoyt

FLORENCE HOYT, TRANSCRIBER

1/16/07

DATE

JOHN PETER LEE, LTD.

ATTORNEYS AT LAW

830 Las Vegas Boulevard South
Las Vegas, Nevada 89101
Telephone (702) 382-4044
Fax (702) 383-9950
E-Mail: info@johnpeterlee.com

John Peter Lee, Esq.
Paul C. Ray, Esq.
Holly A. Fic, Esq.
Trevor J. Hatfield, Esq.
Michael A. Reynolds, Esq.

FACSIMILE TRANSMISSION

DATE: January 17, 2007

FROM: John Peter Lee, Esq.

If there is a problem with this transmission, please call Judy Reilly at (702) 382-4044

To: Mr. Reza Zandian

Fax No. 858-625-2460

Pages: 29

Our File No. Zandian/Koroghli, 1334.022860

Hard Copy to Follow: no

Message: Enclosed find a copy of the transcript from the hearing held on January 11, 2007

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JOHN PETER LEE, LTD.

ATTORNEYS AT LAW
830 Las Vegas Boulevard South
Las Vegas, Nevada 89101
Telephone (702) 382-4044
Fax (702) 383-9950
E-Mail: info@johnpeterlee.com

John Peter Lee, Esq.
Paul C. Ray, Esq.
Holly A. Fic, Esq.
Trevor J. Hatfield, Esq.
Michael A. Reynolds, Esq.

FACSIMILE TRANSMISSION

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JOHN PETER LEE, LTD.
ATTORNEY AT LAW
830 LAS VEGA. LVD. SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

1 **ORD**
JOHN PETER LEE, LTD.
2 JOHN PETER LEE, ESQ.
Nevada Bar No. 001768
3 MICHAEL A. REYNOLDS, ESQ.
Nevada Bar No. 008631
4 830 Las Vegas Boulevard South
Las Vegas, Nevada 89101
5 (702) 382-4044 Fax: (702) 383-9950
Attorneys for Plaintiff/Counterdefendant
6 **GHOLAMREZA ZANDIAN JAZI**

7 **DISTRICT COURT**
8 **CLARK COUNTY, NEVADA**

9 **GHOLAMREZA ZANDIAN JAZI,**)
10 **Plaintiff,**)
11 **v.**)
12 **RAY KOROGHLI, individually, FARIBORZ FRED**)
13 **SADRI, individually, and as Trustee of the Star**)
14 **Living Trust, WENDOVER PROJECT, LLC, a**)
15 **Nevada limited liability company; BIG SPRING**)
16 **RANCH, LLC, a Nevada limited liability company,**)
17 **and NEVADA LAND AND WATER**)
18 **RESOURCES, LLC, a Nevada limited liability**)
19 **company,**)
20 **Defendants.**)

18 **RAY KOROGHLI, individually and FARIBORZ**)
19 **FRED SADRI, individually,**)
20 **Counterclaimants,**)

21 **v.**)
22 **GHOLAMREZA ZANDIAN JAZI,**)
23 **Counterdefendant.**)

24 **WENDOVER PROJECT, LLC,**)
25 **Counterclaimant,**)

26 **v.**)
27 **GHOLAMREZA ZANDIAN JAZI,**)
28 **Counterdefendant.**)

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CLERK OF THE COURT

JAN 19 4 10 PM '07

FILED

CASE NO.: A511131
DEPT. NO.: XI

**ORDER ON MOTION TO
CONFIRM ARBITRATION AWARD
AND MOTION TO VACATE
ARBITRATION AWARD**

CC TO CLIENT *1/19/07*
INITIALS *S*
WFZ1142

JOHN PETER LEE, L.L.D.
ATTORNEY AT LAW
830 LAS VEGAS, L.V.D. SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

1 GHOLAMREZA ZANDIAN JAZI,)
2 Counterclaimant,)
3 v.)
4 WENDOVER PROJECT, LLC,)
5 Counterdefendant.)

6 1334.022860-sy

7
8 **ORDER ON MOTION TO CONFIRM ARBITRATION AWARD AND MOTION TO**
9 **VACATE ARBITRATION AWARD**

10 Plaintiff, Gholamreza Zandian Jazi's Motion for Confirmation and Entry of Judgment on
11 Arbitration Award, and Defendants' Ray Koroghli and Fred Sadri's Motion to Vacate Arbitration
12 Award/Motion to Modify or Correct, came before this Court for hearing January 11, 2007. Holly
13 A. Fic, Esq., and Michael A. Reynolds, Esq., of the law firm of John Peter Lee, Ltd., appeared on
14 behalf of Plaintiff and John Netzorg, Esq., appeared on behalf of Defendants.

15 The Court having considered all of the pleadings and papers on file herein and the
16 representations and arguments of counsel,

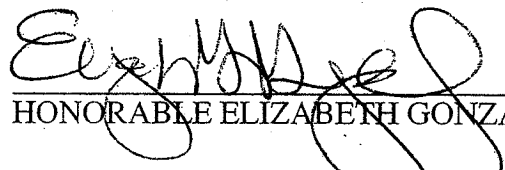
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JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BLVD. SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950


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IT IS HEREBY ORDERED that both Motions are denied. The matter is referred back to Arbitrator Floyd Hale to consider the issues set forth in the oral decision, a copy of which is attached hereto as Exhibit "A."

Dated this 18th day of January, 2007.


HONORABLE ELIZABETH GONZALEZ

RESPECTFULLY SUBMITTED BY:
JOHN PETER LEE, LTD.

BY: 
JOHN PETER LEE, ESQ.
Nevada Bar No. 001768
MICHAEL A. REYNOLDS, ESQ.
Nevada Bar No. 008631
830 Las Vegas Boulevard South
Las Vegas, Nevada 89101
Attorneys for Plaintiff/Counterdefendant

HALE
SPECIAL
STER
2300 W. SAHARA, SUITE 900
LAS VEGAS, NEVADA 89102
PHONE (702) 457-5267 EMAIL fhale@floydahale.com

1 ARB
2 FLOYD A. HALE, ESQ.
3 Nevada Bar No. 1873
4 JAMS
5 2300 W. Sahara, #900
6 Las Vegas, NV 89102
7 Ph: (702) 457-5267
8 Fax: (702) 437-5267
9 Arbitrator.

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JOHN PETER LEE, LTD.

DISTRICT COURT

CLARK COUNTY, NEVADA

10 GHOLAMREZA ZANDIAN JAZI,) Case No. A511131
11) Dept. No. XII
12 Plaintiff,)
13 vs.)
14 RAY KOROGHLI, individually,)
15 FABIRORZ FRED SADRI, individually,)
16 and as Trustee of the Star Living Trust,)
17 WENDOVER PROJECT, LLC, a Nevada)
18 limited liability company; BIG SPRING)
19 RANCH, LLC, a Nevada limited liability)
20 company, and NEVADA LAND AND)
21 WATER RESOURCES, LLC, a Nevada)
22 limited liability company,)
23 Defendants.)

**ARBITRATOR REPORT AND RECOMMENDATION TO
DISTRICT COURT**

23 This matter was submitted to Arbitration and Arbitration Hearings were conducted for two
24 days, as well as the submission of voluminous exhibits, depositions and briefs. During the
25 Arbitration proceeding, the parties agreed to meet with the Arbitrator in an effort to resolve the
26 dispute. With agreement of counsel, the parties met directly with the Arbitrator and an agreement
27 for a final conclusion of this matter was read into the record, being recorded by a court reporter.
28

Christ
WHZ/146

1 The undersigned then issued an Arbitration Decision based upon the evidence submitted as well
2 as the agreement of the parties.

3
4 On January 11, 2007, counsel for the parties conducted a hearing before this Court
5 regarding confirmation of the Arbitration Award. Counsel for the parties could not reach an
6 agreement as to what documents needed to be signed to effect the Arbitration Decision. For that
7 reason, the matter was referred back to the Arbitrator for further proceedings. The actual
8 reference, contained in page 25, line 6-14 of the January 11, 2007, transcript is as follows:

9
10 THE COURT: I'm going to resolve your problem. Its real easy. I am
11 going to refer the matter back to Floyd Hale for further proceedings,
12 consistent with the 9/8/06 transcript. Those will include getting the
13 mechanism for the spouses of the parties to sign the documents, getting
14 a mechanism for the waiver of the release of the rights of first refusal
15 that exist, entering into the settlement agreement the parties entered
16 into. If he is unable to reach an agreement among the parties, then I
17 will have the final word.

18 The District Court has already indicated that wives of the principals will need to sign
19 documents. The following report and recommendation will reference the parties to the
20 Arbitration with the understanding that the District Court has already indicated that wives for
21 those parties will be required to sign all necessary documents.

22 IT IS REPORTED AND RECOMMENDED to the Court that the following documents
23 will need to be executed by the parties and their wives:

24 4,400 acres of real estate, owned by Poh Rah, LLC: The only members of the Pah Rah,
25 LLC are the parties to this action: Zandian Jazi; Ray Koroghli and Fred Sadri. These parties will
26 be required to sign a Grant Bargain Sale Deed to transfer the 4,400 acres of real estate to Zandian
27 Jazi. Fred Sadri will need to execute a full reconveyance of the Deed of Trust and release the
28 Promissory Note which was secured by the Deed of Trust as to this property. The parties will also

1 have to sign a waiver of any right of first refusal to this property.

2 320 acres owned by Big Springs Ranch, LLC. The only members of the Big Springs
3 Ranch LLC, are the parties to this action and Mr. Abrishami. If Mr. Zandian Jazi can obtain the
4 signature of Mr. Abrishami on a Deed to transfer this property, then the parties to this action must
5 all execute a Grant Bargain Sale Deed transferring this real estate to Zandian Jazi. If Mr. Jandian
6 Jazi is unable to obtain the signature of Mr. Abrishami, then Mr. Sadri and Mr. Koroghli are
7 required to sign a Quit Claim Deed from Big Springs Ranch, LLC to Zandian Jazi to sign waivers
8 of rights of first refusal.
9

10
11 \$250,000.00 Payment to Zandian Jazi: There has been a dispute as to what entity is
12 responsible for making this payment. During the Arbitration Proceedings, as well as during prior
13 meetings with the parties, it was represented to the Arbitrator that Mr. Sadri and Mr. Koroghli
14 would make this payment. It is Recommended that either Mr. Sadri or Mr. Koroghli, or both, are
15 individually responsible for this payment. Sadri and Koroghli may, however, execute the
16 payment check or draft in whatever representative capacity that they believe is the most
17 appropriate.
18

19
20 Transfer of Wendover Project, LLC Interest: Zandian Jazi has agreed to waive or transfer
21 any interest that he has, if any, in the Wendover Project, LLC. Mr. Netzorg has argued that it is
22 incumbent upon Mr. Zandian Jazi to obtain signatures on waivers of rights of first refusal from
23 all members of the LLC. This was not part of the settlement agreement and the District Court
24 should be aware that the Defendants contested that Zandian Jazi even owned rights in the
25 Wendover Project, LLC at the time of the arbitration.
26

27 It is the Report and Recommendation of the Arbitrator that Zandian Jazi sign a transfer
28 of all interest that he owns in the Wendover Project, LLC directly to: "Wendover Project, LLC."

1 Zandian Jazi must also sign a waiver of any right of first refusal that he has as to that LLC.

2 The remaining managing members of the Wendover Project LLC are responsible for
3 determining the appropriate allocation of the Zandian Jazi interest. If they believe that it is
4 necessary to obtain waivers of rights of first refusal to make that allegation of interest, then it is
5 their responsibility to do so. Before distributing Mr. Zandian Jazi's interest, the managing
6 members of the LLC should either distribute that interest in accordance with the operating
7 agreements or, alternatively, obtain whatever signatures that the managing members determine
8 are necessary to make a different distribution or allocation of that interest. It would seem unfair
9 to place this burden on the transferring party who is merely transferring his interest to the entire
10 Wendover Project, LLC.

11
12 Big Springs Ranch, LLC: As with the Wendover Project, LLC, Mr. Zandian Jazi will be
13 required to execute a transfer of interest and waiver of any interest of the Big Springs Ranch,
14 LLC, directly to: "Big Springs Ranch, LLC." He must also execute a waiver of right of first
15 refusal that he would have under that LLC. As stated with the Wendover Project, LLC, it is the
16 duty of the managing members of the Big Springs Ranch, LLC, to make an appropriate
17 distribution or allocation of this interest. The remaining managing members of the Big Springs
18 Ranch, LLC must either transfer the property as required by the operating agreement or obtain
19 whatever waivers of rights of first refusal that are necessary to make a transfer which they believe
20 are necessary.

21
22 CONCLUSION:

23
24 Mr. Netzorg has contested the requirement that the receiving LLC entities are required to
25 obtain waivers of rights of first refusal. Actually, waivers are not necessary if the receiving
26 interest is transferred pursuant to the operating agreement. If the managing members want to
27
28

1 obtain waivers of rights of first refusal to make a different distribution, they are certainly free to
2 do so. That should not be the burden of Mr. Zandian Jazi.

3
4 Mr. Netzorg has also asked for numerous documents regarding a purported transfer of Mr.
5 Zandian Jazi's shipyard stock. There was absolutely no evidence that any entity related to these
6 proceedings acknowledged receipt of that stock or issued any credit related to receipt of that
7 stock. Although that stock was discussed during the Arbitration proceedings, there was no
8 competent evidence regarding that stock being relevant to the Arbitration proceedings.

9
10 RESPECTFULLY SUBMITTED this 28th day of February, 2007.

11
12 By: 

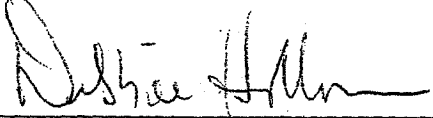
FLOYD A. HALE
2300 W. Sahara, #900
Las Vegas, NV 89102
Arbitrator

13
14
15
16 CERTIFICATE OF FACSIMILE AND MAIL

17 I hereby certify that on the 28th day of February, 2007, I faxed and mailed a true and
18 correct copy of the foregoing addressed to:

19 John Peter Lee, Esq.
830 Las Vegas Boulevard South
20 Las Vegas, NV 89101
Attorneys for Plaintiffs
21 Fax No. 383-9950

22 John Netzorg, Esq.
23 2810 West Charleston Blvd. #H-81
Las Vegas, NV 89102
24 Attorneys for Defendants
25 Fax No. 878-1255

26
27 By: 
Employee of Jams

28

FLOYD A. HALE
SPECIAL INTER
2300 W. SAHARA, #900, SUITE 900
LAS VEGAS, NEVADA 89102
PHONE (702) 457-5267 EMAIL fhale@floydahale.com

ORIGINAL

FILED

1 NOTC
2 STEVEN L. DAY, ESQ.
3 Nevada Bar No. 3708
4 COHEN, JOHNSON & DAY
5 1060 Wigwam Parkway
6 Henderson, NV 89074
7 (702) 309-3333

Aug 10 3:33 PM '07

CLERK COURT

FILED

Attorneys for Defendants

AUG 21 2007

DISTRICT COURT

CLARK COUNTY, NEVADA

JANEITTE M. BLOOM
CLERK OF SUPREME COURT
BY *J. Casilla*
DEPUTY CLERK

No. 49924

COHEN, JOHNSON & DAY
1060 Wigwam Parkway
Henderson, NV 89074
(702) 309-3333

11 GHOLAMREZA ZANDIAN JAZI,)
12 Plaintiff,)
13 vs.)
14 RAY KOROGHLI, individually, FARIBORZ)
15 FRED SADRI, individually and as Trustee of)
16 the Star Living Trust, WENDOVER PROJECT,)
17 LLC, a Nevada limited liability company; BIG)
18 SPRING RANCH, LLC, a Nevada limited)
19 liability company, and NEVADA LAND AND)
20 WATER RESOURCES, LLC, a Nevada)
21 limited liability company,)
22 Defendants.)

CASE NO. A511131
DEPT. NO. XI

AMENDED NOTICE OF APPEAL

22 NOTICE IS HEREBY GIVEN that Defendants Ray Koroghli, Fariborz Fred Sadri,
23 Wendover Project, LLC, Big Spring Ranch, LLC, and Nevada Land and Water Resources,
24 LLC, hereby appeal to the Supreme Court of Nevada from the Judgment Confirming
25 Arbitration Award filed on June 8, 2007, with notice of entry filed June 8, 2007 and that
26 certain "Order" of July 19, 2007, denying Defendants' Motion for Re-Hearing and Motion

CLERK OF THE COURT
AUG 16 2007

RECEIVED
AUG 20 2007

W:\Master\635407\AmendNotcOfAppeal.wpd
CLERK OF SUPREME COURT
DEPUTY CLERK

07-18409 WFZ1151

1 to Amend or Alter Judgment Pursuant to NRCP 59(a) July 20, 2007, with notice of entry
2 filed on July 23, 2007.

3 DATED this 10th day of August, 2007.

4 COHEN, JOHNSON & DAY

6 By 

7 STEVEN L. DAY, ESQ.

8 Nevada Bar No. 3708

9 JAMES R. NANCE, ESQ.

10 Nevada Bar No. 9878

11 1060 Wigwam Parkway

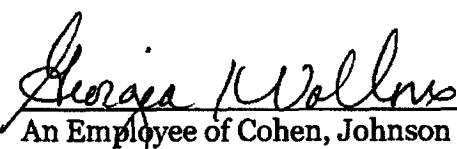
12 Henderson, NV 89074

13 Attorneys for Defendants

14 **CERTIFICATE OF MAILING**

15 I HEREBY CERTIFY that on the 10th day of August, 2007, I served a copy of the
16 foregoing AMENDED NOTICE OF APPEAL, by causing a copy of the same to be deposited
17 in the United States mail, postage prepaid, addressed as follows:

18 John Peter Lee, Esq.
19 JOHN PETER LEE, LTD.
20 830 Las Vegas Blvd. South
21 Las Vegas, NV 89101
22 Attorneys for Plaintiff/Counterdefendant

23 
24 An Employee of Cohen, Johnson & Day

DATE: 08/16/07
CASE NO. 05-A-511131-C

I N D E X

TIME 5:05 PM
JUDGE:Gonzalez, Elizabeth

Jazi, Gholamreza Z [E] vs Koroghli, Ray [E]

0001 P1 Gholamreza Z Jazi 001768 Lee, John P.
NO. 1 John Peter Lee, Ltd
830 Las Vegas Blvd. S.
Las Vegas, NV 89101

0002 D1 Ray Koroghli 003708 Day, Steven L.
NO. 1 Cohen Johnson & Day
1060 Wigwam Parkway
Henderson, NV 89074

0003 D Fariborz F Sadri 003708 Day, Steven L.
NO. 1 Cohen Johnson & Day
1060 Wigwam Parkway
Henderson, NV 89074

0004 D Star Living Trust 003708 Day, Steven L.
NO. 1 Cohen Johnson & Day
1060 Wigwam Parkway
Henderson, NV 89074

0005 D Wendover Project LLC 003708 Day, Steven L.
NO. 1 Cohen Johnson & Day
1060 Wigwam Parkway
Henderson, NV 89074

0006 D Big Spring Ranch LLC 003708 Day, Steven L.
NO. 1 Cohen Johnson & Day
1060 Wigwam Parkway
Henderson, NV 89074

0007 D Nevada Land And Water Resources LLC 003708 Day, Steven L.
NO. 1 Cohen Johnson & Day
1060 Wigwam Parkway
Henderson, NV 89074

0008 CO Wendover Project LLC 001335 Netzorg, John M.
NO. 1 Netzorg & Caschette
2810 W Charleston Blvd #81
Las Vegas, NV 89102-1910

0009 DC Gholamrez Z Jazi ?????? ## UNKNOWN ##

NO.	FILED/REC	CODE	REASON/DESCRIPTION	FOR	OC	SCH/PER	C
0001	10/05/05		COMP/COMPLAINT FILED Fee \$148.00	0001			
0002	10/05/05		CONS/CONSENT TO SERVICE BY ELECTONIC MEANS	AL		10/05/05	
0003	10/05/05		IAFD/INITIAL APPEARANCE FEE DISCLOSURE	0001			
0004	10/12/05		SUMM/SUMMONS	0003	SV	10/06/05	
0005	10/12/05		SUMM/SUMMONS	0004	SV	10/06/05	
0006	10/14/05		LISP/NOTICE OF LIS PENDENS	AL			
0007	10/14/05		LISP/NOTICE OF LIS PENDENS	AL		10/14/05	

(Continued to page 2)

WFZ1153

NO.	FILED/REC	CODE	REASON/DESCRIPTION	FOR	OC	SCH/PER	C
0008	10/14/05	ERR	/ERRATA TO COMPLAINT	0001			
0009	10/21/05	MOT	/PLTF'S MTN TO DISMISS COMPLAINT OR COMPEL ARBITRATION /01	AL	MR	11/28/05	
0010	10/26/05	ROC	/RECEIPT OF COPY	0001		10/21/05	
0011	10/31/05	REQT	/PLAINTIFFS RULE 56 (F) MOTION TO CONTINUE SUMMARY JUDGMENT	AL		11/28/05	
0012	10/31/05	REQT	/MOTION TO DISQUALIFY ATTORNEY FOR DEFENDANTS	AL		11/28/05	
0013	11/08/05	COMP	/FIRST AMENDED COMPLAINT	0001			
0014	11/16/05	LISP	/NOTICE OF LIS PENDENS	0001			
0015	11/23/05	RPLY	/REPLY TO OPPOSITION TO MOTION TO DISMISS	0001		11/23/05	
0016	11/23/05	OPPS	/OPPOSITION TO MOTION TO DISQUALIFY	0001			
0017	11/28/05	STIP	/STIPULATION FOR ARBITRATION	0001			
0018	12/08/05	ANS	/DEFENDANTS' RAY KOROCHELI AND FARIBORZ SADRI'S ANSWER AND COUNTERCLAIM	0002		12/08/05	
0019	12/08/05	ANS	/DEFENDANTS' RAY KOROGHLI AND FARIBORZ SADRI'S ANSWER AND COUNTERCLAIM	0003		12/08/05	
0020	12/08/05	TRCT	/RECEIPT #217853 \$400.00	0002		12/08/05	
0021	12/08/05	IAFD	/INITIAL APPEARANCE FEE DISCLOSURE	0002			
0022	12/08/05	DEMD	/DEMAND FOR JURY TRIAL	0002			
0023	12/09/05	OBJ	/PLAINTIFFS OBJECTION TO DEMAND FOR JURY TRIAL	0001			
0024	12/27/05	RPLY	/REPLY TO COUNTERCLAIM	AL			
0025	01/30/06	LISP	/NOTICE OF LIS PENDENS	AL		01/30/06	
0026	02/02/06	ORDR	/ORDER GRANTING APPLICATION TO EXTEND TIME TO EFFECTUATE SERVICE OF PROCESS	AL		02/02/06	
0027	02/02/06	APPL	/APPLICATION TO EXTEND TIME TO EFFECTUATE SERVICE OF PROCESS	0001			
0028	02/03/06	NOTC	/NOTICE OF ENTRY OF ORDER GRANTING APPLICATION TO EXTEND TIME TO EFFECTUATE SERVICE OF PROCESS	AL		02/02/06	Y
0029	02/15/06	SERV	/ACCEPTANCE OF SERVICE	0005	SV	02/15/06	
0030	02/15/06	SERV	/ACCEPTANCE OF SERVICE	0006	SV	02/15/06	
0031	02/15/06	SERV	/ACCEPTANCE OF SERVICE	0007	SV	02/15/06	
0032	02/15/06	NOTC	/NOTICE OF TAKING THE DEPOSITION OF DEFENDANT COUNTERCLAIMANT RAY KOROGHLI	AL	SH	03/06/06	
0033	02/15/06	NOTC	/NOTICE OF TAKING DEPOSITION OF DEFENDANT COUNTERCLAIMANT FARIBORZ FRED SADRI	AL	SH	03/03/06	Y
0034	02/24/06	NOTC	/RENOTICE OF TAKING DEPOSITION OF PLAINTIFF DUCES TECUM	AL	SH	03/06/06	
0035	02/24/06	NOTC	/NOTICE OF TAKING DEPOSITION OF PLAINTIFF DUCES TECUM	AL	SH	03/02/06	
0036	02/28/06	NOTC	/NOTICE OF TAKING THE DEPOSITION OF CRAIG K PERRY ESQ	AL	SH	03/20/06	
0037	03/03/06	SUBP	/SUBPOENA	0001	SH	03/20/06	
0038	03/14/06	APPR	/APPEARANCE	0001	SV	03/01/06	
0039	03/14/06	APPR	/APPEARANCE	0005			
0040	03/14/06	APPR	/APPEARANCE	0006			
0041	03/14/06	MOT	/DEFT'S MTN TO DISMISS COMPLAINT /02	0007			
			(Continued to page 3)	AL	OC	04/17/06	

NO.	FILED/REC CODE	REASON/DESCRIPTION	FOR	OC	SCH/PER	C
0042	03/14/06	IAFD/INITIAL APPEARANCE FEE DISCLOSURE	0005			
0043	03/16/06	NOTC/NOTICE OF TAKING THE DEPOSITION OF RON LANGLEY	AL	SH	03/31/06	
0044	03/16/06	NOTC/NOTICE OF TAKING THE DEPOSITION OF JOHN R HART	AL	SH	03/31/06	
0045	03/16/06	NOTC/NOTICE OF TAKING THE DEPOSITION OF MATTHEW SWAN CPA	AL	SH	03/30/06	
0046	03/16/06	APPL/APPLICATION FOR ISSUANCE OF COMMISSION TO TAKE DEPOSITION OF RON LANGLEY	0001	SH	03/31/06	Y
		OUT OF STATE	0001			
0047	03/16/06	APPL/APPLICATION FOR ISSUANCE OF COMMISSION TO TAKE DEPOSITION OF JOHN R HART OUT OF STATE	0001			Y
0048	03/23/06	SUBP/SUBPOENA	0001	SH	03/30/06	
			0001	SV	03/21/06	
0049	03/24/06	CERT/CERTIFICATION OF SERVICE VIA FACSIMILE	0001	SH	04/17/06	
0050	03/24/06	NOTC/NOTICE CONTINUING THE DEPOSITIONS OF JOHN R HART AND RON LANGLEY	AL	SH	03/31/06	
0051	03/27/06	OPPS/PLAINTIFFS OPPOSITION TO MOTION TO DISMISS	0002	SH	04/17/06	
			0002			
0052	03/28/06	NOTC/RENOTICE OF TAKING THE DEPOSITION OF MATTHEW SWAN CPA	AL	SH	04/06/06	
0053	04/06/06	NOTC/NOTICE CONTINUING THE DEPOSITION OF MATTHEW SWAN CPA	AL	SH	04/06/06	
0054	04/11/06	RSPN/RESPONSE TO REPLY TO OPPOSITION TO MOTION TO DISMISS	0001			
			0001			
0055	04/13/06	RPLY/REPLY TO OPPOSITION TO MOTION TO DISMISS	0002			
			0002			
0056	04/25/06	NOTC/RENOTICE OF TAKING THE DEPOSITION OF MATTHEW SWAN CPA	AL	SH	05/01/06	
			AL			
0057	04/27/06	NOTC/NOTICE OF INTENT TO TAKE DEFAULT	*D			
0058	04/28/06	NOTC/NOTICE OF TAKING DEPOSITIONS		SH	05/12/06	
0059	04/28/06	SUBP/SUBPOENA	0001	SH	05/01/06	
			0001	SV	04/26/06	
0060	04/28/06	CERT/CERTIFICATION OF SERVICE			04/26/06	
0061	05/01/06	ERR /ERRATA TO NOTICE OF INTENT TOTAKE DEFAULT	AL		05/01/06	
			AL			
0062	05/08/06	ANS /ANSWER OF WENDOVER PROJECT LLC BIG SPRING RANCH LLC AND NEVADA LAND AND WATER RESOURCES LLC TO PLAINTIFFS COMPLAINT	0005			Y
			0005			
0063	05/08/06	ANS /ANSWER OF WENDOVER PROJECT LLC BIG SPRING RANCH LLC AND NEVADA LAND AND WATER RESOURCES LLC TO PLAINTIFFS COMPLAINT	0006			Y
			0006			
0064	05/08/06	ANS /ANSWER OF WENDOVER PROJECT LLC BIG SPRING RANCH LLC AND NEVADA LAND AND WATER RESOURCES LLC TO PLAINTIFFS COMPLAINT	0007			Y
			0007			
0065	05/08/06	NOTC/NOTICE OF CONTINUATION OF DEPOSITIONS	AL	SH	05/12/06	
0066	05/08/06	SUBP/SUBPOENA DUCES TECUM	*D	SH	05/12/06	
			*D	SV	04/27/06	
0067	05/09/06	ANS /REPLY TO COUNTERCLAIM	0009		05/09/06	
0068	05/16/06	NOTC/NOTICE OF TAKING DEPOSITIONS	AL	SH	06/01/06	
0069	05/16/06	APPL/APPLICATION FOR ISSUANCE OF COMMISSION TO TAKE OUT OF STATE DEPOSITION OF	MP			Y
			MP			

(Continued to page 4)

WFZ1155

NO.	FILED/REC CODE	REASON/DESCRIPTION	FOR	OC	SCH/PER	C
ELI ABRISHAMI						
0070	05/16/06	APPL/APPLICATION FOR ISSUANCE OF COMMISSION TO TAKE OUT OF STATE DEPOSITION OF	MP MP			Y
MAXIM C W WEBB						
0071	05/16/06	NOTC/NOTICE OF TAKING DEPOSITIONS	AL	SH	06/08/06	
0072	05/19/06	CERT/CERTIFICATION OF SERVICE			05/16/06	
0073	05/30/06	SUBP/SUBPOENA DUCES TECUM	0002	SH	06/01/06	
			0002	SV	05/18/06	
0074	05/30/06	NOTC/RE-NOTICE OF TAKING DEPOSITIONS	AL	SH	06/01/06	
0075	05/30/06	NOTC/NOTICE OF TAKING DEPOSITION	AL	SH	06/23/06	
0076	05/30/06	SUBP/SUBPOENA DUCES TECUM	0002	SH	06/01/06	
			0002	SV	05/18/06	
0077	05/30/06	APPL/APPLICATION FOR ISSUANCE OF COMMISSION TO TAKE OUT OF STATE DEPOSITION OF	0002 0002			Y
EZRI NAMVAR						
0078	05/30/06	NOTC/NOTICE OF TAKING DEPOSITION	AL	SH	06/13/06	
0079	06/05/06	NOTC/NOTICE OF TAKING THE DEPOSITION OF MARK CUTCHEN	AL AL	SH	06/21/06	
0080	06/07/06	SUBP/SUBPOENA DUCES TECUM-DON PATTALOCK			06/01/06	
0081	06/07/06	CERT/CERTIFICATE OF SERVICE	0001		05/31/06	
0082	06/07/06	SUBP/SUBPOENA DUCES TECUM	0002	SH	06/13/06	
			0002	SV	05/26/06	
0083	06/07/06	PSER/PROOF OF SERVICE OF SUBPOENA DUCES TECUM ON MAXIM C W WEBB	AL AL	SV	05/24/06	
0084	06/07/06	PSER/PROOF OF SERVICE OF SUBPOENA DUCES TECUM ON ELI ABRISHAMI	AL AL	SV	05/27/06	
0085	06/08/06	SUBP/SUBPOENA DUCES TECUM-REZAI GHASSEM		SH	06/13/06	
				SV	06/01/06	
0086	06/08/06	APPL/APPLICATION FOR ISSUANCE OF COMMISSION TO TAKE OUT OF STATE DEPOSITION OF JOHN	AL AL			Y
HART						
0087	06/08/06	NOTC/NOTICE OF TAKING DEPOSITION	AL	SH	06/22/06	
0088	06/08/06	NOTC/RENOTICE OF TAKING DEPOSITION OF ELI ABRISHAMI	AL AL	SH	06/23/06	
0089	06/22/06	DOW /DESIGNATION OF EXPERT WITNESS	*D			
0090	06/22/06	CRTF/CERTIFICATE OF SERVICE	0009		06/13/06	
0091	06/22/06	NOTC/NOTICE OF TAKING DEPOSITION OF THOMAS CLIMO PH D	AL AL	SH	06/29/06	
0092	06/22/06	SUBP/SUBPOENA DUCES TECUM	*D	SH	06/22/06	
			*D	SV	06/09/06	
0093	06/22/06	SUBP/SUBPOENA FOR DEPOSITION	0002	SH	06/23/06	
			0002	SV	06/06/06	
0094	06/22/06	NOTC/NOTICE OF INTENT TO TAKE DEFAULT	AL		06/22/06	
0095	07/03/06	SUBP/SUBPOENA DUCES TECUM		SH	06/29/06	
0096	07/03/06	RPLY/REPLY OF WENDOVER PROJECT LLC TO PLAINTIFFS COUNTERCLAIM TO COUNTERCLAIM	AL AL			
0097	07/05/06	SCCR/PLAINTIFF COUNTERDEFENDANTS SUPPLEMENTAL TO 16.1 PRODUCTION OF DOCUMENTS	0001 0001			
0098	07/13/06	NOTC/RENOTICE OF TAKING DEPOSITION OF THOMAS CLIMO PH D	AL AL	SH	07/28/06	
0099	07/13/06	SUPP/DEFENDANTS SUPPLEMENT TO 16.1 DISCLOSURES				

(Continued to page 5)

NO.	FILED/REC CODE	REASON/DESCRIPTION	FOR	OC	SCH/PER	C
0100	07/21/06	SUBP/SUBPOENA FOR ARBITRATION	0002	SH	08/22/06	
			0002	SV	07/19/06	
0101	07/21/06	SUBP/SUBPOENA FOR ARBITRATION		SH	08/22/06	
				SV	07/19/06	
0102	07/21/06	SUBP/SUBPOENA FOR ARBITRATION	0001	SH	08/22/06	
0103	07/25/06	SUBP/SUBPOENA FOR ARBITRATION		SH	08/22/06	
				SV	07/20/06	
0104	08/08/06	SCCR/PLAINTIFF COUNTERDEFENDANTS SECOND SUPPLEMENT TO 16.1 PRODUCTION OF DOCUMENTS	AL			Y
			AL			
0105	09/28/06	ATLN/NOTICE OF ATTORNEY LIEN	AL		09/28/06	
0106	12/04/06	REQT/REQUEST FOR BUSINESS COURT	AL			
0107	12/05/06	ASSG/REASSIGNMENT OF JUDGE Denton TO JUDGE Gonzalez				
0108	12/13/06	MOT /PLTF/CNTRDEFT JAZI MTN FOR CONFIRMATION & ENTRY OF JGMNT ON ARBITRATION AWARD/03	AL		01/11/07	
			AL			
0109	12/13/06	ROC /RECEIPT OF COPY OF ZANDIANS MOTION FOR CONFIRMATION AND ENTRY OF JUDGMENT ON ARBITRATION AWARD	*D		12/13/06	Y
			*D			
0110	12/16/06	ASSG/Reassign Case From Judge Gonzalez To Judge JOHNSON				
0111	12/18/06	MOT /DEFT'S MTN TO VACATE ARBITRATION AWARD/MTN TO MODIFY OR CORRECT /04	AL		01/11/07	
			AL			
0112	12/18/06	ASSG/REASSIGNMENT OF JUDGE JOHNSON TO JUDGE Gonzalez				
0113	12/22/06	OCAL/MINUTE ORDER RE: INCORRECT CASE REASSIGNMENT	NP		12/22/06	
			NP			
0114	12/22/06	ASSG/REASSIGNMENT OF JUDGE Gonzalez TO JUDGE Denton				
0115	12/22/06	CMMT/PER MINUTES 12/22/06				
0116	12/22/06	PRMT/PEREMPTORY CHALLENGE Denton CASE REASSIGNED TO Halverson				
0117	12/22/06	ASSG/REASSIGNMENT OF JUDGE Halverson TO JUDGE Gonzalez				
0118	12/22/06	CMMT/RE-ASSIGNED TO GONZALEZ (BUS CRT CASE)				
0119	12/22/06	NDR /NOTICE OF DEPARTMENT REASSIGNMENT			12/22/06	Y
		001335001768001335001335001768FC				
		001335001335001335????????001768001335001335001768001335001335001335001335001335				
0120	12/21/06	ROC /RECEIPT OF COPY OF MOTION TO VACATE ARBITRATION AWARD OR IN THE ALTERNATIVE	0001		12/19/06	Y
			0001			
		TO MODIFY OR CORRECT				
0121	12/21/06	EXPT/EX PARTE APPLICATION FOR ORDER ORDER SHORTENING TIME AND REQUEST FOR ORAL ARGUMENT	AL			Y
			AL			
0122	12/26/06	NOEV/NOTICE OF EXHIBIT(S) IN THE VAULT	AL		12/18/06	
0123	12/26/06	NOEV/NOTICE OF EXHIBIT(S) IN THE VAULT	AL		12/13/06	
0124	12/27/06	CERT/CERTIFICATION OF SERVICE			12/21/06	
0125	12/28/06	OPPS/OPPOSITION TO MOTION TO VACATE ARBITRATION AWARD OR IN THE ALTERNATIVE MOTION TO MODIFY OR CORRECT	AL		01/11/07	Y
			AL			
0126	12/29/06	NOEV/PLTF'S OPPTS TO MTN TO VACATE ARB AWARD	AL			
0127	01/05/07	OPPS/OPPOSITION TO MOTION FOR CONFIRMATION AND ENTRY OFJUDGMENT ON ARBITRATINO			01/11/07	Y

(Continued to page 6)

WFZ1157

NO.	FILED/REC CODE	REASON/DESCRIPTION	FOR	OC	SCH/PER	C
AWARD AND REPLY TO OPPOSITION TO MOTION TO VACATE						
0128	01/11/07	MOT /ALL PENDING MOTIONS (1/11/07)	AL		01/11/07	
0129	01/09/07	RPLY/REPLY TO OPPOSITION TO MOTION FOR CONFIRMATION AND ENTRY OF JUDGMENT ON	0001 0001			Y
ARBITRATION AWARD						
0130	01/16/07	TRAN/REPORTER'S TRANSCRIPT OF PROCEEDINGS	AL		01/11/07	
0131	01/19/07	NOEV/NOTICE OF EXHIBIT(S) IN THE VAULT	AL			
0132	01/19/07	ORDR/ORDER ON MOTION TO CONFIRM ARBITRATION AWARD AND MOTION TO VACATE ARBITRATION	AL AL			Y
AWARD						
0133	01/22/07	NOTC/NOTICE OF ENTRY OF ORDER ON MOTION TO CONFIRM ARBITRATION AWARD AND MOTION TO	AL AL		01/19/07	Y
VACATE ARBITRATION AWARD						
0134	03/08/07	SUPP/SUPPLEMENT TO NOTICE OF ATTORNEYS LIEN	AL			
0135	03/22/07	MOT /PLTF'S MTN FOR REFERRAL TO ARBITRATOR/07	NP	DN	04/24/07	
0136	04/05/07	OPPS/OPPOSITION TO PLTF'S MOTION FOR REFERRAL TO ARBITRATOR	0001 0001		04/24/07	
0137	03/26/07	RAR /ARBITRATOR REPORT AND RECOMMENDATION TO DISTRICT COURT	AL AL			
0138	04/16/07	RPLY/REPLY TO OPPOSITION TO PLAINTIFFS MOTION FOR REFERRAL TO ARBITRATOR	0001 0001			
0139	04/24/07	REQT/REQUEST FOR ORAL ARGUMENT ON THE PLAINTIFFS MOTION FOR REFERRAL TO	AL AL	SH	04/24/07	Y
ARBITRATOR						
0140	04/25/07	OBJ /PLTF'S OBJECTION TO DEFTS REQUEST FOR ORAL ARGUMENT ON PLTF'S MOTIN FOR	*D *D		04/25/07	Y
REFERRAL TO ARBITRATOR						
0141	05/16/07	MOT /ZANDIAN'S MTN FOR CONFIRMATION/ENTRY OF JGMNT ON ARBITRATION AWARD AND OST /08	AL AL	GR	06/05/07	
0142	05/16/07	ROC /RECEIPT OF COPY OF ZANDIANS MOTION FOR CONFIRMATION AND ENTRY OF JUDGMENT ON	*D *D		05/16/07	Y
ARBITRATION AWARD AND ORDER SHORTENING TIME						
0143	05/25/07	OPPS/OPPOSITION TO PLAINTIFFS MOTION FOR CONFIRMATION AND ENTRY OF JUDGMENT ON	0001 0001	SH	06/05/07	Y
ARBITRATION AWARD COUNTER MOTION TO VACATE ARBITRATION AWARD AS AMENDED						
0144	05/31/07	RPLY/REPLY TO OPPOSITION TO MOTION FOR CONFIRMATION AND ENTRY OF JUDGMENT	AL AL			Y
ON ARBITRATION AWARD						
0145	06/06/07	OCAL/STATUS CHECK: COMPLIANCE (VJ 07-17-07)	AL	VC	07/24/07	
0146	06/08/07	NOTC/NOTICE OF ENTRY OF JUDGMENT CONFIRMING ARBITRATION AWARD	AL AL		06/08/07	
0147	06/13/07	MOT /DEFT'S MTN TO STAY /10	AL	GR	06/21/07	
0148	06/13/07	HEAR/DEFT'S MTN FOR REHEARING/11	AL	DN	07/17/07	
0149	06/08/07	JMNT/JUDGMENT UPON ARBITRATION AWARD	0003		06/15/07	
0150	06/08/07	JMNT/JUDGMENT UPON ARBITRATION AWARD	0004		06/15/07	
0151	06/15/07	MOT /DEFT'S MTN TO AMEND JUDGMENT/12	AL	DN	07/17/07	
0152	06/18/07	ROC /RECEIPT OF COPY	0001		06/15/07	
0153	06/18/07	ROC /RECEIPT OF COPY	AL		06/15/07	
0154	06/18/07	ORDR/ORDER SHORTENING TIME	*D	SH	06/21/07	
0155	06/19/07	OPPS/OPPOSITION TO MOTION FOR HEARING	*D		06/21/07	
0156	06/19/07	OPPS/OPPOSITION TO MOTION FOR STAY	*D	SH	06/21/07	
0157	06/20/07	RPLY/REPLY TO OPPOSITION TO MOTION FOR STAY	0001 0001	SH	06/21/07	

(Continued to page 7)

WFZ1158

NO.	FILED/REC CODE	REASON/DESCRIPTION	FOR	OC	SCH/PER	C
0158	06/25/07	MOT /ALL PENDING MOTIONS (06-21-07)	AL		06/21/07	
0159	06/20/07	ERR /ERRATA TO OPPOSITION TO MOTION FOR STAY	AL			
0160	06/20/07	RPLY/REPLY TO OPPOSITION TO MOTION FOR RE- HEARING	AL	SH	06/21/07	
0161	06/21/07	CRTF/CERTIFICATION OF SERVICE OF ORDER SHORTENING TIME FOR HEARINGS	AL		06/19/07	
0162	06/25/07	OPPS/OPPOSITION TO MOTION TO AMEND OR ALTER JUDGMENT PURSUANT TO NRCP 59E OR IN THE ALTERNATIVE MOTION FOR A NEW TRIAL PURSUANT TO NRCP 59A	AL	SH	07/17/07	Y
0163	06/25/07	ORDR/ORDER RE DEFENDANTS MOTION FOR RE HEARING AND MOTION FOR STAY OF	AL	VC	06/21/07	Y
			AL	SH	07/17/07	
PROCEEDINGS						
0164	06/25/07	CHBD/CASH BOND #01365592 \$10,000.00			06/25/07	
0165	06/27/07	NOTC/NOTICE OF ENTRY OF ORDER	AL		06/25/07	
0166	07/03/07	TRAN/REPORTER'S TRANSCRIPT OF HEARING ON MOTION FOR STAY	AL		06/21/07	
0167	07/03/07	RPLY/REPLY TO OPPOSITION TO MOTION TO AMEND OR ALTER JUDGMENT PURUSANT TO NRCP	0001		07/17/07	Y
			0001			
59(E) OR IN THE ALTERANTIVE MOTION FOR NEW TRIAL PURUSANT TO NRCP 59(A)						
0168	07/13/07	NOTC/NOTICE OF APPEARANCE	AL		07/13/07	
0169	07/13/07	BREF/SUPPLEMENTAL BRIEF IN SUPPORT OF DEFTS MOTION TO AMEND OR ALTER JUDGMENT PURSUANT TO NRCP 59(e) OR IN THE ALTERNATIVE MOTIN FOR NEW TRIAL PURSUANT NRCP 59(a)			07/18/07	Y
0170	07/17/07	MOT /ALL PENDING MOTIONS (07-17-07)	AL		07/17/07	
0171	07/17/07	OCAL/STATUS CHECK: COMPLIANCE	AL		08/23/07	
0172	07/16/07	RPLY/PLAINTIFFS REPLY TO DEFENDANTS SUPPLEMENTAL BRIEF TO MOTION TO ALTER OR AMEND JUDGMENT AND COUNTER MOTION TO STRIKE	*D		07/16/07	Y
			*D			
0173	07/19/07	MOT /NETZORG'S MTN TO WITHDRAW AS COUNSEL /16	NP		08/21/07	
0174	07/20/07	ORDR/ORDER ON POST JUDGMENT MOTIONS	AL	HG	07/17/07	
0175	07/23/07	NOTC/NOTICE OF ENTRY OF ORDER	AL		07/20/07	
0176	07/26/07	NOAS/NOTICE OF APPEAL (SC 49924)	AL	AP	07/26/07	
0177	07/26/07	NOAS/NOTICE OF APPEAL	AL		07/26/07	
0178	07/26/07	NOAS/NOTICE OF APPEAL	AL		07/26/07	
0179	07/26/07	NOAS/NOTICE OF APPEAL	AL		07/26/07	
0180	07/26/07	NOAS/NOTICE OF APPEAL	AL		07/26/07	
0181	07/26/07	STAT/CASE APPEAL STATEMENT	*D			
0182	07/30/07	CRTF/CERTIFICATION OF SERVICE	AL		07/19/07	
0183	08/01/07	MOT /DEFT'S MTN TO STAY OF PROCEEDINGS TO ENFORCE/17	AL	GR	08/07/07	
			AL			
0184	08/02/07	CERT/CERTIFICATE OF MAILING	0008		08/02/07	
0185	08/03/07	OPPS/OPPOSITION TO MOTION FOR STAY OF PROCEEDINGS TO ENFORCE JUDGMENT AND TO SET SUPERSEDEAS BOND ORDER SHORTENING TIME	*D	SH	08/07/07	Y
			*D			
0186	08/06/07	ROC /RECEIPT OF COPY	0001		08/02/07	
0187	08/06/07	ROC /RECEIPT OF COPY OF OPPOSITION TO MOTION FOR STAY OF PROCEEDINGS TO ENFORCE JUDGMENT AND TO SET SUPERSEDEAS BOND ORDER SHORTENING TIME	*D		08/07/07	Y
			*D			
0188	07/31/07	AMEN/AMENDED CASE APPEAL STATEMENT	AL		07/31/07	
0189	07/31/07	BOND/NON RESIDENT COST BOND NO 75-0009 - \$500.00	0001			
			0001			

(Continued to page 8)

NO.	FILED/REC	CODE	REASON/DESCRIPTION	FOR	OC	SCH/PER	C
0190	08/08/07		NOTC/FILING OF ORIGINAL COST BOND				
				*D			
0191	08/09/07		BOND/NOTICE OF FILING OF SUPERSEDEAS BOND -	0001			
			NO 1000755588 - \$250,000.00	0001			
0192	08/09/07		NOAS/NOTICE OF CROSS-APPEAL (SC 49924)	0001	AP	08/09/07	
0193	08/09/07		BOND/COST BOND ON CROSS APPEAL - BOND NO	0001			
			NV41238 - \$250.00	0001			
0194	08/09/07		STAT/CASE CROSS APPEAL STATEMENT	0001	AP	08/09/07	
0195	08/10/07		NOAS/NOTICE OF APPEAL	AL		08/10/07	
0196	08/13/07		TRAN/REPORTER'S TRANSCRIPT OF PROCEEDINGS	AL		07/17/07	Y
			DEFTS MOTION TO AMEND JUDGMENT	AL			
			MOTION FOR REHEARING				
0197	08/13/07		ORDR/ORDER	AL	HG	08/07/07	
0198	08/14/07		NOTC/NOTICE OF FILING OF NON RESIDENT BONDS	AL		08/14/07	

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Chaf...
CLERK OF THE COURT

1 JUDGE
JOHN PETER LEE, LTD.
2 JOHN PETER LEE, ESQ.
Nevada Bar No. 001768
3 MICHAEL A. REYNOLDS, ESQ.
Nevada Bar No. 008631
4 830 Las Vegas Boulevard South
Las Vegas, Nevada 89101
5 (702) 382-4044 Fax: (702) 383-9950
Attorneys for Plaintiff/Counterdefendant
6

DISTRICT COURT

CLARK COUNTY, NEVADA

9 GHOLAMREZA ZANDIAN JAZI,)
10 Plaintiff,)
11 v.)
12 RAY KOROGHLI, individually, FARIBORZ FRED)
SADRI, individually, and as Trustee of the Star)
13 Living Trust, WENDOVER PROJECT, LLC, a)
Nevada limited liability company; BIG SPRING)
14 RANCH, LLC, a Nevada limited liability company,)
and NEVADA LAND AND WATER)
15 RESOURCES, LLC, a Nevada limited liability)
company,)
16 Defendants.)

CASE NO.: A511131
DEPT. NO.: XI

**JUDGMENT CONFIRMING
ARBITRATION AWARD**

18 RAY KOROGHLI, individually and FARIBORZ)
FRED SADRI, individually,)
19 Counterclaimants,)
20 v.)
21 GHOLAMREZA ZANDIAN JAZI,)
22 Counterdefendant.)

DATE: 6-5-07
TIME: 9:00 a.m.

24 WENDOVER PROJECT, LLC,)
25 Counterclaimant,)
26 v.)
27 GHOLAMREZA ZANDIAN JAZI,)
28 Counterdefendant.)

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

RECEIVED
JUN 08 2007
CLERK OF THE COURT

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

1 GHOLAMREZA ZANDIAN JAZI,)
2 Counterclaimant,)
3 v.)
4 WENDOVER PROJECT, LLC,)
5 Counterdefendant.)

6 1334.022860-JLR

7 ZANDIAN'S MOTION FOR CONFIRMATION AND ENTRY OF JUDGMENT ON
8 ARBITRATION AWARD and the Defendants' COUNTERMOTION TO VACATE
9 ARBITRATION AWARD having come before this Court on Tuesday, June 5, 2007, the Honorable
10 Elizabeth Gonzalez presiding, and the Court being fully apprised in the premises and good cause
11 appearing, it is hereby

12 ORDERED that Plaintiff's MOTION FOR CONFIRMATION AND ENTRY OF
13 JUDGMENT ON ARBITRATION AWARD is granted, and Defendants' COUNTERMOTION TO
14 VACATE ARBITRATION AWARD is denied.

15 IT IS FURTHER ORDERED that this Court confirms the Arbitration Awards made and
16 entered by Floyd A. Hale, Esq., and enters judgment on the Arbitration Awards as follows:

17 IT IS ORDERED, ADJUDGED AND DECREED that all of the relief granted by the
18 aforesaid Arbitrator in his Arbitration Decision dated the 20th day of September, 2006, a copy of
19 which is attached hereto as Exhibit "1" is granted by this Court.

20 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that the Arbitrator's Decision
21 Denying Defendants' Motion to Change Award dated the 11th day of October, 2006, a copy of which
22 is attached hereto as Exhibit "2" is granted by this Court.


23 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that all relief granted in the
24 Implementation Award dated the 29th day of November, 2006, a copy of which is attached hereto
25 as Exhibit "3" is granted by this Court.

26 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that the Arbitrator's Report
27 and Recommendation to District Court dated the 28th day of February, 2007, a copy of which is
28 attached hereto as Exhibit "4" is granted by this Court.

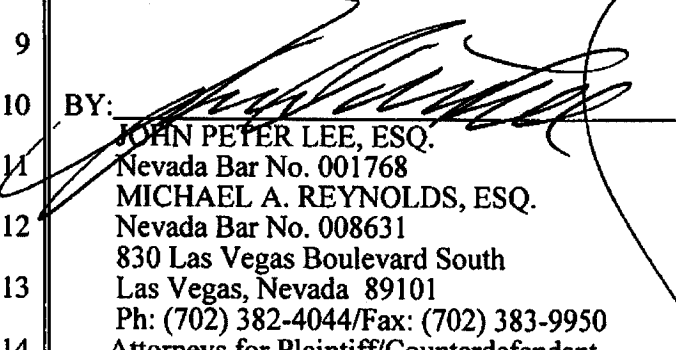
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IT IS FURTHER ORDERED, ADJUDGED AND DECREED that this Court retains jurisdiction to implement this Judgment.

Dated this 7 day of June, 2007.


Honorable Elizabeth Gonzalez
District Court Judge

SUBMITTED BY:
JOHN PETER LEE, LTD.

BY: 
JOHN PETER LEE, ESQ.
Nevada Bar No. 001768
MICHAEL A. REYNOLDS, ESQ.
Nevada Bar No. 008631
830 Las Vegas Boulevard South
Las Vegas, Nevada 89101
Ph: (702) 382-4044/Fax: (702) 383-9950
Attorneys for Plaintiff/Counterdefendant

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

RECEIVED
SEP 22 2006
JOHN PETER LEE, LTD.

1 ARB
2 FLOYD A. HALE, ESQ.
3 Nevada Bar No. 1873
4 JAMS
5 2300 W. Sahara, #900
6 Las Vegas, NV 89102
7 Ph: (702) 457-5267
8 Fax: (702) 437-5267
9 Arbitrator

DISTRICT COURT

CLARK COUNTY, NEVADA

10 GHOLAMREZA ZANDIAN JAZI,) Case No. A511131
11)) Dept. No. XII
12 Plaintiff,)
13 vs.)
14 RAY KOROGHLI, individually,)
15 FABIRORZ FRED SADRI, individually,)
16 and as Trustee-of the Star Living Trust,)
17 WENDOVER PROJECT, LLC, a Nevada)
18 limited liability company; BIG SPRING)
19 RANCH, LLC, a Nevada limited liability)
20 company, and NEVADA LAND AND)
21 WATER RESOURCES, LLC, a Nevada)
22 limited liability company,)
23 Defendants.)

ARBITRATION DECISION

24 Arbitration Hearings in this matter were conducted for two full days. The parties
25 submitted voluminous exhibits, depositions and briefs to the Arbitrator. Having reviewed the
26 documentation submitted and having heard the testimony and representations of the parties, the
27 following Arbitration Decision is entered:

- 28 1. The entire interest in the Pah Rah, LLC, property will be transferred to Gholamreza

FLOYD A. HALE
SPECIAL MASTER
2300 W. SAHARA AVE. SUITE 900
LAS VEGAS, NEVADA 89102
PHONE (702) 457-5267 Email fahale@floydahale.com

FLOYD A. HALE
SPECIAL MASTER
2300W. I. AVE. SUITE 900
LAS VEGAS, NV 89102
PHONE (702) 457-5267 EMAIL fhaale@floydahale.com

1 Zandian Jazi, free and clear of all encumbrances, including the promissory note secured by Deed
2 of Trust issued for the benefit of Fariborz Fred Sadri; any obligation owed to Jeff Codega, related
3 to work that was performed as to the Pah Rah real estate will be the obligation of Gholamreza
4 Zandian Jazi;
5

6 2. The 320 acres referenced in the briefs and this lawsuit will be transferred free and clear
7 to Gholamreza Zandian Jazi without any obligation to the other litigants or parties to this
8 Arbitration or to any other party who may profess to have an interest in the 320 acres that are
9 bound by this lawsuit and Arbitration;
10

11 3. Fariborz Fred Sadri and Ray Koroghli will, within 30 days from the service of this
12 Arbitration Decision, pay Gholamreza Zandian Jazi \$250,000.00 in return for Gholamreza
13 Zandian Jazi waiving any claims or any rights as to the Big Springs Ranch, LLC or any of its
14 assets;
15

16 4. That Gholamreza Zandian Jazi will transfer any interest in the Wendover project, LLC,
17 including all assets and real estate to Fariborz Fred Sadri and Ray Koroghli;

18 5. All of the entities and properties that are the subject of this Arbitration and lawsuit,
19 including Pah Rah, LLC, the owners of the 300 acres referenced above, the Big Springs Ranch,
20 LLC, and the Wendover purchase or Wendover Project, LLC, referenced in this lawsuit and
21 Arbitration waive any claims to reimbursement or participation in any consulting fees previously
22 paid to Gholamreza Zandian Jazi from the seller of the real estate to those entities;
23

24 6. That the parties, through counsel, will prepare all necessary documents to effect the
25 transfers of the real estate assets and LLC entities and the parties to this lawsuit and Arbitration
26 will execute all necessary documents to effect this Arbitration Order, including a mutual Release
27 to be executed by all parties.
28

1 7. That each party pay their own fees and costs incurred herein.

2 DATED this 20th day of September, 2006.

3
4
5 By: 

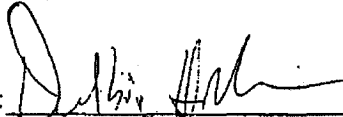
FLOYD HALE, Arbitrator
2300 West Sahara Avenue, #900
Las Vegas, NV 89102

6
7
8 CERTIFICATE OF FACSIMILE AND MAIL

9 I hereby certify that on the 21 day of September, 2006, I faxed and mailed a true and
10 correct copy of the foregoing addressed to:

11 John Peter Lee, Esq.
12 830 Las Vegas Boulevard South
13 Las Vegas, NV 89101
14 Attorneys for Plaintiffs
15 Fax No. 383-9950

16 John Netzorg, Esq.
17 2810 West Charleston Blvd. #H-81
18 Las Vegas, NV 89102
19 Attorneys for Defendants
20 Fax No. 878-1255

21
22
23
24
25
26
27
28 By: 
Employee of Jams

FLOYD A. HALE
SPECIAL MASTER
2300 W. S. AVE. SUITE 900
LAS VEGAS, NV 89102
PHONE (702) 457-5267 EMAIL fhale@floydahale.com

1 ARB
 2 FLOYD A. HALE, ESQ.
 3 Nevada Bar No. 1873
 4 JAMS
 5 2300 W. Sahara, #900
 6 Las Vegas, NV 89102
 7 Ph: (702) 457-5267
 8 Fax: (702) 437-5267
 9 Arbitrator

DISTRICT COURT

CLARK COUNTY, NEVADA

10	GHOLAMREZA ZANDIAN JAZI,	)	Case No. A511131
		)	Dept. No. XII
11	Plaintiff,)	
)	
12	vs.)	
)	
13	RAY KOROGILI, individually,)	
14	FABIRORZ FRED SADRI, individually,)	
	and as Trustee of the Star Living Trust,)	
15	WENDOVER PROJECT, LLC, a Nevada)	
16	limited liability company; BIG SPRING)	
17	RANCH, LLC, a Nevada limited liability)	
	company, and NEVADA LAND AND)	
18	WATER RESOURCES, LLC, a Nevada)	
	limited liability company,)	
19)	
	Defendants.)	
20)	

ARBITRATION DECISION

21
 22 On October 11, 2006, the Arbitrator received the Defendant's **MOTION TO CHANGE**
 23 **AWARD BY ARBITRATOR PURSUANT TO NRS 38.237.** The Motion requests that
 24 Zandian Jazi: Execute documents necessary to have the property transferred as required by the
 25 Arbitration Decision; issue guarantees that he has not made transfers to third parties; assign shares
 26 of shipyard stock; warrant and verify that he is in a position to execute documents required by the
 27
 28

FLOYD A. HALE
 SPECIAL COUNSEL
 2300 W. SAHARA, SUITE 900
 LAS VEGAS, NV 89102
 PHONE (702) 457-5267 EMAIL fhaile@floydahale.com

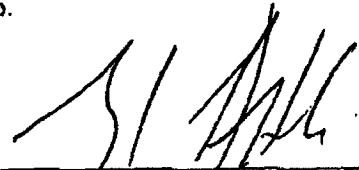
1 Arbitration Decision and verify other factual issues that were the subject of the Arbitration
2 Agreement.

3
4 The Motion goes well beyond the Arbitration Decision asking to reopen evidentiary
5 matters which are unnecessary at this time. Furthermore, paragraph 6 of the Arbitration Decision
6 indicates as follows:

7
8 6. That the parties, through counsel, will prepare all necessary
9 documents to effect the transfers of the real estate assets and LLC
10 entities and the parties to this lawsuit and Arbitration will execute all
11 necessary documents to effect this Arbitration Order, including a
12 mutual Release to be executed by all parties.

11 The Defendant's MOTION TO CHANGE AWARD BY ARBITRATOR PURSUANT
12 TO NRS 38.237 is denied.

13 DATED this 11th day of October, 2006.

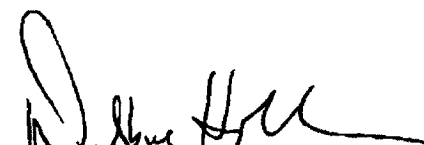
14
15 By: 
16 FLOYD A. HALE
17 2300 W. Sahara, #900
18 Las Vegas, NV 89102
19 Arbitrator

20 CERTIFICATE OF FACSIMILE

21 I hereby certify that on the 11th day of October, 2006, I faxed and mailed a true and
22 correct copy of the foregoing addressed to:

23 John Peter Lec, Esq.
24 830 Las Vegas Boulevard South
25 Las Vegas, NV 89101
26 Attorneys for Plaintiff's
27 Fax No. 383-9950

23 John Netzorg, Esq.
24 2810 West Charleston Blvd. #H-81
25 Las Vegas, NV 89102
26 Attorneys for Defendants
27 Fax No. 878-1255

26
27 By: 
28 Employee of Jams

FLOYD A. HALE
SPEC. MASTER
2300 W. SAHARA, SUITE 900
LAS VEGAS, NV 89102
PHONE (702) 467-6267 EMAIL fhaale@floydahale.com



JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BLVD. SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9921

1 AWD
2 JOHN PETER LEE, LTD.
3 JOHN PETER LEE, ESQ.
4 Nevada Bar No. 001768
5 MICHAEL A. REYNOLDS, ESQ.
6 Nevada Bar No. 008631
7 830 Las Vegas Boulevard South
8 Las Vegas, Nevada 89101
9 (702) 382-4044 Fax: (702) 383-9950
10 Attorneys for Plaintiff/Counterdefendant
11 GHOLAMREZA ZANDIAN JAZI

RECEIVED
NOV 30 2006
JOHN PETER LEE, LTD.

DISTRICT COURT
CLARK COUNTY, NEVADA

9 GHOLAMREZA ZANDIAN JAZI,)
10 Plaintiff,)
11 v.)
12 RAY KOROGHLI, individually, FARIBORZ, FRED)
13 SADRI, individually, and as Trustee of the Star)
14 Living Trust, WENDOVER PROJECT, LLC, a)
15 Nevada limited liability company; BIG SPRING)
16 RANCH, LLC, a Nevada limited liability company,)
17 and NEVADA LAND AND WATER)
18 RESOURCES, LLC, a Nevada limited liability)
19 company,)
20 Defendants.)

CASE NO.: A511131
DEPT. NO.: XIII

BEFORE ARBITRATOR
FLOYD A. HALE

IMPLEMENTATION AWARD

18 RAY KOROGHLI, individually and FARIBORZ)
19 FRED SADRI, individually,)
20 Counterclaimants,)
21 v.)
22 GHOLAMREZA ZANDIAN JAZI,)
23 Counterdefendant.)
24 WENDOVER PROJECT, LLC,)
25 Counterclaimant,)
26 v.)
27 GHOLAMREZA ZANDIAN JAZI,)
28 Counterdefendant.)

JOHN PETER LEE, LTD.
ATTORNEY AT LAW
830 LAS VEGAS BLVD. SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9953

1 GHOLAMREZA ZANDIAN JAZI,
2 Counterclaimant,
3 v.
4 WENDOVER PROJECT, LLC,
5 Counterdefendant.

6 1334.022860-sy

7 **IMPLEMENTATION AWARD**

8 On September 20, 2006, an Arbitration Decision was issued in this dispute. Plaintiff
9 GHOLAMREZA ZANDIAN JAZI filed his Motion to Enforce Arbitration Decision on September
10 25, 2006. On October 24, 2006, Plaintiff filed his Motion to Implement Arbitration Award. On
11 October 26, 2006, Plaintiff filed his Amendment to Motion to Implement Arbitration Award and
12 Request for Expedited Hearing. On October 31, 2006, Defendants Sadri and Koroghli filed their
13 Opposition to Motion to Implement Arbitration Award. Plaintiff filed his Reply Re: Motion to
14 Implement Arbitration Award on November 2, 2006.

15 After considering the papers filed by both parties including draft transfer documents;
16 THE FOLLOWING IMPLEMENTATION AWARD IS ENTERED:

- 17 1. Defendants shall pay to John Peter Lee, Ltd., the sum of \$250,000 within five (5)
18 days.
- 19 2. Defendants are to execute and deliver to Plaintiff's Counsel within ten days of this
20 Award a Quitclaim Deed of the 320 acre parcel provided as Exhibit "1" by Plaintiff
21 on the 2nd day of November, 2006.
- 22 3. Defendants are to execute and deliver to Plaintiff's counsel within ten days of this
23 Award the Grant, Bargain and Sale Deed of the 320 acre parcel provided by Plaintiff
24 as Exhibit "2" on the 2nd of November, 2006.
- 25 4. Defendants are to execute and deliver to Plaintiff's counsel within ten days of this
26 Award the Quitclaim Deed of the 320 acre parcel provided by Plaintiff as Exhibit "3"
27 on November 2, 2006.
- 28 5. Defendants are to execute and deliver to Plaintiff's counsel within ten days of this

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BLVD. SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9953

- 1 Award the Grant, Bargain and Sale Deed of the Pah-Rah parcel provided by Plaintiff
- 2 as Exhibit "4" on November 2, 2006.
- 3 6. Mr. Sadri is to execute and deliver to Plaintiff's counsel within ten days of this
- 4 Award the Request for Full Reconveyance concerning the \$333,000 Note provided
- 5 by Plaintiff as Exhibit "5" on November 2, 2006.
- 6 7. Mr. Zandian is to execute and deliver to Defendants' counsel within ten days of this
- 7 Award the Quitclaim Deed of the Wendover parcel provided by Plaintiff as Exhibit
- 8 "6" on November 2, 2006.
- 9 8. Mr. Zandian is to execute and deliver to Defendants' counsel within ten days of this
- 10 Award the Assignment of Interest in Wendover Project, LLC, provided by Plaintiff
- 11 as Exhibit "7" on November 2, 2006.
- 12 9. Mr. Zandian is to execute and deliver to Defendants' counsel within ten days of this
- 13 Award the Quitclaim Deed of the Big Spring Ranch parcel provided by Plaintiff as
- 14 Exhibit "8" on November 2, 2006.
- 15 10. Mr. Zandian is to execute and deliver to Defendant's counsel within ten days of this
- 16 Award the Assignment of Interest in Big Spring Ranch, LLC., provided by Plaintiff
- 17 as Exhibit "9" on November 2, 2006.
- 18 11. Mr. Zandian is to execute and deliver to Defendants' counsel within ten days of this
- 19 Award the Assignment of Interest in Nevada Land and Water Resources, LLC.,
- 20 provided by Plaintiff as Exhibit "10" on November 11, 2006.
- 21 12. Mr. Zandian is to record and deliver to Defendants' counsel within ten days of this
- 22 Award the four (4) Releases of Lis Pendens provided by Plaintiff as Exhibit "11" on
- 23 November 2, 2006.
- 24 13. Mr. Zandian is to execute, file and deliver to Defendants' counsel within ten days of
- 25 this Award the Certificate of Resignation concerning Wendover Project, LLC.,
- 26 provided by Plaintiff as Exhibit "12" on November 2, 2006.
- 27 14. Mr. Zandian is to execute, file and deliver to Defendants' counsel within ten days
- 28 of this Award the Certificate of Resignation concerning Nevada Land and Water

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BLVD. SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

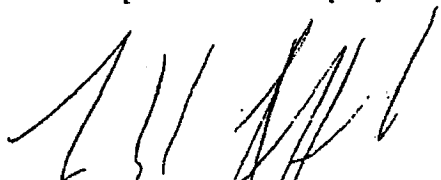
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Resources, LLC, provided as Exhibit "13" on November 2, 2006.

15. Mr. Zandian is to execute, file and deliver to Defendants' counsel within ten days of this Award the Certificate of Resignation concerning Big Spring Ranch, LLC., provided by Plaintiff as Exhibit "14" on November 2, 2006.

16. All parties are to sign the Mutual Release of Claims provided by Plaintiff as Exhibit "16" on November 2, 2006, and deliver a Counterpart to the other party's counsel within ten (10) from this Award.

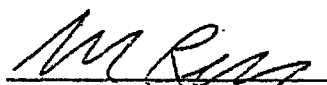
Dated this 29th day of November, 2006.



FLOYD A. HALE, ARBITRATOR

Respectfully submitted

JOHN PETER LEE, LTD.



JOHN PETER LEE, ESQ.
Nevada Bar No. 001768
MICHAEL A. REYNOLDS, ESQ.
Nevada Bar No. 008631
830 Las Vegas Boulevard South
Las Vegas, Nevada 89101
(702) 382-4044 Fax: (702) 383-9950
Attorneys for Plaintiff/Counterdefendant

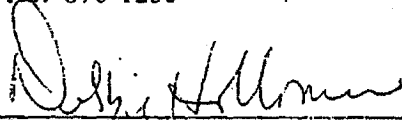
CERTIFICATE OF FACSIMILE AND MAILING

I hereby certify that on the 29th day of November 2006, I faxed and mailed a true and correct copy of the foregoing Implementation Award addressed to:

John Peter Lee, Esq.
830 Las Vegas Boulevard South
Las Vegas, NV 89101
Attorneys for Plaintiffs
Fax No. 383-9950

John Netzorg, Esq.
2810 West Charleston Blvd. #H-81
Las Vegas, NV 89102
Attorneys for Defendants
Fax No. 878-1255

By:



Employee of Jams



T



APN: 076-100-19

WHEN RECORDED, RETURN TO
JOHN PETER LEE, LTD.
830 Las Vegas Boulevard South
Las Vegas, Nevada 89101

GRANTEE/MAIL TAX STATEMENTS TO:
JOHN PETER LEE, LTD.
830 Las Vegas Boulevard South
Las Vegas, Nevada 89101

320 acre parcel

QUITCLAIM DEED

By this instrument dated this ____ day of _____, 2006, for a valuable consideration, Ray Koroghli, individually, and Fariborz Fred Sadri, individually and as Trustee of the Star Living Trust, do hereby remise, release and forever quitclaim to Gholamreza Zandian Jazi, the following described real property in the State of Nevada, County of Washoe:

Set forth in Exhibit A attached and incorporated herein by this reference

RAY KOROGHLI, individually

FARIBORZ FRED SADRI, individually

FARIBORZ FRED SADRI, as Trustee of the
Star Living Trust

STATE OF NEVADA)
) SS.:
COUNTY OF CLARK)

On _____, 2006, before me the undersigned, a Notary Public in and for said County and State, personally appeared Ray Koroghli, known to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.

NOTARY PUBLIC

STATE OF NEVADA)
) SS.:
COUNTY OF CLARK)

On _____, 2006, before me the undersigned, a Notary Public in and for said County and State, personally appeared Fariborz Fred Sadri, known to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.

NOTARY PUBLIC

STATE OF NEVADA)
) SS.:
COUNTY OF CLARK)

On _____, 2006, before me the undersigned, a Notary Public in and for said County and State, personally appeared Fariborz Fred Sadri, Trustee of the Star Living Trust, known to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.

NOTARY PUBLIC

County Home => Assessor's Office => Property Assessment Data => Parcel QuickInfo

WASHOE COUNTY QUICK INFO (Summary data may not be complete representation of property) 10/18/2006

Owner Information & Legal Description				Building Information			
APN	076-100-19			Property Name:			
Parcel Map | Map Warehouse				Quality	Bldg Type		
Card 1 of 1				Stories			
Situs	SPANISH SPRINGS RD			Year Built	0	Square Feet	
Owner 1	BIG SPRING RANCH LLC			W.A.Y.	0	Square Feet does not include Bsmt or Garage Conversion area click for details	
Mail Address	P O BOX 81624			Bedrooms	0	Finished Bsmt	0
	LAS VEGAS NV 89180-1624			Full Baths	0	Unfin Bsmt	0
Owner 2				Half Baths	0	Bsmt Type	
Owner 3				Fixtures	0	Gar Conv Sq Foot	0
Rec Doc No	02957442	Rec Date	11/21/2003	Fireplaces	0	Total Gar Area	0
Prior Owner	GRAHAM,EARL L & JONI			Heat Type		Gar Type	
Prior Doc	02623847 11/30/2001			Sec Heat Type		Det Garage	0
Legal Desc	34-1-1-2			Ext Walls		Bsmt Gar Door	0
Subdivision	34-1-1-2			Sec Ext Walls		Sub Floor	
	Lot	Block	Sub Map#	Roof Cover		Frame	
	Record of Survey Map		Parcel Map#	%Incomplete	0	Units/Bldg	0
	Section 34	Township 21	Range 21	Obso/Bldg Adj	0	Units/Parcel	0
			SPC	Construction Mod	0	Last Permit	
Tax Dist	4400	Add'l Tax Info	Prior APN	Last Activity	CEM 04/08/1996		

Land Information											
Land Use	012	Zoning	GR	Sewer	NONE	Value Year	2007	Reason	Reappraisal	Factor Dist	586R
Size	320 AC	Water	NONE	Street	NONE			Reapp Years	2002-2007		

Valuation Information			2005/2006 FV	2006/2007 FV	Sales/Transfer Information/Recorded Document				
Taxable Land Value			78,304	86,917	V-Code	LUC	Doc Date	Value	Grantor
Txble Improvement Value			0	0	1SVR	012	11/21/2003	95,000	GRAHAM,EARL L & JONI
Secured Personal Property (rounded)			0	0	3NTT	012	11/30/2001	0	LANDON,DALE R
Taxable Total			78,304	86,917	3NTT	012	11/30/2001	0	GRAHAM,EARL L & JONI
Assessed Land Value			27,406	30,421			07/07/1997	0	
Assessed Improvement Value			0	0	1GCR	012	06/03/1997	70,000	
							08/01/1976	10,980	

All data on this form is for use by the Washoe County Assessor for

Assessed Personal Prop		0	assessment purposes only. Zoning information should be verified with the appropriate planning agency.
Total Assessed	27,406	30,421	
Supplemental New Const	0	0	

We are currently experiencing some problems with our photo and sketch database which can cause the wrong sketch or photo to display, please review any sketches and photos carefully.

Sketch Is Not Available On-Line.	Property Photo Is Not Available On-Line.
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99052

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APN: 076-100-19

WHEN RECORDED, RETURN TO

JOHN PETER LEE, LTD.
830 Las Vegas Boulevard South
Las Vegas, Nevada 89101

GRANTEE/MAIL TAX STATEMENTS TO:

JOHN PETER LEE, LTD.
830 Las Vegas Boulevard South
Las Vegas, Nevada 89101

320 acre parcel

GRANT, BARGAIN AND SALE DEED

THIS INDENTURE, made this ____ day of _____, 2006, by and between Big Spring Ranch, LLC, as Grantor, and Gholamreza Zandian Jazi, as Grantee:

WITNESSETH

That Grantor, in consideration of the sum of Ten Dollars (\$10.00) lawful money of the United States, and good and valuable consideration, paid to Grantor by Grantee, the receipt whereof is hereby acknowledged, does by these presents grant, bargain and sell to Grantee and to Grantee's successors and assigns, all those certain lots, pieces, or parcels of land situated in the County of Washoe, State of Nevada, and more particularly described as follows:

Set forth in Exhibit A attached and incorporated herein by this reference

TOGETHER WITH all and singular the tenements, hereditaments, and appurtenances thereunto belonging or in anywise appertaining, and the reversion and reversions, remainder or remainders, rents, issues, and profits thereof.

SUBJECT TO rights, reservations and restrictions of record.

TO HAVE AND TO HOLD all and singular the premises, together with the appurtenances, unto Grantee and to Grantee's successors and assigns forever.

IN WITNESS WHEREOF, Grantor have executed this conveyance the day and year first above written.

BIG SPRING RANCH, LLC

BY: _____
RAY KOROGHLI, Member/Manager

BY: _____
FARIBORZ FRED SADRI, Member/Manager

STATE OF NEVADA)
) SS.:
COUNTY OF CLARK)

On _____, 2006, before me the undersigned, a Notary Public in and for said County and State, personally appeared Ray Koroghli, known to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.

NOTARY PUBLIC

STATE OF NEVADA)
) SS.:
COUNTY OF CLARK)

On _____, 2006, before me the undersigned, a Notary Public in and for said County and State, personally appeared Fariborz Fred Sadri, known to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.

NOTARY PUBLIC

County Home => Assessor's Office => Property Assessment Data => Parcel QuickInfo

WASHOE COUNTY QUICK INFO (Summary data may not be complete representation of property)				10/18/2006	
Owner Information & Legal Description			Building Information		
APN	076-100-19				Property Name:
Parcel Map | Map Warehouse			Quality		Bldg Type
Card 1 of 1			Stories		
Situs	SPANISH SPRINGS RD		Year Built	0	Square Feet 0
Owner 1	BIG SPRING RANCH LLC		W.A.Y.	0	Square Feet does not include Bsmt or Garage Conversion area click for details
Mail Address	P O BOX 81624		Bedrooms	0	
	LAS VEGAS NV 89180-1624		Full Baths	0	Finished Bsmt 0
Owner 2			Half Baths	0	Unfin Bsmt 0
Owner 3			Fixtures	0	Bsmt Type
Rec Doc No	02957442	Rec Date	11/21/2003	Fireplaces	0
Prior Owner	GRAHAM,EARL L & JONI		Heat Type		Total Gar Area 0
Prior Doc	02623847	11/30/2001	Sec Heat Type		Gar Type
Legal Desc	34-1-1-2		Ext Walls		Det Garage 0
Subdivision	34-1-1-2		Sec Ext Walls		Bsmt Gar Door 0
	Lot	Block	Sub Map#	Roof Cover	Sub Floor
				%Incomplete	0
	Record of Survey Map		Parcel Map#	Obso/Bldg Adj	0
	Section 34	Township 21	Range 21	Construction Mod	0
			SPC	Last Activity	CEM 04/08/1996
Tax Dist	4400	Add'l Tax Info	Prior APN		Last Permit

Land Information											
Land Use	012	Zoning	GR	Sewer	NONE	Value Year	2007	Reason	Reappraisal	Factor Dist	586R
Size	320 Ac	Water	NONE	Street	NONE			Reapp Years	2002-2007		

Valuation Information	2005/2006 FV	2006/2007 FV	Sales/Transfer Information/Recorded Document				
			V-Code	LUC	Doc Date	Value	Grantor
Taxable Land Value	78,304	86,917	1SVR	012	11/21/2003	95,000	GRAHAM,EARL L & JONI
Txble Improvement Value	0	0	3NTT	012	11/30/2001	0	LANDON,DALE R
Secured Personal Property (rounded)	0	0	3NTT	012	11/30/2001	0	GRAHAM,EARL L & JONI
Taxable Total	78,304	86,917			07/07/1997	0	
Assessed Land Value	27,406	30,421	1GCR	012	06/03/1997	70,000	
Assessed Improvement Value	0	0			08/01/1976	10,980	

All data on this form is for use by the Washoe County Assessor for

Assessed Personal Prop		0	assessment purposes only. Zoning information should be verified with the appropriate planning agency.
Total Assessed	27,406	30,421	
Supplemental New Const	0	0	

We are currently experiencing some problems with our photo and sketch database which can cause the wrong sketch or photo to display, please review any sketches and photos carefully.

Sketch Is Not Available On-Line.	Property Photo Is Not Available On-Line.
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APN: 076-100-19

WHEN RECORDED, RETURN TO
JOHN PETER LEE, LTD.
830 Las Vegas Boulevard South
Las Vegas, Nevada 89101

GRANTEE/MAIL TAX STATEMENTS TO:
JOHN PETER LEE, LTD.
830 Las Vegas Boulevard South
Las Vegas, Nevada 89101

320 acre parcel

QUITCLAIM DEED

By this instrument dated this ____ day of _____, 2006, for a valuable consideration,
Big Spring Ranch, LLC does hereby remise, release and forever quitclaim to Gholamreza Zandian
Jazi, the following described real property in the State of Nevada, County of Washoe:

Set forth in Exhibit A attached and incorporated
herein by this reference

BIG SPRING RANCH, LLC

BY: _____
RAY KOROGHLI

BY: _____
FARIBORZ FRED SADRI

STATE OF NEVADA)
) SS.:
COUNTY OF CLARK)

On the ____ day of _____, 2006, before me the undersigned, a Notary Public
in and for said County and State, personally appeared Ray Koroghli, known to me to be the person
whose name is subscribed to the within instrument, and acknowledged to me that he executed the
same.

NOTARY PUBLIC

STATE OF NEVADA)
) SS.:
COUNTY OF CLARK)

On the ____ day of _____, 2006, before me the undersigned, a Notary Public in and for said County and State, personally appeared Fariborz Fred Sadri, known to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.

NOTARY PUBLIC

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WASHOE COUNTY QUICK INFO (Summary data may not be complete representation of property)				10/18/2006	
Owner Information & Legal Description			Building Information		
APN 076-100-19			Property Name:		
Parcel Map | Map Warehouse			Quality	Bldg Type	
Card 1 of 1			Stories		
Situs	SPANISH SPRINGS RD		Year Built	0	Square Feet 0
Owner 1	BIG SPRING RANCH LLC		W.A.Y.	0	Square Feet does not include Bsmt or Garage Conversion area click for details
Mail Address	P O BOX 81624		Bedrooms	0	
	LAS VEGAS NV 89180-1624		Full Baths	0	Finished Bsmt 0
Owner 2			Half Baths	0	Unfin Bsmt 0
Owner 3			Fixtures	0	Bsmt Type
Rec Doc No	02957442	Rec Date	11/21/2003	Fireplaces	0
Prior Owner	GRAHAM,EARL L & JONI		Heat Type	Total Gar Area 0	
Prior Doc	02623847 11/30/2001		Sec Heat Type	Gar Type	
Legal Desc	34-1-1-2		Ext Walls	Det Garage 0	
Subdivision	34-1-1-2		Sec Ext Walls	Bsmt Gar Door 0	
	Lot	Block	Sub Map#	Roof Cover	Sub Floor
				%Incomplete	0
	Record of Survey Map	Parcel Map#		Obso/Bldg Adj	0
	Section 34	Township 21	Range 21	Construction Mod	0
				Last Activity	CEM 04/08/1996
Tax Dist	4400	Add'l Tax Info	Prior APN	Last Permit	

Land Information											
Land Use	012	Zoning	GR	Sewer	NONE	Value Year	2007	Reason	Reappraisal	Factor Dist	586R
Size	320 Ac	Water	NONE	Street	NONE			Reapp Years	2002-2007		

Valuation Information			Sales/Transfer Information/Recorded Document				
	2005/2006 FV	2006/2007 FV	Y-Code	LUC	Doc Date	Value	Grantor
Taxable Land Value	78,304	86,917	1SVR	012	11/21/2003	95,000	GRAHAM,EARL L & JONI
Txble Improvement Value	0	0	3NTT	012	11/30/2001	0	LONDON,DALE R
Secured Personal Property (rounded)	0	0	3NTT	012	11/30/2001	0	GRAHAM,EARL L & JONI
Taxable Total	78,304	86,917			07/07/1997	0	
Assessed Land Value	27,406	30,421	1GCR	012	06/03/1997	70,000	
Assessed Improvement Value	0	0			08/01/1976	10,980	

All data on this form is for use by the Washoe County Assessor for

Assessed Personal Prop		0	assessment purposes only. Zoning information should be verified with the appropriate planning agency.
Total Assessed	27,406	30,421	
Supplemental New Const	0	0	

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Sketch Is Not Available On-Line.	Property Photo Is Not Available On-Line.
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APN: 079-150-09, 079-150-10, 07-150-13
084-040-02, 084-040-04, 084-040-06
084-040-10, 084-130-07, -84-140-17

WHEN RECORDED, RETURN TO

JOHN PETER LEE, LTD.
830 Las Vegas Boulevard South
Las Vegas, Nevada 89101

GRANTEE/MAIL TAX STATEMENTS TO:

JOHN PETER LEE, LTD.
830 Las Vegas Boulevard South
Las Vegas, Nevada 89101

Pah Rah parcel

GRANT, BARGAIN AND SALE DEED

THIS INDENTURE, made this ____ day of _____, 2006, by and between Ray Koroghli, individually, and Fariborz Fred Sadri, individually and as Trustee of the Star Living Trust, as Grantors, and Gholamreza Zandian Jazi, as Grantee:

WITNESSETH

That Grantors, in consideration of the sum of Ten Dollars (\$10.00) lawful money of the United States, and good and valuable consideration, paid to Grantors by Grantee, the receipt whereof is hereby acknowledged, does by these presents grant, bargain and sell to Grantee and to Grantee's successors and assigns, all those certain lots, pieces, or parcels of land situated in the County of Washoe, State of Nevada, and more particularly described as follows:

Set forth in Exhibit A attached and incorporated herein by this reference

TOGETHER WITH all and singular the tenements, hereditaments, and appurtenances thereunto belonging or in anywise appertaining, and the reversion and reversions, remainder or remainders, rents, issues, and profits thereof.

SUBJECT TO rights, reservations and restrictions of record.

TO HAVE AND TO HOLD all and singular the premises, together with the appurtenances, unto Grantee and to Grantee's successors and assigns forever.

IN WITNESS WHEREOF, Grantors have executed this conveyance the day and year first above written.

RAY KOROGHLI, individually

FARIBORZ FRED SADRI, individually

FARIBORZ FRED SADRI, as Trustee of the
Star Living Trust

STATE OF NEVADA)
) SS.:
COUNTY OF CLARK)

On _____, 2006, before me the undersigned, a Notary Public in and for said County and State, personally appeared Ray Koroghli, known to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.

NOTARY PUBLIC

STATE OF NEVADA)
) SS.:
COUNTY OF CLARK)

On _____, 2006, before me the undersigned, a Notary Public in and for said County and State, personally appeared Fariborz Fred Sadri, known to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.

NOTARY PUBLIC

STATE OF NEVADA)
) SS.:
COUNTY OF CLARK)

On _____, 2006, before me the undersigned, a Notary Public in and for said County and State, personally appeared Fariborz Fred Sadri, Trustee of the Star Living Trust, known to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.

NOTARY PUBLIC



property. The term "minerals" shall include all mineral elements and compounds, including by way of example and not by limitation, all barite, copper, gold, iron, silver and other metals, whether the same are presently known to exist on the property or are subsequently discovered on the property, and regardless of the method of extraction, mining or processing of the same (whether open pit or strip mining, underground mining, surface or subsurface leaching) whether presently or subsequently employed, invented, or developed. Grantor reserves to itself the rights of egress and ingress to and from the property for any and all purposes related to the mineral estate reserved to Grantor. Grantor shall conduct all of its activities in accordance with all applicable laws, regulations, and ordinances, and shall defend, indemnify and hold Grantee from and against all actions, claims, damages and losses resulting from Grantor's exercise of the rights appurtenant to its reserved mineral estate. Grantor shall compensate Grantee for surface damages resulting from Grantor's activities related to Grantor's reserved mineral estate. If Grantee and Grantor are unable to mutually determine the damages resulting to the surface, such damages shall be determined by a mutually acceptable independent appraiser who shall determine the fair market value of the surface damaged as a result of Grantor's activities.

GRANTOR makes no representation or warranty concerning the effect of those Minerals Leases, by and between Southern Pacific Land Company, a California corporation, as lessor, and SFP Minerals Corporation, a Delaware corporation, as lessee, to the degree or the extent that the same applies and is enforceable against the property described in this Grant, Bargain and Sale Deed, if at all.

GRANTOR has executed this Grant, Bargain and Sale Deed the day and year first above written.

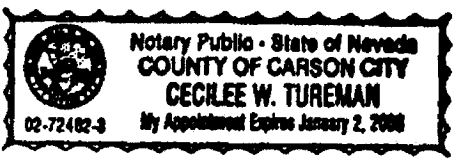
NEVADA LAND AND RESOURCE COMPANY, LLC, A
DELAWARE LIMITED LIABILITY COMPANY

By: *Dorothy A. Timian-Palmer*
Dorothy A. Timian-Palmer
Chief Operating Officer

STATE OF NEVADA)
) ss.
COUNTY OF CARSON CITY)

This instrument was acknowledged before me on August 1, 2003, by Dorothy A. Timian-Palmer its Chief Operating Officer of and for Nevada Land and Resource Company, LLC, a Delaware limited liability company.

Cecile W. Tureman
Notary Public



100701



EXHIBIT " A "

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

PARCEL A:

A.P.N. 079-150-09

The Northeast $\frac{1}{4}$ and the South $\frac{1}{2}$ of the Northwest $\frac{1}{4}$ and the South $\frac{1}{2}$ in
Section 33, Township 21 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar
and other valuable minerals as reserved by the United States of America or the
State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores
within or underlying the property, including, without limitation, oil, natural gas
and hydrocarbon substances, geothermal steam, brines and minerals in solution,
and sand gravel and aggregates, and products derived therefrom, together with
any rights of ingress and egress in, upon or over the property and to make such
use of the property and the surface thereof as is necessary or useful in
connection therewith, as reserved in the Deed recorded January 09, 1990 in
Book 3019, Page 756 as Document No. 1373452 of Official Records.

PARCEL B:

A.P.N: 079-150-10

Section 31, Township 21 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar
and other valuable minerals as reserved by the United States of America or the
State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores
within or underlying the property, including, without limitation, oil, natural gas
and hydrocarbon substances, geothermal steam, brines and minerals in solution,
and sand gravel and aggregates, and products derived therefrom, together with



any rights of ingress and egress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded February 22, 1991 in Book 3216, Page 526 as Document No. 1461483 of Official Records.

PARCEL C:

A.P.N. 079-150-13

The Northeast $\frac{1}{4}$; South $\frac{1}{2}$ of the Northwest $\frac{1}{4}$; South $\frac{1}{2}$ of Section 27, Township 21 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with any rights of ingress and egress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded January 09, 1990 in Book 3019, Page 756 as Document No. 1373452 of Official Records.

PARCEL D:

A.P.N. 084-040-02

Section 5, Township 20 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with any rights of ingress and egress in, upon or over the property and to make such



use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded February 22, 1991 in Book 3216, Page 526 as Document No. 1461483 of Official Records.

PARCEL E:

A.P.N. 084-040-04

Section 3, Township 20 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with any rights of ingress and egress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded January 03, 1992 in Book 3391, Page 840 as Document No. 1534872 of Official Records.

PARCEL F:

A.P.N. 084-040-06

Section 1, Township 20 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with any rights of ingress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection



therewith, as reserved in the Deed recorded January 03, 1992 in Book 3391,
Page 840 as Document No. 1534872 of Official Records.

PARCEL G:

A.P.N. 084-040-10

The North $\frac{1}{2}$ and the North $\frac{1}{2}$ of the Northwest $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ and the
Southwest $\frac{1}{4}$ of the Northwest $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ and the North $\frac{1}{2}$ of the
Northeast $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ and the North $\frac{1}{2}$ of the Northwest $\frac{1}{4}$ of the
Southeast $\frac{1}{4}$, all in Section 11, Township 20 North, Range 23 East, M.D.B.&M.

ALSO EXCEPTING THEREFROM all mines of gold, silver, copper, lead,
cinnabar and other valuable minerals as reserved by the United States of
America or the State of Nevada.

FURTHER EXCEPTING any of the minerals and mineral ores within or
underlying the property, including, without limitation, oil, natural gas and
hydrocarbon substances, geothermal steam, brines and minerals in solution, and
sand gravel and aggregates, and products derived therefrom, together with any
rights of ingress and egress in, upon or over the property and to make such use
of the property and the surface thereof as is necessary or useful in connection
therewith, as reserved in the Deed recorded January 03, 1992 in Book 3391,
Page 840 as Document No. 1534872 of Official Records.

PARCEL H:

A.P.N. 084-130-07

The Northwest $\frac{1}{4}$ and the North $\frac{1}{2}$ of the Southwest $\frac{1}{4}$ and Government Lot 1 in
the Southwest $\frac{1}{4}$ of Section 15, Township 20 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar
and other valuable minerals as reserved by the United States of America or the
State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores
within or underlying the property, including, without limitation, oil, natural gas
and hydrocarbon substances, geothermal steam, brines and minerals in solution,
and sand gravel and aggregates, and products derived therefrom, together with



2988592
08/08/2003
7 of 7

any rights of ingress and egress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded January 03, 1992 in Book 3391, Page 840 as Document No. 1534872 of Official Records.

PARCEL I:

A.P.N. 084-140-17

The Northeast $\frac{1}{4}$ of Section 15, Township 20 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with any rights of ingress and egress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded January 03, 1992 in Book 3391, Page 840 as Document No. 1534872 of Official Records.

REQUEST FOR FULL RECONVEYANCE

TO: Western Title Company, Inc., Trustee

The undersigned is the legal owner and holder of the Note or Notes, and of all other indebtedness secured by the attached Deed of Trust. Said Note or Notes, together with all other indebtedness secured by said Deed of Trust, have been fully paid and satisfied; and you are hereby requested and directed to cancel said note or notes above mentioned, and all other evidences of indebtedness secured by said Deed of Trust delivered to you herewith, together with the Deed of Trust, and to reconvey, without warranty, to Gholamreza Zandian Jazi all the estate now held by you under the same.

DATED this _____ day of _____, 2006.

Fariborz Fred Sadri

STAR LIVING TRUST

BY: _____
Fariborz Fred Sadri, Trustee

Pah Rah parcel

APN: 079-150-09,10,13 084-040-02,04,06,10 084-130-07

084-140-17

DOC # 2900594

08/08/2003 03:48P Fee:48.00

BK1

Requested By
WESTERN TITLE COMPANY INC
Washoe County Recorder
Kathryn L. Burke - Recorder
Pg 1 of 10 RPT 0.00

RECORDING REQUESTED BY:
Western Title Company, Inc.

WHEN RECORDED MAIL TO:

Name STAR LIVING TRUST, FRED SADRI
Street 2827 S. MONTE CRISTO
City,State LAS VEGAS, NV 89117
Zip
Order No. 00025269-501-DBR - Accommodated



(SPACE ABOVE THIS LINE FOR RECORDERS USE)

DEED OF TRUST WITH ASSIGNMENT OF RENTS

This DEED OF TRUST, made on July 31, 2003, between REZA ZANDIAN, a married man as his sole and separate property, TRUSTOR, whose address is 9550 W. Sahara Ave., Apt 2148
Las Vegas 89117 NV 89117 Western Title Company, Inc.,
a Nevada Corporation, TRUSTEE, and FARIBORZ SADRI, TRUSTEE OF THE STAR LIVING TRUST, DATED APRIL 14, 1997, BENEFICIARY.

WITNESSETH: That Trustor grants to Trustee in Trust, with Power of Sale, that property in the City of N/A, County of Washoe, Nevada, described as:

SEE ATTACHED FOR LEGAL DESCRIPTION

In the event the herein described property or any part thereof, or any interest therein is sold, agreed to be sold, conveyed or alienated by the trustor, or by the operation of law or otherwise, all obligations secured by this instrument, irrespective of the maturity dates expressed therein, at the option of the holder hereof and without demand or notice shall immediately become due and payable.

Together with the rents, issues and profits thereof, subject, however, to the right, power and authority hereinafter given to and conferred upon Beneficiary to collect and apply such rents, issues and profits.

For the Purpose of Securing (1) payment of the sum of \$333,996.56 with interest thereon according to the terms of a promissory note or notes of even date herewith made by Trustor, payable to order of Beneficiary, and extensions or renewals thereof; (2) the performance of each agreement of Trustor incorporated by reference or contained herein or reciting it is so secured; (3) Payment of additional sums and interest thereon which may hereafter be loaned to Trustor, or his successors or assigns, when evidenced by a promissory note or notes reciting that they are secured by this Deed of Trust.

To protect the security of this Deed of Trust, and with respect to the property above described, Trustor expressly makes each and all of the agreements, and adopts and agrees to perform and be bound by each

and all of the terms and provisions set forth in subdivision A and it is mutually agreed that each and all of the terms and provisions set forth in subdivision B of the Fictitious Deed of trust recorded in the office of



each County Recorder in the State of Nevada on January 30, 1968, in the book and at the page thereof, or under the document or file number, noted below opposite the name of such county, namely: COUNTY

	BOOK	PAGE	DOC. NO.	COUNTY	BOOK	PAGE	DOC. NO.
Churchill	39	363	115384	Lincoln			45902
Clark	Mortgages 850 Off. Rec.		682747	Lyon	37 Off. Rec.	341	100661
Douglas	57 Off. Rec.	115	40050	Mineral	11 Off. Rec.	129	89073
Elko	192 Off. Rec.	652	35747	Nye	105 Off. Rec.	107	04823
Esmeralda	J-X Deeds	195	35922	Ormsby	72 Deeds	537	32867
Eureka	22 Off. Rec.	138	45941	Pershing	11 Off. Rec.	249	66107
Humboldt	28 Off. Rec.	124	131075	Storey	"S" Off. Rec.	206	31506
Lander	24 Off. Rec.	168	50782	Washoe	300 Off. Rec.	517	107192
				White Pine	295 R.E. Records	258	

shall insure to and bind the parties hereto, with respect to the property above described. Said agreements, terms and provisions contained in said subdivisions A and B (identical in all counties, and printed on the reverse side hereof) are by the within reference thereto, incorporated herein and made a part of Deed of Trust for all purposes as fully as if set forth at length herein, and Beneficiary may charge for a statement regarding the obligation secured hereby, provided the charge therefor, does not exceed a reasonable amount.



The undersigned Trustor, requests that a copy of any notice of default and any notice of sale hereunder be mailed to him at this address herein before set forth.

STATE OF NEVADA

COUNTY OF CLARK

} ss

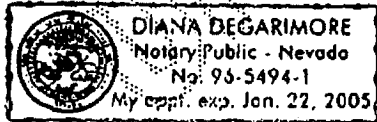
This instrument was acknowledged before me on

AUGUST 5th 2003

by REZA ZANDIAN

REZA ZANDIAN

Diana DeGarimore
Notary Public



COPIES OF THIS INSTRUMENT



DO NOT RECORD

A. TO PROTECT THE SECURITY OF THIS DEED OF TRUST, TRUSTOR AGREES,

- (1) To keep said property in good condition and repair; not to remove or demolish any building thereon; to complete or restore promptly and in good and workmanlike manner any building which may be constructed, damaged or destroyed thereon, and to pay when due all claims for labor performed and materials furnished therefor; to comply with all laws affecting said property, or requiring any alterations or improvements to be made thereon; not to commit or permit waste thereof; not to commit suffer or permit any act upon said property in violation of law; to cultivate, irrigate, fertilize, fumigate, prune and do all other acts which from the character or use of said property may be reasonably necessary, the specific enumerations herein not excluding the general.
- (2) Trustor covenants to keep all buildings that may now or at any time be on said property during the continuance of this trust in good repair and insured against loss by fire, with extended coverage endorsement, in a company or companies authorized to issue such insurance in the State of Nevada, and as may be approved by Beneficiary, for such sum or sums as shall equal the total indebtedness secured by this Deed of Trust and all obligations having priority over this Deed of Trust and shall be payable to Beneficiary to the amount of the unqualified obligation to Beneficiary hereby secured, and to deliver the policy to Beneficiary, or to collection agent of Beneficiary, and in default hereof, Beneficiary may procure such insurance and/or make such repairs, and expend for either of such purposes such SLM or sums as Beneficiary shall deem proper.
- (3) To appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee; and to pay all costs and expenses, including cost of evidence of title and attorney's fees in a reasonable sum, in any such action or proceeding in which Beneficiary or Trustee may appear, and in any suit brought by Beneficiary to foreclose this Deed of Trust.
- (4) To pay at least ten days before delinquency all taxes and assessments affecting said property, including assessments on appurtenant water stock, water rights and grazing privileges; when due, all encumbrances, charges and liens, with interest, on said property or any part thereof, which appear to be prior or superior hereto, and all costs, fees and expenses of this trust.

Should Trustor fail to make any payment, or to do any act as herein provided, then Beneficiary or Trustee, but without obligation so to do and without notice to or demand upon Trustor, and without releasing Trustor from any obligation hereof, may make or do the same in such manner and to such extent as either may deem necessary to protect the security hereof; Beneficiary or Trustee being authorized to enter upon said property for such purposes; appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee; pay, purchase, contest or compromise any encumbrance, charge or lien which in the judgment of either appears to be prior or superior hereto; and, in exercising any such powers, pay necessary expenses, employ counsel and pay his reasonable fees.

- (5) To pay immediately, and without demand all sums so expended by Beneficiary or Trustee, with interest from date of expenditure at ten percent per annum.
- (6) At Beneficiary's option, Trustor will pay a "late charge," as indicated in the Promissory Note to cover the extra expense involved in handling delinquent payments; of such "late charge" shall not be payable out of the proceeds of any sale made to satisfy, the indebtedness secured hereby, unless such proceeds are sufficient to discharge the entire indebtedness and all proper costs and expenses secured thereby.

B. IT IS MUTUALLY AGREED

- (1) That any award of damages in connection with any condemnation for public use of or injury to said property or any part thereof is hereby assigned and shall be paid to Beneficiary who may apply or release such moneys received by him in the same manner and with the same effect as above provided for disposition of proceeds of fire or other insurance.
- (2) That by accepting payment of any sum secured hereby after its due date, Beneficiary does not waive his right either to require prompt payment when due of all other sums so secured or to declare default for failure so to pay.
- (3) That at any time or from time to time, without liability therefor and without notice, upon written request of Beneficiary and presentation of this deed and said note for endorsement, and without affecting the personal liability of any person for payment of the indebtedness secured hereby, Trustee may reconvey any part of said property; consent to the making of any map or plat thereof; join in granting any easement thereon; or join in any extension agreement of any agreement subordinating the lien or charge hereof.
- (4) That upon written request of Beneficiary stating that all sums secured hereby have been paid, and upon surrender of this deed and said note to Trustee for cancellation and retention or other disposition as Trustee in its sole discretion may choose, and upon payment of its fees, Trustee shall reconvey, without warranty, the property then held hereunder. The recitals in such reconveyance of any matters or facts shall be conclusive proof of the truthfulness thereof. The grantee in such reconveyance may be described as "the person or persons legally entitled thereto".
- (5) That as additional security, Trustor hereby gives to and confers upon Beneficiary the right, power and authority, during the continuance of these trusts, to collect the rents, issues and profits of said property, reserving unto Trustor the right, prior to any default by Trustor in payment of any indebtedness secured hereby or in performance of any agreement hereunder, to collect and retain such rents, issues and profits as they become due and payable. Upon any such default, Beneficiary may at any time without notice, either in person, by a agent, or by a receiver to be appointed by a court, and without regard to the adequacy of any security for the indebtedness hereby Secured, enter upon and take possession of said property or any part thereof, in his own name sue for or otherwise collect such rents, issues, and profits, including those past due, and unpaid, and apply the same, less costs and expenses of operation and collection, including reasonable attorney's fees, upon any indebtedness secured hereby, and in such order as Beneficiary may determine. The entering upon and taking possession of said property, the collection of such rents, issues and profits and the application thereof as aforesaid, shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice.
- (6) That upon default by Trustor in payment of any indebtedness secured hereby or in performance of any agreement hereunder, Beneficiary may declare all sums secured hereby immediately due and payable by delivery to Trustee of written notice of default and of election to cause to be sold said property, which notice Trustee shall cause to be recorded. Beneficiary also shall deposit with Trustee this Deed of Trust, said note and all documents evidencing expenditures secured hereby.

After the lapse of such time as may then be required by law following the recordation of said notice of default, and notice of sale having been given as then required by law for the sale of real property under writ of execution, Trustee, without demand on Trustor, shall sell said property or any part thereof at the time and place fixed by it in said notice of sale, either as a whole or in separate parcels, and in such order as it may determine, at public auction to the highest bidder for cash in lawful money of the United States, payable at time of sale. Trustee may postpone sale of all or any portion of said property by public announcement at such time and place of sale, and from time to time thereafter may postpone such sale by public announcement at the time fixed by the preceding postponement. In the event that any indebtedness secured hereby shall not have been fully satisfied by said sale, Trustee may give notice of sale of any property not previously noticed for sale in the manner set forth above and sell the same in the manner set forth above.

Trustee shall deliver to any purchaser its deed conveying the property so sold, but without any covenant or warranty, express or implied. The recitals in such deed of any matters or facts shall be conclusive proof of the truthfulness thereof. Any person, including Trustor, Trustee, or Beneficiary as hereinafter defined, may purchase at such sale.

After deducting all costs, fees and expenses of Trustee, including a reasonable fee for the attorney of Trustee, and of this trust, including cost evidence of title in connection with sale, Trustee shall apply the proceeds of sale to payment of: all sums expended under the terms hereof, not then repaid, with accrued interest at ten percent per annum; all other sums then secured hereby; and the remainder, if any, to the person or persons legally entitled thereto.



- (7) That Beneficiary, or his assignee, may from time to time, by instrument in writing, substitute a successor or successors to any Trustee named herein or acting here under, which instrument, executed and acknowledged and recorded in the office of the recorder of the county or counties where said property is situated, shall be conclusive proof of proper substitution of such successor Trustee or Trustees, who shall, without conveyance from the Trustee predecessor, succeed to all its title, estate, rights, powers and duties. Said instrument must contain the name of the original Trustor, Trustee and Beneficiary hereunder, the book and page where, or document or file number under which, this Deed of Trust is recorded, and the name and address of the new Trustee. If notice of default shall have been recorded, this power of substitution cannot be exercised until after the costs, fees and expenses of the then acting Trustee shall have been paid to such Trustee, who shall endorse receipt thereof upon such instrument of substitution. The procedure herein provided for substitution of Trustee shall be exclusive of all other provisions for substitution, statutory or otherwise.
- (8) The following covenants: Nos. 1, 3, 4, (interest 10%) 5, 6, 8 and 9 of Nevada Revised Statutes 107.030, when not inconsistent with other covenants and provisions herein contained, are hereby adopted and made a part of this Deed of Trust.
- (9) The rights and remedies hereby granted shall not exclude any other rights or remedies granted by law, and all rights and remedies granted hereunder or permitted by law shall be concurrent and cumulative. A violation of any of the covenants herein expressly set forth shall have the same effect as the violation of any covenant herein adopted by reference.
- (10) It is expressly agreed that the trust created hereby is irrevocable by Trustor.
- (11) That this Deed of Trust applies to, insures to the benefit of, and binds all parties hereto, their heirs, legatees, devisees, administrators, executors, successors and assigns. The term Beneficiary shall mean the owner and holder, including pledges, of the note secured hereby, whether or not named as Beneficiary herein. In this Deed of Trust, whenever the context so requires, the masculine gender includes the feminine and/or neuter, and the singular number includes the plural.
- (12) That Trustee accepts this trust when this Deed of Trust, duly executed and acknowledged, is made a public record as provided by law. Trustee is not obligated to notify any party hereto of pending sale under any other Deed of Trust or of any action or proceeding in which Trustor, Beneficiary or Trustee shall be a party unless brought by Trustee.
- (13) Trustor agrees to pay any deficiency arising from any cause after application of the proceeds of the sale held in accordance with the provisions of the covenants herein above adopted by reference.

The undersigned Trustor requests that a copy of any notice of default and any notice of sale hereunder be mailed to him at his address herein before set forth.

REQUEST FOR FULL RECONVEYANCE

**DO NOT RECORD
TO TRUSTEE**

The undersigned is the legal owner and holder of the note or notes, and of all other indebtedness secured by the foregoing Deed of Trust. Said note or notes, together with all other indebtedness secured by said Deed of Trust, have been fully paid and satisfied and you are hereby requested and directed, on payment to you of any sums owing to you under the terms of said Deed of Trust, to cancel said note or notes above mentioned, and all other evidences of indebtedness secured by said Deed of Trust delivered to you herewith, together with the said Deed of Trust, and to reconvey, without warranty, to the parties designated by the terms of said Deed of Trust, all the estate now held by you under the same.

Dated: _____

Please mail Deed of Trust,
Note and Reconveyance to _____

Do not lose or destroy this Deed of Trust OR THE NOTE which it secures. Both must be delivered to the Trustee for cancellation before reconveyance will be made.



EXHIBIT "A"

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

PARCEL A:
A.P.N. 079-150-09

The Northeast $\frac{1}{4}$ and the South $\frac{1}{2}$ of the Northwest $\frac{1}{4}$ and the South $\frac{1}{2}$ in Section 33, Township 21 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with any rights of ingress and egress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded January 09, 1990 in Book 3019, Page 756 as Document No. 1373452 of Official Records.

PARCEL B:
A.P.N. 079-150-10

Section 31, Township 21 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with



any rights of ingress and egress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded February 22, 1991 in Book 3216, Page 526 as Document No. 1461483 of Official Records.

PARCEL C:

A.P.N. 079-150-13

The Northeast $\frac{1}{4}$; South $\frac{1}{2}$ of the Northwest $\frac{1}{4}$; South $\frac{1}{2}$ of Section 27, Township 21 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with any rights of ingress and egress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded January 09, 1990 in Book 3019, Page 756 as Document No. 1373452 of Official Records.

PARCEL D:

A.P.N. 084-040-02

Section 5, Township 20 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with any rights of ingress and egress in, upon or over the property and to make such



use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded February 22, 1991 in Book 3216, Page 526 as Document No. 1461483 of Official Records.

PARCEL E:

A.P.N. 084-040-04

Section 3, Township 20 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada

FURTHER EXCEPTING and reserving any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with any rights of ingress and egress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded January 03, 1992 in Book 3391, Page 840 as Document No. 1534872 of Official Records.

PARCEL F:

A.P.N. 084-040-06

Section 1, Township 20 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with any rights of ingress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection



therewith, as reserved in the Deed recorded January 03, 1992 in Book 3391, Page 840 as Document No. 1534872 of Official Records.

PARCEL G:

A.P.N. 084-040-10

The North $\frac{1}{2}$ and the North $\frac{1}{2}$ of the Northwest $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ and the Southwest $\frac{1}{4}$ of the Northwest $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ and the North $\frac{1}{2}$ of the Northeast $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ and the North $\frac{1}{2}$ of the Northwest $\frac{1}{4}$ of the Southeast $\frac{1}{4}$, all in Section 11, Township 20 North, Range 23 East, M.D.B.&M.

ALSO EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with any rights of ingress and egress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded January 03, 1992 in Book 3391, Page 840 as Document No. 1534872 of Official Records.

PARCEL H:

A.P.N. 084-130-07

The Northwest $\frac{1}{4}$ and the North $\frac{1}{2}$ of the Southwest $\frac{1}{4}$ and Government Lot 1 in the Southwest $\frac{1}{4}$ of Section 15, Township 20 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with



any rights of ingress and egress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded January 03, 1992 in Book 3391, Page 840 as Document No. 1534872 of Official Records.

PARCEL I:

A.P.N. 084-140-17

The Northeast $\frac{1}{4}$ of Section 15, Township 20 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with any rights of ingress and egress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded January 03, 1992 in Book 3391, Page 840 as Document No. 1534872 of Official Records.

APN: 010-510-001; 010-520-001; 010-730-001;
010-740-0BG; 010-740-110; 010-740-111;
010-740-113; 010-740-202

WHEN RECORDED, RETURN TO

GRANTEE/MAIL TAX STATEMENTS TO:

Wendover Parcel

QUITCLAIM DEED

By this instrument dated this ____ day of _____, 2006, for a valuable consideration, Gholamreza Zandian Jazi does hereby remise, release and forever quitclaim to Ray Koroghli, individually and Fariborz Fred Sadri, individually, and as Trustee of the Star Living Trust, the following described real property in the State of Nevada, County of Elko:

Set forth in Exhibit A attached and incorporated herein by this reference

GHOLAMREZA ZANDIAN JAZI

STATE OF NEVADA)
) SS.:
COUNTY OF CLARK)

On _____, 2006, before me the undersigned, a Notary Public in and for said County and State, personally appeared Gholamreza Zandian Jazi, known to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.

NOTARY PUBLIC

5 41 02 512362
FEE FILED
REQUEST OF

2003 DEC 30 PM 4:09

Stewart Title Co.
JERRY D. WYCKIUS
ELKO COUNTY RECORDER

When recorded, return to:
JAMES R. CAVILIA, ESQ.
ALLISON, MacKENZIE, RUSSELL,
PA VLAKIS, WRIGHT & FAGAN, LTD.
402 North Division Street
P.O. Box 646
Carson City, NV 89702

03011167

A.P.N. Nos.: 010-510-001; 010-520-001; 010-730-001; 010-740-0BG; 010-740-110;
010-740-111; 010-740-113; 010-740-202

GRANT, BARGAIN, AND SALE DEED

THIS INDENTURE, made this 29th day of December, 2003, by and between BIG SPRINGS LAND & RESOURCE COMPANY, LLC, a Nevada limited liability company ("BIG SPRINGS"), Grantor, and WENDOVER PROJECT, L.L.C., a Nevada limited liability company, as to an undivided 91.67% and THE STAR LIVING TRUST, Fariborz Sadri, Trustee, as to an undivided 8.33%, Grantee.

WITNESSETH:

That the Grantor, in consideration of the sum of TEN DOLLARS (\$10.00), lawful money of the United States, and other good and valuable consideration to it in hand paid by the Grantee, the receipt whereof is hereby acknowledged, does by these presents grant, bargain and sell to the Grantee, and to its successors and assigns forever, all those certain lots, pieces or parcels of land situate, lying and being in Elko County, Nevada, and more particularly described in Exhibit "A" attached hereto and incorporated herein by reference.

TOGETHER WITH all and singular the tenements, hereditaments and appurtenances thereunto belonging or in anywise appertaining and the reversion and reversions,

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remainder and remainders, rents, issues and profits thereof, including but not limited to any right title and interest in any and all grazing rights or allotments appurtenant thereto.

TO HAVE AND TO HOLD all and singular the premises, together with the appurtenances, unto the said Grantee and to its successors and assigns forever.

IN WITNESS WHEREOF, the Grantor has executed this conveyance the day and year first above written.

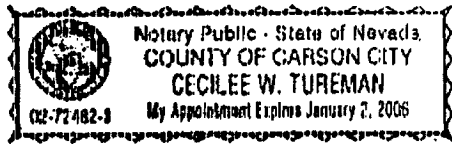
Big Springs Land & Resource Company,
a Nevada limited liability company

By: Vidler Water Company, Inc., a
Delaware corporation
Its Manager

By: *Dorothy A. Timian-Palmer*
DOROTHY A. TIMIAN-PALMER
Chief Operating Officer/Director

STATE OF NEVADA)
 : ss.
CARSON CITY)

On December 29, 2003, DOROTHY A. TIMIAN-PALMER, personally appeared before me, a notary public, personally known to me to be the person whose name is subscribed to the foregoing instrument and who acknowledged to me that she is the Chief Operating Officer and a Director of Vidler Water Company, a Delaware corporation, and who acknowledged to me that she executed the foregoing GRANT, BARGAIN AND SALE DEED on behalf of said corporation.



Cecilee W. Tureman
NOTARY PUBLIC

Exhibit "A"
Big 495 Ranch Windover Property Legal Descriptions

TWP	R1G	SEC	ALIQUOT PARTS	ACREAGE
32N	69E	01	Lots 1-3, S/2 N/2, S/2	600.34
32N	69E	02	S/2 N/2, S/2	480.00
32N	70E	06	Lots 4, 6, 7, 10, 12, 13, SW/4 NW/4	164.02
33N	69E	01	S/2	320.00
33N	69E	12	All	640.00
33N	69E	25	All	640.00
33N	69E	35	N/2, N/2 S/2	640.00
33N	69E	36	N/2, N/2 SW/4, SE/4, SE/4 SW/4	480.00
33N	70E	08	Lots 2, 6, 9 and 11	600.00
33N	70E	15	Lots 12, 13, 15, 18, 20, 23-25, and 28-30, NE/4 SW/4, SE/4 NW/4, E/2, SE/4, SE/4 NW/4, NW/4, SE/4, SE/4 NW/4	35.00
33N	70E	17	S/2 S/2	46.23
33N	70E	19	All	160.00
33N	70E	20	Lots 2, 3, 6, 11, NW/4 NE/4, N/2 SW/4 NE/4, SE/4 SW/4 NE/4, N/2 SW/4 SW/4 NE/4, NW/4, N/2 SW/4, SW/4 SW/4	640.00
33N	70E	20	Lots 8, 9 and S/2 SW/4 SW/4 NE/4	416.60
33N	70E	21	Lot 2	73.00
33N	70E	25	Lots 3, 5, 6, NW/4 NW/4	13.21
33N	70E	29	Lot 2	73.10
33N	70E	30	Lots 2, 3, NE/4, W/2, W/2 SE/4	16.01
33N	70E	31	Lots 2, 4, 5, 8, 10, 11, NW/4, W/2 SW/4	612.56
33N	70E		Prts of 9 and 10 (Parcel 2 of recorded parcel map #485645)	372.91
33N	70E		Prts of 9 and 10 (Parcel 1 of recorded parcel map #485645)	4.20
33N	70E		Prts of 9, 10 and 16 (Parcel 4 of recorded parcel map #485645)	3.87
33N	70E			65.31

* These parcels cover more than one section

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Exhibit "A"
Big Springs Ranch Wendover Property Legal Descriptions

TWP	RNG	SEC	ALLOT/PT PARTS	ACREAGE
32N	69E	01	Lots 1-3, S/2 N/2, S/2	600.34
32N	69E	02	S/2 N/2, S/2	480.00
32N	70E	05	Lots 4, 5, 7, 10, 12, 13, SW/4 NW/4	154.62
33N	69E	01	S/2	320.00
33N	69E	12	All	640.00
33N	69E	25	All	640.00
33N	69E	35	N/2, N/2 S/2	480.00
33N	69E	36	N/2, N/2 SW/4, SE/4, SE/4 SW/4	600.00
33N	70E	06	Lots 2-5, 9 and 11	35.00
33N	70E	15	Lots 12, 13, 15, 16, 20, 23-25, and 28-30, NE/4 SW/4 SE/4 NW/4, E/2 SE/4 SE/4 NW/4, NW/4 SE/4 SE/4 NW/4	46.23
33N	70E	17	S/2 S/2	160.00
33N	70E	19	All	640.00
33N	70E	20	Lots 2, 3, 5, 11, NW/4 NE/4, N/2 SW/4 NE/4, SE/4 SW/4 NE/4, N/2 SW/4 SW/4 NE/4, NW/4, N/2 SW/4, SW/4 SW/4	416.61
33N	70E	20	Lots 8, 9 and S/2 SW/4 SW/4 NE/4	73.01
33N	70E	21	Lot 2	13.21
33N	70E	29	Lots 3, 5, 8, NW/4 NW/4	73.16
33N	70E	29	Lot 2	16.01
33N	70E	30	Lots 2, 3, NE/4, W/2, W/2 SE/4	612.56
33N	70E	31	Lots 2, 4, 5, 8, 10, 11, NW/4, W/2 SW/4	372.91
33N	70E	*	Pins of 9 and 10 (Parcel 2 of recorded parcel map #485646)	4.20
33N	70E	*	Pins of 9 and 10 (Parcel 1 of recorded parcel map #485645)	3.87
33N	70E	*	Pins of 9, 10 and 16 (Parcel 4 of recorded parcel map #485646)	65.31

* These parcels cover more than one section

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Order No.: 03011167

LEGAL DESCRIPTION

The land referred to herein is situated in the State of Nevada,
County of ELKO COUNTY, described as follows:

PARCEL 1:

TOWNSHIP 32 NORTH, RANGE 69 EAST, M.D.B.&M.

Section 1: Lots 1, 2 and 3; S1/2N1/2; S1/2;
Section 2: S1/2N1/2; S1/2;

TOWNSHIP 33 NORTH, RANGE 69 EAST, M.D.B.&M.

Section 1: S1/2;
Section 12: All;
Section 25: All;
Section 35: N1/2; N1/2S1/2;
Section 36: N1/2; N1/2SW1/4; SE1/4; SE1/4SW1/4;

TOWNSHIP 32 NORTH, RANGE 70 EAST, M.D.B.&M.

Section 6: Lots 4, 6, 7, 10, 12 and 13; SW1/4NW1/4;

TOWNSHIP 33 NORTH, RANGE 70 EAST, M.D.B.&M.

Section 8: Lots 2, 3, 4, 5, 6, 9 and 11;
Section 9: SE1/4SE1/4; N1/2SW1/4SW1/4SE1/4; E1/2SW1/4SE1/4;
Section 10: Lot 4;
Section 15: Lots 12, 13, 15, 18, 20, 23, 24, 25, 26,
28, 29 and 30; NE1/4SW1/4SE1/4NW1/4;
E1/2SE1/4SE1/4NW1/4; NW1/4SE1/4SE1/4NW1/4;
Section 16: N1/2NE1/4NE1/4NE1/4;
Section 17: S1/2S1/2;
Section 19: All;
Section 20: Lots 2, 3, 6 and 11; NW1/4NE1/4; N1/2SW1/4NE1/4;
SE1/4SW1/4NE1/4; N1/2SW1/4SW1/4NE1/4; NW1/4;
N1/2SW1/4; SW1/4SW1/4;
Section 21: Lot 2;
Section 29: Lots 3, 5 and 8; NW1/4NW1/4;
Section 30: Lots 2 and 3; NE1/4; W1/2; W1/2SE1/4;
Section 31: Lots 2, 4, 5, 8, 10 and 11; NW1/4; W1/2SW1/4;

EXCEPTING FROM Sections 9, 10 and 16, Parcels 1, 2, 3 and 4 as
shown on Parcel Map for Big Springs Land & Resource Co., filed
in the Office of the Elko County Recorder on July 16, 2002 as
Continued on next page

-1-

SCHEDULE A
CLTA PRELIMINARY REPORT
(12/92)

3 72543
STEWART TITLE
Guaranty Company

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WFZ1219

Order No. 03011167

File Number 485646.

PARCEL 2:

Parcel 1, 2 and 4 as shown on that certain Parcel Map for Big Springs Land & Resource Co. filed in the office of the County Recorder of Elko County, State of Nevada, on July 16, 2002, as File No. 485646, being a portion of Sections 9, 10 and 16, Township 33 North, Range 70 East, M.D.B.&M..

EXCEPTING FROM Parcels 1 and 2 all the oil and gas and geothermal resources in the lands so patented as reserved by the UNITED STATES OF AMERICA in Patent recorded May 26, 1999 in Book 1100, Page 615, Official Records, Elko County, Nevada.

FURTHER EXCEPTING FROM Parcels 1 and 2 those portions lying within the railroad right-of-ways.

PARCEL 3:

TOWNSHIP 33 NORTH, RANGE 70 EAST, M.D.B.&M.

Section 20: Lots 8 and 9; S1/2SW1/4SW1/4NE1/4;

Section 29: Lot 2;

EXCEPTING THEREFROM all the oil and gas and geothermal resources in the lands so patented as reserved by the UNITED STATES OF AMERICA in Patent recorded August 15, 2003 in Book 3, Page 45700, Official Records, Elko County, Nevada.

ASSIGNMENT OF INTEREST IN WENDOVER PROJECT, LLC

The undersigned Assignor, GHOLAMREZA ZANDIAN JAZI, currently holds an interest in WENDOVER PROJECT, LLC, a Nevada limited liability company, consisting of a membership, as well as a management right, and, in consideration of value received, GHOLAMREZA ZANDIAN JAZI herewith transfers and assigns to RAY KOROGHLI, individually, and FARIBORZ FRED SADRI, individually, and as Trustee of the Star Living Trust, all of the Assignor's right as Member or Manager in WENDOVER PROJECT, LLC, a Nevada LLC effective as of the _____ day of _____, 2006.

The Assignor represents that the interest herewith assigned has not been transferred, assigned, encumbered, the subject of any agreement, or security interest and that he holds the full and complete rights, the subject of this Assignment. The Assignor irrevocably appoints the Assignee as the Attorney in Fact to transfer such interests on the books and records of WENDOVER PROJECT, LLC, a Nevada LLC, the Assignor agrees to separately execute a resignation as a Member and Manager of WENDOVER PROJECT, LLC, a Nevada LLC.

The undersigned executes this Assignment on the _____ day of _____, 2006.

GHOLAMREZA ZANDIAN JAZI



APN: 009-530-001; 009-540-001; 009-550-001; 009-560-004
009-570-011; 010-090-001; 010-090-003; 010-110-001
010-120-001; 010-130-001; 010-320-001

WHEN RECORDED, RETURN TO

GRANTEE/MAIL TAX STATEMENTS TO:

Big Spring Ranch Parcel

QUITCLAIM DEED

By this instrument dated this ____ day of _____, 2006, for a valuable consideration, Gholamreza Zandian Jazi does hereby remise, release and forever quitclaim to Ray Koroghli, individually and Fariborz Fred Sadri, individually, and as Trustee of the Star Living Trust, the following described real property in the State of Nevada, County of Elko:

Set forth in Exhibit A attached and incorporated herein by this reference

GHOLAMREZA ZANDIAN JAZI

STATE OF NEVADA)
) SS.:
COUNTY OF CLARK)

On _____, 2006, before me the undersigned, a Notary Public in and for said County and State, personally appeared Gholamreza Zandian Jazi, known to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.

NOTARY PUBLIC

512358 ✓

6 52
FEE \$ FILE #
PROPERTY

2003 DEC 30 PM 4:08

Stewart Title Co.

JERRY D. SYDOLUS
ELKO CO. REGISTER

When recorded, return to:
JAMES R. CAVILLA, ESQ.
ALLISON, MACKENZIE, RUSSELL,
PAVLAKIS, WRIGHT & FAGAN, LTD.
402 North Division Street
P.O. Box 646
Carson City, NV 89702

A.P.N: Nos.: 009-530-001; 009-540-001; 009-550-001; 009-560-004; 009-570-011;
010-090-001; 010-090-003; 010-110-001; 010-120-001; 010-130-001;
010-320-001

GRANT, BARGAIN, AND SALE DEED

03012789

THIS INDENTURE, made this 29th day of December, 2003, by and
between BIG SPRINGS LAND & RESOURCE COMPANY, LLC, a Nevada limited liability
company ("BIG SPRINGS"), Grantor, and BIG SPRING RANCH, L.L.C., a Nevada limited
liability company, as to an undivided 75% interest and THE STAR LIVING TRUST as to an
undivided 25% interest, Grantee.

WITNESSETH:

That the Grantor, in consideration of the sum of TEN DOLLARS (\$10.00), lawful
money of the United States, and other good and valuable consideration to it in hand paid by the
Grantee, the receipt whereof is hereby acknowledged, does by these presents grant, bargain and
sell to the Grantee, and to its successors and assigns forever, all those certain lots, pieces or
parcels of land situate, lying and being in Elko County, Nevada, and more particularly described
in Exhibit "A" attached hereto and incorporated herein by reference.

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WFZ1225

TOGETHER WITH all and singular the tenements, hereditaments and appurtenances thereunto belonging or in anywise appertaining and the reversion and reversions, remainder and remainders, rents, issues and profits thereof, including but not limited to any right title and interest in any and all grazing rights or allotments appurtenant thereto.

TO HAVE AND TO HOLD all and singular the premises, together with the appurtenances, unto the said Grantee and to its successors and assigns forever.

IN WITNESS WHEREOF, the Grantor has executed this conveyance the day and year first above written.

Big Springs Land & Resource Company,
a Nevada limited liability company

By: Vidler Water Company, Inc., a
Delaware corporation
Its Manager

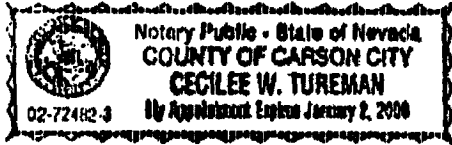
By: *Dorothy A. Timian-Palmer*
DOROTHY A. TIMIAN-PALMER
Chief Operating Officer/Director

STATE OF NEVADA)
 : ss.
CARSON CITY)

On December 29, 2003, DOROTHY A. TIMIAN-PALMER, personally appeared before me, a notary public, personally known to me to be the person whose name is subscribed to the foregoing instrument and who acknowledged to me that she is the Chief Operating Officer and a Director of Vidler Water Company, a Delaware corporation, and who acknowledged to me that she executed the foregoing GRANT, BARGAIN AND SALE DEED on behalf of said corporation.

Cecile W. Tureman

NOTARY PUBLIC



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WFZ1227

EXHIBIT A

County	APN #	Twn	Rng	Sec	Aliquot Parts	Acreage
Elko	009-530-001	34N	66E	1	All except 0.23 Ac conv to WPR Co.	640.37
Elko	009-530-001	34N	66E	11	All	640.00
Elko	010-090-001	34N	67E	5	All	638.08
Elko	010-090-001	34N	67E	7	E/2 and ptn of W/2 east of the Nevada Northern Railroad as now constructed	366.98

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WFZ1228

EXHIBIT "A"
Big Springs Ranch Legal Descriptions

County	APN #	Tw	Rng	Sec	Allot Part	Acres
Elko	009-530-001	34N	66E	3	All	643.64
Elko	009-530-001	34N	66E	4	Lots 3 and 4, S/2 NW/4, SW/4 (W/2)	319.92
Elko	009-530-001	34N	66E	5	All	638.12
Elko	009-530-001	34N	66E	9	All	640.00
Elko	009-530-001	34N	66E	15	All	640.00
Elko	009-540-001	35N	66E	1	All	666.40
Elko	009-540-001	35N	66E	2	Lots 3 and 4, S/2 NW/4, SW/4 (W/2)	331.44
Elko	009-540-001	35N	66E	3	All	665.12
Elko	009-540-001	35N	66E	9	All	640.00
Elko	009-540-001	35N	66E	10	E/2 E/2	160.00
Elko	009-540-001	35N	66E	11	All	640.00
Elko	009-540-001	35N	66E	13	All	640.00
Elko	009-540-001	35N	66E	14	W/2 W/2	160.00
Elko	009-540-001	35N	66E	15	All	640.00
Elko	009-540-001	35N	66E	21	All	640.00
Elko	009-540-001	35N	66E	22	NE/4, SE/4 NW/4, N/2 SE/4, SW/4 SE/4, SE/4 SW/4	360.00
Elko	009-540-001	35N	66E	23	All	640.00
Elko	009-540-001	35N	66E	25	All	640.00
Elko	009-540-001	35N	66E	27	All	640.00
Elko	009-540-001	35N	66E	28	SE/4, SE/4 NE/4	200.00
Elko	009-540-001	35N	66E	33	All	640.00
Elko	009-540-001	35N	66E	34	W/2	320.00
Elko	009-540-001	35N	66E	35	All	640.00
Elko	009-550-001	36N	66E	1	All	642.24
Elko	009-550-001	36N	66E	11	All less 70.23 in I-80 R/W	569.77
Elko	009-550-001	36N	66E	13	All	640.00
Elko	009-550-001	36N	66E	15	All	640.00
Elko	009-550-001	36N	66E	21	E/2	320.00
Elko	009-550-001	36N	66E	22	W/2 NW/4, S/2	400.00
Elko	009-550-001	36N	66E	23	All	640.00
Elko	009-550-001	36N	66E	25	All	640.00
Elko	009-550-001	36N	66E	26	W/2 W/2	160.00
Elko	009-550-001	36N	66E	27	All	640.00
Elko	009-550-001	36N	66E	28	E/2 E/2, W/2 SE/4 less 4.50 Ac to Beaumont in SE/4 SW/4, SW/4 SE/4	235.50
Elko	009-550-001	36N	66E	33	All	640.00
Elko	009-550-001	36N	66E	34	All	640.00
Elko	009-550-001	36N	66E	35	All	640.00
Elko	009-560-004	37N	66E	25	All less 15.22 Ac St RL 30 R/W	624.78
Elko	009-560-004	37N	66E	27	SE/4 SE/4	40.00
Elko	009-560-004	37N	66E	35	All	625.34
Elko	009-570-011	38N	66E	23	Pln 200' south of the CPRR centerline	568.06
Elko	009-570-011	38N	66E	25	Pln 200' south of the CPRR centerline except 6.44 Ac in N/2 for Wyo tract	591.44
Elko	010-090-001	34N	67E	1	All	638.80
Elko	010-090-001	34N	67E	3	All	638.04
Elko	010-090-001	34N	67E	9	All	640.00
Elko	010-090-001	34N	67E	11	All	640.00

County	APN #	Twn	Rng	Sec	Aliquot Parts	Acreage
Elko	010-090-001	34N	67E	13	All	640.00
Elko	010-090-001	34N	67E	15	All	640.00
Elko	010-090-001	34N	67E	17	All	640.00
Elko	010-090-001	34N	67E	19	NE 1/4, E 1/2 NW 1/4, Lots 1 and 2 (N 1/2) except 4.60 Ac conv to Nevada Northern Railroad Co.	306.35
Elko	010-090-001	34N	67E	21	N 1/2	320.00
Elko	010-090-001	34N	67E	22	All	640.00
Elko	010-090-001	34N	67E	23	N 1/2	320.00
Elko	010-090-003	34N	67E	7	Ptn of the E 1/2 W 1/2 west of the N 1/2 R/W	46.98
Elko	010-110-001	36N	67E	7	All except 12.70 Ac conv to Northern Nevada Railroad Co.	619.98
Elko	010-110-001	36N	67E	19	All except 12.05 Ac conv to Northern Nevada Railroad Co. except ptn conv to State of NV for Hwy	608.15
Elko	010-110-001	36N	67E	31	All except 12.14 Ac conv to Northern Nevada Railroad Co.	627.26
Elko	010-120-001	37N	67E	1	Pin 200' south of the CPRR centerline less 12.76 Ac to SR-30 R/W	589.64
Elko	010-120-001	37N	67E	5	Pin 200' south of the CPRR centerline	604.67
Elko	010-120-001	37N	67E	9	NW 1/4, S 1/2 less 6.70 Ac conv to Northern Nevada Railroad Co. and 15.10 Ac to SR-30 R/W	458.20
Elko	010-120-001	37N	67E	11	Pin 200' south of the CPRR centerline less 11.07 Ac to SR-30 R/W	611.42
Elko	010-120-001	37N	67E	17	All less 16.33 Ac to SR-30 R/W	623.67
Elko	010-120-001	37N	67E	19	All	628.68
Elko	010-130-001	38N	67E	31	Pin 200' south of the CPRR centerline	594.40
Elko	010-320-001	35N	68E	7	All except 21.28 Ac conv to Western Pacific Railroad Co. less 45.33 to I-80 R/W	614.35
Elko	010-320-001	35N	68E	17	All north of the WPRR centerline, and all south of the WPRR centerline less 6.89 Ac to I-80 R/W	521.98
Total Acreage:						35,254.34

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WFZ1230

Order No.: 03012789

LEGAL DESCRIPTION

The land referred to herein is situated in the State of Nevada, County of ELKO COUNTY, described as follows:

PARCEL 1:

TOWNSHIP 34 NORTH, RANGE 67 EAST, M.D.B.&M.

Section 1: All;
Section 3: All;
Section 9: All;
Section 11: All;
Section 13: All;
Section 15: All;
Section 17: All;
Section 19: Lots 1 and 2; E1/2NW1/4; NE1/4;

EXCEPTING THEREFROM all that portion of said land as conveyed to Nevada Northern Railway Company in Deed recorded February 7, 1906 in Book 28, Page 617, Deed Records, Elko County, Nevada.

Section 21: N1/2;
Section 22: All;
Section 23: N1/2;

EXCEPTING FROM Section 22, TOWNSHIP 34 NORTH, RANGE 67 EAST, M.D.B.&M., all the coal and other valuable minerals in the lands so granted as reserved by The United States of America in Patent recorded June 28, 1946 in Book 8, Page 413, Patent Records, Elko County, Nevada.

FURTHER EXCEPTING FROM all of Parcel 1 all right, title and interest to coal, oil, gas and other minerals of every kind and nature whatsoever, lying in and under said land, as reserved by Russell Wilkins, et ux, et al, in Deed recorded December 10, 1946 in Book 55, Page 63, Deed Records, Elko, Nevada.

FURTHER EXCEPTING FROM Section 22, TOWNSHIP 34 NORTH, RANGE 67 EAST, M.D.B.&M., an undivided 1/2 interest in and to all gas, oil, petroleum, minerals and/or mineral rights, lying in and under said land, as reserved by Theodore E. Smith and Pearl Smith, his wife, in Deed recorded August 15, 1958 in Book 74, Page 181, Deed Records, Elko County.

PARCEL 2:

Continued on next page

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SCHEDULE A
CLTA PRELIMINARY REPORT
(12/92)

STEWART TITLE
Guaranty Company

100772

WFZ1231

Order No. 03012789

TOWNSHIP 35 NORTH, RANGE 66 EAST, M.D.B.&M.

Section 1: All;
Section 3: All;
Section 9: All;
Section 11: All;
Section 13: All;
Section 15: All;
Section 21: All;
Section 23: All;
Section 25: All;
Section 27: S1/2;
Section 33: All;
Section 35: All;

EXCEPTING THEREFROM Parcel 2 all petroleum, oil, natural gas, and products derived therefrom, lying in and under said land or that may be produced therefrom, as reserved by Southern Pacific Land Company in Deed recorded August 1, 1949 in Book 57, Page 126, Deed Records, Elko County, Nevada.

PARCEL 3:

TOWNSHIP 35 NORTH, RANGE 68 EAST, M.D.B.&M.

Section 7: All;

EXCEPTING THEREFROM all that portion of said land as conveyed to Western Pacific Railway Company in Deed recorded February 19, 1909 in Book 31, Page 71, Deed Records, Elko County, Nevada.

Section 17: All that portion lying northerly of a line parallel with and one hundred (100) feet northerly of the center center line of Western Pacific Railway Company's railroad known as Arnold "L-1" or "3 $\frac{1}{2}$ " line and all that portion lying southerly of a line parallel with and one hundred (100) feet southerly of the center line of Western Pacific Railway Company's railroad known as "R-2" or "4 $\frac{1}{2}$ " line, which railroad rights of way were conveyed to Western Pacific Railway Company by Deed No. 126-F, dated November 27, 1908, and recorded February 19, 1909 in Book 31, Page 71, and Deed No. 188-F, dated June 30, 1910, and recorded September 10, 1910 in Book 32, Page 319, Deed Records, Elko County, Nevada.

Continued on next page

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WFZ1232

Order No. 03012789

EXCEPTING FROM Parcel 3 all that portion of said land as conveyed to the State of Nevada, acting by and through its Department of Highways in Deed recorded September 7, 1973 in Book 184, Page 44 and recorded June 24, 1976 in Book 230, Page 377, Official Records, Elko County, Nevada, portions of which have been relinquished by Resolution Relinquishing portion of Highway Right of Way recorded October 11, 1985 in Book 504, Page 308, Official Records, Elko County, Nevada.

FURTHER EXCEPTING FROM Parcel 3 all right, title and interest to coal, oil, gas and other minerals of every kind and nature whatsoever, lying in and under said land, as reserved by Russell Wilkins, et ux, et al, in Deed recorded December 10, 1946 in Book 55, Page 63, Deed Records, Elko County, Nevada.

PARCEL 4:

TOWNSHIP 38 NORTH, RANGE 67 EAST, M.D.B.&M.

Section 31: All that portion lying southwesterly of a line two hundred (200) feet southwesterly and parallel with the center line of Central Pacific Railway Company's railroad as now constructed ;

EXCEPTING FROM Parcel 4 all right, title and interest to coal, oil, gas and other minerals of every kind and nature whatsoever, lying in and under said land, as reserved by Russell Wilkins, et ux, et al, in Deed recorded December 10, 1946 in Book 55, Page 63, Deed Records, Elko County, Nevada.

PARCEL 5:

TOWNSHIP 36 NORTH, RANGE 67 EAST, M.D.B.&M.

Section 7: All;
Section 19: All;
Section 31: All;

EXCEPTING FROM Parcel 5 all that portion of said land as conveyed to Nevada Northern Railway Company in Deed recorded February 7, 1906 in Book 28, Page 617, Deed Records, Elko County, Nevada.

FURTHER EXCEPTING FROM Section 19 all that portion of said land as conveyed to the State of Nevada, acting by and through its
Continued on next page

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WFZ1233

Order No. 03012789

Department of Highways, in Deed recorded September 7, 1973 in Book 184, Page 44, Official Records, Elko County, Nevada, portions of which have been relinquished by Resolution Relinquishing Portion of Highway Right-of-Way recorded October 11, 1985 in Book 504, Page 308, Official Records, Elko County, Nevada.

FURTHER EXCEPTING FROM Parcel 5 all right, title and interest to coal, oil, gas and other minerals of every kind and nature whatsoever, lying in and under said land, as reserved by Russell Wilkins, et ux, et al, in Deed recorded December 10, 1946 in Book 55, Page 63, Deed Records, Elko County, Nevada.

PARCEL 6:

TOWNSHIP 37 NORTH, RANGE 67 EAST, M.D.B.&M.

Section 1: That portion lying southeasterly of a line two hundred (200) feet southeasterly and parallel with the center line of Central Pacific Railway Company's railroad, as now constructed;

Section 5: That portion lying southwesterly of a line two hundred (200) feet southwesterly and parallel with the center line of Central Pacific Railway Company's railroad, as now constructed;

Section 9: NW1/4; S1/2;

EXCEPTING FROM Section 9 all that portion of said land as conveyed to Nevada Northern Railway Company in Deed recorded February 7, 1906 in Book 28, Page 617 and recorded November 15, 1912 in Book 34, Page 130, Deed Records, Elko County, Nevada.

Section 11: That part lying southeasterly of a line two hundred (200) feet southeasterly and parallel with the center line of Central Pacific Railway Company's railroad as now constructed;

Section 17: All;

Section 19: All;

EXCEPTING FROM Parcel 6 all right, title and interest to coal, oil, gas and other minerals of every kind and nature whatsoever, lying in and under said land, as reserved by Russell Wilkins, et ux, et al, in Deed recorded December 10, 1946 in Book 55, Page 63, Deed Records, Elko County, Nevada.

Continued on next page

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Order No. 03012789

PARCEL 7:

TOWNSHIP 37 NORTH, RANGE 66 EAST, M.D.B.&M.

Section 25: All;
Section 27: SE1/4SE1/4;
Section 35: All;

TOWNSHIP 38 NORTH, RANGE 66 EAST, M.D.B.&M.

Section 23: That portion southwesterly of a line parallel with and two hundred (200) feet distant southwesterly of center line of Central Pacific Railway Company's railroad as now constructed;
Section 25: That part southwesterly of a line parallel with and two hundred (200) feet distant southwesterly of center line of Central Pacific Railway Company's railroad as now constructed;

EXCEPTING FROM Section 25 a parcel of land in the north half of said Section 25, containing 6.44 acres for Central Pacific Railway Company's Wye track.

FURTHER EXCEPTING FROM Parcel 7 all petroleum, oil, natural gas, and products derived therefrom, lying in and under said land or that may be produced therefrom, as reserved by Southern Pacific Land Company in Deed recorded August 1, 1949 in Book 57, Page 126, Deed Records, Elko County, Nevada.

PARCEL 8:

TOWNSHIP 34 NORTH, RANGE 66 EAST, M.D.B.&M.

Section 3: All;
Section 5: All;
Section 9: All;
Section 15: All;

TOWNSHIP 36 NORTH, RANGE 66 EAST, M.D.B.&M.

Section 1: All;
Section 11: All;

EXCEPTING FROM Section 11 all that portion of said land condemned to the State of Nevada by Final Order of Condemnation recorded

Continued on next page

-5-

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WFZ1235

Order No. 03012789

August 22, 1973 in Book 182, Page 625, Official Records, Elko County, Nevada.

Section 13: All;

EXCEPTING FROM Section 13 all that portion of said land as conveyed to the State of Nevada, acting by and through its Department of Highways, in Deed recorded September 7, 1973 in Book 184, Page 44, Official Records, Elko County, Nevada.

Section 15: All;

Section 23: All;

Section 25: All;

EXCEPTING FROM Parcel 8 all petroleum, oil, natural gas and products derived therefrom, lying in and under said land or that may be produced therefrom, as reserved by Southern Pacific Land Company in Deed recorded August 1, 1949 in Book 57, Page 126, Deed Records, Elko County, Nevada.

PARCEL 9:

TOWNSHIP 36 NORTH, RANGE 66 EAST, M.D.B.6M.

Section 35: All;

EXCEPTING FROM Parcel 9 all petroleum, oil, natural gas, and products derived therefrom, as reserved by Southern Pacific Land Company in Deed recorded August 1, 1949 in Book 57, Page 126, Deed Records, Elko County, Nevada.

PARCEL 10:

TOWNSHIP 34 NORTH, RANGE 66 EAST, M.D.B.6M.

Section 4: Lots 3 and 4; S1/2NW1/4; SW1/4;

EXCEPTING THEREFROM all minerals, mineral rights, gas, oil, coal and other hydrocarbons, in, under or upon said property or that may in any way be produced therefrom as reserved by W.J. Thomas and Grace L. Thomas; his wife, in Deed recorded January 23, 1959 in Book 75, Page 376, Deed Records, Elko County, Nevada.

PARCEL 11:

Continued on next page

Order No. 03012789

TOWNSHIP 35 NORTH, RANGE 66 EAST, M.D.B.&M.

Section 2: Lots 3 and 4; S1/2NW1/4; SW1/4;
Section 10: E1/2E1/2;
Section 14: W1/2W1/2;
Section 22: NE1/4; SE1/4NW1/4; N1/2SE1/4; SW1/4SE1/4; SE1/4SW1/4;
Section 27: N1/2;
Section 28: SE1/4; SE1/4NE1/4;

EXCEPTING FROM Parcel 11 all right, title and interest to coal, oil, gas and other minerals of every kind and nature whatsoever, lying in and under said land, as reserved by Russell Wilkins, et ux, et al, in Deed Recorded December 10, 1946 in Book 55, Page 63, Deed Records, Elko County, Nevada.

PARCEL 12:

TOWNSHIP 36 NORTH, RANGE 66 EAST, M.D.B.&M.

Section 21: E1/2;
Section 22: W1/2NW1/4; S1/2;
Section 26: W1/2W1/2;
Section 27: All;
Section 28: E1/2E1/2; W1/2SE1/4;

EXCEPTING AND RESERVING THEREFROM the following described land:

Beginning at a point from which the Southwest Corner of Section 28, TOWNSHIP 36 NORTH, RANGE 66 EAST, M.D.B.&M., bears South 84°52' West, 2,519.9 feet distant;

THENCE North 25°20' East, 486.81 feet;

THENCE South 64°40' East, 303.07 feet;

THENCE South 25°21' West, 140.51 feet;

THENCE South 64°40' East, 140.00 feet;

THENCE South 25°20' West, 346.30 feet;

THENCE North 64°40' West, 443.07 feet;

Section 33: All;
Section 34: All;

Continued on next page

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WFZ1237

Order No. 03012789

EXCEPTING FROM Parcel 12 all right, title and interest to coal, oil, gas and other minerals of every kind and nature whatsoever, lying in and under said land, as reserved by Russell Wilkins, et ux, et al, in Deed recorded December 10, 1946 in Book 55, Page 63, Deed Records, Elko County, Nevada.

PARCEL 13:

TOWNSHIP 35 NORTH, RANGE 66 EAST, M.D.B.&M.

Section 34: W1/2;

EXCEPTING FROM Section 13 all minerals, mineral rights, gas, oil, coal and other hydrocarbons, in, under or upon said property or that may in any way be produced therefrom as reserved by W.J. Thomas and Grace E. Thomas, his wife, in Deed recorded January 23, 1959 in Book 75, Page 376, Deed Records, Elko County, Nevada.

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FEE 17 FEE REQUIRED

2003 DEC 30 PM 4:08

Stewart Title Co.
JERRY W. PETERSON
LHO 22122003

When recorded, return to:
JAMES R. CAVILLA, ESQ.
ALLISON, MacKENZIE, RUSSELL,
PA VLAKIS, WRIGHT & FAGAN, LTD.
402 North Division Street
P.O. Box 646
Carson City, NV 89702

A.P.N: Nos.: 009-530-001; 010-090-001

03012789

GRANT, BARGAIN, AND SALE DEED

THIS INDENTURE, made this 31st day of December, 2003, by and between NEVADA LAND AND RESOURCE COMPANY, LLC, a Delaware limited liability company ("NLRC"), Grantor, and BIG SPRING RANCH, L.L.C., a Nevada limited liability company, as to an undivided 75% interest and THE STAR LIVING TRUST as to an undivided 25% interest, Grantee.

WITNESSETH:

That the Grantor, in consideration of the sum of TEN DOLLARS (\$10.00), lawful money of the United States, and other good and valuable consideration to it in hand paid by the Grantee, the receipt whereof is hereby acknowledged, does by these presents grant, bargain and sell to the Grantee, and to its successors and assigns forever, all those certain lots, pieces or parcels of land situate, lying and being in Elko County, Nevada, and more particularly described in Exhibit "A" attached hereto and incorporated herein by reference.

TOGETHER WITH all and singular the tenements, hereditaments and appurtenances thereunto belonging or in anywise appertaining and the reversion and reversions,

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remainder and remainders, rents, issues and profits thereof, including but not limited to any right title and interest in any and all grazing rights or allotments appurtenant thereto.

TO HAVE AND TO HOLD all and singular the premises, together with the appurtenances, unto the said Grantee and to its successors and assigns forever.

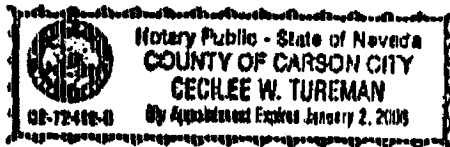
IN WITNESS WHEREOF, the Grantor has executed this conveyance the day and year first above written.

Nevada Land and Resource Company, LLC
a Delaware limited liability company

By: *Dorothy A. Timian Palmer*
DOROTHY A. TIMIAN-PALMER
Chief Operating Officer/Director

STATE OF NEVADA)
 : ss.
CARSON CITY)

On December 29, 2003, DOROTHY A. TIMIAN-PALMER, personally appeared before me, a notary public, personally known to me to be the person whose name is subscribed to the foregoing instrument and who acknowledged to me that she is the Chief Operating Officer and a Director of Nevada Land and Resource Company, a Delaware limited liability company, and who acknowledged to me that she executed the foregoing GRANT, BARGAIN AND SALE DEED on behalf of said corporation.



Cecilee W. Tureman
NOTARY PUBLIC

EXHIBIT A

County	APN #	Town	Range	Sec	Aliquot Parts	Acres
Elko	009-530-001	34N	66E	1	All except 0.23 Ac conv to WPK Co.	640.17
Elko	009-530-001	34N	66E	11	All	640.00
Elko	010-090-001	34N	67E	5	All	638.08
Elko	010-090-001	34N	67E	7	E/2 and ptn of W/2 east of the Nevada Northern Railroad as now constructed	366.98

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PARCEL 14:

TOWNSHIP 34 NORTH, RANGE 67 EAST, M.D.B.&M.

Section 5: All;
Section 7: All;

EXCEPTING THEREFROM all that portion of said land as conveyed to Nevada Northern Railway Company, in Deed recorded February 7, 1906 in Book 28, Page 617, Deed Records, Elko County, Nevada.

FURTHER EXCEPTING THEREFROM all that portion of said land as conveyed to Western Pacific Railway Company in Deed recorded February 19, 1909 in Book 31, Page 71, Deed Records, Elko County, Nevada.

FURTHER EXCEPTING THEREFROM that portion of the W1/2W1/2 lying west of the Nevada Northern Railroad as conveyed to Gordon Griswold and Kitty Griswold, his wife, in Deed recorded August 14, 1946 in Book 54, Page 354, Deed Records, Elko County, Nevada.

FURTHER EXCEPTING FROM all of Parcel 14 all right, title and interest to coal, oil, gas and other minerals of every kind and nature whatsoever, lying in and under said land, as reserved by Russell Wilkins, et ux, et al, in Deed recorded December 10, 1946 in Book 55, Page 63, Deed Records, Elko, Nevada.

PARCEL 15:

TOWNSHIP 34 NORTH, RANGE 66 EAST, M.D.B.&M.

Section 1: All;

EXCEPTING THEREFROM all that portion of said land as conveyed to Western Pacific Railway Company in Deed recorded February 19, 1909 in Book 31, Page 71, Deed Records, Elko County, Nevada.

Section 11: ALL;

EXCEPTING FROM Parcel 15 all petroleum, oil, natural gas and products derived therefrom, lying in and under said land or that may be produced therefrom, as reserved by Southern Pacific Land Company in Deed recorded August 1, 1949 in Book 57, Page 126, Deed Records, Elko County, Nevada.

FURTHER EXCEPTING FROM all of the above described land those portion lying within the railroad right-of-way.

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ASSIGNMENT OF INTEREST IN BIG SPRING RANCH, LLC

The undersigned Assignor, GHOLAMREZA ZANDIAN JAZI, currently holds an interest in BIG SPRING RANCH, LLC, a Nevada limited liability company, consisting of a membership, as well as a management right, and, in consideration of value received, GHOLAMREZA ZANDIAN JAZI herewith transfers and assigns to RAY KOROGHLI, individually, and FARIBORZ FRED SADRI, individually, and as Trustee of the Star Living Trust, all of the Assignor's right as Member or Manager in BIG SPRING RANCH, a Nevada LLC effective as of the _____ day of _____, 2006.

The Assignor represents that the interest herewith assigned has not been transferred, assigned, encumbered, the subject of any agreement, or security interest and that he holds the full and complete rights, the subject of this Assignment. The Assignor irrevocably appoints the Assignee as the Attorney in Fact to transfer such interests on the books and records of BIG SPRING RANCH, LLC, a Nevada LLC, the Assignor agrees to separately execute a resignation as a Member and Manager of BIG SPRING RANCH, LLC, a Nevada LLC.

The undersigned executes this Assignment on the _____ day of _____, 2006.

GHOLAMREZA ZANDIAN JAZI

**ASSIGNMENT OF INTEREST IN
NEVADA LAND & WATER RESOURCES, LLC**

The undersigned Assignor, GHOLAMREZA ZANDIAN JAZI, currently holds an interest in NEVADA LAND & WATER RESOURCES, LLC, a Nevada limited liability company, consisting of a membership, as well as a management right, and, in consideration of value received, GHOLAMREZA ZANDIAN JAZI herewith transfers and assigns to RAY KOROGHLI, individually, and FARIBORZ FRED SADRI, individually, and as Trustee of the Star Living Trust, all of the Assignor's right as Member or Manager in NEVADA LAND & WATER RESOURCES, LLC, a Nevada LLC effective as of the _____ day of _____, 2006.

The Assignor represents that the interest herewith assigned has not been transferred, assigned, encumbered, the subject of any agreement, or security interest and that he holds the full and complete rights, the subject of this Assignment. The Assignor irrevocably appoints the Assignee as the Attorney in Fact to transfer such interests on the books and records of NEVADA LAND & WATER, LLC, a Nevada LLC, the Assignor agrees to separately execute a resignation as a Member and Manager of NEVADA LAND & WATER RESOURCES, LLC, a Nevada LLC.

The undersigned executes this Assignment on the _____ day of _____, 2006.

GHOLAMREZA ZANDIAN JAZI

JOHN PETER LEE, L.P.D.
ATTORNEYS AT LAW
830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

1 RELS
JOHN PETER LEE, LTD.
2 JOHN PETER LEE, ESQ.
Nevada Bar No. 001768
3 MICHAEL A. REYNOLDS, ESQ.
Nevada Bar No. 008631
4 830 Las Vegas Boulevard South
Las Vegas, Nevada 89101
5 (702) 382-4044 Fax: (702) 383-9950
Attorneys for Plaintiff/Counterdefendant
6

7 **DISTRICT COURT**
8 **CLARK COUNTY, NEVADA**

9 GHOLAMREZA ZANDIAN JAZI,)
10 Plaintiff,)
11 v.)
12 RAY KOROGHLI, individually, FARIBORZ FRED)
SADRI, individually, and as Trustee of the Star)
13 Living Trust, WENDOVER PROJECT, LLC, a)
Nevada limited liability company; BIG SPRING)
14 RANCH, LLC, a Nevada limited liability company,)
and NEVADA LAND AND WATER)
15 RESOURCES, LLC, a Nevada limited liability)
company,)
16 Defendants.)

CASE NO.: A511131
DEPT. NO.: XIII

RELEASE OF LIS PENDENS

18 RAY KOROGHLI, individually and FARIBORZ)
FRED SADRI, individually,)
19 Counterclaimants,)
20 v.)
21 GHOLAMREZ ZANDIAN JAZI,)
22 Counterdefendant.)

DATE: N/A
TIME: N/A

24 WENDOVER PROJECT, LLC,)
25 Counterclaimant,)
26 v.)
27 GHOLAMREZ ZANDIAN JAZI,)
28 Counterdefendant.)

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

1 GHOLAMREZ ZANDIAN JAZI,)
2 Counterclaimant,)
3 v.)
4 WENDOVER PROJECT, LLC,)
5 Counterdefendant,)

6 1334.022860-JLR

7 NOTICE is hereby given that the undersigned did, on the 30th day of January, 2006 file a
8 Notice of Lis Pendens with the above-referenced Court, a copy of which was recorded with the Elko
9 County Recorder as Document Number 548113 on February 2, 2006.

10 NOW THEREFORE, for valuable consideration, the undersigned does by these presents
11 release, satisfy and discharge said Lis Pendens.

12 DATED this _____ day of _____, 2006.

13 JOHN PETER LEE, LTD.

14
15 BY: _____
16 John Peter Lee, Esq.
17 Nevada Bar No. 001768
18 Michael A. Reynolds, Esq.
19 Nevada Bar No. 008631
20 830 Las Vegas Boulevard South
21 Las Vegas, Nevada 89101
22 Ph: (702) 382-4044/Fax: (702) 383-9950
23 Attorneys for Plaintiffs
24
25
26
27
28

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

1 RELS
JOHN PETER LEE, LTD.
2 JOHN PETER LEE, ESQ.
Nevada Bar No. 001768
3 MICHAEL A. REYNOLDS, ESQ.
Nevada Bar No. 008631
4 830 Las Vegas Boulevard South
Las Vegas, Nevada 89101
5 (702) 382-4044 Fax: (702) 383-9950
Attorneys for Plaintiff/Counterdefendant
6

7 **DISTRICT COURT**
8 **CLARK COUNTY, NEVADA**

9 GHOLAMREZA ZANDIAN JAZI,
10 Plaintiff,

CASE NO.: A511131
DEPT. NO.: XIII

11 v.

12 RAY KOROGHLI, individually, FARIBORZ FRED
SADRI, individually, and as Trustee of the Star
13 Living Trust, WENDOVER PROJECT, LLC, a
Nevada limited liability company; BIG SPRING
14 RANCH, LLC, a Nevada limited liability company,
and NEVADA LAND AND WATER
15 RESOURCES, LLC, a Nevada limited liability
company,

RELEASE OF LIS PENDENS

16 Defendants.

17
18 RAY KOROGHLI, individually and FARIBORZ
FRED SADRI, individually,

19 Counterclaimants,

DATE: N/A
TIME: N/A

20 v.

21 GHOLAMREZ ZANDIAN JAZI,
22 Counterdefendant.

23
24 WENDOVER PROJECT, LLC,

25 Counterclaimant,

26 v.

27 GHOLAMREZ ZANDIAN JAZI,
28 Counterdefendant.

JOHN PETER LEE, LTD.

ATTORNEYS AT LAW

830 LAS VEGAS BOULEVARD SOUTH

LAS VEGAS, NEVADA 89101

Telephone (702) 382-4044

Telecopier (702) 383-9950

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GHOLAMREZ ZANDIAN JAZI,
Counterclaimant,
v.
WENDOVER PROJECT, LLC,
Counterdefendant,

1334.022860-JLR

NOTICE is hereby given that the undersigned did, on the 14th day of October, 2005 file a Notice of Lis Pendens with the above-referenced Court, a copy of which was recorded with the Elko County Recorder as Document Number 542563 on October 25, 2005.

NOW THEREFORE, for valuable consideration, the undersigned does by these presents release, satisfy and discharge said Lis Pendens.

DATED this _____ day of _____, 2006.

JOHN PETER LEE, LTD.

BY: _____
John Peter Lee, Esq.
Nevada Bar No. 001768
Michael A. Reynolds, Esq.
Nevada Bar No. 008631
830 Las Vegas Boulevard South
Las Vegas, Nevada 89101
Ph: (702) 382-4044/Fax: (702) 383-9950
Attorneys for Plaintiffs

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

1 RELS
JOHN PETER LEE, LTD.
2 JOHN PETER LEE, ESQ.
Nevada Bar No. 001768
3 MICHAEL A. REYNOLDS, ESQ.
Nevada Bar No. 008631
4 830 Las Vegas Boulevard South
Las Vegas, Nevada 89101
5 (702) 382-4044 Fax: (702) 383-9950
Attorneys for Plaintiff/Counterdefendant
6

7 **DISTRICT COURT**

8 **CLARK COUNTY, NEVADA**

9 GHOLAMREZA ZANDIAN JAZI,)

CASE NO.: A511131.
DEPT. NO.: XIII

10 Plaintiff,)

11 v.)

12 RAY KOROGHLI, individually, FARIBORZ FRED)
SADRI, individually, and as Trustee of the Star)
13 Living Trust, WENDOVER PROJECT, LLC, a)
Nevada limited liability company; BIG SPRING)
14 RANCH, LLC, a Nevada limited liability company,)
and NEVADA LAND AND WATER)
15 RESOURCES, LLC, a Nevada limited liability)
company,)

RELEASE OF LIS PENDENS

16 Defendants.)

17 _____)
18 RAY KOROGHLI, individually and FARIBORZ)
FRED SADRI, individually,)

19 Counterclaimants,)

DATE: N/A
TIME: N/A

20 v.)

21 GHOLAMREZ ZANDIAN JAZI,)

22 Counterdefendant.)

23 _____)
24 WENDOVER PROJECT, LLC,)

25 Counterclaimant,)

26 v.)

27 GHOLAMREZ ZANDIAN JAZI,)

28 Counterdefendant.)

JOHN PETER LEE, LTD.

ATTORNEYS AT LAW
830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

1 GHOLAMREZ ZANDIAN JAZI,
2 Counterclaimant,
3 v.
4 WENDOVER PROJECT, LLC,
5 Counterdefendant,

6 1334.022860-JLR

7 NOTICE is hereby given that the undersigned did, on the 14th day of October, 2005 file a
8 Notice of Lis Pendens with the above-referenced Court, a copy of which was recorded with the
9 Washoe County Recorder as Document Number 3301912 on November 3, 2005.

10 NOW THEREFORE, for valuable consideration, the undersigned does by these presents
11 release, satisfy and discharge said Lis Pendens.

12 DATED this _____ day of _____, 2006.

13 JOHN PETER LEE, LTD.

14
15 BY: _____
16 John Peter Lee, Esq.
17 Nevada Bar No. 001768
18 Michael A. Reynolds, Esq.
19 Nevada Bar No. 008631
20 830 Las Vegas Boulevard South
21 Las Vegas, Nevada 89101
22 Ph: (702) 382-4044/Fax: (702) 383-9950
23 Attorneys for Plaintiffs
24
25
26
27
28

JOHN PETER LEE, L/D.
ATTORNEYS AT LAW
830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

1 RELS
JOHN PETER LEE, LTD.
2 JOHN PETER LEE, ESQ.
Nevada Bar No. 001768
3 MICHAEL A. REYNOLDS, ESQ.
Nevada Bar No. 008631
4 830 Las Vegas Boulevard South
Las Vegas, Nevada 89101
5 (702) 382-4044 Fax: (702) 383-9950
Attorneys for Plaintiff/Counterdefendant
6

7 **DISTRICT COURT**

8 **CLARK COUNTY, NEVADA**

9 GHOLAMREZA ZANDIAN JAZI,
10 Plaintiff,

CASE NO.: A511131
DEPT. NO.: XIII

11 v.

12 RAY KOROGHLI, individually, FARIBORZ FRED
SADRI, individually, and as Trustee of the Star
13 Living Trust, WENDOVER PROJECT, LLC, a
Nevada limited liability company; BIG SPRING
14 RANCH, LLC, a Nevada limited liability company,
and NEVADA LAND AND WATER
15 RESOURCES, LLC, a Nevada limited liability
company,

RELEASE OF LIS PENDENS

16 Defendants.
17

18 RAY KOROGHLI, individually and FARIBORZ
FRED SADRI, individually,

19 Counterclaimants,
20

DATE: N/A
TIME: N/A

21 v.

22 GHOLAMREZ ZANDIAN JAZI,
Counterdefendant.
23

24 WENDOVER PROJECT, LLC,

25 Counterclaimant,
26

26 v.

27 GHOLAMREZ ZANDIAN JAZI,
Counterdefendant.
28

JOHN PETER LEE, L.L.D.
ATTORNEYS AT LAW
830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

1 GHOLAMREZ ZANDIAN JAZI,
2 Counterclaimant,
3 v.
4 WENDOVER PROJECT, LLC,
5 Counterdefendant,

6 1334.022860-JLR

7 NOTICE is hereby given that the undersigned did, on the 16th day of November, 2005 file
8 a Notice of Lis Pendens with the above-referenced Court, a copy of which was recorded with the
9 Clark County Recorder in Book/Instrument 20051116-0004202 on November 16, 2005.

10 NOW THEREFORE, for valuable consideration, the undersigned does by these presents
11 release, satisfy and discharge said Lis Pendens.

12 DATED this _____ day of _____, 2006.

13 JOHN PETER LEE, LTD.

14
15 BY: _____
16 John Peter Lee, Esq.
17 Nevada Bar No. 001768
18 Michael A. Reynolds, Esq.
19 Nevada Bar No. 008631
20 830 Las Vegas Boulevard South
21 Las Vegas, Nevada 89101
22 Ph: (702) 382-4044/Fax: (702) 383-9950
23 Attorneys for Plaintiffs
24
25
26
27
28



DEAN HELLER
 Secretary of State
 202 North Carson Street
 Carson City, Nevada 89701-4201
 (775) 684 5708
 Website: secretaryofstate.biz

**Certificate of Resignation of Officer,
 Director, Manager, Member, General
 Partner, Trustee or Subscriber**

ABOVE SPACE IS FOR OFFICE USE ONLY

**Certificate of Resignation of
 Officer, Director, Manager, Member,
 General Partner, Trustee or Subscriber**

1. The name and title(s) of person that desires to resign:

GHOLAMREZA ZANDIAN JAZI
 (Name)

Manager
 (Title(s))

2. The name and file number of the entity for which resignation is being made:

NEVADA LAND & WATER RESOURCES, L.L.C.
 (Name of Entity)

(File Number)

3. Signature: _____

4. Fee: \$75.00 per form. Resignation of one person from one entity per form.

This form must be accompanied by appropriate fees.

Nevada Secretary of State Resignation of Officer 2003
 Revised on: 02/03/06



DEAN HELLER
 Secretary of State
 202 North Carson Street
 Carson City, Nevada 89701-4201
 (775) 684 5708
 Website: secretaryofstate.biz

**Certificate of Resignation of Officer,
 Director, Manager, Member, General
 Partner, Trustee or Subscriber**

ABOVE SPACE IS FOR OFFICE USE ONLY

**Certificate of Resignation of
 Officer, Director, Manager, Member,
 General Partner, Trustee or Subscriber**

1. The name and title(s) of person that desires to resign:

GHOLAMREZA ZANDIAN JAZI	Manager
(Name)	(Title(s))

2. The name and file number of the entity for which resignation is being made:

BIG SPRING RANCH LLC	
(Name of Entity)	(File Number)

3. Signature: _____

4. Fee: \$75.00 per form. Resignation of one person from one entity per form.

This form must be accompanied by appropriate fees.

Nevada Secretary of State Resignation of Officer 2003
 Revised on: 02/03/06

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ATTORNEYS AT LAW
830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

1 RCPT
JOHN PETER LEE, LTD.
2 JOHN PETER LEE, ESQ.
Nevada Bar No. 001768
3 MICHAEL A. REYNOLDS, ESQ.
Nevada Bar No. 008631
4 830 Las Vegas Boulevard South
Las Vegas, Nevada 89101
5 (702) 382-4044 Fax: (702) 383-9950
Attorneys for Plaintiff/Counterdefendant
6

7 **DISTRICT COURT**
8 **CLARK COUNTY, NEVADA**

9 GHOLAMREZA ZANDIAN JAZI,
10 Plaintiff,
11 v.
12 RAY KOROGHLI, individually, FARIBORZ FRED
SADRI, individually, and as Trustee of the Star
13 Living Trust, WENDOVER PROJECT, LLC, a
Nevada limited liability company; BIG SPRING
14 RANCH, LLC, a Nevada limited liability company,
and NEVADA LAND AND WATER
15 RESOURCES, LLC, a Nevada limited liability
company,
16 Defendants.

CASE NO.: A511131
DEPT. NO.: XIII

RECEIPT

17
18 RAY KOROGHLI, individually and FARIBORZ
FRED SADRI, individually,
19 Counterclaimants,
20 v.
21 GHOLAMREZ ZANDIAN JAZI,
22 Counterdefendant.

DATE: N/A
TIME: N/A

23
24 WENDOVER PROJECT, LLC,
25 Counterclaimant,
26 v.
27 GHOLAMREZ ZANDIAN JAZI,
28 Counterdefendant.

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GHOLAMREZ ZANDIAN JAZI,
Counterclaimant,
v.
WENDOVER PROJECT, LLC,
Counterdefendant,

1334.022860-JLR

RECEIPT of \$250,000 made payable to John Peter Lee, Ltd., in compliance and in conformity with the Award of Floyd Hale, Arbitrator dated September 20, 2006 is acknowledged this _____ day of _____, 2006.

JOHN PETER LEE, LTD.

BY: _____
John Peter Lee, Esq.
Nevada Bar No. 001768
Michael A. Reynolds, Esq.
Nevada Bar No. 008631
830 Las Vegas Boulevard South
Las Vegas, Nevada 89101
Ph: (702) 382-4044/Fax: (702) 383-9950
Attorneys for Plaintiff/Counterdefendant

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

MUTUAL RELEASE OF CLAIMS

This Mutual Release of Claims is made this _____ day of _____, 2006 by and between GHOLAMREZA ZANDIAN JAZI ("Zandian"), Ray Koroghli ("Koroghi"), Fariborz Fred Sadri ("Sadri"), Wendover Project, LLC ("Wendover"), Nevada Land and Water Resources, LLC ("Nevada Land") and Big Spring Ranch, LLC, ("Big Spring"). For purposes of this agreement, Zandian is hereinafter called Plaintiff and all of the individuals and LLCs are jointly called Defendants.

RECITALS

WHEREAS disputes have arisen by and between the Plaintiff and the Defendants resulting in litigation which was commenced in the District Court, Clark County Nevada, given Case No. A511131; and

WHEREAS the matter was thereafter referred to arbitration before Floyd A. Hale by an agreement; and

WHEREAS, in addition to the Complaint, the Defendants filed various Counterclaims against the Plaintiff in the District Court action, all of which claims were heretofore referred to Floyd A. Hale to arbitrate; and

WHEREAS the parties to this Release, Plaintiff and the Defendants, commenced the arbitration process before Floyd A. Hale, which commenced on the 22nd day of August, 2006 and ended on the 8th day of September, 2006; and

WHEREAS on the latter date an order was entered on the record concerning settlement of the claims asserted by the Plaintiff, and the counterclaims asserted by the Defendants, which will be reduced to an order entered in the arbitration proceedings; and

WHEREAS the order provides for the release of certain rights by the parties, one against the other, and the payment of sums by certain of the Defendants, all as set forth in separate instruments, and further set forth in the Arbitration Order; and

WHEREAS these parties desire to settle and resolve all issues, allegations, claims, rights, defenses and obligations and causes of action asserted, or which could have been asserted by the Plaintiff against the Defendants and the Defendants against the Plaintiff;

NOW THEREFORE in consideration of these Recitals and the mutual covenants, promises and conditions hereinafter set forth, these parties agree as follows:

1. In consideration of the mutual covenants of the parties hereto, their heirs, executors, administrators, assigns, representative trustees, beneficiaries, directors, officers, employees, agents and attorneys and assigns to enter to this Mutual Release whereby the Plaintiff releases the Defendants and the Defendants release the Plaintiff from any and all demands, claims, damages, lawsuits, causes of action, costs and expenses of whatever character, known or unknown, and whenever occurring in the past, in the present or which will accrue in the future in any way, which are directly or indirectly related to the demands, claims and causes of action alleged, or which could have been alleged by the parties in the Complaint, the Amended Complaint and the various Counterclaims, or any amendments which could have been filed in the underlying proceedings.

2. The parties recognize that the Plaintiff and that the Defendants each may have claims against the others, of which they are unaware, it is the intention of the parties entering into this Mutual Release that this instrument will terminate the claim of the Plaintiff as against the Defendants and the Defendants against the Plaintiff, and prevent them from asserting the same. To this end, the

parties, and each of them, do waive all rights and benefits conferred upon them by statute or common law of any jurisdiction which has provisions which provides generally as follows:

“a general release does not extend to claims which the creditor does know or suspect in his favor at the time of executing the Release, which, if known by him, must have materially effected his settlement with the Debtor.”

The Plaintiff indemnifies the Defendants and the Defendants indemnify the Plaintiff from any and all claims asserted against any of them as a result of, or in connection with, any action or proceeding brought directly or indirectly on behalf, in the name of anyone claiming standing through the Plaintiff or the Defendants, contrary to the provisions of the Releases as provided for in this agreement.

3. This mutual settlement agreement is a compromise of disputed claims and arises out of, connected with, and relating to the underlying action and is not to be constructed as an admission of liability on the part of any party, all of whom expressly deny liability.

4. The construction, effect and validity of this agreement is governed by the laws of the State of Nevada and shall bind and inure to the benefit of each party and constitutes the entire agreement among the parties with respect to the subject hereto and may not be amended, except in writing, executed by the party to be charged.

5. Each party agrees to do anything necessary, and to execute all instruments necessary proper to effectuate the provisions and intent of this agreement, and each party shall mark cancelled and deliver to the other all evidence of any debt or obligation owed to the other, including Notes, Deeds of Trust or promises to pay, including, but not limited to, that certain Promissory Note

executed by Zandian in favor of Fariborz Fred Sadri and the Star Living Trust for \$333,333 secured by a Deed of Trust on 4,400 acres of property in Washoe County, Nevada.

6. Each party warrants that he has the power, capacity and authority to enter into this Mutual Release.

7. The Plaintiff and the Defendants separately acknowledge that their execution of this Release is freely and voluntarily done, and that all Recitals are true and correct, and they have not assigned or transferred to any person the matters released hereunder.

8. All the terms and conditions herein are severable in the event that any terms held are considered unenforceable by any court of competent jurisdiction. This agreement shall be interpreted as if the unenforceable terms were not contained herein.

9. This mutual agreement shall not create any rights in any person who is not a party hereto.

10. This mutual settlement agreement may be signed in multiple originals, each of which is considered a counterpart of the others, and taken together shall constitute one original.

DATED the day above first written.

GHOLAMREZA ZANDIAN JAZI

RAY KOROGHLI, individually

FARIBORZ FRED SADRI, individually and
as Trustee of the Star Living Trust

WENDOVER PROJECT, LLC

BY: _____

NEVADA LAND & WATER RESOURCES, LLC

BY: _____

BIG SPRING RANCH, LLC

BY: _____



1 ARB
2 FLOYD A. HALE, ESQ.
3 Nevada Bar No. 1873
4 JAMS
5 2300 W. Sahara, #900
6 Las Vegas, NV 89102
7 Ph: (702) 457-5267
8 Fax: (702) 437-5267
9 Arbitrator.

RECEIVED
MAR 02 2007
JOHN PETER LEE, LTD.

DISTRICT COURT
CLARK COUNTY, NEVADA

10 GHOLAMREZA ZANDIAN JAZI,) Case No. A511131
11)) Dept. No. XII
12 Plaintiff,)
13 vs.)
14 RAY KOROGHLI, individually,)
15 FABIRORZ FRED SADRI, individually,)
16 and as Trustee of the Star Living Trust,)
17 WENDOVER PROJECT, LLC, a Nevada)
18 limited liability company; BIG SPRING)
19 RANCH, LLC, a Nevada limited liability)
20 company, and NEVADA LAND AND)
21 WATER RESOURCES, LLC, a Nevada)
22 limited liability company,)
23 Defendants.)

ARBITRATOR REPORT AND RECOMMENDATION TO
DISTRICT COURT

23 This matter was submitted to Arbitration and Arbitration Hearings were conducted for two
24 days, as well as the submission of voluminous exhibits, depositions and briefs. During the
25 Arbitration proceeding, the parties agreed to meet with the Arbitrator in an effort to resolve the
26 dispute. With agreement of counsel, the parties met directly with the Arbitrator and an agreement
27 for a final conclusion of this matter was read into the record, being recorded by a court reporter.
28

FLOYD A. HALE
SPECIALIST
2300 W. SAHARA, SUITE 900
LAS VEGAS, NEVADA 89102
PHONE (702) 457-5267 EMAIL fhaale@floydahale.com

FLOYD A HALE
SPECIALIST
2300 W. SAHARA, SUITE 900
LAS VEGAS, NEVADA 89102
PHONE (702) 457-5267 EMAIL f. hale@floyd hale.com

1 The undersigned then issued an Arbitration Decision based upon the evidence submitted as well
2 as the agreement of the parties.

3
4 On January 11, 2007, counsel for the parties conducted a hearing before this Court
5 regarding confirmation of the Arbitration Award. Counsel for the parties could not reach an
6 agreement as to what documents needed to be signed to effect the Arbitration Decision. For that
7 reason, the matter was referred back to the Arbitrator for further proceedings. The actual
8 reference, contained in page 25, line 6-14 of the January 11, 2007, transcript is as follows:
9

10 THE COURT: I'm going to resolve your problem. Its real easy. I am
11 going to refer the matter back to Floyd Hale for further proceedings,
12 consistent with the 9/8/06 transcript. Those will include getting the
13 mechanism for the spouses of the parties to sign the documents, getting
14 a mechanism for the waiver of the release of the rights of first refusal
15 that exist, entering into the settlement agreement the parties entered
16 into. If he is unable to reach an agreement among the parties, then I
17 will have the final word.

18 The District Court has already indicated that wives of the principals will need to sign
19 documents. The following report and recommendation will reference the parties to the
20 Arbitration with the understanding that the District Court has already indicated that wives for
21 those parties will be required to sign all necessary documents.

22 IT IS REPORTED AND RECOMMENDED to the Court that the following documents
23 will need to be executed by the parties and their wives:

24 4,400 acres of real estate, owned by Poh Rah, LLC: The only members of the Pah Rah,
25 LLC are the parties to this action: Zandian Jazi; Ray Koroghli and Fred Sadri. These parties will
26 be required to sign a Grant Bargain Sale Deed to transfer the 4,400 acres of real estate to Zandian
27 Jazi. Fred Sadri will need to execute a full reconveyance of the Deed of Trust and release the
28 Promissory Note which was secured by the Deed of Trust as to this property. The parties will also

FLOYD A. HALE
SPECIALIST
2300 W. SAHARA, SUITE 900
LAS VEGAS, NEVADA 89102
PHONE (702) 457-5267 EMAIL fhaale@floydhaale.com

1 have to sign a waiver of any right of first refusal to this property.

2 320 acres owned by Big Springs Ranch, LLC. The only members of the Big Springs
3 Ranch LLC, are the parties to this action and Mr. Abrishami. If Mr. Zandian Jazi can obtain the
4 signature of Mr. Abrishami on a Deed to transfer this property, then the parties to this action must
5 all execute a Grant Bargain Sale Deed transferring this real estate to Zandian Jazi. If Mr. Jandian
6 Jazi is unable to obtain the signature of Mr. Abrishami, then Mr. Sadri and Mr. Koroghli are
7 required to sign a Quit Claim Deed from Big Springs Ranch, LLC to Zandian Jazi to sign waivers
8 of rights of first refusal.
9
10

11 \$250,000.00 Payment to Zandian Jazi: There has been a dispute as to what entity is
12 responsible for making this payment. During the Arbitration Proceedings, as well as during prior
13 meetings with the parties, it was represented to the Arbitrator that Mr. Sadri and Mr. Koroghli
14 would make this payment. It is Recommended that either Mr. Sadri or Mr. Koroghli, or both, are
15 individually responsible for this payment. Sadri and Koroghli may, however, execute the
16 payment check or draft in whatever representative capacity that they believe is the most
17 appropriate.
18

19 Transfer of Wendover Project, LLC Interest: Zandian Jazi has agreed to waive or transfer
20 any interest that he has, if any, in the Wendover Project, LLC. Mr. Netzorg has argued that it is
21 incumbent upon Mr. Zandian Jazi to obtain signatures on waivers of rights of first refusal from
22 all members of the LLC. This was not part of the settlement agreement and the District Court
23 should be aware that the Defendants contested that Zandian Jazi even owned rights in the
24 Wendover Project, LLC at the time of the arbitration.
25
26

27 It is the Report and Recommendation of the Arbitrator that Zandian Jazi sign a transfer
28 of all interest that he owns in the Wendover Project, LLC directly to: "Wendover Project, LLC."

FLOYD A. HALE
SPECIAL INTEREST
2300 W. SAHARA, SUITE 900
LAS VEGAS, NEVADA 89102
PHONE (702) 457-5267 EMAIL fhaale@floydahale.com

1 Zandian Jazi must also sign a waiver of any right of first refusal that he has as to that LLC.

2 The remaining managing members of the Wendover Project LLC are responsible for
3 determining the appropriate allocation of the Zandian Jazi interest. If they believe that it is
4 necessary to obtain waivers of rights of first refusal to make that allocation of interest, then it is
5 their responsibility to do so. Before distributing Mr. Zandian Jazi's interest, the managing
6 members of the LLC should either distribute that interest in accordance with the operating
7 agreements or, alternatively, obtain whatever signatures that the managing members determine
8 are necessary to make a different distribution or allocation of that interest. It would seem unfair
9 to place this burden on the transferring party who is merely transferring his interest to the entire
10 Wendover Project, LLC.
11

12 Big Springs Ranch, LLC: As with the Wendover Project, LLC, Mr. Zandian Jazi will be
13 required to execute a transfer of interest and waiver of any interest of the Big Springs Ranch,
14 LLC, directly to: "Big Springs Ranch, LLC." He must also execute a waiver of right of first
15 refusal that he would have under that LLC. As stated with the Wendover Project, LLC, it is the
16 duty of the managing members of the Big Springs Ranch, LLC, to make an appropriate
17 distribution or allocation of this interest. The remaining managing members of the Big Springs
18 Ranch, LLC must either transfer the property as required by the operating agreement or obtain
19 whatever waivers of rights of first refusal that are necessary to make a transfer which they believe
20 are necessary.
21

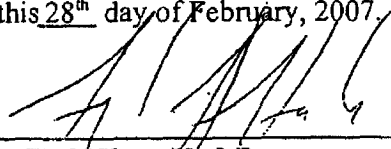
22 **CONCLUSION:**

23 Mr. Netzorg has contested the requirement that the receiving LLC entities are required to
24 obtain waivers of rights of first refusal. Actually, waivers are not necessary if the receiving
25 interest is transferred pursuant to the operating agreement. If the managing members want to
26
27
28

1 obtain waivers of rights of first refusal to make a different distribution, they are certainly free to
2 do so. That should not be the burden of Mr. Zandian Jazi.

3
4 Mr. Netzorg has also asked for numerous documents regarding a purported transfer of Mr.
5 Zandian Jazi's shipyard stock. There was absolutely no evidence that any entity related to these
6 proceedings acknowledged receipt of that stock or issued any credit related to receipt of that
7 stock. Although that stock was discussed during the Arbitration proceedings, there was no
8 competent evidence regarding that stock being relevant to the Arbitration proceedings.

9
10 RESPECTFULLY SUBMITTED this 28th day of February, 2007.

11
12 By: 
13 FLOYD A. HALE
14 2300 W. Sahara, #900
15 Las Vegas, NV 89102
16 Arbitrator

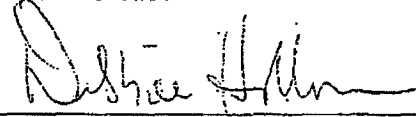
FLOYD A. HALE
SPECIAL INTER
2300 W. SAHARA, #900, SUITE 900
LAS VEGAS, NEVADA 89102
PHONE (702) 457-5267 EMAIL fhale@floydahale.com

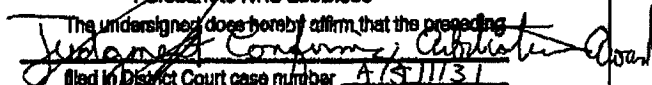
17
18 CERTIFICATE OF FACSIMILE AND MAIL

19 I hereby certify that on the 28th day of February, 2007, I faxed and mailed a true and
20 correct copy of the foregoing addressed to:

21 John Peter Lee, Esq.
22 830 Las Vegas Boulevard South
23 Las Vegas, NV 89101
24 Attorneys for Plaintiffs
25 Fax No. 383-9950

26 John Netzorg, Esq.
27 2810 West Charleston Blvd. #H-81
28 Las Vegas, NV 89102
Attorneys for Defendants
Fax No. 878-1255

By: 
Employee of Jams

AFFIRMATION
Pursuant to NRS 239B.030
The undersigned does hereby affirm that the preceding

filed in District Court case number 4:071131
DOES NOT contain the social security number of any person.
Date 6/8/07

1 NOEJ
 JOHN PETER LEE, LTD.
 2 JOHN PETER LEE, ESQ.
 Nevada Bar No. 001768
 3 MICHAEL A. REYNOLDS, ESQ.
 Nevada Bar No. 008631
 4 830 Las Vegas Boulevard South
 Las Vegas, Nevada 89101
 5 (702) 382-4044 Fax: (702) 383-9950
 Attorneys for Plaintiff/Counterdefendant

FILED

JUN 8 4 27 PM '07

Cliff Ellis
CLERK OF THE COURT

DISTRICT COURT

CLARK COUNTY, NEVADA

9 GHOLAMREZA ZANDIAN JAZI,)
)
 10 Plaintiff,)
)
 11 v.)
)
 12 RAY KOROGHLI, individually, FARIBORZ FRED)
 SADRI, individually, and as Trustee of the Star)
 13 Living Trust, WENDOVER PROJECT, LLC, a)
 Nevada limited liability company; BIG SPRING)
 14 RANCH, LLC, a Nevada limited liability company,)
 and NEVADA LAND AND WATER)
 15 RESOURCES, LLC, a Nevada limited liability)
 company,)
 16 Defendants.

CASE NO.: A511131
DEPT. NO.: XI

NOTICE OF ENTRY OF
JUDGMENT CONFIRMING
ARBITRATION AWARD

17 _____)
 18 RAY KOROGHLI, individually and FARIBORZ)
 FRED SADRI, individually,)
 19 Counterclaimants,)
)
 20 v.)
)
 21 GHOLAMREZ ZANDIAN JAZI,)
 Counterdefendant.

DATE: 6-5-07
TIME: 9:00 a.m.

22 _____)
 24 WENDOVER PROJECT, LLC,)
 Counterclaimant,)
 25)
 26 v.)
)
 27 GHOLAMREZ ZANDIAN JAZI,)
 Counterdefendant.

JOHN PETER LEE, LTD.
 ATTORNEYS AT LAW
 830 LAS VEGAS BOULEVARD SOUTH
 LAS VEGAS, NEVADA 89101
 Telephone (702) 382-4044
 Telecopier (702) 383-9950

CLERK OF THE COURT

JUN 8 2007

RECEIVED

JOHN PETER LEE, LTD.

ATTORNEYS AT LAW

830 LAS VEGAS BOULEVARD SOUTH

LAS VEGAS, NEVADA 89101

Telephone (702) 382-4044

Telecopier (702) 383-9950

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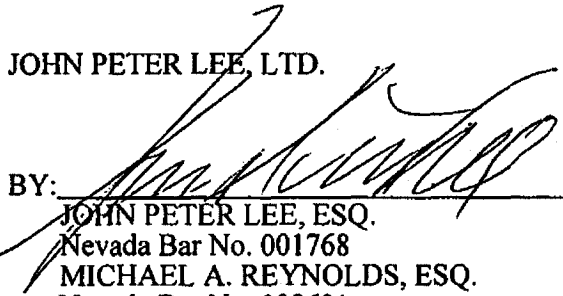
GHOLAMREZ ZANDIAN JAZI,
Counterclaimant,
v.
WENDOVER PROJECT, LLC,
Counterdefendant,

1334.022860-JLR

PLEASE TAKE NOTICE that an JUDGMENT CONFIRMING ARBITRATION was filed
in the above matter on the 8th day of June, 2007. A copy of said JUDGMENT is attached hereto.

DATED this 8th day of June, 2007.

JOHN PETER LEE, LTD.

BY: 

JOHN PETER LEE, ESQ.
Nevada Bar No. 001768
MICHAEL A. REYNOLDS, ESQ.
Nevada Bar No. 008631
830 Las Vegas Boulevard South
Las Vegas, Nevada 89101
Ph: (702) 382-4044/Fax: (702) 383-9950
Attorneys for Plaintiff/Counterdefendant
Gholamreza Zandian Jazi

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

1 JUDGE
JOHN PETER LEE, LTD.
2 JOHN PETER LEE, ESQ.
Nevada Bar No. 001768
3 MICHAEL A. REYNOLDS, ESQ.
Nevada Bar No. 008631
4 830 Las Vegas Boulevard South
Las Vegas, Nevada 89101
5 (702) 382-4044 Fax: (702) 383-9950
Attorneys for Plaintiff/Counterdefendant
6

FILED
JUN 8 10 50 AM '07

Cliff
CLERK OF THE COURT

7 **DISTRICT COURT**
8 **CLARK COUNTY, NEVADA**

9 GHOLAMREZA ZANDIAN JAZI,
10 Plaintiff,

CASE NO.: A511131
DEPT. NO.: XI

11 v.

12 RAY KOROGHLI, individually, FARIBORZ FRED
SADRI, individually, and as Trustee of the Star
13 Living Trust, WENDOVER PROJECT, LLC, a
Nevada limited liability company; BIG SPRING
14 RANCH, LLC, a Nevada limited liability company,
and NEVADA LAND AND WATER
15 RESOURCES, LLC, a Nevada limited liability
company,

16 Defendants.

JUDGMENT CONFIRMING
ARBITRATION AWARD

18 RAY KOROGHLI, individually and FARIBORZ
FRED SADRI, individually,

19 Counterclaimants,

DATE: 6-5-07
TIME: 9:00 a.m.

20 v.

21 GHOLAMREZA ZANDIAN JAZI,

22 Counterdefendant.

24 WENDOVER PROJECT, LLC,

25 Counterclaimant,

26 v.

27 GHOLAMREZA ZANDIAN JAZI,

28 Counterdefendant.

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

1 GHOLAMREZA ZANDIAN JAZI,
2 Counterclaimant,
3 v.
4 WENDOVER PROJECT, LLC,
5 Counterdefendant.

6 1334.022860-JLR

7 ZANDIAN'S MOTION FOR CONFIRMATION AND ENTRY OF JUDGMENT ON
8 ARBITRATION AWARD and the Defendants' COUNTERMOTION TO VACATE
9 ARBITRATION AWARD having come before this Court on Tuesday, June 5, 2007, the Honorable
10 Elizabeth Gonzalez presiding, and the Court being fully apprised in the premises and good cause
11 appearing, it is hereby

12 ORDERED that Plaintiff's MOTION FOR CONFIRMATION AND ENTRY OF
13 JUDGMENT ON ARBITRATION AWARD is granted, and Defendants' COUNTERMOTION TO
14 VACATE ARBITRATION AWARD is denied.

15 IT IS FURTHER ORDERED that this Court confirms the Arbitration Awards made and
16 entered by Floyd A. Hale, Esq., and enters judgment on the Arbitration Awards as follows:

17 IT IS ORDERED, ADJUDGED AND DECREED that all of the relief granted by the
18 aforesaid Arbitrator in his Arbitration Decision dated the 20th day of September, 2006, a copy of
19 which is attached hereto as Exhibit "1" is granted by this Court.

20 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that the Arbitrator's Decision
21 Denying Defendants' Motion to Change Award dated the 11th day of October, 2006, a copy of which
22 is attached hereto as Exhibit "2" is granted by this Court.

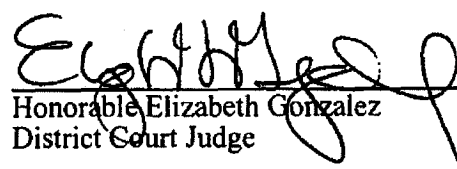
23 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that all relief granted in the
24 Implementation Award dated the 29th day of November, 2006, a copy of which is attached hereto
25 as Exhibit "3" is granted by this Court.

26 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that the Arbitrator's Report
27 and Recommendation to District Court dated the 28th day of February, 2007, a copy of which is
28 attached hereto as Exhibit "4" is granted by this Court.

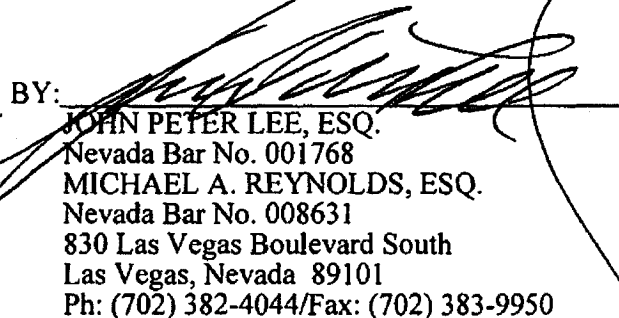
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IT IS FURTHER ORDERED, ADJUDGED AND DECREED that this Court retains jurisdiction to implement this Judgment.

Dated this 7 day of June, 2007.


Honorable Elizabeth Gonzalez
District Court Judge

SUBMITTED BY:
JOHN PETER LEE, LTD.

BY: 
JOHN PETER LEE, ESQ.
Nevada Bar No. 001768
MICHAEL A. REYNOLDS, ESQ.
Nevada Bar No. 008631
830 Las Vegas Boulevard South
Las Vegas, Nevada 89101
Ph: (702) 382-4044/Fax: (702) 383-9950
Attorneys for Plaintiff/Counterdefendant

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

RECEIVED
SEP 22 2006
JOHN PETER LEE, LTD.

1 ARB
2 FLOYD A. HALE, ESQ.
3 Nevada Bar No. 1873
4 JAMS
5 2300 W. Sahara, #900
6 Las Vegas, NV 89102
7 Ph: (702) 457-5267
8 Fax: (702) 437-5267
9 Arbitrator

DISTRICT COURT

CLARK COUNTY, NEVADA

10 GHOLAMREZA ZANDIAN JAZI,) Case No. A511131
11) Dept. No. XII
12 Plaintiff,)
13 vs.)
14 RAY KOROGHLI, individually,)
15 FABIRORZ FRED SADRI, individually,)
16 and as Trustee of the Star Living Trust,)
17 WENDOVER PROJECT, LLC, a Nevada)
18 limited liability company; BIG SPRING)
19 RANCH, LLC, a Nevada limited liability)
20 company, and NEVADA LAND AND)
21 WATER RESOURCES, LLC, a Nevada)
22 limited liability company,)
23 Defendants.)

ARBITRATION DECISION

24 Arbitration Hearings in this matter were conducted for two full days. The parties
25 submitted voluminous exhibits, depositions and briefs to the Arbitrator. Having reviewed the
26 documentation submitted and having heard the testimony and representations of the parties, the
27 following Arbitration Decision is entered:

- 28 1. The entire interest in the Pah Rah, LLC, property will be transferred to Gholamreza

FLOYD A. HALE
SPECIAL MASTER
2300 W. LAS VEGAS
LAS VEGAS, NEVADA 89102
PHONE (702) 457-5267 EMAIL fhaile@floydahale.com

FLORIAN MALE
SPECIAL MASTER
2300 W. ... AVE. SUITE 900
LAS VEGAS, NEVADA 89102
PHONE (702) 457-5257 EMAIL fmale@lloydhale.com

1 Zandian Jazi, free and clear of all encumbrances, including the promissory note secured by Deed
2 of Trust issued for the benefit of Fariborz Fred Sadri; any obligation owed to Jeff Codega, related
3 to work that was performed as to the Pah Rah real estate will be the obligation of Gholamreza
4 Zandian Jazi;
5

6 2. The 320 acres referenced in the briefs and this lawsuit will be transferred free and clear
7 to Gholamreza Zandian Jazi without any obligation to the other litigants or parties to this
8 Arbitration or to any other party who may profess to have an interest in the 320 acres that are
9 bound by this lawsuit and Arbitration;
10

11 3. Fariborz Fred Sadri and Ray Koroghli will, within 30 days from the service of this
12 Arbitration Decision, pay Gholamreza Zandian Jazi \$250,000.00 in return for Gholamreza
13 Zandian Jazi waiving any claims or any rights as to the Big Springs Ranch, LLC or any of its
14 assets;
15

16 4. That Gholamreza Zandian Jazi will transfer any interest in the Wendover project, LLC,
17 including all assets and real estate to Fariborz Fred Sadri and Ray Koroghli;

18 5. All of the entities and properties that are the subject of this Arbitration and lawsuit,
19 including Pah Rah, LLC, the owners of the 300 acres referenced above, the Big Springs Ranch,
20 LLC, and the Wendover purchase or Wendover Project, LLC, referenced in this lawsuit and
21 Arbitration waive any claims to reimbursement or participation in any consulting fees previously
22 paid to Gholamreza Zandian Jazi from the seller of the real estate to those entities;
23

24 6. That the parties, through counsel, will prepare all necessary documents to effect the
25 transfers of the real estate assets and LLC entities and the parties to this lawsuit and Arbitration
26 will execute all necessary documents to effect this Arbitration Order, including a mutual Release
27 to be executed by all parties.
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7. That each party pay their own fees and costs incurred herein.

DATED this 20th day of September, 2006.

By: 

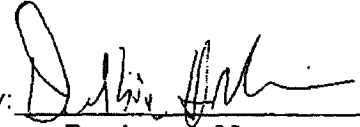
FLOYD HALE, Arbitrator
2300 West Sahara Avenue, #900
Las Vegas, NV 89102

CERTIFICATE OF FACSIMILE AND MAIL

I hereby certify that on the 21 day of September, 2006, I faxed and mailed a true and correct copy of the foregoing addressed to:

John Peter Lee, Esq.
830 Las Vegas Boulevard South
Las Vegas, NV 89101
Attorneys for Plaintiffs
Fax No. 383-9950

John Netzorg, Esq.
2810 West Charleston Blvd. #H-81
Las Vegas, NV 89102
Attorneys for Defendants
Fax No. 878-1255

By: 
Employee of Jams

FLOYD A. HALE
SPECIAL MASTER
2300 W. S. W. SUITE 900
LAS VEGAS, NV 89102
PHONE (702) 457-5267
EMAIL fhale@floydahale.com

1 ARB
2 FLOYD A. HALE, ESQ.
3 Nevada Bar No. 1873
4 JAMS
5 2300 W. Sahara, #900
6 Las Vegas, NV 89102
7 Ph: (702) 457-5267
8 Fax: (702) 437-5267
9 Arbitrator

10 DISTRICT COURT
11 CLARK COUNTY, NEVADA

12 GHOLAMREZA ZANDIAN JAZI,) Case No. A511131
13) Dept. No. XII
14 Plaintiff,)
15 vs.)
16 RAY KOROGHILI, individually,)
17 FABIRORZ FRED SADRI, individually,)
18 and as Trustee of the Star Living Trust,)
19 WENDOVER PROJECT, LLC, a Nevada)
20 limited liability company; BIG SPRING)
21 RANCH, LLC, a Nevada limited liability)
22 company, and NEVADA LAND AND)
23 WATER RESOURCES, LLC, a Nevada)
24 limited liability company,)
25 Defendants.)

26 **ARBITRATION DECISION**

27 On October 11, 2006, the Arbitrator received the Defendant's **MOTION TO CHANGE**
28 **AWARD BY ARBITRATOR PURSUANT TO NRS 38.237.** The Motion requests that
Zandian Jazi: Execute documents necessary to have the property transferred as required by the
Arbitration Decision; issue guarantees that he has not made transfers to third parties; assign shares
of shipyard stock; warrant and verify that he is in a position to execute documents required by the

FLOYD A. HALE
SPECIAL MASTER
2300 W. SAHARA, SUITE 900
LAS VEGAS, NV 89102
PHONE (702) 457-5267 EMAIL fhaile@floydahale.com

1 Arbitration Decision and verify other factual issues that were the subject of the Arbitration
2 Agreement.

3
4 The Motion goes well beyond the Arbitration Decision asking to reopen evidentiary
5 matters which are unnecessary at this time. Furthermore, paragraph 6 of the Arbitration Decision
6 indicates as follows:

7 6. That the parties, through counsel, will prepare all necessary
8 documents to effect the transfers of the real estate assets and LLC
9 entities and the parties to this lawsuit and Arbitration will execute all
10 necessary documents to effect this Arbitration Order, including a
mutual Release to be executed by all parties.

11 The Defendant's MOTION TO CHANGE AWARD BY ARBITRATOR PURSUANT
12 TO NRS 38.237 is denied.

13 DATED this 11th day of October, 2006.

14 By: 

15 FLOYD A. HALE
16 2300 W. Sahara, #900
17 Las Vegas, NV 89102
18 Arbitrator

19 CERTIFICATE OF FACSIMILE

20 I hereby certify that on the 11th day of October, 2006, I faxed and mailed a true and
21 correct copy of the foregoing addressed to:

22 John-Peter Lec, Esq.
23 830 Las Vegas Boulevard South
24 Las Vegas, NV 89101
25 Attorneys for Plaintiffs
26 Fax No. 383-9950

John Netzorg, Esq.
2810 West Charleston Blvd. #H-81
Las Vegas, NV 89102
Attorneys for Defendants
Fax No. 878-1255

27 By: 

28 Employee of Jams

FLOYD A. HALE
SPEC. MASTER
2300 W. SAHARA, SUITE 900
LAS VEGAS, NV 89102
PHONE (702) 457-6267 EMAIL: fha@floydahale.com

JOHN PETER LEE, LTD.
ATTORNEY AT LAW
830 LAS VEGAS BLVD. SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9951

1 AWD
2 JOHN PETER LEE, LTD.
3 JOHN PETER LEE, ESQ.
4 Nevada Bar No. 001768
5 MICHAEL A. REYNOLDS, ESQ.
6 Nevada Bar No. 008631
7 830 Las Vegas Boulevard South
8 Las Vegas, Nevada 89101
9 (702) 382-4044 Fax: (702) 383-9950
10 Attorneys for Plaintiff/Counterdefendant
11 GHOLAMREZA ZANDIAN JAZI

RECEIVED
NOV 30 2006
JOHN PETER LEE, LTD.

DISTRICT COURT
CLARK COUNTY, NEVADA

9 GHOLAMREZA ZANDIAN JAZI,
10 Plaintiff,
11 v.
12 RAY KOROGHLI, individually, FARIBORZ, FRED
13 SADRI, individually, and as Trustee of the Star
14 Living Trust, WENDOVER PROJECT, LLC, a
15 Nevada limited liability company; BIG SPRING
16 RANCH, LLC, a Nevada limited liability company,
17 and NEVADA LAND AND WATER
18 RESOURCES, LLC, a Nevada limited liability
19 company,
20 Defendants.

CASE NO.: A511131
DEPT. NO.: XIII

BEFORE ARBITRATOR
FLOYD A. HALE

IMPLEMENTATION AWARD

18 RAY KOROGHLI, individually and FARIBORZ
19 FRED SADRI, individually,
20 Counterclaimants,
21 v.
22 GHOLAMREZA ZANDIAN JAZI,
23 Counterdefendant.
24 WENDOVER PROJECT, LLC,
25 Counterclaimant,
26 v.
27 GHOLAMREZA ZANDIAN JAZI,
28 Counterdefendant.

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BLVD. SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9953

1 GHOLAMREZA ZANDIAN JAZI,
2 Counterclaimant,
3 v.
4 WENDOVER PROJECT, LLC,
5 Counterdefendant.

6 1334.022860-sy

7 **IMPLEMENTATION AWARD**

8 On September 20, 2006, an Arbitration Decision was issued in this dispute. Plaintiff
9 GHOLAMREZA ZANDIAN JAZI filed his Motion to Enforce Arbitration Decision on September
10 25, 2006. On October 24, 2006, Plaintiff filed his Motion to Implement Arbitration Award. On
11 October 26, 2006, Plaintiff filed his Amendment to Motion to Implement Arbitration Award and
12 Request for Expedited Hearing. On October 31, 2006, Defendants Sadri and Koroghli filed their
13 Opposition to Motion to Implement Arbitration Award. Plaintiff filed his Reply Re: Motion to
14 Implement Arbitration Award on November 2, 2006.

15 After considering the papers filed by both parties including draft transfer documents;

16 **THE FOLLOWING IMPLEMENTATION AWARD IS ENTERED:**

- 17 1. Defendants shall pay to John Peter Lee, Ltd., the sum of \$250,000 within five (5)
18 days.
- 19 2. Defendants are to execute and deliver to Plaintiff's Counsel within ten days of this
20 Award a Quitclaim Deed of the 320 acre parcel provided as Exhibit "1" by Plaintiff
21 on the 2nd day of November, 2006.
- 22 3. Defendants are to execute and deliver to Plaintiff's counsel within ten days of this
23 Award the Grant, Bargain and Sale Deed of the 320 acre parcel provided by Plaintiff
24 as Exhibit "2" on the 2nd of November, 2006.
- 25 4. Defendants are to execute and deliver to Plaintiff's counsel within ten days of this
26 Award the Quitclaim Deed of the 320 acre parcel provided by Plaintiff as Exhibit "3"
27 on November 2, 2006.
- 28 5. Defendants are to execute and deliver to Plaintiff's counsel within ten days of this

JOHN PETER LEE, LTD.

ATTORNEYS AT LAW

830 LAS VEGAS BLVD. SOUTH

LAS VEGAS, NEVADA 89101

Telephone (702) 382-4044

Telecopier (702) 383-9953

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- Award the Grant, Bargain and Sale Deed of the Pah-Rah parcel provided by Plaintiff as Exhibit "4" on November 2, 2006.
6. Mr. Sadri is to execute and deliver to Plaintiff's counsel within ten days of this Award the Request for Full Reconveyance concerning the \$333,000 Note provided by Plaintiff as Exhibit "5" on November 2, 2006.
7. Mr. Zandian is to execute and deliver to Defendants' counsel within ten days of this Award the Quitclaim Deed of the Wendover parcel provided by Plaintiff as Exhibit "6" on November 2, 2006.
8. Mr. Zandian is to execute and deliver to Defendants' counsel within ten days of this Award the Assignment of Interest in Wendover Project, LLC, provided by Plaintiff as Exhibit "7" on November 2, 2006.
9. Mr. Zandian is to execute and deliver to Defendants' counsel within ten days of this Award the Quitclaim Deed of the Big Spring Ranch parcel provided by Plaintiff as Exhibit "8" on November 2, 2006.
10. Mr. Zandian is to execute and deliver to Defendant's counsel within ten days of this Award the Assignment of Interest in Big Spring Ranch, LLC., provided by Plaintiff as Exhibit "9" on November 2, 2006.
11. Mr. Zandian is to execute and deliver to Defendants' counsel within ten days of this Award the Assignment of Interest in Nevada Land and Water Resources, LLC., provided by Plaintiff as Exhibit "10" on November 11, 2006.
12. Mr. Zandian is to record and deliver to Defendants' counsel within ten days of this Award the four (4) Releases of Lis Pendens provided by Plaintiff as Exhibit "11" on November 2, 2006.
13. Mr. Zandian is to execute, file and deliver to Defendants' counsel within ten days of this Award the Certificate of Resignation concerning Wendover Project, LLC., provided by Plaintiff as Exhibit "12" on November 2, 2006.
14. Mr. Zandian is to execute, file and deliver to Defendants' counsel within ten days of this Award the Certificate of Resignation concerning Nevada Land and Water

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BLVD. SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
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Resources, LLC, provided as Exhibit "13" on November 2, 2006.

15. Mr. Zandian is to execute, file and deliver to Defendants' counsel within ten days of this Award the Certificate of Resignation concerning Big Spring Ranch, LLC., provided by Plaintiff as Exhibit "14" on November 2, 2006.

16. All parties are to sign the Mutual Release of Claims provided by Plaintiff as Exhibit "16" on November 2, 2006, and deliver a Counterpart to the other party's counsel within ten (10) from this Award.


Dated this 29th day of November, 2006.



FLOYD A. HALE, ARBITRATOR

Respectfully submitted

JOHN PETER LEE, LTD.



JOHN PETER LEE, ESQ.
Nevada Bar No. 001768
MICHAEL A. REYNOLDS, ESQ.
Nevada Bar No. 008631
830 Las Vegas Boulevard South
Las Vegas, Nevada 89101
(702) 382-4044 Fax: (702) 383-9950
Attorneys for Plaintiff/Counterdefendant

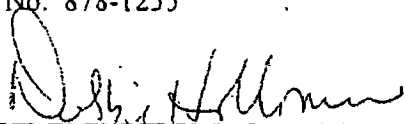
CERTIFICATE OF FACSIMILE AND MAILING

I hereby certify that on the 29th day of November 2006, I faxed and mailed a true and correct copy of the foregoing Implementation Award addressed to:

John Peter Lee, Esq.
830 Las Vegas Boulevard South
Las Vegas, NV 89101
Attorneys for Plaintiffs
Fax No. 383-9950

John Netzorg, Esq.
2810 West Charleston Blvd. #H-81
Las Vegas, NV 89102
Attorneys for Defendants
Fax No. 878-1255

By:



Employee of Jams

APN: 076-100-19

WHEN RECORDED, RETURN TO
JOHN PETER LEE, LTD.
830 Las Vegas Boulevard South
Las Vegas, Nevada 89101

GRANTEE/MAIL TAX STATEMENTS TO:
JOHN PETER LEE, LTD.
830 Las Vegas Boulevard South
Las Vegas, Nevada 89101

320 acre parcel

QUITCLAIM DEED

By this instrument dated this ____ day of _____, 2006, for a valuable consideration, Ray Koroghli, individually, and Fariborz Fred Sadri, individually and as Trustee of the Star Living Trust, do hereby remise, release and forever quitclaim to Gholamreza Zandian Jazi, the following described real property in the State of Nevada, County of Washoe:

Set forth in Exhibit A attached and incorporated herein by this reference

RAY KOROGHLI, individually

FARIBORZ FRED SADRI, individually

FARIBORZ FRED SADRI, as Trustee of the
Star Living Trust

STATE OF NEVADA)
) SS.:
COUNTY OF CLARK)

On _____, 2006, before me the undersigned, a Notary Public in and for said County and State, personally appeared Ray Koroghli, known to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.

NOTARY PUBLIC

STATE OF NEVADA)
) SS.:
COUNTY OF CLARK)

On _____, 2006, before me the undersigned, a Notary Public in and for said County and State, personally appeared Fariborz Fred Sadri, known to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.

NOTARY PUBLIC

STATE OF NEVADA)
) SS.:
COUNTY OF CLARK)

On _____, 2006, before me the undersigned, a Notary Public in and for said County and State, personally appeared Fariborz Fred Sadri, Trustee of the Star Living Trust, known to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.

NOTARY PUBLIC

County Home => Assessor's Office => Property Assessment Data => Parcel QuickInfo

WASHOE COUNTY QUICK INFO (Summary data may not be complete representation of property)				10/18/2006	
Owner Information & Legal Description			Building Information		
APN	076-100-19		Property Name:		
Parcel Map | Map Warehouse			Quality		Bldg Type
Card 1 of 1			Stories		
Situs	SPANISH SPRINGS RD		Year Built	0	Square Feet 0
Owner 1	BIG SPRING RANCH LLC		W.A.Y.	0	Square Feet does not include Bsmt or Garage Conversion area click for details
Mail Address	P O BOX 81624		Bedrooms	0	
	LAS VEGAS NV 89180-1624		Full Baths	0	Finished Bsmt 0
Owner 2			Half Baths	0	Unfin Bsmt 0
Owner 3			Fixtures	0	Bsmt Type
Rec Doc No	02957442	Rec Date	11/21/2003	Fireplaces	0
Prior Owner	GRAHAM,EARL L & JONI		Heat Type		Total Gar Area 0
Prior Doc	02623847 11/30/2001		Sec Heat Type		Gar Type
Legal Desc	34-1-1-2		Ext Walls		Det Garage 0
Subdivision	34-1-1-2		Sec Ext Walls		Bsmt Gar Door 0
	Lot	Block	Sub Map#	Roof Cover	Sub Floor
	Record of Survey Map		Parcel Map#	%Incomplete	0
Section 34	Township 21	Range 21	SPC	Obso/Bldg Adj	0
Tax Dist	4400	Add'l Tax Info	Prior APN	Construction Mod	0
				Last Activity	C&M 04/08/1996
					Last Permit

Land Information											
Land Use	012	Zoning	GR	Sewer	NONE	Value Year	2007	Reason	Reappraisal	Factor Dist	586R
Size	320 Ac	Water	NONE	Street	NONE			Reapp Years	2002-2007		

Valuation Information		2005/2006 FV	2006/2007 FV	Sales/Transfer Information/Recorded Document				
				V-Code	LUC	Doc Date	Value	Grantor
Taxable Land Value		78,304	86,917	1SVR	012	11/21/2003	95,000	GRAHAM,EARL L & JONI
Txble Improvement Value		0	0	3NTT	012	11/30/2001	0	LANDON,DALE R
Secured Personal Property (rounded)		0	0	3NTT	012	11/30/2001	0	GRAHAM,EARL L & JONI
Taxable Total		78,304	86,917			07/07/1997	0	
Assessed Land Value		27,406	30,421	1GCR	012	06/03/1997	70,000	
Assessed Improvement Value		0	0			08/01/1976	10,980	

All data on this form is for use by the Washoe County Assessor for

Assessed Personal Prop		0	assessment purposes only. Zoning information should be verified with the appropriate planning agency.
Total Assessed	27,406	30,421	
Supplemental New Const	0	0	

We are currently experiencing some problems with our photo and sketch database which can cause the wrong sketch or photo to display, please review any sketches and photos carefully.

Sketch Is Not Available On-Line.	Property Photo Is Not Available On-Line.
----------------------------------	--

99052

:: return to original page ::

APN: 076-100-19

WHEN RECORDED, RETURN TO

JOHN PETER LEE, LTD.
830 Las Vegas Boulevard South
Las Vegas, Nevada 89101

GRANTEE/MAIL TAX STATEMENTS TO:

JOHN PETER LEE, LTD.
830 Las Vegas Boulevard South
Las Vegas, Nevada 89101

320 acre parcel

GRANT, BARGAIN AND SALE DEED

THIS INDENTURE, made this ____ day of _____, 2006, by and between Big Spring Ranch, LLC, as Grantor, and Gholamreza Zandian Jazi, as Grantee:

WITNESSETH

That Grantor, in consideration of the sum of Ten Dollars (\$10.00) lawful money of the United States, and good and valuable consideration, paid to Grantor by Grantee, the receipt whereof is hereby acknowledged, does by these presents grant, bargain and sell to Grantee and to Grantee's successors and assigns, all those certain lots, pieces, or parcels of land situated in the County of Washoe, State of Nevada, and more particularly described as follows:

Set forth in Exhibit A attached and incorporated herein by this reference

TOGETHER WITH all and singular the tenements, hereditaments, and appurtenances thereunto belonging or in anywise appertaining, and the reversion and reversions, remainder or remainders, rents, issues, and profits thereof.

SUBJECT TO rights, reservations and restrictions of record.

TO HAVE AND TO HOLD all and singular the premises, together with the appurtenances, unto Grantee and to Grantee's successors and assigns forever.

IN WITNESS WHEREOF, Grantor have executed this conveyance the day and year first above written.

BIG SPRING RANCH, LLC

BY: _____
RAY KOROGHLI, Member/Manager

BY: _____
FARIBORZ FRED SADRI, Member/Manager

STATE OF NEVADA)
) SS.:
COUNTY OF CLARK)

On _____, 2006, before me the undersigned, a Notary Public in and for said County and State, personally appeared Ray Koroghli, known to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.

NOTARY PUBLIC

STATE OF NEVADA)
) SS.:
COUNTY OF CLARK)

On _____, 2006, before me the undersigned, a Notary Public in and for said County and State, personally appeared Fariborz Fred Sadri, known to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.

NOTARY PUBLIC

County Home => Assessor's Office => Property Assessment Data => Parcel QuickInfo

WASHOE COUNTY QUICK INFO (Summary data may not be complete representation of property)										10/18/2006		
Owner Information & Legal Description					Building Information							
APN 076-100-19					Property Name:							
Parcel Map | Map Warehouse					Quality		Bldg Type					
Card 1 of 1					Stories							
Situs SPANISH SPRINGS RD					Year Built 0		Square Feet 0					
Owner 1 BIG SPRING RANCH LLC					W.A.Y. 0		Square Feet does not include Bsmt or Garage Conversion area click for details					
Mail Address P O BOX 81624					Bedrooms 0							
LAS VEGAS NV 89180-1624					Full Baths 0		Finished Bsmt 0					
Owner 2					Half Baths 0		Unfin Bsmt 0					
Owner 3					Fixtures 0		Bsmt Type					
Rec Doc No 02957442 Rec Date 11/21/2003					Fireplaces 0		Gar Conv Sq Foot 0					
Prior Owner GRAHAM,EARL L & JONI					Heat Type		Total Gar Area 0					
Prior Doc 02623847 11/30/2001					Sec Heat Type		Gar Type					
Legal Desc 34-1-1-2					Ext Walls		Det Garage 0					
Subdivision 34-1-1-2					Sec Ext Walls		Bsmt Gar Door 0					
Lot Block			Sub Map#		Roof Cover		Sub Floor					
Record of Survey Map			Parcel Map#		%Incomplete 0		Frame					
Section 34 Township 21 Range 21			SPC		Obso/Bldg Adj 0		Units/Bldg 0					
Tax Dist 4400 Add'l Tax Info			Prior APN		Construction Mod 0		Units/Parcel 0					
					Last Activity CEM 04/08/1996		Last Permit					
Land Information												
Land Use 012		Zoning GR		Sewer NONE		Value Year 2007		Reason Reappraisal		Factor Dist 586R		
Size 320 Ac		Water NONE		Street NONE				Reapp Years 2002-2007				
Valuation Information			2005/2006 FV		2006/2007 FV		Sales/Transfer Information/Recorded Document					
Taxable Land Value			78,304		86,917		V-Code LUC		Doc Date		Value Grantor	
Txble Improvement Value			0		0		1SVR 012		11/21/2003		95,000 GRAHAM,EARL L & JONI	
Secured Personal Property (rounded)			0		0		3NTT 012		11/30/2001		0 LANDON,DALE R	
Taxable Total			78,304		86,917		3NTT 012		11/30/2001		0 GRAHAM,EARL L & JONI	
Assessed Land Value			27,406		30,421				07/07/1997		0	
Assessed Improvement Value			0		0		1GCR 012		06/03/1997		70,000	
									08/01/1976		10,980	
All data on this form is for use by the Washoe County Assessor for												

Assessed Personal Prop		0	assessment purposes only. Zoning information should be verified with the appropriate planning agency.
Total Assessed	27,406	30,421	
Supplemental New Const	0	0	
We are currently experiencing some problems with our photo and sketch database which can cause the wrong sketch or photo to display, please review any sketches and photos carefully.			
Sketch Is Not Available On-Line.		Property Photo Is Not Available On-Line.	

99052

.: return to original page .:

APN: 076-100-19

WHEN RECORDED, RETURN TO
JOHN PETER LEE, LTD.
830 Las Vegas Boulevard South.
Las Vegas, Nevada 89101

GRANTEE/MAIL TAX STATEMENTS TO:
JOHN PETER LEE, LTD.
830 Las Vegas Boulevard South
Las Vegas, Nevada 89101

320 acre parcel

QUITCLAIM DEED

By this instrument dated this ____ day of _____, 2006, for a valuable consideration,
Big Spring Ranch, LLC does hereby remise, release and forever quitclaim to Gholamreza Zandian
Jazi, the following described real property in the State of Nevada, County of Washoe:

Set forth in Exhibit A attached and incorporated
herein by this reference

BIG SPRING RANCH, LLC

BY: _____
RAY KOROGHLI

BY: _____
FARIBORZ FRED SADRI

STATE OF NEVADA)
) SS.:
COUNTY OF CLARK)

On the ____ day of _____, 2006, before me the undersigned, a Notary Public
in and for said County and State, personally appeared Ray Koroghli, known to me to be the person
whose name is subscribed to the within instrument, and acknowledged to me that he executed the
same.

NOTARY PUBLIC

STATE OF NEVADA)
) SS.:
COUNTY OF CLARK)

On the ____ day of _____, 2006, before me the undersigned, a Notary Public in and for said County and State, personally appeared Fariborz Fred Sadri, known to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.

NOTARY PUBLIC

County Home => Assessor's Office => Property Assessment Data => Parcel QuickInfo

WASHOE COUNTY QUICK INFO (Summary data may not be complete representation of property)										10/18/2006	
Owner Information & Legal Description					Building Information						
APN 076-100-19					Property Name:						
Parcel Map | Map Warehouse					Quality		Bldg Type				
Card 1 of 1					Stories						
Situs SPANISH SPRINGS RD					Year Built	0	Square Feet 0				
Owner 1 BIG SPRING RANCH LLC					W.A.Y.	0	Square Feet does not include Bsmt or Garage Conversion area click for details				
Mail Address P O BOX 81624					Bedrooms	0					
LAS VEGAS NV 89180-1624					Full Baths	0	Finished Bsmt 0				
Owner 2					Half Baths	0	Unfin Bsmt 0				
Owner 3					Fixtures	0	Bsmt Type				
Rec Doc No 02957442 Rec Date 11/21/2003					Fireplaces	0	Gar Conv Sq Foot 0				
Prior Owner GRAHAM,EARL L & JONI					Heat Type		Total Gar Area 0				
Prior Doc 02623847 11/30/2001					Sec Heat Type		Gar Type				
Legal Desc 34-1-1-2					Ext Walls		Det Garage 0				
Subdivision 34-1-1-2					Sec Ext Walls		Bsmt Gar Door 0				
Lot Block Sub Map#					Roof Cover		Sub Floor				
Record of Survey Map Parcel Map#					%Incomplete	0	Frame				
Section 34 Township 21 Range 21 SPC					Obso/Bldg Adj	0	Units/Bldg 0				
Tax Dist 4400 Add'l Tax Info Prior APN					Construction Mod	0	Units/Parcel 0				
					Last Activity	CEM 04/08/1996	Last Permit				
Land Information											
Land Use	012	Zoning	GR	Sewer	NONE	Value Year	2007	Reason	Reappraisal	Factor Dist	586R
Size	320 Ac	Water	NONE	Street	NONE			Reapp Years	2002-2007		
Valuation Information			2005/2006 FV		2006/2007 FV		Sales/Transfer Information/Recorded Document				
Taxable Land Value	78,304		86,917		V-Code	LUC	Doc Date	Value	Grantor		
Txble Improvement Value	0		0		1SVR	012	11/21/2003	95,000	GRAHAM,EARL L & JONI		
Secured Personal Property (rounded)	0		0		3NTT	012	11/30/2001	0	LONDON,DALE R		
Taxable Total	78,304		86,917		3NTT	012	11/30/2001	0	GRAHAM,EARL L & JONI		
Assessed Land Value	27,406		30,421				07/07/1997	0			
Assessed Improvement Value	0		0		1GCR	012	06/03/1997	70,000			
	0		0				08/01/1976	10,980			
All data on this form is for use by the Washoe County Assessor for											

Assessed Personal Prop		0	assessment purposes only. Zoning information should be verified with the appropriate planning agency.
Total Assessed	27,406	30,421	
Supplemental New Const	0	0	

We are currently experiencing some problems with our photo and sketch database which can cause the wrong sketch or photo to display, please review any sketches and photos carefully.

Sketch Is Not Available On-Line.	Property Photo Is Not Available On-Line.
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99052

:: return to original page ::

APN: 079-150-09, 079-150-10, 07-150-13
084-040-02, 084-040-04, 084-040-06
084-040-10, 084-130-07, -84-140-17

WHEN RECORDED, RETURN TO

JOHN PETER LEE, LTD.
830 Las Vegas Boulevard South
Las Vegas, Nevada 89101

GRANTEE/MAIL TAX STATEMENTS TO:

JOHN PETER LEE, LTD.
830 Las Vegas Boulevard South
Las Vegas, Nevada 89101

Pah Rah parcel

GRANT, BARGAIN AND SALE DEED

THIS INDENTURE, made this ____ day of _____, 2006, by and between Ray Koroghli, individually, and Fariborz Fred Sadri, individually and as Trustee of the Star Living Trust, as Grantors, and Gholamreza Zandian Jazi, as Grantee:

WITNESSETH

That Grantors, in consideration of the sum of Ten Dollars (\$10.00) lawful money of the United States, and good and valuable consideration, paid to Grantors by Grantee, the receipt whereof is hereby acknowledged, does by these presents grant, bargain and sell to Grantee and to Grantee's successors and assigns, all those certain lots, pieces, or parcels of land situated in the County of Washoe, State of Nevada, and more particularly described as follows:

Set forth in Exhibit A attached and incorporated
herein by this reference

TOGETHER WITH all and singular the tenements, hereditaments, and appurtenances thereunto belonging or in anywise appertaining, and the reversion and reversions, remainder or remainders, rents, issues, and profits thereof.

SUBJECT TO rights, reservations and restrictions of record.

TO HAVE AND TO HOLD all and singular the premises, together with the appurtenances, unto Grantee and to Grantee's successors and assigns forever.

IN WITNESS WHEREOF, Grantors have executed this conveyance the day and year first above written.

RAY KOROGHLI, individually

FARIBORZ FRED SADRI, individually

FARIBORZ FRED SADRI, as Trustee of the
Star Living Trust

STATE OF NEVADA)
) SS.:
COUNTY OF CLARK)

On _____, 2006, before me the undersigned, a Notary Public in and for said County and State, personally appeared Ray Koroghli, known to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.

NOTARY PUBLIC

STATE OF NEVADA)
) SS.:
COUNTY OF CLARK)

On _____, 2006, before me the undersigned, a Notary Public in and for said County and State, personally appeared Fariborz Fred Sadri, known to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.

NOTARY PUBLIC

STATE OF NEVADA)
) SS.:
COUNTY OF CLARK)

On _____, 2006, before me the undersigned, a Notary Public in and for said County and State, personally appeared Fariborz Fred Sadri, Trustee of the Star Living Trust, known to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.

NOTARY PUBLIC

APN: 079-150-09, 079-150-10, 07-150-13
084-040-02, 084-040-04, 084-040-06,
084-040-10, 084-130-07, 084-140-17

DOC # 2900592
08/08/2003 03:48P Fee: 20.00

BK1
Requested By
WESTERN TITLE COMPANY INC
Washoe County Recorder
Kathryn L. Burke - Recorder
Pg 1 of 7 RPTT 1500.00

RPTT \$1,500.00 130277-TX

RECORDING REQUESTED BY AND
WHEN RECORDED RETURN TO:

Star Living Trust
950 Seven Hills Drive, Ste 1026
Henderson, NV 89052

2827 S. MONTE CRISTO
LAS VEGAS, NV 89117

MAIL TAX STATEMENT TO ABOVE

25269-DAR

00130277

GRANT, BARGAIN AND SALE DEED



THIS GRANT, BARGAIN AND SALE DEED is made this 1st day of AUGUST, 2003 by and between NEVADA LAND AND RESOURCE COMPANY, LLC, a Delaware limited liability company, whose address is 704 W. Nye Lane, Suite 201, Carson City, Nevada, 89703 (referred to as "GRANTOR") and FRED SADRI TRUSTEE OF THE STAR LIVING TRUST, DATED APRIL 14, 1997, AS TO AN UNDIVIDED 1/3 INTEREST, RAY KOROGHLI, AN UNMARRIED MAN, AS TO AN UNDIVIDED 1/3 INTEREST AND REZA ZANDIAN, A MARRIED MAN AS HIS SOLE AND SEPARATE PROPERTY, AS TO AN UNDIVIDED 1/3 INTEREST, AS TENANTS IN COMMON, (referred to as "GRANTEE").

GRANTOR, in consideration of the sum of Ten Dollars (\$10.00), lawful money of the United States, and other good and valuable consideration to GRANTOR paid by the GRANTEE, the receipt of which GRANTOR acknowledges, by these presents grants, bargains and sells to GRANTEE, and to GRANTEE's successors and assigns forever, all right, title and interest in and to that certain real property situated in Washoe County, State of Nevada, and more particularly described on Exhibit A, except the easement and mineral estate and interest reserved to GRANTOR.

Together with all and singular the tenements, hereditaments and appurtenances belonging, or in anywise appertaining, to the real property, and the reversion and reversions, remainder and remainders, rents, issues and profits of the real property;

To have and to hold the real property above described with the appurtenances, unto GRANTEE, and to GRANTEE's heirs, and successors and assigns forever.

GRANTOR reserves to itself and its successors and assigns a 20 foot wide access easement over, through, within, under, across and along the East and South boundaries of Section 3, Township 20 North, Range 23 East.

GRANTOR reserves to itself the exclusive right and privilege to enter on the property for the purposes of exploration and prospecting for the development, extraction, mining, production, removal and sale of all minerals, mineral substances, metals, ore-bearing materials, coal, oil, gas, other hydrocarbons, geothermal steam, liquids or brines, heat, other geothermal resources and rocks of every kind, except sand and gravel. The mineral estate and rights reserved to Grantor include all of the right, title and interest to minerals in, on or under the property, including, but not limited to, the surface and subsurface of the property, all minerals, mineral elements and compounds and ores, together with all easements and rights-of-way reserved or granted in, on or under the property, together with any and all lodes, veins and mineral deposits extending from or into or contained in the

100700



property. The term "minerals" shall include all mineral elements and compounds, including by way of example and not by limitation, all barite, copper, gold, iron, silver and other metals, whether the same are presently known to exist on the property or are subsequently discovered on the property, and regardless of the method of extraction, mining or processing of the same (whether open pit or strip mining, underground mining, surface or subsurface leaching) whether presently or subsequently employed, invented, or developed. Grantor reserves to itself the rights of egress and ingress to and from the property for any and all purposes related to the mineral estate reserved to Grantor. Grantor shall conduct all of its activities in accordance with all applicable laws, regulations, and ordinances, and shall defend, indemnify and hold Grantee from and against all actions, claims, damages and losses resulting from Grantor's exercise of the rights appurtenant to its reserved mineral estate. Grantor shall compensate Grantee for surface damages resulting from Grantor's activities related to Grantor's reserved mineral estate. If Grantee and Grantor are unable to mutually determine the damages resulting to the surface, such damages shall be determined by a mutually acceptable independent appraiser who shall determine the fair market value of the surface damaged as a result of Grantor's activities.

GRANTOR makes no representation or warranty concerning the effect of those Minerals Leases, by and between Southern Pacific Land Company, a California corporation, as lessor, and SFP Minerals Corporation, a Delaware corporation, as lessee, to the degree or the extent that the same applies and is enforceable against the property described in this Grant, Bargain and Sale Deed, if at all.

GRANTOR has executed this Grant, Bargain and Sale Deed the day and year first above written.

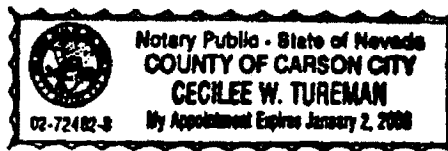
NEVADA LAND AND RESOURCE COMPANY, LLC, A
DELAWARE LIMITED LIABILITY COMPANY

By: *Dorothy A. Timian-Palmer*
Dorothy A. Timian-Palmer
Chief Operating Officer

STATE OF NEVADA)
) ss.
COUNTY OF CARSON CITY)

This instrument was acknowledged before me on August 1, 2003, by Dorothy A. Timian-Palmer its Chief Operating Officer of and for Nevada Land and Resource Company, LLC, a Delaware limited liability company.

Cecile W. Tureman
Notary Public



100701



EXHIBIT " A "

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

PARCEL A:

A.P.N. 079-150-09

The Northeast $\frac{1}{4}$ and the South $\frac{1}{2}$ of the Northwest $\frac{1}{4}$ and the South $\frac{1}{2}$ in
Section 33, Township 21 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar
and other valuable minerals as reserved by the United States of America or the
State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores
within or underlying the property, including, without limitation, oil, natural gas
and hydrocarbon substances, geothermal steam, brines and minerals in solution,
and sand gravel and aggregates, and products derived therefrom, together with
any rights of ingress and egress in, upon or over the property and to make such
use of the property and the surface thereof as is necessary or useful in
connection therewith, as reserved in the Deed recorded January 09, 1990 in
Book 3019, Page 756 as Document No. 1373452 of Official Records.

PARCEL B:

A.P.N. 079-150-10

Section 31, Township 21 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar
and other valuable minerals as reserved by the United States of America or the
State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores
within or underlying the property, including, without limitation, oil, natural gas
and hydrocarbon substances, geothermal steam, brines and minerals in solution,
and sand gravel and aggregates, and products derived therefrom, together with



any rights of ingress and egress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded February 22, 1991 in Book 3216, Page 526 as Document No. 1461483 of Official Records.

PARCEL C:

A.P.N. 079-150-13

The Northeast $\frac{1}{4}$; South $\frac{1}{2}$ of the Northwest $\frac{1}{4}$; South $\frac{1}{2}$ of Section 27, Township 21 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with any rights of ingress and egress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded January 09, 1990 in Book 3019, Page 756 as Document No. 1373452 of Official Records.

PARCEL D:

A.P.N. 084-040-02

Section 5, Township 20 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with any rights of ingress and egress in, upon or over the property and to make such



use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded February 22, 1991 in Book 3216, Page 526 as Document No. 1461483 of Official Records.

PARCEL E:

A.P.N. 084-040-04

Section 3, Township 20 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with any rights of ingress and egress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded January 03, 1992 in Book 3391, Page 840 as Document No. 1534872 of Official Records.

PARCEL F:

A.P.N. 084-040-06

Section 1, Township 20 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with any rights of ingress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection



therewith, as reserved in the Deed recorded January 03, 1992 in Book 3391, Page 840 as Document No. 1534872 of Official Records.

PARCEL G:

A.P.N. 084-040-10

The North $\frac{1}{2}$ and the North $\frac{1}{2}$ of the Northwest $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ and the Southwest $\frac{1}{4}$ of the Northwest $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ and the North $\frac{1}{2}$ of the Northeast $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ and the North $\frac{1}{2}$ of the Northwest $\frac{1}{4}$ of the Southeast $\frac{1}{4}$, all in Section 11, Township 20 North, Range 23 East, M.D.B.&M.

ALSO EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with any rights of ingress and egress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded January 03, 1992 in Book 3391, Page 840 as Document No. 1534872 of Official Records.

PARCEL H:

A.P.N. 084-130-07

The Northwest $\frac{1}{4}$ and the North $\frac{1}{2}$ of the Southwest $\frac{1}{4}$ and Government Lot 1 in the Southwest $\frac{1}{4}$ of Section 15, Township 20 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with



any rights of ingress and egress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded January 03, 1992 in Book 3391, Page 840 as Document No. 1534872 of Official Records.

PARCEL I:

A.P.N. 084-140-17

The Northeast $\frac{1}{4}$ of Section 15, Township 20 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with any rights of ingress and egress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded January 03, 1992 in Book 3391, Page 840 as Document No. 1534872 of Official Records.

REQUEST FOR FULL RECONVEYANCE

TO: Western Title Company, Inc., Trustee

The undersigned is the legal owner and holder of the Note or Notes, and of all other indebtedness secured by the attached Deed of Trust. Said Note or Notes, together with all other indebtedness secured by said Deed of Trust, have been fully paid and satisfied; and you are hereby requested and directed to cancel said note or notes above mentioned, and all other evidences of indebtedness secured by said Deed of Trust delivered to you herewith, together with the Deed of Trust, and to reconvey, without warranty, to Gholamreza Zandian Jazi all the estate now held by you under the same.

DATED this _____ day of _____, 2006.

Fariborz Fred Sadri

STAR LIVING TRUST

BY: _____
Fariborz Fred Sadri, Trustee

Pah Rah parcel

APN: 079-150-09,10,13 084-040-02,04,06,10 084-130-07

084-145-17

DOC # 2900594

08/08/2003 03:48P Fee:48.00

8X1

Requested By

WESTERN TITLE COMPANY INC

Washoe County Recorder

Kathryn L. Burke - Recorder

Pg 1 of 10 RPT 0.00

RECORDING REQUESTED BY:

Western Title Company, Inc.

WHEN RECORDED MAIL TO:



Name STAR LIVING TRUST, FRED SADRI
Street 2827 S. MONTE CRISTO
City, State LAS VEGAS, NV 89117
Zip
Order No. 00025269-501-DBR - ACCORDING TO

(SPACE ABOVE THIS LINE FOR RECORDERS USE)

DEED OF TRUST WITH ASSIGNMENT OF RENTS

This DEED OF TRUST, made on July 31, 2003, between REZA ZANDIAN, a married man as his sole and separate property, TRUSTOR, whose address is 9550 W. Sahara Ave., Apt 2148
Las Vegas 89117 NV 89117 Western Title Company, Inc.,
a Nevada Corporation, TRUSTEE, and FARIBORZ SADRI, TRUSTEE OF THE STAR LIVING TRUST, DATED APRIL 14, 1997, BENEFICIARY.

WITNESSETH: That Trustor grants to Trustee in Trust, with Power of Sale, that property in the City of N/A, County of Washoe, Nevada, described as:

SEE ATTACHED FOR LEGAL DESCRIPTION

In the event the herein described property or any part thereof, or any interest therein is sold, agreed to be sold, conveyed or alienated by the trustor, or by the operation of law or otherwise, all obligations secured by this instrument, irrespective of the maturity dates expressed therein, at the option of the holder hereof and without demand or notice shall immediately become due and payable.

Together with the rents, issues and profits thereof, subject, however, to the right, power and authority hereinafter given to and conferred upon Beneficiary to collect and apply such rents, issues and profits.

For the Purpose of Securing (1) payment of the sum of \$333,996.56 with interest thereon according to the terms of a promissory note or notes of even date herewith made by Trustor, payable to order of Beneficiary, and extensions or renewals thereof; (2) the performance of each agreement of Trustor incorporated by reference or contained herein or reciting it is so secured; (3) Payment of additional sums and interest thereon which may hereafter be loaned to Trustor, or his successors or assigns, when evidenced by a promissory note or notes reciting that they are secured by this Deed of Trust.

To protect the security of this Deed of Trust, and with respect to the property above described, Trustor expressly makes each and all of the agreements, and adopts and agrees to perform and be bound by each

and all of the terms and provisions set forth in subdivision A and it is mutually agreed that each and all of the terms and provisions set forth in subdivision B of the Fictitious Deed of trust recorded in the office of



each County Recorder in the State of Nevada on January 30, 1968, in the book and at the page thereof, or under the document or file number, noted below opposite the name of such county, namely: COUNTY

COUNTY	BOOK	PAGE	DOC. NO.	COUNTY	BOOK	PAGE	DOC. NO.
Churchill	39	363	115384	Lincoln			45902
Clark	Mortgages 850 Off. Rec.		682747	Lyon	37 Off. Rec.	341	100661
Douglas	57 Off. Rec.	115	40050	Mineral	11 Off. Rec.	129	89073
Elko	192 Off. Rec.	652	35747	Nye	105 Off. Rec.	107	04823
Esmeralda	3-X Deeds	195	35922	Ormsby	72 Deeds	537	32867
Eureka	22 Off. Rec.	138	45941	Pershing	11 Off. Rec.	249	66107
Humboldt	28 Off. Rec.	124	131075	Storey	"S" Off. Rec.	206	31506
Lander	24 Off. Rec.	168	50782	Washoe	300 Off. Rec.	517	107192
				White Pine	295 R.E. Records	258	

shall insure to and bind the parties hereto, with respect to the property above described. Said agreements, terms and provisions contained in said subdivisions A and B (identical in all counties, and printed on the reverse side hereof) are by the within reference thereto, incorporated herein and made a part of Deed of Trust for all purposes as fully as if set forth at length herein, and Beneficiary may charge for a statement regarding the obligation secured hereby, provided the charge therefor does not exceed a reasonable amount.



The undersigned Trustor, requests that a copy of any notice of default and any notice of sale hereunder be mailed to him at this address herein before set forth.

STATE OF NEVADA

COUNTY OF CLARK

} ss

This instrument was acknowledged before me on

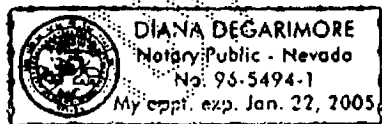
AUGUST 5th, 2003

by REZA ZANDIAN

REZA ZANDIAN

Diana DeGarimore

Notary Public



NOTARIAL PUBLIC CLARK COUNTY NEVADA
COPY



DO NOT RECORD

A. TO PROTECT THE SECURITY OF THIS DEED OF TRUST, TRUSTOR AGREES,

- (1) To keep said property in good condition and repair; not to remove or demolish any building thereon; to complete or restore promptly and in good and workmanlike manner any building which may be constructed, damaged or destroyed thereon; and to pay when due all claims for labor performed and materials furnished therefor; to comply with all laws affecting said property, or requiring any alterations or improvements to be made thereon; not to commit or permit waste thereof; not to commit suffer or permit any act upon said property in violation of law; to cultivate, irrigate, fertilize, fumigate, prune and do all other acts which from the character or use of said property may be reasonably necessary, the specific enumerations herein not excluding the general.
- (2) Trustor covenants to keep all buildings that may now or at any time be on said property during the continuance of this trust in good repair and insured against loss by fire, with extended coverage endorsement, in a company or companies authorized to issue such insurance in the State of Nevada, and as may be approved by Beneficiary, for such sum or sums as shall equal the total indebtedness secured by this Deed of Trust and all obligations having priority over this Deed of Trust and shall be payable to Beneficiary to the amount of the unsatisfied obligation to Beneficiary hereby secured, and to deliver the policy to Beneficiary, or to collection agent of Beneficiary, and in default hereof, Beneficiary may procure such insurance and/or make such repairs, and expend for either of such purposes such SLIM or sums as Beneficiary shall deem proper.
- (3) To appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee; and to pay all costs and expenses, including cost of evidence of title and attorney's fees in a reasonable sum, in any such action or proceeding in which Beneficiary or Trustee may appear, and in any suit brought by Beneficiary to foreclose this Deed of Trust.
- (4) To pay at least ten days before delinquency all taxes and assessments affecting said property, including assessments on appurtenant water stock, water rights and grazing privileges; when due, all encumbrances, charges and liens, with interest, on said property or any part thereof, which appear to be prior or superior hereto, and all costs, fees and expenses of this trust.

Should Trustor fail to make any payment, or to do any act as herein provided, then Beneficiary or Trustee, but without obligation so to do and without notice to or demand upon Trustor, and without releasing Trustor from any obligation hereof, may: make or do the same in such manner and to such extent as either may deem necessary to protect the security hereof; Beneficiary or Trustee being authorized to enter upon said property for such purposes; appear in and defend any action or proceeding purporting to affect the security hereof the rights or powers of Beneficiary or Trustee; pay, purchase, contest or compromise any encumbrance, charge or lien which in the judgment of either appears to be prior or superior hereto; and, in exercising any such powers, pay necessary expenses, employ counsel and pay his reasonable fees.

(5) To pay immediately, and without demand all sums so expended by Beneficiary or Trustee, with interest from date of expenditure at ten percent per annum.

(6) At Beneficiary's option, Trustor will pay a "late charge" as indicated in the Promissory Note to cover the extra expense involved in handling delinquent payments; of such "late charge" shall not be payable out of the proceeds of any sale made to satisfy the indebtedness secured hereby, unless such proceeds are sufficient to discharge the entire indebtedness and all proper costs and expenses secured thereby.

B. IT IS MUTUALLY AGREED

- (1) That any award of damages in connection with any condemnation for public use of or injury to said property or any part thereof is hereby assigned and shall be paid to Beneficiary who may apply or release such moneys received by him in the same manner and with the same effect as above provided for disposition of proceeds of fire or other insurance.
- (2) That by accepting payment of any sum secured hereby after its due date, Beneficiary does not waive his right either to require prompt payment when due of all other sums so secured or to declare default for failure so to pay.
- (3) That at any time or from time to time, without liability therefor and without notice, upon written request of Beneficiary and presentation of this deed and said note for endorsement, and without affecting the personal liability of any person for payment of the indebtedness secured hereby, Trustee may reconvey any part of said property; consent to the making of any map or plat thereof; join in granting any easement thereon; or join in any extension agreement of any agreement subordinating the lien or charge hereof.
- (4) That upon written request of Beneficiary stating that all sums secured hereby have been paid, and upon surrender of this deed and said note to Trustee for cancellation and retention or other disposition as Trustee in its sole discretion may choose, and upon payment of its fees, Trustee shall reconvey, without warranty, the property then held hereunder. The recitals in such reconveyance of any matters or facts shall be conclusive proof of the truthfulness thereof. The grantee in such reconveyance may be described as "the person or persons legally entitled thereto".
- (5) That as additional security, Trustor hereby gives to and confers upon Beneficiary the right, power and authority, during the continuance of these trusts, to collect the rents, issues and profits of said property, reserving unto Trustor the right, prior to any default by Trustor in payment of any indebtedness secured hereby or in performance of any agreement hereunder, to collect and retain such rents, issues and profits as they become due and payable. Upon any such default, Beneficiary may at any time without notice, either in person, by a agent, or by a receiver to be appointed by a court, and without regard to the adequacy of any security for the indebtedness hereby Secured, enter upon and take possession of said property or any part thereof, in his own name sue for or otherwise collect such rents, issues, and profits, including those past due, and unpaid, and apply the same, less costs and expenses of operation and collection, including reasonable attorney's fees, upon any indebtedness secured hereby, and in such order as Beneficiary may determine. The entering upon and taking possession of said property, the collection of such rents, issues and profits and the application thereof as aforesaid, shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice.
- (6) That upon default by Trustor in payment of any indebtedness secured hereby or in performance of any agreement hereunder, Beneficiary may declare all sums secured hereby immediately due and payable by delivery to Trustee of written notice of default and of election to cause to be sold said property, which notice Trustee shall cause to be recorded. Beneficiary also shall deposit with Trustee this Deed of Trust, said note and all documents evidencing expenditures secured hereby.

After the lapse of such time as may then be required by law following the recordation of said notice of default, and notice of sale having been given as then required by law for the sale of real property under writ of execution, Trustee, without demand on Trustor, shall sell said property or any part thereof at the time and place fixed by it in said notice of sale, either as a whole or in separate parcels, and in such order as it may determine, at public auction to the highest bidder for cash in lawful money of the United States, payable at time of sale. Trustee may postpone sale of all or any portion of said property by public announcement at such time and place of sale, and from time to time thereafter may postpone such sale by public announcement at the time fixed by the preceding postponement. In the event that any indebtedness secured hereby shall not have been fully satisfied by said sale, Trustee may give notice of sale of any property not previously noticed for sale in the manner set forth above and sell the same in the manner set forth above.

Trustee shall deliver to any purchaser its deed conveying the property so sold, but without any covenant or warranty, express or implied. The recitals in such deed of any matters or facts shall be conclusive proof of the truthfulness thereof. Any person, including Trustor, Trustee, or Beneficiary as hereinafter defined, may purchase at such sale.

After deducting all costs, fees and expenses of Trustee, including a reasonable fee for the attorney of Trustee, and of this trust, including cost evidence of title in connection with sale, Trustee shall apply the proceeds of sale to payment of all sums expended under the terms hereof, not then repaid, with accrued interest at ten percent per annum; all other sums then secured hereby; and the remainder, if any, to the person or persons legally entitled thereto.



- (7) That Beneficiary, or his assignee, may from time to time, by instrument in writing, substitute a successor or successors to any Trustee named herein or acting hereunder, which instrument, executed and acknowledged and recorded in the office of the recorder of the county or counties where said property is situated, shall be conclusive proof of proper substitution of such successor Trustee or Trustees, who shall, without conveyance from the Trustee predecessor, succeed to all its title, estate, rights, powers and duties. Said instrument must contain the name of the original Trustor, Trustee and Beneficiary hereunder, the book and page where, or document or file number under which, this Deed of Trust is recorded, and the name and address of the new Trustee. If notice of default shall have been recorded, this power of substitution cannot be exercised until after the costs, fees and expenses of the then acting Trustee shall have been paid to such Trustee, who shall endorse receipt thereof upon such instrument of substitution. The procedure herein provided for substitution of Trustee shall be exclusive of all other provisions for substitution, statutory or otherwise.
- (8) The following covenants: Nos. 1, 3, 4, (interest 10%) 5, 6, 8 and 9 of Nevada Revised Statutes 107.030, when not inconsistent with other covenants and provisions herein contained, are hereby adopted and made a part of this Deed of Trust.
- (9) The rights and remedies hereby granted shall not exclude any other rights or remedies granted by law, and all rights and remedies granted hereunder or permitted by law shall be concurrent and cumulative. A violation of any of the covenants herein expressly set forth shall have the same effect as the violation of any covenant herein adopted by reference.
- (10) It is expressly agreed that the trust created hereby is irrevocable by Trustor.
- (11) That this Deed of Trust applies to, insures to the benefit of, and binds all parties hereto, their heirs, legatees, devisees, administrators, executors, successors and assigns. The term Beneficiary shall mean the owner and holder, including pledges, of the note secured hereby, whether or not named as Beneficiary herein. In this Deed of Trust, whenever the context so requires, the masculine gender includes the feminine and/or neuter, and the singular number includes the plural.
- (12) That Trustee accepts this trust when this Deed of Trust, duly executed and acknowledged, is made a public record as provided by law. Trustee is not obligated to notify any party hereto of pending sale under any other Deed of Trust or of any action or proceeding in which Trustor, Beneficiary or Trustee shall be a party unless brought by Trustee.
- (13) Trustor agrees to pay any deficiency arising from any cause after application of the proceeds of the sale held in accordance with the provisions of the covenants herein above adopted by reference.

The undersigned Trustor requests that a copy of any notice of default and any notice of sale hereunder be mailed to him at his address herein before set forth.

REQUEST FOR FULL RECONVEYANCE

DO NOT RECORD

TO TRUSTEE

The undersigned is the legal owner and holder of the note or notes, and of all other indebtedness secured by the foregoing Deed of Trust. Said note or notes, together with all other indebtedness secured by said Deed of Trust, have been fully paid and satisfied and you are hereby requested and directed, on payment to you of any sums owing to you under the terms of said Deed of Trust, to cancel said note or notes above mentioned, and all other evidences of indebtedness secured by said Deed of Trust delivered to you herewith, together with the said Deed of Trust, and to reconvey, without warranty, to the parties designated by the terms of said Deed of Trust, all the estate now held by you under the same.

Dated: _____

Please mail Deed of Trust,
Note and Reconveyance to _____

Do not lose or destroy this Deed of Trust OR THE NOTE which it secures. Both must be delivered to the Trustee for cancellation before reconveyance will be made.



EXHIBIT "A"

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

PARCEL A:

A.P.N. 079-150-09

The Northeast $\frac{1}{4}$ and the South $\frac{1}{2}$ of the Northwest $\frac{1}{4}$ and the South $\frac{1}{2}$ in Section 33, Township 21 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with any rights of ingress and egress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded January 09, 1990 in Book 3019, Page 756 as Document No. 1373452 of Official Records.

PARCEL B:

A.P.N. 079-150-10

Section 31, Township 21 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with



any rights of ingress and egress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded February 22, 1991 in Book 3216, Page 526 as Document No. 1461483 of Official Records.

PARCEL C:

A.P.N. 079-150-13

The Northeast $\frac{1}{4}$; South $\frac{1}{2}$ of the Northwest $\frac{1}{4}$; South $\frac{1}{2}$ of Section 27,
Township 21 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with any rights of ingress and egress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded January 09, 1990 in Book 3019, Page 756 as Document No. 1373452 of Official Records.

PARCEL D:

A.P.N. 084-040-02

Section 5, Township 20 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with any rights of ingress and egress in, upon or over the property and to make such



use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded February 22, 1991 in Book 3216, Page 526 as Document No. 1461483 of Official Records.

PARCEL E:

A.P.N. 084-040-04

Section 3, Township 20 North, Range 23 East, M.D.B. & M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada

FURTHER EXCEPTING and reserving any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with any rights of ingress and egress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded January 03, 1992 in Book 3391, Page 840 as Document No. 1534872 of Official Records.

PARCEL F:

A.P.N. 084-040-06

Section 1, Township 20 North, Range 23 East, M.D.B. & M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada:

FURTHER EXCEPTING and reserving any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with any rights of ingress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection



therewith, as reserved in the Deed recorded January 03, 1992 in Book 3391, Page 840 as Document No. 1534872 of Official Records.

PARCEL G:
A.P.N. 084-040-10

The North $\frac{1}{2}$ and the North $\frac{1}{2}$ of the Northwest $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ and the Southwest $\frac{1}{4}$ of the Northwest $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ and the North $\frac{1}{2}$ of the Northeast $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ and the North $\frac{1}{2}$ of the Northwest $\frac{1}{4}$ of the Southeast $\frac{1}{4}$, all in Section 11, Township 20 North, Range 23 East, M.D.B.&M.

ALSO EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with any rights of ingress and egress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded January 03, 1992 in Book 3391, Page 840 as Document No. 1534872 of Official Records.

PARCEL H:
A.P.N. 084-130-07

The Northwest $\frac{1}{4}$ and the North $\frac{1}{2}$ of the Southwest $\frac{1}{4}$ and Government Lot 1 in the Southwest $\frac{1}{4}$ of Section 15, Township 20 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with



any rights of ingress and egress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded January 03, 1992 in Book 3391, Page 840 as Document No. 1534872 of Official Records.

PARCEL I:

A.P.N. 084-140-17

The Northeast $\frac{1}{4}$ of Section 15, Township 20 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with any rights of ingress and egress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded January 03, 1992 in Book 3391, Page 840 as Document No. 1534872 of Official Records.

APN: 010-510-001; 010-520-001; 010-730-001;
010-740-0BG; 010-740-110; 010-740-111;
010-740-113; 010-740-202

WHEN RECORDED, RETURN TO

GRANTEE/MAIL TAX STATEMENTS TO:

Wendover Parcel

QUITCLAIM DEED

By this instrument dated this ____ day of _____, 2006, for a valuable consideration, Gholamreza Zandian Jazi does hereby remise, release and forever quitclaim to Ray Koroghli, individually and Fariborz Fred Sadri, individually, and as Trustee of the Star Living Trust, the following described real property in the State of Nevada, County of Elko:

Set forth in Exhibit A attached and incorporated herein by this reference

GHOLAMREZA ZANDIAN JAZI

STATE OF NEVADA)
) SS.:
COUNTY OF CLARK)

On _____, 2006, before me the undersigned, a Notary Public in and for said County and State, personally appeared Gholamreza Zandian Jazi, known to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.

NOTARY PUBLIC

5 4 12 512362
FEE FILED
REQUEST OF

When recorded, return to:
JAMES R. CAVILIA, ESQ.
ALLISON, MacKENZIE, RUSSELL,
PAVLAKIS, WRIGHT & FAGAN, LTD.
402 North Division Street
P.O. Box 646
Carson City, NV 89702

2003 DEC 30 PM 4:09

Stewart Title Co.
JERRY D. WYCKLUS
CLERK CO. RECORDER

0301167

A.P.N. Nos.: 010-510-001; 010-520-001; 010-730-001; 010-740-0BG; 010-740-110;
010-740-111; 010-740-113; 010-740-202

GRANT, BARGAIN, AND SALE DEED

THIS INDENTURE, made this 29th day of December, 2003, by and between BIG SPRINGS LAND & RESOURCE COMPANY, LLC, a Nevada limited liability company ("BIG SPRINGS"), Grantor, and WENDOVER PROJECT, L.L.C., a Nevada limited liability company, as to an undivided 91.67% and THE STAR LIVING TRUST, Fariborz Sadi, Trustee, as to an undivided 8.33%, Grantee.

WITNESSETH:

That the Grantor, in consideration of the sum of TEN DOLLARS (\$10.00), lawful money of the United States, and other good and valuable consideration to it in hand paid by the Grantee, the receipt whereof is hereby acknowledged, does by these presents grant, bargain and sell to the Grantee, and to its successors and assigns forever, all those certain lots, pieces or parcels of land situate, lying and being in Elko County, Nevada, and more particularly described in Exhibit "A" attached hereto and incorporated herein by reference.

TOGETHER WITH all and singular the tenements, hereditaments and appurtenances thereunto belonging or in anywise appertaining and the reversion and reversions,

3 72539

100760

remainder and remainders, rents, issues and profits thereof, including but not limited to any right title and interest in any and all grazing rights or allotments appurtenant thereto.

TO HAVE AND TO HOLD all and singular the premises, together with the appurtenances, unto the said Grantee and to its successors and assigns forever.

IN WITNESS WHEREOF, the Grantor has executed this conveyance the day and year first above written.

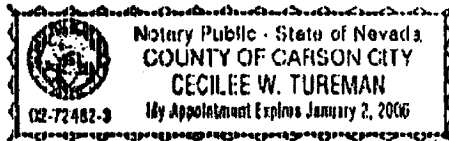
Big Springs Land & Resource Company,
a Nevada limited liability company

By: Vidler Water Company, Inc., a
Delaware corporation
Its Manager

By: *Dorothy A. Timian-Palmer*
DOROTHY A. TIMIAN-PALMER
Chief Operating Officer/Director

STATE OF NEVADA)
 : ss.
CARSON CITY)

On December 29, 2003, DOROTHY A. TIMIAN-PALMER, personally appeared before me, a notary public, personally known to me to be the person whose name is subscribed to the foregoing instrument and who acknowledged to me that she is the Chief Operating Officer and a Director of Vidler Water Company, a Delaware corporation, and who acknowledged to me that she executed the foregoing GRANT, BARGAIN AND SALE DEED on behalf of said corporation.



Cecilee W. Tureman
NOTARY PUBLIC

Exhibit "A"
Big Mjs Ranch Woodover Property Legal Descriptions

TWP	RNG	SEC	ALLOTMENT PARTS	ACREAGE
32N	69E	01	Lots 1-3, S/2 N/2, S/2	600.34
32N	69E	02	S/2 N/2, S/2	480.00
32N	70E	06	Lots 4, 6, 7, 10, 12, 13, SW/4 NW/4	164.72
33N	69E	01	S/2	320.00
33N	69E	12	AR	640.00
33N	69E	25	AR	640.00
33N	69E	35	N/2, N/2 S/2	480.00
33N	69E	36	N/2, N/2 SW/4, SE/4, SE/4 SW/4	600.00
33N	70E	08	Lots 2, 4, 9 and 11	35.00
33N	70E	15	Lots 12, 13, 15, 18, 20, 23-25, and 26-30, NE/4 SW/4 SE/4 NW/4, E/2 SE/4 SE/4 NW/4, NW/4 SE/4 SE/4 NW/4	46.23
33N	70E	17	S/2 S/2	100.00
33N	70E	19	AR	640.00
33N	70E	20	Lots 2, 3, 6, 11, NW/4 NE/4, N/2 SW/4 NE/4, SE/4 SW/4 NE/4, N/2 SW/4 SW/4 NE/4, NW/4, N/2 SW/4, SW/4 SW/4	416.64
33N	70E	20	Lots 8, 9 and S/2 SW/4 SW/4 NE/4	73.00
33N	70E	21	Lot 2	13.21
33N	70E	29	Lots 3, 5, 6, NW/4 NW/4	73.10
33N	70E	29	Lot 2	16.00
33N	70E	30	Lots 2, 3, NE/4, W/2, W/2 SE/4	612.50
33N	70E	31	Lots 2, 4, 5, 8, 10, 11, NW/4, W/2 SW/4	372.91
33N	70E		Prts of 9 and 10 (Parcel 2 of recorded parcel map #485646)	4.20
33N	70E		Prts of 8 and 10 (Parcel 1 of recorded parcel map #485646)	3.07
33N	70E		Prts of 9, 10 and 16 (Parcel 4 of recorded parcel map #485646)	65.31

* These parcels cover more than one section

6,457.24

3 72541

100762

Exhibit "A"
Big Springs Ranch Wendover Property Legal Descriptions

TWN	RNG	SEC	ALIGN/JOY PARTS	ACREAGE
32N	69E	01	Lots 1-3, S/2 N/2, S/2	640.34
32N	69E	02	S/2 N/2, S/2	480.00
32N	70E	05	Lots 4, 6, 7, 10, 12, 13, SW/4 NW/4	164.62
33N	69E	01	S/2	320.00
33N	69E	12	All	640.00
33N	69E	25	All	640.00
33N	69E	35	N/2, N/2 S/2	480.00
33N	69E	36	N/2, N/2 SW/4, SE/4, SE/4 SW/4	600.00
33N	70E	01	Lots 2-5, 9 and 11	35.60
33N	70E	15	Lots 12, 13, 15, 18, 20, 21-23, and 28-30, NE/4 SW/4 SE/4 NW/4, E/2 SE/4 SE/4 NW/4, NW/4 SE/4 SE/4 NW/4	46.21
33N	70E	17	S/2 S/2	160.00
33N	70E	19	All	540.00
33N	70E	20	Lots 2, 3, 6, 11, NW/4 NE/4, N/2 SW/4 NE/4, SE/4 SW/4 NE/4, N/2 SW/4 SW/4 NE/4, NW/4, N/2 SW/4, SW/4 SW/4	416.61
33N	70E	20	Lots 6, 9 and S/2 SW/4 SW/4 NE/4	73.01
33N	70E	21	Lot 2	13.21
33N	70E	29	Lots 3, 5, 8, NW/4 NW/4	73.16
33N	70E	29	Lot 2	16.01
33N	70E	30	Lots 2, 3, NE/4, W/2, W/2 SE/4	612.54
33N	70E	31	Lots 2, 4, 5, 8, 10, 11, NW/4, W/2 SW/4	372.91
33N	70E		Plns of 9 and 10 (Parcel 2 of recorded parcel map #485646)	4.20
33N	70E		Plns of 9 and 10 (Parcel 1 of recorded parcel map #485646)	3.87
33N	70E		Plns of 9, 10 and 16 (Parcel 4 of recorded parcel map #485646)	65.31

* These parcels cover more than one section

6,457.24

3 72542

100763

Order No.: 03011167

LEGAL DESCRIPTION

The land referred to herein is situated in the State of Nevada,
County of ELKO COUNTY, described as follows:

PARCEL 1:

TOWNSHIP 32 NORTH, RANGE 69 EAST, M.D.B.&M.

Section 1: Lots 1, 2 and 3; S1/2N1/2; S1/2;
Section 2: S1/2N1/2; S1/2;

TOWNSHIP 33 NORTH, RANGE 69 EAST, M.D.B.&M.

Section 1: S1/2;
Section 12: All;
Section 25: All;
Section 35: N1/2; N1/2S1/2;
Section 36: N1/2; N1/2SW1/4; SE1/4; SE1/4SW1/4;

TOWNSHIP 32 NORTH, RANGE 70 EAST, M.D.B.&M.

Section 6: Lots 4, 6, 7, 10, 12 and 13; SW1/4NW1/4;

TOWNSHIP 33 NORTH, RANGE 70 EAST, M.D.B.&M.

Section 8: Lots 2, 3, 4, 5, 6, 9 and 11;
Section 9: SE1/4SE1/4; N1/2SW1/4SW1/4SE1/4; E1/2SW1/4SE1/4;
Section 10: Lot 4;
Section 15: Lots 12, 13, 15, 18, 20, 23, 24, 25, 26,
28, 29 and 30; NE1/4SW1/4SE1/4NW1/4;
E1/2SE1/4SE1/4NW1/4; NW1/4SE1/4SE1/4NW1/4;
Section 16: N1/2NE1/4NE1/4NE1/4;
Section 17: S1/2S1/2;
Section 19: All;
Section 20: Lots 2, 3, 6 and 11; NW1/4NE1/4; N1/2SW1/4NE1/4;
SE1/4SW1/4NE1/4; N1/2SW1/4SW1/4NE1/4; NW1/4;
N1/2SW1/4; SW1/4SW1/4;
Section 21: Lot 2;
Section 29: Lots 3, 5 and 8; NW1/4NW1/4;
Section 30: Lots 2 and 3; NE1/4; W1/2; W1/2SE1/4;
Section 31: Lots 2, 4, 5, 8, 10 and 11; NW1/4; W1/2SW1/4;

EXCEPTING FROM Sections 9, 10 and 16, Parcels 1, 2, 3 and 4 as
shown on Parcel Map for Big Springs Land & Resource Co., filed
in the Office of the Elko County Recorder on July 16, 2002 as
Continued on next page

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SCHEDULE A
CLTA PRELIMINARY REPORT
(12/92)

STEWART TITLE
Guaranty Company

100764

WFZ1338

Order No. 03011167

File Number 485646.

PARCEL 2:

Parcel 1, 2 and 4 as shown on that certain Parcel Map for Big Springs Land & Resource Co. filed in the office of the County Recorder of Elko County, State of Nevada, on July 16, 2002, as File No. 485646, being a portion of Sections 9, 10 and 16, Township 33 North, Range 70 East, M.D.B.&M..

EXCEPTING FROM Parcels 1 and 2 all the oil and gas and geothermal resources in the lands so patented as reserved by the UNITED STATES OF AMERICA in Patent recorded May 26, 1999 in Book 1100, Page 615, Official Records, Elko County, Nevada.

FURTHER EXCEPTING FROM Parcels 1 and 2 those portions lying within the railroad right-of-ways.

PARCEL 3:

TOWNSHIP 33 NORTH, RANGE 70 EAST, M.D.B.&M.

Section 20: Lots 8 and 9; S1/2SW1/4SW1/4NE1/4;
Section 29: Lot 2;

EXCEPTING THEREFROM all the oil and gas and geothermal resources in the lands so patented as reserved by the UNITED STATES OF AMERICA in Patent recorded August 15, 2003 in Book 3, Page 45700, Official Records, Elko County, Nevada.

ASSIGNMENT OF INTEREST IN WENDOVER PROJECT, LLC

The undersigned Assignor, GHOLAMREZA ZANDIAN JAZI, currently holds an interest in WENDOVER PROJECT, LLC, a Nevada limited liability company, consisting of a membership, as well as a management right, and, in consideration of value received, GHOLAMREZA ZANDIAN JAZI herewith transfers and assigns to RAY KOROGHLI, individually, and FARIBORZ FRED SADRI, individually, and as Trustee of the Star Living Trust, all of the Assignor's right as Member or Manager in WENDOVER PROJECT, LLC, a Nevada LLC effective as of the _____ day of _____, 2006.

The Assignor represents that the interest herewith assigned has not been transferred, assigned, encumbered, the subject of any agreement, or security interest and that he holds the full and complete rights, the subject of this Assignment. The Assignor irrevocably appoints the Assignee as the Attorney in Fact to transfer such interests on the books and records of WENDOVER PROJECT, LLC, a Nevada LLC, the Assignor agrees to separately execute a resignation as a Member and Manager of WENDOVER PROJECT, LLC, a Nevada LLC.

The undersigned executes this Assignment on the _____ day of _____, 2006.

GHOLAMREZA ZANDIAN JAZI

APN: 009-530-001; 009-540-001; 009-550-001; 009-560-004
009-570-011; 010-090-001; 010-090-003; 010-110-001
010-120-001; 010-130-001; 010-320-001

WHEN RECORDED, RETURN TO

GRANTEE/MAIL TAX STATEMENTS TO:

Big Spring Ranch Parcel

QUITCLAIM DEED

By this instrument dated this ____ day of _____, 2006, for a valuable consideration, Gholamreza Zandian Jazi does hereby remise, release and forever quitclaim to Ray Koroghli, individually and Fariborz Fred Sadri, individually, and as Trustee of the Star Living Trust, the following described real property in the State of Nevada, County of Elko:

Set forth in Exhibit A attached and incorporated herein by this reference

GHOLAMREZA ZANDIAN JAZI

STATE OF NEVADA)
) SS.:
COUNTY OF CLARK)

On _____, 2006, before me the undersigned, a Notary Public in and for said County and State, personally appeared Gholamreza Zandian Jazi, known to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.

NOTARY PUBLIC

512358

FEE \$52 FILE # _____
PROPERTY OF _____

2003 DEC 30 PM 4:08

Stewart Title Co.
JERRY G. SYDOLUS
ELKO COUNTY RECORDER

When recorded, return to:
JAMES R. CAVILIA, ESQ.
ALLISON, MacKENZIE, RUSSELL,
PAVLAKIS, WRIGHT & FAGAN, LTD.
402 North Division Street
P.O. Box 646
Carson City, NV 89702

A.P.N. Nos.: 009-530-001; 009-540-001; 009-550-001; 009-560-004; 009-570-011;
010-090-001; 010-090-003; 010-110-001; 010-120-001; 010-130-001;
010-320-001

GRANT, BARGAIN, AND SALE DEED

03012789

THIS INDENTURE, made this 29th day of December, 2003, by and
between BIG SPRINGS LAND & RESOURCE COMPANY, LLC, a Nevada limited liability
company ("BIG SPRINGS"), Grantor, and BIG SPRING RANCH, L.L.C., a Nevada limited
liability company, as to an undivided 75% interest and THE STAR LIVING TRUST as to an
undivided 25% interest, Grantee.

WITNESSETH:

That the Grantor, in consideration of the sum of TEN DOLLARS (\$10.00), lawful
money of the United States, and other good and valuable consideration to it in hand paid by the
Grantee, the receipt whereof is hereby acknowledged, does by these presents grant, bargain and
sell to the Grantee, and to its successors and assigns forever, all those certain lots, pieces or
parcels of land situate, lying and being in Elko County, Nevada, and more particularly described
in Exhibit "A" attached hereto and incorporated herein by reference.

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TOGETHER WITH all and singular the tenements, hereditaments and appurtenances thereunto belonging or in anywise appertaining and the reversion and reversions, remainder and remainders, rents, issues and profits thereof, including but not limited to any right title and interest in any and all grazing rights or allotments appurtenant thereto.

TO HAVE AND TO HOLD all and singular the premises, together with the appurtenances, unto the said Grantee and to its successors and assigns forever.

IN WITNESS WHEREOF, the Grantor has executed this conveyance the day and year first above written.

Big Springs Land & Resource Company,
a Nevada limited liability company

By: Vidler Water Company, Inc., a
Delaware corporation
Its Manager

By: *Dorothy A. Timian-Palmer*
DOROTHY A. TIMIAN-PALMER
Chief Operating Officer/Director

STATE OF NEVADA)
 : ss.
CARSON CITY)

On December 29, 2003, DOROTHY A. TIMIAN-PALMER, personally appeared before me, a notary public, personally known to me to be the person whose name is subscribed to the foregoing instrument and who acknowledged to me that she is the Chief Operating Officer and a Director of Vidler Water Company, a Delaware corporation, and who acknowledged to me that she executed the foregoing GRANT, BARGAIN AND SALE DEED on behalf of said corporation.

Cecile W. Tureman

NOTARY PUBLIC

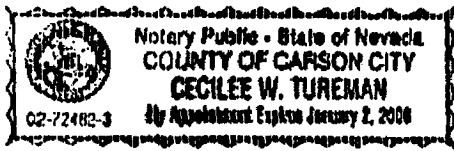


EXHIBIT A

County	APN #	Twn	Rng	Sec	Aliquot Parts	Acreage
Elko	009-530-001	34N	66E	1	All except 0.23 Ac conv to WPR Co.	640.37
Elko	009-530-001	34N	66E	11	All	640.00
Elko	010-090-001	34N	67E	5	All	638.08
Elko	010-090-001	34N	67E	7	E/2 and ptn of W/2 east of the Nevada Northern Railroad as now constructed	366.98

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EXHIBIT "A"
Big Springs Ranch Legal Descriptions

County	APN #	Twn	Rng	Sec	Allot Part:	Acres
Elko	009-530-001	34N	66E	3	All	643.64
Elko	009-530-001	34N	66E	4	Lots 3 and 4, S/2 NW/4, SW/4 (W/2)	319.92
Elko	009-530-001	34N	66E	5	All	638.12
Elko	009-530-001	34N	66E	9	All	640.00
Elko	009-530-001	34N	66E	15	All	640.00
Elko	009-540-001	35N	66E	1	All	666.40
Elko	009-540-001	35N	66E	2	Lots 3 and 4, S/2 NW/4, SW/4 (W/2)	331.44
Elko	009-540-001	35N	66E	3	All	665.12
Elko	009-540-001	35N	66E	9	All	640.00
Elko	009-540-001	35N	66E	10	E/2 E/2	160.00
Elko	009-540-001	35N	66E	11	All	640.00
Elko	009-540-001	35N	66E	13	All	640.00
Elko	009-540-001	35N	66E	14	W/2 W/2	160.00
Elko	009-540-001	35N	66E	15	All	640.00
Elko	009-540-001	35N	66E	21	All	640.00
Elko	009-540-001	35N	66E	22	NE/4, SE/4 NW/4, N/2 SE/4, SW/4 SE/4, SE/4 SW/4	360.00
Elko	009-540-001	35N	66E	23	All	640.00
Elko	009-540-001	35N	66E	25	All	640.00
Elko	009-540-001	35N	66E	27	All	640.00
Elko	009-540-001	35N	66E	28	SE/4, SE/4 NE/4	200.00
Elko	009-540-001	35N	66E	33	All	640.00
Elko	009-540-001	35N	66E	34	W/2	320.00
Elko	009-540-001	35N	66E	35	All	640.00
Elko	009-550-001	36N	66E	1	All	642.24
Elko	009-550-001	36N	66E	11	All less 70.23 in E-80 RW	569.77
Elko	009-550-001	36N	66E	13	All	640.00
Elko	009-550-001	36N	66E	15	All	640.00
Elko	009-550-001	36N	66E	21	E/2	320.00
Elko	009-550-001	36N	66E	22	W/2 NW/4, S/2	400.00
Elko	009-550-001	36N	66E	23	All	640.00
Elko	009-550-001	36N	66E	25	All	640.00
Elko	009-550-001	36N	66E	26	W/2 W/2	160.00
Elko	009-550-001	36N	66E	27	All	640.00
Elko	009-550-001	36N	66E	28	E/2 E/2, W/2 SE/4 less 4.50 Ac to Deamont in SE/4 SW/4, SW/4 SE/4	235.50
Elko	009-550-001	36N	66E	33	All	640.00
Elko	009-550-001	36N	66E	34	All	640.00
Elko	009-550-001	36N	66E	35	All	640.00
Elko	009-560-004	37N	66E	25	All less 15.22 Ac SI RL 30 RW	624.78
Elko	009-560-004	37N	66E	27	SE/4 SE/4	40.00
Elko	009-560-004	37N	66E	35	All	625.34
Elko	009-570-011	38N	66E	23	Pin 200' south of the CPRR centerline	568.06
Elko	009-570-011	38N	66E	25	Pin 200' south of the CPRR centerline except 6.44 Ac in N/2 for Wyo tract	591.44
Elko	010-090-001	34N	67E	1	All	638.80
Elko	010-090-001	34N	67E	3	All	638.04
Elko	010-090-001	34N	67E	9	All	640.00
Elko	010-090-001	34N	67E	11	All	640.00

County	APN #	Twn	Rng	Sec	Aliquot Parts	Acres
Elko	010-090-001	34N	67E	13	All	640.00
Elko	010-090-001	34N	67E	15	All	640.00
Elko	010-090-001	34N	67E	17	All	640.00
Elko	010-090-001	34N	67E	19	NE 1/4, E/2 NW 1/4, Lots 1 and 2 (N/2) except 4.60 Ac conv to Nevada Northern Railroad Co.	306.35
Elko	010-090-001	34N	67E	21	N/2	320.00
Elko	010-090-001	34N	67E	22	All	640.00
Elko	010-090-001	34N	67E	23	N/2	320.00
Elko	010-090-003	34N	67E	7	Ptn of the E/2 W/2 west of the NWRR R/W	46.98
Elko	010-110-001	36N	67E	7	All except 12.70 Ac conv to Northern Nevada Railroad Co.	619.98
Elko	010-110-001	36N	67E	19	All except 12.05 Ac conv to Northern Nevada Railroad Co. except ptn conv to State of NV for Hwy	608.15
Elko	010-110-001	36N	67E	31	All except 12.14 Ac conv to Northern Nevada Railroad Co.	627.26
Elko	010-120-001	37N	67E	1	Ptn 200' south of the CPRR centerline less 12.76 Ac to SR-30 R/W	589.64
Elko	010-120-001	37N	67E	5	Ptn 200' south of the CPRR centerline	604.67
Elko	010-120-001	37N	67E	9	NW 1/4, S/2 less 6.70 Ac conv to Northern Nevada Railroad Co. and 15.10 Ac to SR-30 R/W	458.20
Elko	010-120-001	37N	67E	11	Ptn 200' south of the CPRR centerline less 11.07 Ac to SR-30 R/W	611.42
Elko	010-120-001	37N	67E	17	All less 16.33 Ac to SR-30 R/W	623.67
Elko	010-120-001	37N	67E	19	All	628.68
Elko	010-130-001	38N	67E	31	Ptn 200' south of the CPRR centerline	594.40
Elko	010-320-001	35N	68E	7	All except 21.28 Ac conv to Western Pacific Railroad Co. less 45.33 to I-80 R/W	614.35
Elko	010-320-001	35N	68E	17	All north of the WPRR centerline, and all south of the WPRR centerline less 6.89 Ac to I-80 R/W	521.98
Total Acres:						35,254.34

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Order No.: 03012789

LEGAL DESCRIPTION

The land referred to herein is situated in the State of Nevada,
County of ELKO COUNTY, described as follows:

PARCEL 1:

TOWNSHIP 34 NORTH, RANGE 67 EAST, M.D.B.&M.

Section 1: All;
Section 3: All;
Section 9: All;
Section 11: All;
Section 13: All;
Section 15: All;
Section 17: All;
Section 19: Lots 1 and 2; E1/2NW1/4; NE1/4;

EXCEPTING THEREFROM all that portion of said land as conveyed
to Nevada Northern Railway Company in Deed recorded February 7,
1906 in Book 28, Page 617, Deed Records, Elko County, Nevada.

Section 21: N1/2;
Section 22: All;
Section 23: N1/2;

EXCEPTING FROM Section 22, TOWNSHIP 34 NORTH, RANGE 67 EAST,
M.D.B.&M., all the coal and other valuable minerals in the lands
so granted as reserved by The United States of America in
Patent recorded June 28, 1946 in Book 8, Page 413, Patent
Records, Elko County, Nevada.

FURTHER EXCEPTING FROM all of Parcel 1 all right, title and
interest to coal, oil, gas and other minerals of every kind and
nature whatsoever, lying in and under said land, as reserved by
Russell Wilkins, et ux, et al, in Deed recorded December 10,
1946 in Book 55, Page 63, Deed Records, Elko, Nevada.

FURTHER EXCEPTING FROM Section 22, TOWNSHIP 34 NORTH, RANGE 67
EAST, M.D.B.&M., an undivided 1/2 interest in and to all gas,
oil, petroleum, minerals and/or mineral rights, lying in and
under said land, as reserved by Theodore E. Smith and Pearl
Smith, his wife, in Deed recorded August 15, 1958 in Book 74,
Page 181, Deed Records, Elko County.

PARCEL 2:

Continued on next page

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SCHEDULE A
CLTA PRELIMINARY REPORT
(12/92)

STEWART TITLE
Guaranty Company

100772

WFZ1350

Order No. 03012789

TOWNSHIP 35 NORTH, RANGE 66 EAST, M.D.B.&M.

Section 1: All;
Section 3: All;
Section 9: All;
Section 11: All;
Section 13: All;
Section 15: All;
Section 21: All;
Section 23: All;
Section 25: All;
Section 27: S1/2;
Section 33: All;
Section 35: All;

EXCEPTING THEREFROM Parcel 2 all petroleum, oil, natural gas, and products derived therefrom, lying in and under said land or that may be produced therefrom, as reserved by Southern Pacific Land Company in Deed recorded August 1, 1949 in Book 57, Page 126, Deed Records, Elko County, Nevada.

PARCEL 3:

TOWNSHIP 35 NORTH, RANGE 68 EAST, M.D.B.&M.

Section 7: All;

EXCEPTING THEREFROM all that portion of said land as conveyed to Western Pacific Railway Company in Deed recorded February 19, 1909 in Book 31, Page 71, Deed Records, Elko County, Nevada.

Section 17: All that portion lying northerly of a line parallel with and one hundred (100) feet northerly of the center center line of Western Pacific Railway Company's railroad known as Arnold "L-1" or "3 $\frac{1}{2}$ " line and all that portion lying southerly of a line parallel with and one hundred (100) feet southerly of the center line of Western Pacific Railway Company's railroad known as "R-2" or "4 $\frac{1}{2}$ " line, which railroad rights of way were conveyed to Western Pacific Railway Company by Deed No. 126-F, dated November 27, 1908, and recorded February 19, 1909 in Book 31, Page 71, and Deed No. 188-F, dated June 30, 1910, and recorded September 10, 1910 in Book 32, Page 319, Deed Records, Elko County, Nevada.

Continued on next page

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WFZ1351

Order No. 03012789

EXCEPTING FROM Parcel 3 all that portion of said land as conveyed to the State of Nevada, acting by and through its Department of Highways in Deed recorded September 7, 1973 in Book 184, Page 44 and recorded June 24, 1976 in Book 230, Page 377, Official Records, Elko County, Nevada, portions of which have been relinquished by Resolution Relinquishing portion of Highway Right of Way recorded October 11, 1985 in Book 504, Page 308, Official Records, Elko County, Nevada.

FURTHER EXCEPTING FROM Parcel 3 all right, title and interest to coal, oil, gas and other minerals of every kind and nature whatsoever, lying in and under said land, as reserved by Russell Wilkins, et ux, et al, in Deed recorded December 10, 1946 in Book 55, Page 63, Deed Records, Elko County, Nevada.

PARCEL 4:

TOWNSHIP 38 NORTH, RANGE 67 EAST, M.D.B.&M.

Section 31: All that portion lying southwesterly of a line two hundred (200) feet southwesterly and parallel with the center line of Central Pacific Railway Company's railroad as now constructed ;

EXCEPTING FROM Parcel 4 all right, title and interest to coal, oil, gas and other minerals of every kind and nature whatsoever, lying in and under said land, as reserved by Russell Wilkins, et ux, et al, in Deed recorded December 10, 1946 in Book 55, Page 63, Deed Records, Elko County, Nevada.

PARCEL 5:

TOWNSHIP 36 NORTH, RANGE 67 EAST, M.D.B.&M.

Section 7: All;
Section 19: All;
Section 31: All;

EXCEPTING FROM Parcel 5 all that portion of said land as conveyed to Nevada Northern Railway Company in Deed recorded February 7, 1906 in Book 28, Page 617, Deed Records, Elko County, Nevada.

FURTHER EXCEPTING FROM Section 19 all that portion of said land as conveyed to the State of Nevada, acting by and through its
Continued on next page

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WFZ1352

Order No. 03012789

Department of Highways, in Deed recorded September 7, 1973 in Book 184, Page 44, Official Records, Elko County, Nevada, portions of which have been relinquished by Resolution Relinquishing Portion of Highway Right-of-Way recorded October 11, 1985 in Book 504, Page 308, Official Records, Elko County, Nevada.

FURTHER EXCEPTING FROM Parcel 5 all right, title and interest to coal, oil, gas and other minerals of every kind and nature whatsoever, lying in and under said land, as reserved by Russell Wilkins, et ux, et al, in Deed recorded December 10, 1946 in Book 55, Page 63, Deed Records, Elko County, Nevada.

PARCEL 6:

TOWNSHIP 37 NORTH, RANGE 67 EAST, M.D.B.&M.

- Section 1: That portion lying southeasterly of a line two hundred (200) feet southeasterly and parallel with the center line of Central Pacific Railway Company's railroad, as now constructed;
- Section 5: That portion lying southwesterly of a line two hundred (200) feet southwesterly and parallel with the center line of Central Pacific Railway Company's railroad, as now constructed;
- Section 9: NW1/4; S1/2;

EXCEPTING FROM Section 9 all that portion of said land as conveyed to Nevada Northern Railway Company in Deed recorded February 7, 1906 in Book 28, Page 617 and recorded November 15, 1912 in Book 34, Page 130, Deed Records, Elko County, Nevada.

- Section 11: That part lying southeasterly of a line two hundred (200) feet southeasterly and parallel with the center line of Central Pacific Railway Company's railroad as now constructed;
- Section 17: All;
- Section 19: All;

EXCEPTING FROM Parcel 6 all right, title and interest to coal, oil, gas and other minerals of every kind and nature whatsoever, lying in and under said land, as reserved by Russell Wilkins, et ux, et al, in Deed recorded December 10, 1946 in Book 55, Page 63, Deed Records, Elko County, Nevada.

Continued on next page

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WFZ1353

Order No. 03012789

PARCEL 7:

TOWNSHIP 37 NORTH, RANGE 66 EAST, M.D.B.&M.

Section 25: All;
Section 27: SE1/4SE1/4;
Section 35: All;

TOWNSHIP 38 NORTH, RANGE 66 EAST, M.D.B.&M.

Section 23: That portion southwesterly of a line parallel with and two hundred (200) feet distant southwesterly of center line of Central Pacific Railway Company's railroad as now constructed;
Section 25: That part southwesterly of a line parallel with and two hundred (200) feet distant southwesterly of center line of Central Pacific Railway Company's railroad as now constructed;

EXCEPTING FROM Section 25 a parcel of land in the north half of said Section 25, containing 6.44 acres for Central Pacific Railway Company's Wye track.

FURTHER EXCEPTING FROM Parcel 7 all petroleum, oil, natural gas, and products derived therefrom, lying in and under said land or that may be produced therefrom, as reserved by Southern Pacific Land Company in Deed recorded August 1, 1949 in Book 57, Page 126, Deed Records, Elko County, Nevada.

PARCEL 8:

TOWNSHIP 34 NORTH, RANGE 66 EAST, M.D.B.&M.

Section 3: All;
Section 5: All;
Section 9: All;
Section 15: All;

TOWNSHIP 36 NORTH, RANGE 66 EAST, M.D.B.&M.

Section 1: All;
Section 11: All;

EXCEPTING FROM Section 11 all that portion of said land condemned to the State of Nevada by Final Order of Condemnation recorded
Continued on next page

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WFZ1354

Order No. 03012789

August 22, 1973 in Book 182, Page 625, Official Records, Elko County, Nevada.

Section 13: All;

EXCEPTING FROM Section 13 all that portion of said land as conveyed to the State of Nevada, acting by and through its Department of Highways, in Deed recorded September 7, 1973 in Book 184, Page 44, Official Records, Elko County, Nevada.

Section 15: All;

Section 23: All;

Section 25: All;

EXCEPTING FROM Parcel 8 all petroleum, oil, natural gas and products derived therefrom, lying in and under said land or that may be produced therefrom, as reserved by Southern Pacific Land Company in Deed recorded August 1, 1949 in Book 57, Page 126, Deed Records, Elko County, Nevada.

PARCEL 9:

TOWNSHIP 36 NORTH, RANGE 66 EAST, M.D.B.&M.

Section 35: All;

EXCEPTING FROM Parcel 9 all petroleum, oil, natural gas, and products derived therefrom, as reserved by Southern Pacific Land Company in Deed recorded August 1, 1949 in Book 57, Page 126, Deed Records, Elko County, Nevada.

PARCEL 10:

TOWNSHIP 34 NORTH, RANGE 66 EAST, M.D.B.&M.

Section 4: Lots 3 and 4; S1/2NW1/4; SW1/4;

EXCEPTING THEREFROM all minerals, mineral rights, gas, oil, coal and other hydrocarbons, in, under or upon said property or that may in any way be produced therefrom as reserved by W.J. Thomas and Grace L. Thomas, his wife, in Deed recorded January 23, 1959 in Book 75, Page 376, Deed Records, Elko County, Nevada.

PARCEL 11:

Continued on next page

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WFZ1355

Order No. 03012789

TOWNSHIP 35 NORTH, RANGE 66 EAST, M.D.B.&M.

Section 2: Lots 3 and 4; S1/2NW1/4; SW1/4;
Section 10: E1/2E1/2;
Section 14: W1/2W1/2;
Section 22: NE1/4; SE1/4NW1/4; N1/2SE1/4; SW1/4SE1/4; SE1/4SW1/4;
Section 27: N1/2;
Section 28: SE1/4; SE1/4NE1/4;

EXCEPTING FROM Parcel 11 all right, title and interest to coal, oil, gas and other minerals of every kind and nature whatsoever, lying in and under said land, as reserved by Russell Wilkins, et ux, et al, in Deed Recorded December 10, 1946 in Book 55, Page 63, Deed Records, Elko County, Nevada.

PARCEL 12:

TOWNSHIP 36 NORTH, RANGE 66 EAST, M.D.B.&M.

Section 21: E1/2;
Section 22: W1/2NW1/4; S1/2;
Section 26: W1/2W1/2;
Section 27: All;
Section 28: E1/2E1/2; W1/2SE1/4;

EXCEPTING AND RESERVING THEREFROM the following described land:

Beginning at a point from which the Southwest Corner of Section 28, TOWNSHIP 36 NORTH, RANGE 66 EAST, M.D.B.&M., bears South 84°52' West, 2,519.9 feet distant;

THENCE North 25°20' East, 486.81 feet;

THENCE South 64°40' East, 303.07 feet;

THENCE South 25°21' West, 140.51 feet;

THENCE South 64°40' East, 140.00 feet;

THENCE South 25°20' West, 346.30 feet;

THENCE North 64°40' West, 443.07 feet;

Section 33: All;
Section 34: All;

Continued on next page

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WFZ1356

Order No. 03012789

EXCEPTING FROM Parcel 12 all right, title and interest to coal, oil, gas and other minerals of every kind and nature whatsoever, lying in and under said land, as reserved by Russell Wilkins, et ux, et al, in Deed recorded December 10, 1946 in Book 55, Page 63, Deed Records, Elko County, Nevada.

PARCEL 13:

TOWNSHIP 35 NORTH, RANGE 66 EAST, M.D.B.6M.

Section 34: W1/2;

EXCEPTING FROM Section 13 all minerals, mineral rights, gas, oil, coal and other hydrocarbons, in, under or upon said property or that may in any way be produced therefrom as reserved by W.J. Thomas and Grace L. Thomas, his wife, in Deed recorded January 23, 1959 in Book 75, Page 376, Deed Records, Elko County, Nevada.

512358

3 72504

100779

WFZ1357

512358
FEE 17 FILE REQUEST

2003 DEC 30 PM 4: 08

Stewart Title Co.

JERRY G. ...
LINDA ...

When recorded, return to:
JAMES R. CAVILLA, ESQ.
ALLISON, MacKENZIE, RUSSELL,
PA VLAKIS, WRIGHT & FAGAN, LTD.
402 North Division Street
P.O. Box 646
Carson City, NV 89702

A.P.N. Nos.: 009-530-001; 010-090-001

03 01 2789

GRANT, BARGAIN, AND SALE DEED

THIS INDENTURE, made this 31st day of December, 2003, by and between NEVADA LAND AND RESOURCE COMPANY, LLC, a Delaware limited liability company ("NLRC"), Grantor, and BIG SPRING RANCH, L.L.C., a Nevada limited liability company, as to an undivided 75% interest and THE STAR LIVING TRUST as to an undivided 25% interest, Grantee.

WITNESSETH:

That the Grantor, in consideration of the sum of TEN DOLLARS (\$10.00), lawful money of the United States, and other good and valuable consideration to it in hand paid by the Grantee, the receipt whereof is hereby acknowledged, does by these presents grant, bargain and sell to the Grantee, and to its successors and assigns forever, all those certain lots, pieces or parcels of land situate, lying and being in Elko County, Nevada, and more particularly described in Exhibit "A" attached hereto and incorporated herein by reference.

TOGETHER WITH all and singular the tenements, hereditaments and appurtenances thereunto belonging or in anywise appertaining and the reversion and reversions,

3 72505

100780

remainder and remainders, rents, issues and profits thereof, including but not limited to any right title and interest in any and all grazing rights or allotments appurtenant thereto.

TO HAVE AND TO HOLD all and singular the premises, together with the appurtenances, unto the said Grantee and to its successors and assigns forever.

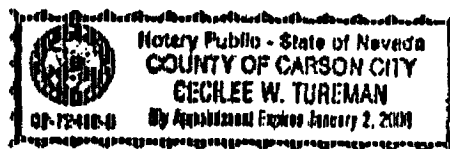
IN WITNESS WHEREOF, the Grantor has executed this conveyance the day and year first above written.

Nevada Land and Resource Company, LLC
a Delaware limited liability company

By: *Dorothy A. Timian Palmer*
DOROTHY A. TIMIAN-PALMER
Chief Operating Officer/Director

STATE OF NEVADA)
 : ss.
CARSON CITY)

On December 29, 2003, DOROTHY A. TIMIAN-PALMER, personally appeared before me, a notary public, personally known to me to be the person whose name is subscribed to the foregoing instrument and who acknowledged to me that she is the Chief Operating Officer and a Director of Nevada Land and Resource Company, a Delaware limited liability company, and who acknowledged to me that she executed the foregoing GRANT, BARGAIN AND SALE DEED on behalf of said corporation.



Cecilee W. Tureman
NOTARY PUBLIC

EXHIBIT A

County	APN #	Twp	Rng	Sec	Adjusted Parts	Acres
Elko	009-530-001	34N	66E	1	All except 0.23 Ac conv to WPR Co.	640.37
Elko	009-530-001	34N	66E	11	All	640.00
Elko	010-090-001	34N	67E	5	All	638.08
Elko	010-090-001	34N	67E	7	E/2 and ptn of W/2 east of the Nevada Northern Railroad as now constructed	366.98

3 72507

100782

PARCEL 14:

TOWNSHIP 34 NORTH, RANGE 67 EAST, M.D.B.&M.

Section 5: All;

Section 7: All;

EXCEPTING THEREFROM all that portion of said land as conveyed to Nevada Northern Railway Company, in Deed recorded February 7, 1906 in Book 28, Page 617, Deed Records, Elko County, Nevada.

FURTHER EXCEPTING THEREFROM all that portion of said land as conveyed to Western Pacific Railway Company in Deed recorded February 19, 1909 in Book 31, Page 71, Deed Records, Elko County, Nevada.

FURTHER EXCEPTING THEREFROM that portion of the W1/2W1/2 lying west of the Nevada Northern Railroad as conveyed to Gordon Griswold and Kitty Griswold, his wife, in Deed recorded August 14, 1946 in Book 54, Page 354, Deed Records, Elko County, Nevada.

FURTHER EXCEPTING FROM all of Parcel 14 all right, title and interest to coal, oil, gas and other minerals of every kind and nature whatsoever, lying in and under said land, as reserved by Russell Wilkins, et ux, et al, in Deed recorded December 10, 1946 in Book 55, Page 63, Deed Records, Elko, Nevada.

PARCEL 15:

TOWNSHIP 34 NORTH, RANGE 66 EAST, M.D.B.&M.

Section 1: All;

EXCEPTING THEREFROM all that portion of said land as conveyed to Western Pacific Railway Company in Deed recorded February 19, 1909 in Book 31, Page 71, Deed Records, Elko County, Nevada.

Section 11: ALL;

EXCEPTING FROM Parcel 15 all petroleum, oil, natural gas and products derived therefrom, lying in and under said land or that may be produced therefrom, as reserved by Southern Pacific Land Company in Deed recorded August 1, 1949 in Book 57, Page 126, Deed Records, Elko County, Nevada.

FURTHER EXCEPTING FROM all of the above described land those portion lying within the railroad right-of-way.

512359

3 72508

100783

WFZ1361

ASSIGNMENT OF INTEREST IN BIG SPRING RANCH, LLC

The undersigned Assignor, GHOLAMREZA ZANDIAN JAZI, currently holds an interest in BIG SPRING RANCH, LLC, a Nevada limited liability company, consisting of a membership, as well as a management right, and, in consideration of value received, GHOLAMREZA ZANDIAN JAZI herewith transfers and assigns to RAY KOROGHLI, individually, and FARIBORZ FRED SADRI, individually, and as Trustee of the Star Living Trust, all of the Assignor's right as Member or Manager in BIG SPRING RANCH, a Nevada LLC effective as of the _____ day of _____, 2006.

The Assignor represents that the interest herewith assigned has not been transferred, assigned, encumbered, the subject of any agreement, or security interest and that he holds the full and complete rights, the subject of this Assignment. The Assignor irrevocably appoints the Assignee as the Attorney in Fact to transfer such interests on the books and records of BIG SPRING RANCH, LLC, a Nevada LLC, the Assignor agrees to separately execute a resignation as a Member and Manager of BIG SPRING RANCH, LLC, a Nevada LLC.

The undersigned executes this Assignment on the _____ day of _____, 2006.

GHOLAMREZA ZANDIAN JAZI

ASSIGNMENT OF INTEREST IN
NEVADA LAND & WATER RESOURCES, LLC

The undersigned Assignor, GHOLAMREZA ZANDIAN JAZI, currently holds an interest in NEVADA LAND & WATER RESOURCES, LLC, a Nevada limited liability company, consisting of a membership, as well as a management right, and, in consideration of value received, GHOLAMREZA ZANDIAN JAZI herewith transfers and assigns to RAY KOROGHLI, individually, and FARIBORZ FRED SADRI, individually, and as Trustee of the Star Living Trust, all of the Assignor's right as Member or Manager in NEVADA LAND & WATER RESOURCES, LLC, a Nevada LLC effective as of the _____ day of _____, 2006.

The Assignor represents that the interest herewith assigned has not been transferred, assigned, encumbered, the subject of any agreement, or security interest and that he holds the full and complete rights, the subject of this Assignment. The Assignor irrevocably appoints the Assignee as the Attorney in Fact to transfer such interests on the books and records of NEVADA LAND & WATER, LLC, a Nevada LLC, the Assignor agrees to separately execute a resignation as a Member and Manager of NEVADA LAND & WATER RESOURCES, LLC, a Nevada LLC.

The undersigned executes this Assignment on the _____ day of _____, 2006.

GHOLAMREZA ZANDIAN JAZI

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

1 RELS
JOHN PETER LEE, LTD.
2 JOHN PETER LEE, ESQ.
Nevada Bar No. 001768
3 MICHAEL A. REYNOLDS, ESQ.
Nevada Bar No. 008631
4 830 Las Vegas Boulevard South
Las Vegas, Nevada 89101
5 (702) 382-4044 Fax: (702) 383-9950
Attorneys for Plaintiff/Counterdefendant
6

7 DISTRICT COURT

8 CLARK COUNTY, NEVADA

9 GHOLAMREZA ZANDIAN JAZI,
10 Plaintiff,

CASE NO.: A511131
DEPT. NO.: XIII

11 v.

12 RAY KOROGHLI, individually, FARIBORZ FRED)
SADRI, individually, and as Trustee of the Star
13 Living Trust, WENDOVER PROJECT, LLC, a
Nevada limited liability company; BIG SPRING
14 RANCH, LLC, a Nevada limited liability company,
and NEVADA LAND AND WATER
15 RESOURCES, LLC, a Nevada limited liability
company,

RELEASE OF LIS PENDENS

16 Defendants.

17
18 RAY KOROGHLI, individually and FARIBORZ
FRED SADRI, individually,

19 Counterclaimants,

DATE: N/A
TIME: N/A

20 v.

21 GHOLAMREZ ZANDIAN JAZI,
22 Counterdefendant.

23
24 WENDOVER PROJECT, LLC,
25 Counterclaimant,

26 v.

27 GHOLAMREZ ZANDIAN JAZI,
28 Counterdefendant.

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

1 GHOLAMREZ ZANDIAN JAZI,
2 Counterclaimant,
3 v.
4 WENDOVER PROJECT, LLC,
5 Counterdefendant,

6 1334.022860-JLR

7 NOTICE is hereby given that the undersigned did, on the 30th day of January, 2006 file a
8 Notice of Lis Pendens with the above-referenced Court, a copy of which was recorded with the Elko
9 County Recorder as Document Number 548113 on February 2, 2006.

10 NOW THEREFORE, for valuable consideration, the undersigned does by these presents
11 release, satisfy and discharge said Lis Pendens.

12 DATED this _____ day of _____, 2006.

13 JOHN PETER LEE, LTD.

14
15 BY: _____
16 John Peter Lee, Esq.
17 Nevada Bar No. 001768
18 Michael A. Reynolds, Esq.
19 Nevada Bar No. 008631
20 830 Las Vegas Boulevard South
21 Las Vegas, Nevada 89101
22 Ph: (702) 382-4044/Fax: (702) 383-9950
23 Attorneys for Plaintiffs
24
25
26
27
28

JOHN PETER LEE, LTD.
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830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
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1 RELS
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2 JOHN PETER LEE, ESQ.
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Nevada Bar No. 008631
4 830 Las Vegas Boulevard South
Las Vegas, Nevada 89101
5 (702) 382-4044 Fax: (702) 383-9950
Attorneys for Plaintiff/Counterdefendant
6

7 DISTRICT COURT

8 CLARK COUNTY, NEVADA

9 GHOLAMREZA ZANDIAN JAZI,
10 Plaintiff,

CASE NO.: A511131
DEPT. NO.: XIII

11 v.

12 RAY KOROGHLI, individually, FARIBORZ FRED
SADRI, individually, and as Trustee of the Star
13 Living Trust, WENDOVER PROJECT, LLC, a
Nevada limited liability company; BIG SPRING
14 RANCH, LLC, a Nevada limited liability company,
and NEVADA LAND AND WATER
15 RESOURCES, LLC, a Nevada limited liability
company,

RELEASE OF LIS PENDENS

16 Defendants.

17
18 RAY KOROGHLI, individually and FARIBORZ
FRED SADRI, individually,

19 Counterclaimants,

DATE: N/A
TIME: N/A

20 v.

21 GHOLAMREZ ZANDIAN JAZI,

22 Counterdefendant.

23
24 WENDOVER PROJECT, LLC,

25 Counterclaimant,

26 v.

27 GHOLAMREZ ZANDIAN JAZI,

28 Counterdefendant.

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

1 GHOLAMREZ ZANDIAN JAZI,
2 Counterclaimant,
3 v.
4 WENDOVER PROJECT, LLC,
5 Counterdefendant,

6 1334.022860-JLR

7 NOTICE is hereby given that the undersigned did, on the 14th day of October, 2005 file a
8 Notice of Lis Pendens with the above-referenced Court, a copy of which was recorded with the Elko
9 County Recorder as Document Number 542563 on October 25, 2005.

10 NOW THEREFORE, for valuable consideration, the undersigned does by these presents
11 release, satisfy and discharge said Lis Pendens.

12 DATED this _____ day of _____, 2006.

13 JOHN PETER LEE, LTD.

14
15 BY: _____
16 John Peter Lee, Esq.
17 Nevada Bar No. 001768
18 Michael A. Reynolds, Esq.
19 Nevada Bar No. 008631
20 830 Las Vegas Boulevard South
21 Las Vegas, Nevada 89101
22 Ph: (702) 382-4044/Fax: (702) 383-9950
23 Attorneys for Plaintiffs
24
25
26
27
28

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

1 RELS
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2 JOHN PETER LEE, ESQ.
Nevada Bar No. 001768
3 MICHAEL A. REYNOLDS, ESQ.
Nevada Bar No. 008631
4 830 Las Vegas Boulevard South
Las Vegas, Nevada 89101
5 (702) 382-4044 Fax: (702) 383-9950
Attorneys for Plaintiff/Counterdefendant
6

7 **DISTRICT COURT**
8 **CLARK COUNTY, NEVADA**

9 GHOLAMREZA ZANDIAN JAZI,)
10 Plaintiff,)
11 v.)
12 RAY KOROGHLI, individually, FARIBORZ FRED)
SADRI, individually, and as Trustee of the Star)
13 Living Trust, WENDOVER PROJECT, LLC, a)
Nevada limited liability company; BIG SPRING)
14 RANCH, LLC, a Nevada limited liability company,)
and NEVADA LAND AND WATER)
15 RESOURCES, LLC, a Nevada limited liability)
company,)
16 Defendants.)

CASE NO.: A511131.
DEPT. NO.: XIII

RELEASE OF LIS PENDENS

17
18 RAY KOROGHLI, individually and FARIBORZ)
FRED SADRI, individually,)
19 Counterclaimants,)
20 v.)
21 GHOLAMREZ ZANDIAN JAZI,)
22 Counterdefendant.)

DATE: N/A
TIME: N/A

23
24 WENDOVER PROJECT, LLC,)
25 Counterclaimant,)
26 v.)
27 GHOLAMREZ ZANDIAN JAZI,)
28 Counterdefendant.)

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

1 GHOLAMREZ ZANDIAN JAZI,
2 Counterclaimant,
3 v.
4 WENDOVER PROJECT, LLC,
5 Counterdefendant,

6 1334.022860-JLR

7 NOTICE is hereby given that the undersigned did, on the 14th day of October, 2005 file a
8 Notice of Lis Pendens with the above-referenced Court, a copy of which was recorded with the
9 Washoe County Recorder as Document Number 3301912 on November 3, 2005.

10 NOW THEREFORE, for valuable consideration, the undersigned does by these presents
11 release, satisfy and discharge said Lis Pendens.

12 DATED this _____ day of _____, 2006.

13 JOHN PETER LEE, LTD.

14
15 BY: _____
16 John Peter Lee, Esq.
17 Nevada Bar No. 001768
18 Michael A. Reynolds, Esq.
19 Nevada Bar No. 008631
20 830 Las Vegas Boulevard South
21 Las Vegas, Nevada 89101
22 Ph: (702) 382-4044/Fax: (702) 383-9950
23 Attorneys for Plaintiffs
24
25
26
27
28

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

1 RELS
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2 JOHN PETER LEE, ESQ.
Nevada Bar No. 001768
3 MICHAEL A. REYNOLDS, ESQ.
Nevada Bar No. 008631
4 830 Las Vegas Boulevard South
Las Vegas, Nevada 89101
5 (702) 382-4044 Fax: (702) 383-9950
Attorneys for Plaintiff/Counterdefendant
6

7 DISTRICT COURT

8 CLARK COUNTY, NEVADA

9 GHOLAMREZA ZANDIAN JAZI,)
10 Plaintiff,)
11 v.)
12 RAY KOROGHLI, individually, FARIBORZ FRED)
SADRI, individually, and as Trustee of the Star)
13 Living Trust, WENDOVER PROJECT, LLC, a)
Nevada limited liability company; BIG SPRING)
14 RANCH, LLC, a Nevada limited liability company,)
and NEVADA LAND AND WATER)
15 RESOURCES, LLC, a Nevada limited liability)
company,)
16 Defendants.

CASE NO.: A511131
DEPT. NO.: XIII

RELEASE OF LIS PENDENS

18 RAY KOROGHLI, individually and FARIBORZ)
FRED SADRI, individually,)
19 Counterclaimants,)
20 v.)
21 GHOLAMREZ ZANDIAN JAZI,)
22 Counterdefendant.)

DATE: N/A
TIME: N/A

24 WENDOVER PROJECT, LLC,)
25 Counterclaimant,)
26 v.)
27 GHOLAMREZ ZANDIAN JAZI,)
28 Counterdefendant.)

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

1 GHOLAMREZ ZANDIAN JAZI,
2 Counterclaimant,
3 v.
4 WENDOVER PROJECT, LLC,
5 Counterdefendant,

6 1334.022860-JLR

7 NOTICE is hereby given that the undersigned did, on the 16th day of November, 2005 file
8 a Notice of Lis Pendens with the above-referenced Court, a copy of which was recorded with the
9 Clark County Recorder in Book/Instrument 20051116-0004202 on November 16, 2005.

10 NOW THEREFORE, for valuable consideration, the undersigned does by these presents
11 release, satisfy and discharge said Lis Pendens.

12 DATED this _____ day of _____, 2006.

13 JOHN PETER LEE, LTD.

14
15 BY: _____
16 John Peter Lee, Esq.
17 Nevada Bar No. 001768
18 Michael A. Reynolds, Esq.
19 Nevada Bar No. 008631
20 830 Las Vegas Boulevard South
21 Las Vegas, Nevada 89101
22 Ph: (702) 382-4044/Fax: (702) 383-9950
23 Attorneys for Plaintiffs
24
25
26
27
28



DEAN HELLER
 Secretary of State
 202 North Carson Street
 Carson City, Nevada 89701-4201
 (775) 684 5708
 Website: secretaryofstate.biz

**Certificate of Resignation of Officer,
 Director, Manager, Member, General
 Partner, Trustee or Subscriber**

ABOVE SPACE IS FOR OFFICE USE ONLY

**Certificate of Resignation of
 Officer, Director, Manager, Member,
 General Partner, Trustee or Subscriber**

1. The name and title(s) of person that desires to resign:

GHOLAMREZA ZANDIAN JAZI
 (Name)

Manager
 (Title(s))

2. The name and file number of the entity for which resignation is being made:

WENDOVER PROJECT L.L.C.
 (Name of Entity)

(File Number)

3. Signature: _____

4. Fee: \$75.00 per form. Resignation of one person from one entity per form.

This form must be accompanied by appropriate fees.

Nevada Secretary of State Resignation of Officer 2003
 Revised on: 02/03/06



DEAN HELLER
 Secretary of State
 202 North Carson Street
 Carson City, Nevada 89701-4201
 (775) 684 5708
 Website: secretaryofstate.biz

**Certificate of Resignation of Officer,
 Director, Manager, Member, General
 Partner, Trustee or Subscriber**

ABOVE SPACE IS FOR OFFICE USE ONLY

**Certificate of Resignation of
 Officer, Director, Manager, Member,
 General Partner, Trustee or Subscriber**

1. The name and title(s) of person that desires to resign:

GHOLAMREZA ZANDIAN JAZI
 (Name)

Manager
 (Title(s))

2. The name and file number of the entity for which resignation is being made:

NEVADA LAND & WATER RESOURCES, L.L.C.
 (Name of Entity)

(File Number)

3. Signature: _____

4. Fee: \$75.00 per form. Resignation of one person from one entity per form.

This form must be accompanied by appropriate fees.

Nevada Secretary of State Resignation of Officer 2003
 Revised on: 02/03/05



DEAN HELLER
 Secretary of State
 202 North Carson Street
 Carson City, Nevada 89701-4201
 (775) 684 5708
 Website: secretaryofstate.biz

**Certificate of Resignation of Officer,
 Director, Manager, Member, General
 Partner, Trustee or Subscriber**

ABOVE SPACE IS FOR OFFICE USE ONLY

**Certificate of Resignation of
 Officer, Director, Manager, Member,
 General Partner, Trustee or Subscriber**

1. The name and title(s) of person that desires to resign:

GHOLAMREZA ZANDIAN JAZI
 (Name)

Manager
 (Title(s))

2. The name and file number of the entity for which resignation is being made:

BIG SPRING RANCH LLC
 (Name of Entity)

(File Number)

3. Signature: _____

4. Fee: \$75.00 per form. Resignation of one person from one entity per form.

This form must be accompanied by appropriate fees.

Nevada Secretary of State Resignation of Officer 2003
 Revised on: 02/03/06

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

1 RCPT
JOHN PETER LEE, LTD.
2 JOHN PETER LEE, ESQ.
Nevada Bar No. 001768
3 MICHAEL A. REYNOLDS, ESQ.
Nevada Bar No. 008631
4 830 Las Vegas Boulevard South
Las Vegas, Nevada 89101
5 (702) 382-4044 Fax: (702) 383-9950
Attorneys for Plaintiff/Counterdefendant
6

7 **DISTRICT COURT**

8 **CLARK COUNTY, NEVADA**

9 GHOLAMREZA ZANDIAN JAZI,)

10 Plaintiff,)

11 v.)

12 RAY KOROGHLI, individually, FARIBORZ FRED)
SADRI, individually, and as Trustee of the Star)
13 Living Trust, WENDOVER PROJECT, LLC, a)
Nevada limited liability company; BIG SPRING)
14 RANCH, LLC, a Nevada limited liability company,)
and NEVADA LAND AND WATER)
15 RESOURCES, LLC, a Nevada limited liability)
company,)

16 Defendants.)

17 _____)
18 RAY KOROGHLI, individually and FARIBORZ)
FRED SADRI, individually,)

19 Counterclaimants,)

20 v.)

21 GHOLAMREZ ZANDIAN JAZI,)

22 Counterdefendant.)

23 _____)
24 WENDOVER PROJECT, LLC,)

25 Counterclaimant,)

26 v.)

27 GHOLAMREZ ZANDIAN JAZI,)

28 Counterdefendant.)

CASE NO.: A511131
DEPT. NO.: XIII

RECEIPT

DATE: N/A
TIME: N/A

1 GHOLAMREZ ZANDIAN JAZI,
2 Counterclaimant,
3 v.
4 WENDOVER PROJECT, LLC,
5 Counterdefendant,

6 1334.022860-JLR

7 RECEIPT of \$250,000 made payable to John Peter Lee, Ltd., in compliance and in
8 conformity with the Award of Floyd Hale, Arbitrator dated September 20, 2006 is acknowledged this
9 ___ day of _____, 2006.

10 JOHN PETER LEE, LTD.

11
12 BY: _____

13 John Peter Lee, Esq.
14 Nevada Bar No. 001768
15 Michael A. Reynolds, Esq.
16 Nevada Bar No. 008631
17 830 Las Vegas Boulevard South
18 Las Vegas, Nevada 89101
19 Ph: (702) 382-4044/Fax: (702) 383-9950
20 Attorneys for Plaintiff/Counterdefendant
21
22
23
24
25
26
27
28

JOHN PETER LEE, LTD.

ATTORNEYS AT LAW

830 LAS VEGAS BOULEVARD SOUTH

LAS VEGAS, NEVADA 89101

Telephone (702) 382-4044

Telecopier (702) 383-9950

MUTUAL RELEASE OF CLAIMS

This Mutual Release of Claims is made this _____ day of _____, 2006 by and between GHOLAMREZA ZANDIAN JAZI ("Zandian"), Ray Koroghli ("Koroghi"), Fariborz Fred Sadri ("Sadri"), Wendover Project, LLC ("Wendover"), Nevada Land and Water Resources, LLC ("Nevada Land") and Big Spring Ranch, LLC, ("Big Spring"). For purposes of this agreement, Zandian is hereinafter called Plaintiff and all of the individuals and LLCs are jointly called Defendants.

RECITALS

WHEREAS disputes have arisen by and between the Plaintiff and the Defendants resulting in litigation which was commenced in the District Court, Clark County Nevada, given Case No. A511131; and

WHEREAS the matter was thereafter referred to arbitration before Floyd A. Hale by an agreement; and

WHEREAS, in addition to the Complaint, the Defendants filed various Counterclaims against the Plaintiff in the District Court action, all of which claims were heretofore referred to Floyd A. Hale to arbitrate; and

WHEREAS the parties to this Release, Plaintiff and the Defendants, commenced the arbitration process before Floyd A. Hale, which commenced on the 22nd day of August, 2006 and ended on the 8th day of September, 2006; and

WHEREAS on the latter date an order was entered on the record concerning settlement of the claims asserted by the Plaintiff, and the counterclaims asserted by the Defendants, which will be reduced to an order entered in the arbitration proceedings; and

WHEREAS the order provides for the release of certain rights by the parties, one against the other, and the payment of sums by certain of the Defendants, all as set forth in separate instruments, and further set forth in the Arbitration Order; and

WHEREAS these parties desire to settle and resolve all issues, allegations, claims, rights, defenses and obligations and causes of action asserted, or which could have been asserted by the Plaintiff against the Defendants and the Defendants against the Plaintiff;

NOW THEREFORE in consideration of these Recitals and the mutual covenants, promises and conditions hereinafter set forth, these parties agree as follows:

1. In consideration of the mutual covenants of the parties hereto, their heirs, executors, administrators, assigns, representative trustees, beneficiaries, directors, officers, employees, agents and attorneys and assigns to enter to this Mutual Release whereby the Plaintiff releases the Defendants and the Defendants release the Plaintiff from any and all demands, claims, damages, lawsuits, causes of action, costs and expenses of whatever character, known or unknown, and whenever occurring in the past, in the present or which will accrue in the future in any way, which are directly or indirectly related to the demands, claims and causes of action alleged, or which could have been alleged by the parties in the Complaint, the Amended Complaint and the various Counterclaims, or any amendments which could have been filed in the underlying proceedings.

2. The parties recognize that the Plaintiff and that the Defendants each may have claims against the others, of which they are unaware, it is the intention of the parties entering into this Mutual Release that this instrument will terminate the claim of the Plaintiff as against the Defendants and the Defendants against the Plaintiff, and prevent them from asserting the same. To this end, the

parties, and each of them, do waive all rights and benefits conferred upon them by statute or common law of any jurisdiction which has provisions which provides generally as follows:

“a general release does not extend to claims which the creditor does know or suspect in his favor at the time of executing the Release, which, if known by him, must have materially effected his settlement with the Debtor.”

The Plaintiff indemnifies the Defendants and the Defendants indemnify the Plaintiff from any and all claims asserted against any of them as a result of, or in connection with, any action or proceeding brought directly or indirectly on behalf, in the name of anyone claiming standing through the Plaintiff or the Defendants, contrary to the provisions of the Releases as provided for in this agreement.

3. This mutual settlement agreement is a compromise of disputed claims and arises out of, connected with, and relating to the underlying action and is not to be constructed as an admission of liability on the part of any party, all of whom expressly deny liability.

4. The construction, effect and validity of this agreement is governed by the laws of the State of Nevada and shall bind and inure to the benefit of each party and constitutes the entire agreement among the parties with respect to the subject hereto and may not be amended, except in writing, executed by the party to be charged.

5. Each party agrees to do anything necessary, and to execute all instruments necessary proper to effectuate the provisions and intent of this agreement, and each party shall mark cancelled and deliver to the other all evidence of any debt or obligation owed to the other, including Notes, Deeds of Trust or promises to pay, including, but not limited to, that certain Promissory Note

executed by Zandian in favor of Fariborz Fred Sadri and the Star Living Trust for \$333,333 secured by a Deed of Trust on 4,400 acres of property in Washoe County, Nevada.

6. Each party warrants that he has the power, capacity and authority to enter into this Mutual Release.

7. The Plaintiff and the Defendants separately acknowledge that their execution of this Release is freely and voluntarily done, and that all Recitals are true and correct, and they have not assigned or transferred to any person the matters released hereunder.

8. All the terms and conditions herein are severable in the event that any terms held are considered unenforceable by any court of competent jurisdiction. This agreement shall be interpreted as if the unenforceable terms were not contained herein.

9. This mutual agreement shall not create any rights in any person who is not a party hereto.

10. This mutual settlement agreement may be signed in multiple originals, each of which is considered a counterpart of the others, and taken together shall constitute one original.

DATED the day above first written.

GHOLAMREZA ZANDIAN JAZI

RAY KOROGHLI, individually

FARIBORZ FRED SADRI, individually and
as Trustee of the Star Living Trust

WENDOVER PROJECT, LLC

BY: _____

NEVADA LAND & WATER RESOURCES, LLC

BY: _____

BIG SPRING RANCH, LLC

BY: _____

1 ARB
2 FLOYD A. HALE, ESQ.
3 Nevada Bar No. 1873
4 JAMS
5 2300 W. Sahara, #900
6 Las Vegas, NV 89102
7 Ph: (702) 457-5267
8 Fax: (702) 437-5267
9 Arbitrator.

RECEIVED
MAR 02 2007
JOHN PETER LEE, LTD.

DISTRICT COURT
CLARK COUNTY, NEVADA

10 GHOLAMREZA ZANDIAN JAZI,) Case No. A511131
11)) Dept. No. XII
12 Plaintiff,)
13 vs.)
14 RAY KOROGHLI, individually,)
15 FABIRORZ FRED SADRI, individually,)
16 and as Trustee of the Star Living Trust,)
17 WENDOVER PROJECT, LLC, a Nevada)
18 limited liability company; BIG SPRING)
19 RANCH, LLC, a Nevada limited liability)
20 company, and NEVADA LAND AND)
21 WATER RESOURCES, LLC, a Nevada)
22 limited liability company,)
23 Defendants.)

ARBITRATOR REPORT AND RECOMMENDATION TO
DISTRICT COURT

23 This matter was submitted to Arbitration and Arbitration Hearings were conducted for two
24 days, as well as the submission of voluminous exhibits, depositions and briefs. During the
25 Arbitration proceeding, the parties agreed to meet with the Arbitrator in an effort to resolve the
26 dispute. With agreement of counsel, the parties met directly with the Arbitrator and an agreement
27 for a final conclusion of this matter was read into the record, being recorded by a court reporter.
28

FLOYD A. HALE
SPECI
STER
2300 W. SAHARA, SUITE 900
LAS VEGAS, NEVADA 89102
PHONE (702) 457-5267 Email fhaile@floydahale.com

1 The undersigned then issued an Arbitration Decision based upon the evidence submitted as well
2 as the agreement of the parties.

3
4 On January 11, 2007, counsel for the parties conducted a hearing before this Court
5 regarding confirmation of the Arbitration Award. Counsel for the parties could not reach an
6 agreement as to what documents needed to be signed to effect the Arbitration Decision. For that
7 reason, the matter was referred back to the Arbitrator for further proceedings. The actual
8 reference, contained in page 25, line 6-14 of the January 11, 2007, transcript is as follows:

9
10 THE COURT: I'm going to resolve your problem. Its real easy. I am
11 going to refer the matter back to Floyd Hale for further proceedings,
12 consistent with the 9/8/06 transcript. Those will include getting the
13 mechanism for the spouses of the parties to sign the documents, getting
14 a mechanism for the waiver of the release of the rights of first refusal
15 that exist, entering into the settlement agreement the parties entered
16 into. If he is unable to reach an agreement among the parties, then I
17 will have the final word.

18
19 The District Court has already indicated that wives of the principals will need to sign
20 documents. The following report and recommendation will reference the parties to the
21 Arbitration with the understanding that the District Court has already indicated that wives for
22 those parties will be required to sign all necessary documents.

23
24 IT IS REPORTED AND RECOMMENDED to the Court that the following documents
25 will need to be executed by the parties and their wives:

26
27 4,400 acres of real estate, owned by Poh Rah, LLC: The only members of the Pah Rah,
28 LLC are the parties to this action: Zandian Jazi; Ray Koroghli and Fred Sadri. These parties will
be required to sign a Grant Bargain Sale Deed to transfer the 4,400 acres of real estate to Zandian
Jazi. Fred Sadri will need to execute a full reconveyance of the Deed of Trust and release the
Promissory Note which was secured by the Deed of Trust as to this property. The parties will also

FLOYD A HALE
SPECIALIST
2300 W. SAHA, SUITE 900
LAS VEGAS, NEVADA 89102
PHONE (702) 457-5267 EMAIL fhale@floydahale.com

FLOYD A HALE
SPECI
STER
2300 W. SNA
LAS VEGAS, NEVADA 89102
PHONE (702) 457-5267 EMAIL fhaile@floyd hale.com

1 have to sign a waiver of any right of first refusal to this property.

2 320 acres owned by Big Springs Ranch, LLC. The only members of the Big Springs
3 Ranch LLC, are the parties to this action and Mr. Abrishami. If Mr. Zandian Jazi can obtain the
4 signature of Mr. Abrishami on a Deed to transfer this property, then the parties to this action must
5 all execute a Grant Bargain Sale Deed transferring this real estate to Zandian Jazi. If Mr. Jandian
6 Jazi is unable to obtain the signature of Mr. Abrishami, then Mr. Sadri and Mr. Koroghli are
7 required to sign a Quit Claim Deed from Big Springs Ranch, LLC to Zandian Jazi to sign waivers
8 of rights of first refusal.
9
10

11 \$250,000.00 Payment to Zandian Jazi: There has been a dispute as to what entity is
12 responsible for making this payment. During the Arbitration Proceedings, as well as during prior
13 meetings with the parties, it was represented to the Arbitrator that Mr. Sadri and Mr. Koroghli
14 would make this payment. It is Recommended that either Mr. Sadri or Mr. Koroghli, or both, are
15 individually responsible for this payment. Sadri and Koraghli may, however, execute the
16 payment check or draft in whatever representative capacity that they believe is the most
17 appropriate.
18

19 Transfer of Wendover Project, LLC Interest: Zandian Jazi has agreed to waive or transfer
20 any interest that he has, if any, in the Wendover Project, LLC. Mr. Netzorg has argued that it is
21 incumbent upon Mr. Zandian Jazi to obtain signatures on waivers of rights of first refusal from
22 all members of the LLC. This was not part of the settlement agreement and the District Court
23 should be aware that the Defendants contested that Zandian Jazi even owned rights in the
24 Wendover Project, LLC at the time of the arbitration.
25
26

27 It is the Report and Recommendation of the Arbitrator that Zandian Jazi sign a transfer
28 of all interest that he owns in the Wendover Project, LLC directly to: "Wendover Project, LLC."

FLOYD R. HALE
SPECIAL COUNSEL
2300 W. SARAH, S.E. SUITE 900
LAS VEGAS, NEVADA 89102
PHONE (702) 457-5267 EMAIL fhaale@floyd hale.com

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Zandian Jazi must also sign a waiver of any right of first refusal that he has as to that LLC.

The remaining managing members of the Wendover Project LLC are responsible for determining the appropriate allocation of the Zandian Jazi interest. If they believe that it is necessary to obtain waivers of rights of first refusal to make that allocation of interest, then it is their responsibility to do so. Before distributing Mr. Zandian Jazi's interest, the managing members of the LLC should either distribute that interest in accordance with the operating agreements or, alternatively, obtain whatever signatures that the managing members determine are necessary to make a different distribution or allocation of that interest. It would seem unfair to place this burden on the transferring party who is merely transferring his interest to the entire Wendover Project, LLC.

Big Springs Ranch, LLC: As with the Wendover Project, LLC, Mr. Zandian Jazi will be required to execute a transfer of interest and waiver of any interest of the Big Springs Ranch, LLC, directly to: "Big Springs Ranch, LLC." He must also execute a waiver of right of first refusal that he would have under that LLC. As stated with the Wendover Project, LLC, it is the duty of the managing members of the Big Springs Ranch, LLC, to make an appropriate distribution or allocation of this interest. The remaining managing members of the Big Springs Ranch, LLC must either transfer the property as required by the operating agreement or obtain whatever waivers of rights of first refusal that are necessary to make a transfer which they believe are necessary.

CONCLUSION:

Mr. Netzorg has contested the requirement that the receiving LLC entities are required to obtain waivers of rights of first refusal. Actually, waivers are not necessary if the receiving interest is transferred pursuant to the operating agreement. If the managing members want to

1 obtain waivers of rights of first refusal to make a different distribution, they are certainly free to
2 do so. That should not be the burden of Mr. Zandian Jazi.

3
4 Mr. Netzorg has also asked for numerous documents regarding a purported transfer of Mr.
5 Zandian Jazi's shipyard stock. There was absolutely no evidence that any entity related to these
6 proceedings acknowledged receipt of that stock or issued any credit related to receipt of that
7 stock. Although that stock was discussed during the Arbitration proceedings, there was no
8 competent evidence regarding that stock being relevant to the Arbitration proceedings.
9

10 RESPECTFULLY SUBMITTED this 28th day of February, 2007

11 By: 

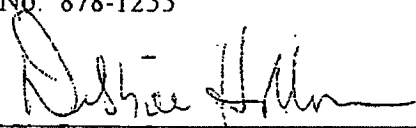
12 FLOYD A. HALE
13 2300 W. Sahara, #900
14 Las Vegas, NV 89102
15 Arbitrator

16 CERTIFICATE OF FACSIMILE AND MAIL

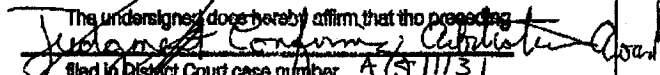
17 I hereby certify that on the 28th day of February, 2007, I faxed and mailed a true and
18 correct copy of the foregoing addressed to:

19 John Peter Lee, Esq.
20 830 Las Vegas Boulevard South
21 Las Vegas, NV 89101
22 Attorneys for Plaintiffs
23 Fax No. 383-9950

24 John Netzorg, Esq.
25 2810 West Charleston Blvd. #H-81
26 Las Vegas, NV 89102
27 Attorneys for Defendants
28 Fax No. 878-1255

By: 
Employee of Jams

AFFIRMATION
Pursuant to NRS 239B.030

The undersigned does hereby affirm that the preceding

filed in District Court case number A/S/11/31
DOES NOT contain the social security number of any person.

Date 6/8/07

FLOYD A. HALE
SPECULATOR
2300 W. SAHARA, S.E., SUITE 900
LAS VEGAS, NEVADA 89102
PHONE (702) 457-5267 EMAIL fhale@floydhale.com

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

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RECEIPT OF COPY

RECEIPT OF COPY of the foregoing NOTICE OF ENTRY OF JUDGMENT
CONFIRMING ARBITRATION AWARD is hereby acknowledged this 8th day of June, 2007.

JAMS, The Resolution Experts

By: Floyd A. Hale, Esq.
Floyd A. Hale, Esq.
2300 West Sahara Avenue #900
Las Vegas, Nevada 89102


John M. Netzorg, Esq. (C. Dawn)
John M. Netzorg, Esq.
2810 West Charleston Boulevard #81
Las Vegas, Nevada 89102
Attorneys for Defendants

AFFIRMATION
Pursuant to NRS 239B.030
The undersigned does hereby affirm that the preceding
NOE / JUDGMENT
filed in District Court case number 251131
DOES NOT contain the social security number of any person.
[Signature] Date 6/8/07

ORIGINAL

18

1 **ORDER**
 2 JOHN PETER LEE, LTD.
 3 JOHN PETER LEE, ESQ.
 Nevada Bar No. 001768
 4 MICHAEL A. REYNOLDS, ESQ.
 Nevada Bar No. 008631
 5 830 Las Vegas Boulevard South
 Las Vegas, Nevada 89101
 (702) 382-4044 Fax: (702) 383-9950
 Attorneys for Plaintiff/Counterdefendant
 6 GHOLAMREZA ZANDIAN JAZI

FILED
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 CLERK OF THE COURT

DISTRICT COURT
 CLARK COUNTY, NEVADA

10 GHOLAMREZA ZANDIAN JAZI,)
 11 Plaintiff,)
 12 v.)
 13 RAY KOROGHLI, individually, FARIBORZ FRED)
 14 SADRI, individually, and as Trustee of the Star)
 Living Trust, WENDOVER PROJECT, LLC, a)
 15 Nevada limited liability company; BIG SPRING)
 RANCH, LLC, a Nevada limited liability company,)
 16 and NEVADA LAND AND WATER)
 RESOURCES, LLC, a Nevada limited liability)
 17 company,)
 18 Defendants.)

CASE NO.: A511131
 DEPT. NO.: XI

ORDER ON POST-JUDGMENT
 MOTIONS

19 RAY KOROGHLI, individually and FARIBORZ)
 20 FRED SADRI, individually,)
 21 Counterclaimants,)
 22 v.)
 23 GHOLAMREZA ZANDIAN JAZI,)
 Counterdefendant.)
 24 _____)
 25 WENDOVER PROJECT, LLC,)
 26 Counterclaimant,)
 27 v.)
 28 GHOLAMREZA ZANDIAN JAZI,)
 Counterdefendant.)

JOHN PETER LEE, LTD.
 ATTORNEYS AT LAW
 830 LAS VEGAS BLVD. SOUTH
 LAS VEGAS, NEVADA 89101
 Telephone (702) 382-4044
 Telecopier (702) 383-9950

RECEIVED
 JUL 20 2007
 CLERK OF THE COURT

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BLVD. SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

1 _____)
2 GHOLAMREZA ZANDIAN JAZI,)
3 Counterclaimant,)
4 v.)
5 WENDOVER PROJECT, LLC,)
6 Counterdefendant.)
7 _____)

1334.022860-sy

ORDER ON POST-JUDGMENT MOTIONS

8
9 Defendants' Motion for Re-hearing and Motion to Amend or Alter Judgment Pursuant to
10 NRCP 59 (e), or in the Alternative, Motion for New Trial Pursuant to NRCP 59 (a) came before this
11 Court for hearing on July 17, 2007. Michael A. Reynolds, Esq., and Yvette R. Freedman, Esq., of
12 the law firm of John Peter Lee, Ltd., appeared on behalf of Plaintiff, Gholamreza Zandian Jazi, and
13 Steven L. Day, Esq., of Cohen, Johnson and Day, appeared on behalf of all Defendants.

14 The Court having considered the pleadings on file and the arguments of counsel,


15 IT IS HEREBY ORDERED that Defendants' Motions are denied.

16 Dated this 19 day of July, 2007.

17  JK
18 HONORABLE ELIZABETH GONZALEZ
19 DISTRICT COURT JUDGE, DEPARTMENT 11

20 RESPECTFULLY SUBMITTED BY:

21 JOHN PETER LEE, LTD.

22
23 BY: 
24 JOHN PETER LEE, ESQ.
25 Nevada Bar No. 001768
26 MICHAEL A. REYNOLDS, ESQ.
27 Nevada Bar No. 008631
28 830 Las Vegas Boulevard South
Las Vegas, Nevada 89101
(702) 382-4044 Fax: (702) 383-9950
Attorneys for Plaintiff/Counterdefendant
GHOLAMREZA ZANDIAN JAZI

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[Signature]
CLERK OF THE COURT

1 **NEOJ**
 2 **JOHN PETER LEE, LTD.**
 3 **JOHN PETER LEE, ESQ.**
 Nevada Bar No. 001768
 4 **MICHAEL A. REYNOLDS, ESQ.**
 Nevada Bar No. 008631
 5 **830 Las Vegas Boulevard South**
Las Vegas, Nevada 89101
 6 **(702) 382-4044 Fax: (702) 383-9950**
Attorneys for Plaintiff/Counterdefendant
GHOLAMREZA ZANDIAN JAZI

DISTRICT COURT

CLARK COUNTY, NEVADA

10 **GHOLAMREZA ZANDIAN JAZI,**)
 11 **Plaintiff,**)
 12 **v.**)
 13 **RAY KOROGHLI, individually, FARIBORZ FRED**)
 14 **SADRI, individually, and as Trustee of the Star**)
 15 **Living Trust, WENDOVER PROJECT, LLC, a**)
 16 **Nevada limited liability company; BIG SPRING**)
 17 **RANCH, LLC, a Nevada limited liability company,**)
 18 **and NEVADA LAND AND WATER**)
 19 **RESOURCES, LLC, a Nevada limited liability**)
 20 **company,**)
 21 **Defendants.**)

CASE NO.: A511131
DEPT. NO.: XI

NOTICE OF ENTRY OF ORDER

19 **RAY KOROGHLI, individually and FARIBORZ**)
 20 **FRED SADRI, individually,**)
 21 **Counterclaimants,**)
 22 **v.**)
 23 **GHOLAMREZA ZANDIAN JAZI,**)
 24 **Counterdefendant.**)
 25 **WENDOVER PROJECT, LLC,**)
 26 **Counterclaimant,**)
 27 **v.**)
 28 **GHOLAMREZA ZANDIAN JAZI,**)
Counterdefendant.)

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
 830 LAS VEGAS BLVD. SOUTH
 LAS VEGAS, NEVADA 89101
 Telephone (702) 382-4044
 Telecopier (702) 383-9950

RECEIVED

JUL 23 2007

CLERK OF THE COURT

1 GHOLAMREZA ZANDIAN JAZI,)
2 Counterclaimant,)
3 v.)
4 WENDOVER PROJECT, LLC,)
5 Counterdefendant.)

6 1334.022860-sy

7 **NOTICE OF ENTRY OF ORDER**

8 PLEASE TAKE NOTICE the Order On Post-Judgment Motions which is attached hereto was
9 entered on July 20, 2007.

10 Dated this 20 day of July, 2007.

11 JOHN PETER LEE, LTD.

12 BY: Michael A. Reynolds
13 JOHN PETER LEE, ESQ.
14 Nevada Bar No. 001768
15 MICHAEL A. REYNOLDS, ESQ.
16 Nevada Bar No. 008631
17 830 Las Vegas Boulevard South
18 Las Vegas, Nevada 89101
19 Ph: (702) 382-4044/Fax: (702) 383-9950
20 email: info@johnpeterlee.com

21
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JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BLVD. SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

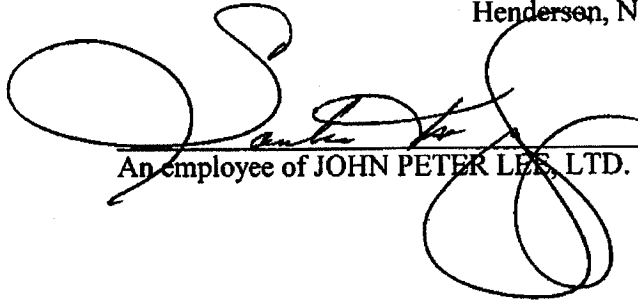
CERTIFICATE OF MAILING

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HEREBY CERTIFY that on the 27th day of July, 2007, I served a copy of the foregoing NOTICE OF ENTRY OF ORDER ON POST-JUDGMENT MOTIONS in the above captioned matter by enclosing it in a sealed envelope upon which first class postage was fully prepaid addressed to:

John M. Netzorg, Esq.
2810 West Charleston Blvd., #H-81
Las Vegas, Nevada 89102

Steven L. Day
Cohen, Johnson & Day
1060 West Wigman Pkwy
Henderson, Nevada 89074


An employee of JOHN PETER LEE, LTD.

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BLVD. SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

~~CONFIDENTIAL~~

FILED

JUL 20 1 47 PM '07

Cliff
CLERK OF THE COURT

1 **ORDER**
2 JOHN PETER LEE, LTD.
3 JOHN PETER LEE, ESQ.
4 Nevada Bar No. 001768
5 MICHAEL A. REYNOLDS, ESQ.
6 Nevada Bar No. 008631
7 830 Las Vegas Boulevard South
8 Las Vegas, Nevada 89101
9 (702) 382-4044 Fax: (702) 383-9950
10 *Attorneys for Plaintiff/Counterdefendant*
11 **GHOLAMREZA ZANDIAN JAZI**

8 **DISTRICT COURT**
9 **CLARK COUNTY, NEVADA**

10 GHOLAMREZA ZANDIAN JAZI,)
11)
12) Plaintiff,)
13)
14) v.)

CASE NO.: A511131
DEPT. NO.: XI

15) RAY KOROGHLI, individually, FARIBORZ FRED)
16) SADRI, individually, and as Trustee of the Star)
17) Living Trust, WENDOVER PROJECT, LLC, a)
18) Nevada limited liability company; BIG SPRING)
19) RANCH, LLC, a Nevada limited liability company,)
20) and NEVADA LAND AND WATER)
21) RESOURCES, LLC, a Nevada limited liability)
22) company,)
23)
24) Defendants.)

**ORDER ON POST-JUDGMENT
MOTIONS**

25) RAY KOROGHLI, individually and FARIBORZ)
26) FRED SADRI, individually,)
27)
28) Counterclaimants,)

29) v.)
30) GHOLAMREZA ZANDIAN JAZI,)
31)
32) Counterdefendant.)

33) WENDOVER PROJECT, LLC,)
34)
35) Counterclaimant,)

36) v.)
37) GHOLAMREZA ZANDIAN JAZI,)
38)
39) Counterdefendant.)

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BLVD. SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BLVD. SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

1 _____)
2 GHOLAMREZA ZANDIAN JAZI,)
3 Counterclaimant,)
4 v.)
5 WENDOVER PROJECT, LLC,)
6 Counterdefendant.)
7 _____)

1334.022860-sy

ORDER ON POST-JUDGMENT MOTIONS

Defendants' Motion for Re-hearing and Motion to Amend or Alter Judgment Pursuant to NRCP 59 (e), or in the Alternative, Motion for New Trial Pursuant to NRCP 59 (a) came before this Court for hearing on July 17, 2007. Michael A. Reynolds, Esq., and Yvette R. Freedman, Esq., of the law firm of John Peter Lee, Ltd., appeared on behalf of Plaintiff, Gholamereza Zandian Jazi, and Steven L. Day, Esq., of Cohen, Johnson and Day, appeared on behalf of all Defendants.

The Court having considered the pleadings on file and the arguments of counsel, IT IS HEREBY ORDERED that Defendants' Motions are denied.


Dated this 19 day of July, 2007.



HONORABLE ELIZABETH GONZALEZ
DISTRICT COURT JUDGE, DEPARTMENT 11

RESPECTFULLY SUBMITTED BY:

JOHN PETER LEE, LTD.

BY: 

JOHN PETER LEE, ESQ.
Nevada Bar No. 001768
MICHAEL A. REYNOLDS, ESQ.
Nevada Bar No. 008631
830 Las Vegas Boulevard South
Las Vegas, Nevada 89101
(702) 382-4044 Fax: (702) 383-9950
Attorneys for Plaintiff/Counterdefendant
GHOLAMREZA ZANDIAN JAZI

CIVIL COURT MINUTES

05-A-511131-C Jazi, Gholamreza Z vs Koroghli, Ray

11/28/05 09:00 AM 00 PLTF'S MTN TO DISMISS COMPLAINT OR
COMPEL ARBITRATION /01

HEARD BY: Mark R. Denton, Judge; Dept. 13

OFFICERS: Sue Burdette, Court Clerk

PARTIES: NO PARTIES PRESENT

John Netzorg, Esq., present.

Mr. Netzorg advised the matter is resolved and there are no other matters to come before the Court today. COURT ORDERED, matter OFF CALENDAR.

CLERK'S NOTE: LATER, it was determined that a Stipulation for arbitration was filed.../sb

04/17/06 09:00 AM 00 DEFT'S MTN TO DISMISS COMPLAINT /02

HEARD BY: Mark R. Denton, Judge; Dept. 13

OFFICERS: Sue Burdette, Court Clerk

PARTIES: NO PARTIES PRESENT

COURT finds there are no appearances; finds that counsel has contacted Chambers and indicated the parties are stipulating to arbitration; and ORDERED, matter OFF CALENDAR.

CIVIL COURT MINUTES

05-A-511131-C Jazi, Gholamreza Z vs Koroghli, Ray

CONTINUED FROM PAGE: 001

12/22/06 ??:?? ?M 00 MINUTE ORDER RE: INCORRECT CASE REASSIGNMENT

HEARD BY: Elizabeth Gonzalez, Judge; Dept. 11

OFFICERS: Willa Pettice, Court Clerk

PARTIES: NO PARTIES PRESENT

The Court stated this is a Business Court case that was transferred from Dept. 13 in error. Judge Denton is to retain this case. COURT ORDERED, matter referred back to Dept. 13 as a Business Court case.

01/11/07 09:00 AM 00 ALL PENDING MOTIONS (1/11/07)

HEARD BY: Elizabeth Gonzalez, Judge; Dept. 11

OFFICERS: Melissa Swinn, Relief Clerk
Jill Hawkins, Reporter/Recorder

PARTIES:	0001 P1	Jazi, Gholamreza Z	N
	008631	Reynolds, Michael A.	Y
	007699	Fic, Holly	Y
	0002 D1	Koroghli, Ray	N
	001335	Netzorg, John M.	Y

PLAINTIFF/COUNTER DEFENDANT JAZI MOTION FOR CONFIRMATION AND ENTRY OF JUDGMENT ON ARBITRATION AWARD . . . DEFT'S MOTION TO VACATE ARBITRATION AWARD/MOTION TO MODIFY OR CORRECT

Arguments by counsel. COURT ORDERED, both motions DENIED. FURTHER, matter REFERRED back to Floyd Hale to resolve the following issues:

- 1 - Spouses need to sign on documents;
- 2 - Obtain waiver from anyone with the first right of refusal;
- 3 - Complete settlement agreement.

Further, it is this Court's recommendation that escrow be opened if real property is being transferred. Counsel advised all parties present that they can return to this Court to either resolve the issues or to assist in implementing the resolution.

CIVIL COURT MINUTES

05-A-511131-C Jazi, Gholamreza Z vs Koroghli, Ray

CONTINUED FROM PAGE: 002

04/24/07 ??:?? ?M 00 PLTF'S MTN FOR REFERRAL TO ARBITRATOR/07

HEARD BY: Elizabeth Gonzalez, Judge; Dept. 11

OFFICERS: Willa Pettice, Court Clerk

PARTIES: NO PARTIES PRESENT

COURT ORDERED, Pltf's Motion for Referral to Arbitrator is DENIED.

05/29/07 09:00 AM 00 ZANDIAN'S MTN FOR CONFIRMATION/ENTRY OF
JGMNT ON ARBITRATION AWARD AND OST /08

HEARD BY: Elizabeth Gonzalez, Judge; Dept. 11

OFFICERS: Denise Trujillo, Court Clerk
Debbie Winn, Reporter/Recorder

PARTIES: NO PARTIES PRESENT

At request of both counsel, COURT ORDERED, matter CONTINUED.

CONTINUED TO: 06/05/07 09:00 AM 01

CIVIL COURT MINUTES

05-A-511131-C Jazi, Gholamreza Z

vs Koroghli, Ray

CONTINUED FROM PAGE: 003

06/05/07 09:00 AM 01 ZANDIAN'S MTN FOR CONFIRMATION/ENTRY OF JGMNT ON ARBITRATION AWARD AND OST /08

HEARD BY: Elizabeth Gonzalez, Judge; Dept. 11

OFFICERS: Phyllis Irby/pi, Court Clerk
Jill Hawkins, Reporter/Recorder

REQ. BY: Jazi Gholamreza Z, Plaintiff

PARTIES:	0001 P1	Jazi, Gholamreza Z	N
	007373	Hatfield, Trevor J.	Y
	008631	Reynolds, Michael A.	Y
	0002 D1	Koroghli, Ray	N
	001335	Netzorg, John M.	Y
	0003 D	Sadri, Fariborz F	N
	001335	Netzorg, John M.	Y
	0005 D	Wendover Project LLC	N
	001335	Netzorg, John M.	Y
	0006 D	Big Spring Ranch LLC	N
	001335	Netzorg, John M.	Y
	0007 D	Nevada Land And Water Resources LLC	N
	001335	Netzorg, John M.	Y
	0008 CO	Wendover Project LLC	N
	001335	Netzorg, John M.	Y

Following arguments of counsel. COURT ORDERED, Zandian's Motion is GRANTED; matter set for status check.

7-24-07 9:00 AM STATUS CHECK: COMPLIANCE

CIVIL COURT MINUTES

05-A-511131-C Jazi, Gholamreza Z vs Koroghli, Ray

CONTINUED FROM PAGE: 004

06/21/07 09:00 AM 00 ALL PENDING MOTIONS (06-21-07)

HEARD BY: Elizabeth Gonzalez, Judge; Dept. 11

OFFICERS: Carol Donahoo, Relief Clerk
Jill Hawkins, Reporter/Recorder

PARTIES: 0001 P1 Jazi, Gholamreza Z
007373 Hatfield, Trevor J.

N
Y

0002 D1 Koroghli, Ray
001335 Netzorg, John M.

N
Y

DRFT.'S MOTION FOR STAY OF PROCEEDINGS TO ENFORCE THE JUDGMENT...DEFT.'S
MOTION FOR REHEARING

Argument on Deft.'s Motion for Stay of Proceedings. COURT ORDERED, Motion
GRANTED during the period of resolution of post-trial motions only. Court
will require a bond in the amount of \$10,000 for that limited period;
however, the Court will reconsider the amount of the bond after resolution
of the pending motions. COURT FURTHER ORDERED, Deft.'s Motion for Rehearing
rescheduled to July 17, 2007, at 9:00 a.m.

CIVIL COURT MINUTES

05-A-511131-C Jazi, Gholamreza Z vs Koroghli, Ray
CONTINUED FROM PAGE: 005

07/17/07 09:00 AM 00 ALL PENDING MOTIONS (07-17-07)

HEARD BY: Elizabeth Gonzalez, Judge; Dept. 11

OFFICERS: Carol Donahoo, Relief Clerk
Jill Hawkins, Reporter/Recorder

PARTIES:	0001 P1	Jazi, Gholamreza Z	N
	008631	Reynolds, Michael A.	Y
	0002 D1	Koroghli, Ray	N
	003708	Day, Steven L.	Y

DEFT.'S MOTION FOR REHEARING PURSUANT TO E.D.C.R. 2.24...DEFT.'S MOTION TO AMEND OR ALTER JUDGMENT PURSUANT TO NRCP 59(e), OR IN THE ALTERNATIVE, MOTION FOR A NEW TRIAL PURSUANT TO NRCP 59(e)

Arguments by counsel on both Motions. COURT ORDERED, Motions DENIED. Colloquy regarding the July 24 Status Check. COURT FURTHER ORDERED status check VACATED and RESET.

08/23/07 9:00 AM STATUS CHECK: COMPLIANCE

CIVIL COURT MINUTES

05-A-511131-C Jazi, Gholamreza Z vs Koroghli, Ray

CONTINUED FROM PAGE: 006

08/07/07 09:00 AM 00 DEFT'S MTN TO STAY OF PROCEEDINGS TO ENFORCE/17

HEARD BY: Elizabeth Gonzalez, Judge; Dept. 11

OFFICERS: Kathy Klein, Court Clerk
Jill Hawkins, Reporter/Recorder

PARTIES:	0001 P1	Jazi, Gholamreza Z	N
	009898	Freedman, Yvette R.	Y
	0002 D1	Koroghli, Ray	N
	003708	Day, Steven L.	Y

Mr. Day advised no reason to post bond, and if Court set a bond, then should consider the \$10,000.00 as previous. Colloquy regarding lis pendes, pending appeal, and security in the property. Ms. Freedman noted security is not sufficient, this is separate and apart, and could be tied up for years. COURT ORDERED, Deft's Motion to Stay of Proceedings to Enforce Judgement and to Set Supersedeas Bond, GRANTED, BOND SET at \$250,000.00.

Certification of Copy

State of Nevada }
County of Clark } SS:

I, Charles J. Short, the duly elected, qualifying and acting Clerk of Clark County, in the State of Nevada, and Ex-Officio Clerk of the District Court, do hereby certify that the foregoing is a true, full and correct copy of the original.

AMENDED NOTICE OF APPEAL; DISTRICT COURT DOCKET ENTRIES;
JUDGMENT CONFIRMING ARBITRATION AWARD; NOTICE OF ENTRY OF JUDGMENT
CONFIRMING ARBITRATION AWARD; ORDER ON POST-JUDGMENT MOTIONS; NOTICE OF
ENTRY OF ORDER; DISTRICT COURT MINUTES;

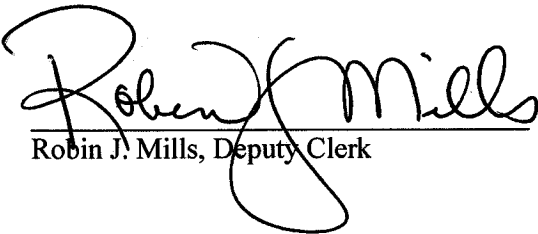
GHOLAMREZA ZANDIAN JAZI,)
)
 Plaintiff(s),)
 vs.)
)
 RAY KOROGHLI; FARIBORZ FRED SADRI,)
 individually and as Trustee of the Star Living)
 Trust; WENDOVER PROJECT, LLC; BIG)
 SPRING RANCH, LLC; NEVADA LAND)
 AND WATER RESOURCES, LLC,)
)
 Defendant(s),)

Case No: A511131
Dept No: XI

now on file and of record in this office.

IN WITNESS THEREOF, I have hereunto
Set my hand and Affixed the seal of the
Court at my office, Las Vegas, Nevada
This 17 day of August 2007.

Charles J. Short, Clerk of the Court


Robin J. Mills, Deputy Clerk

**SUPREME COURT OF THE STATE OF NEVADA
OFFICE OF THE CLERK**

GHOLAMREZA ZANDIAN JAZI,
Appellant/Cross-Respondent,
vs.

RAY KOROGHLI, INDIVIDUALLY; FARIBORZ FRED SADRI,
INDIVIDUALLY AND AS TRUSTEE OF THE STAR LIVING TRUST;
WENDOVER PROJECT, LLC, A NEVADA LIMITED LIABILITY
COMPANY; BIG SPRING RANCH, LLC, A NEVADA LIMITED
LIABILITY COMPANY; AND NEVADA LAND AND WATER
RESOURCES, LLC, A NEVADA LIMITED LIABILITY COMPANY,
Respondent/Cross-Appellants.

Supreme Court No. 49924

District Court Case No. A511131

RECEIPT FOR DOCUMENTS

TO: John Peter Lee Ltd. and Yvette Y. Freedman and John Peter Lee
Cohen, Johnson & Day and Steven L. Day and James R. Nance
Charles J. Short, District Court Clerk

You are hereby notified that the Clerk of the Supreme Court has received and/or filed the following:

08/21/07 Filed Certified Copy of Amended Notice of Appeal.

DATE: August 21, 2007

Janette M. Bloom, Clerk of Court

By: 

Deputy Clerk

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BLVD. SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

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IN THE SUPREME COURT OF THE STATE OF NEVADA

RAY KOROGHLI, individually, FARIBORZ FRED SADRI, individually, and as Trustee of the Star Living Trust, WENDOVER PROJECT, LLC, a Nevada limited liability company; BIG SPRING RANCH, LLC, a Nevada limited liability company, and NEVADA LAND AND WATER RESOURCES, LLC, a Nevada limited liability company,

Appellants,

vs.

GHOLAMREZA ZANDIAN JAZI,

Respondent.

1334.022860 dp

Supreme Court No.:49924

District Court No.: A 511131

FILED

AUG 22 2007

JANETTE M. BLOOM
CLERK OF SUPREME COURT
BY *J. M. Bloom*
DEPUTY CLERK

CERTIFICATE OF MAILING

I HEREBY CERTIFY that on the 20th day of August, 2007, I served a copy of the Response to Appellants' Docketing Statement upon the appropriate parties hereto, by enclosing it in a sealed envelope, deposited in the United States mail, upon which first class postage was fully prepaid addressed to:

Robert F. Saint-Aubin, Esq.
3753 H. Hughes Pkwy., #200
Las Vegas, NV 89169
Settlement Judge

There is regular communication by mail between the place of mailing and the place so addressed.

Diane Paul
An Employee of JOHN PETER LEE, LTD.

RECEIVED
AUG 22 2007
JANETTE M. BLOOM
CLERK OF SUPREME COURT
DEPUTY CLERK

ORIGINAL

FILED

AUG 20 3 58 PM '07

CLERK OF THE COURT

FILED

AUG 23 2007

JANETTE M. BLOOM
CLERK OF SUPREME COURT
BY [Signature]
DEPUTY CLERK

1 NOAS
2 JOHN PETER LEE, LTD.
3 JOHN PETER LEE, ESQ.
4 Nevada Bar No. 001768
5 MICHAEL A. REYNOLDS, ESQ.
6 Nevada Bar No. 008631
7 YVETTE R. FREEDMAN, ESQ.
8 Nevada Bar No. 009898
9 830 Las Vegas Boulevard South
10 Las Vegas, Nevada 89101
11 (702) 382-4044 Fax: (702) 383-9950
12 e-mail: info@johnpeterlee.com
13 Attorneys for Plaintiff/Counterdefendant

DISTRICT COURT

CLARK COUNTY, NEVADA

No. 49924

CASE NO.: A511131
DEPT. NO.: X1

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BLVD. SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

12 GHOLAMREZA ZANDIAN JAZI,)
13)
14 Plaintiff,)
15)
16 v.)
17)
18 RAY KOROGHLI, individually, FARIBORZ FRED)
19 SADRI, individually, and as Trustee of the Star)
20 Living Trust, WENDOVER PROJECT, LLC, a)
21 Nevada limited liability company; BIG SPRING)
22 RANCH, LLC, a Nevada limited liability company,)
23 and NEVADA LAND AND WATER)
24 RESOURCES, LLC, a Nevada limited liability)
25 company,)
26 Defendants.)

1334.023317 dp

AMENDED NOTICE OF CROSS-APPEAL

23 Notice is hereby amended and given that Plaintiff Gholamreza Zandian Jazi, hereby appeals
24 to the Supreme Court of Nevada from the Judgment Confirming Arbitration Award entered in this
25 action on the 8th day of June, 2007, and Order Granting Defendants' Motion for Stay of Proceedings

RECEIVED
AUG 20 2007
CLERK OF THE COURT

RECEIVED
AUG 23 2007
JANETTE M. BLOOM
CLERK OF SUPREME COURT
DEPUTY CLERK

07-1871413

1 to Enforce Judgment and Alternatively to Set Supersedeas Bond filed on August 13, 2007.

2 DATED this 20th day of August, 2007.

3 JOHN PETER LEE, LTD.

4 BY: 

5 JOHN PETER LEE, ESQ.

6 Nevada Bar No. 001768

7 MICHAEL A. REYNOLDS, ESQ.

8 Nevada Bar No. 008631

9 YVETTE R. FREEDMAN, ESQ.

10 Nevada Bar No. 009898

11 830 Las Vegas Boulevard South

12 Las Vegas, Nevada 89101

13 (702) 382-4044 Fax: (702) 383-9950

14 e-mail: info@johnpeterlee.com

15 Attorneys for Plaintiff/Counterdefendant

16 CERTIFICATE OF MAILING

17 I HEREBY CERTIFY that on the 20th day of August, 2007, the foregoing Amended Notice
18 of Cross-Appeal by enclosing the same in a sealed envelope, deposited in the United States mail,
19 upon which first class postage was fully prepaid addressed to:

20 COHEN, JOHNSON & DAY

21 Steven L. Day, Esq.

22 James R. Nance, Esq.

23 1060 Wigwam Parkway

24 Henderson, NV 89074

25 Robert F. Saint-Aubin, Esq.

26 3753 H. Hughes Pkwy., #200

27 Las Vegas, NV 89169

28 *Settlement Judge*


An Employee of

JOHN PETER LEE, LTD.

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BLVD. SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

DATE: 08/21/07
CASE NO. 05-A-511131-C

I N D E X

TIME 9:49 AM
JUDGE:Gonzalez, Elizabeth

Jazi, Gholamreza Z [E] vs Koroghli, Ray [E]

0001 P1 Gholamreza Z Jazi 001768 Lee, John P.
NO. 1 John Peter Lee, Ltd
830 Las Vegas Blvd. S.
Las Vegas, NV 89101

0002 D1 Ray Koroghli 003708 Day, Steven L.
NO. 1 Cohen Johnson & Day
1060 Wigwam Parkway
Henderson, NV 89074

0003 D Fariborz F Sadri 003708 Day, Steven L.
NO. 1 Cohen Johnson & Day
1060 Wigwam Parkway
Henderson, NV 89074

0004 D Star Living Trust 003708 Day, Steven L.
NO. 1 Cohen Johnson & Day
1060 Wigwam Parkway
Henderson, NV 89074

0005 D Wendover Project LLC 003708 Day, Steven L.
NO. 1 Cohen Johnson & Day
1060 Wigwam Parkway
Henderson, NV 89074

0006 D Big Spring Ranch LLC 003708 Day, Steven L.
NO. 1 Cohen Johnson & Day
1060 Wigwam Parkway
Henderson, NV 89074

0007 D Nevada Land And Water Resources LLC 003708 Day, Steven L.
NO. 1 Cohen Johnson & Day
1060 Wigwam Parkway
Henderson, NV 89074

0008 CO Wendover Project LLC 001335 Netzorg, John M.
NO. 1 Netzorg & Caschette
2810 W Charleston Blvd #81
Las Vegas, NV 89102-1910

0009 DC Gholamrez Z Jazi ?????? ## UNKNOWN ##

NO.	FILED/REC	CODE	REASON/DESCRIPTION	FOR	OC	SCH/PER	C
0001	10/05/05		COMP/COMPLAINT FILED Fee \$148.00	0001			
0002	10/05/05		CONS/CONSENT TO SERVICE BY ELECTONIC MEANS	AL		10/05/05	
0003	10/05/05		IAFD/INITIAL APPEARANCE FEE DISCLOSURE	0001			
0004	10/12/05		SUMM/SUMMONS	0003	SV	10/06/05	
0005	10/12/05		SUMM/SUMMONS	0004	SV	10/06/05	
0006	10/14/05		LISP/NOTICE OF LIS PENDENS	AL			
0007	10/14/05		LISP/NOTICE OF LIS PENDENS	AL		10/14/05	

(Continued to page 2)

WFZ1415

NO.	FILED/REC CODE	REASON/DESCRIPTION	FOR	OC	SCH/PER	C
0008	10/14/05	ERR /ERRATA TO COMPLAINT	0001			
0009	10/21/05	MOT /PLTF'S MTN TO DISMISS COMPLAINT OR COMPEL ARBITRATION /01	AL	MR	11/28/05	
0010	10/26/05	ROC /RECEIPT OF COPY	0001		10/21/05	
0011	10/31/05	REQT/PLAINTIFFS RULE 56 (F) MOTION TO CONTINUE SUMMARY JUDGMENT	AL		11/28/05	
0012	10/31/05	REQT/MOTION TO DISQUALIFY ATTORNEY FOR DEFENDANTS	AL		11/28/05	
0013	11/08/05	COMP/FIRST AMENDED COMPLAINT	0001			
0014	11/16/05	LISP/NOTICE OF LIS PENDENS	0001			
0015	11/23/05	RPLY/REPLY TO OPPOSITION TO MOTION TO DISMISS	0001		11/23/05	
0016	11/23/05	OPPS/OPPOSITION TO MOTION TO DISQUALIFY	0001			
0017	11/28/05	STIP/STIPULATION FOR ARBITRATION	0001			
0018	12/08/05	ANS /DEFENDANTS' RAY KOROCHLI AND FARIBORZ SADRI'S ANSWER AND COUNTERCLAIM	0002		12/08/05	
0019	12/08/05	ANS /DEFENDANTS' RAY KOROGHLI AND FARIBORZ SADRI'S ANSWER AND COUNTERCLAIM	0003		12/08/05	
0020	12/08/05	TRCT/RECEIPT #217853 \$400.00	0002		12/08/05	
0021	12/08/05	IAFD/INITIAL APPEARANCE FEE DISCLOSURE	0002			
0022	12/08/05	DEMD/DEMAND FOR JURY TRIAL	0002			
0023	12/09/05	OBJ /PLAINTIFFS OBJECTION TO DEMAND FOR JURY TRIAL	0001			
0024	12/27/05	RPLY/REPLY TO COUNTERCLAIM	AL			
0025	01/30/06	LISP/NOTICE OF LIS PENDENS	AL		01/30/06	
0026	02/02/06	ORDR/ORDER GRANTING APPLICATION TO EXTEND TIME TO EFFECTUATE SERVICE OF PROCESS	AL		02/02/06	
0027	02/02/06	APPL/APPLICATION TO EXTEND TIME TO EFFECTUATE SERVICE OF PROCESS	0001			
0028	02/03/06	NOTC/NOTICE OF ENTRY OF ORDER GRANTING APPLICATION TO EXTEND TIME TO EFFECTUATE SERVICE OF PROCESS	AL		02/02/06	Y
0029	02/15/06	SERV/ACCEPTANCE OF SERVICE	0005	SV	02/15/06	
0030	02/15/06	SERV/ACCEPTANCE OF SERVICE	0006	SV	02/15/06	
0031	02/15/06	SERV/ACCEPTANCE OF SERVICE	0007	SV	02/15/06	
0032	02/15/06	NOTC/NOTICE OF TAKING THE DEPOSITION OF DEFENDANT COUNTERCLAIMANT RAY KOROGHLI	AL	SH	03/06/06	
0033	02/15/06	NOTC/NOTICE OF TAKING DEPOSITION OF DEFENDANT COUNTERCLAIMANT FARIBORZ FRED SADRI	AL	SH	03/03/06	Y
0034	02/24/06	NOTC/RENOTICE OF TAKING DEPOSITION OF PLAINTIFF DUCES TECUM	AL	SH	03/06/06	
0035	02/24/06	NOTC/NOTICE OF TAKING DEPOSITION OF PLAINTIFF DUCES TECUM	AL	SH	03/02/06	
0036	02/28/06	NOTC/NOTICE OF TAKING THE DEPOSITION OF CRAIG K PERRY ESQ	AL	SH	03/20/06	
0037	03/03/06	SUBP/SUBPOENA	0001	SH	03/20/06	
0038	03/14/06	APPR/APPEARANCE	0001	SV	03/01/06	
0039	03/14/06	APPR/APPEARANCE	0005			
0040	03/14/06	APPR/APPEARANCE	0006			
0041	03/14/06	MOT /DEFT'S MTN TO DISMISS COMPLAINT /02	0007			
			AL	OC	04/17/06	

(Continued to page 3)

WFZ1416

NO.	FILED/REC CODE	REASON/DESCRIPTION	FOR	OC	SCH/PER	C
0042	03/14/06	IAFD/INITIAL APPEARANCE FEE DISCLOSURE	0005			
0043	03/16/06	NOTC/NOTICE OF TAKING THE DEPOSITION OF RON LANGLEY	AL	SH	03/31/06	
0044	03/16/06	NOTC/NOTICE OF TAKING THE DEPOSITION OF JOHN R HART	AL	SH	03/31/06	
0045	03/16/06	NOTC/NOTICE OF TAKING THE DEPOSITION OF MATTHEW SWAN CPA	AL	SH	03/30/06	
0046	03/16/06	APPL/APPLICATION FOR ISSUANCE OF COMMISSION TO TAKE DEPOSITION OF RON LANGLEY	0001 0001	SH	03/31/06	Y
OUT OF STATE						
0047	03/16/06	APPL/APPLICATION FOR ISSUANCE OF COMMISSION TO TAKE DEPOSITION OF	0001 0001			Y
JOHN R HART OUT OF STATE						
0048	03/23/06	SUBP/SUBPOENA	0001	SH	03/30/06	
			0001	SV	03/21/06	
0049	03/24/06	CERT/CERTIFICATION OF SERVICE VIA FACSIMILE	0001	SH	04/17/06	
0050	03/24/06	NOTC/NOTICE CONTINUING THE DEPOSITIONS OF JOHN R HART AND RON LANGLEY	AL	SH	03/31/06	
			AL			
0051	03/27/06	OPPS/PLAINTIFFS OPPOSITION TO MOTION TO DISMISS	0002 0002	SH	04/17/06	
0052	03/28/06	NOTC/RENOTICE OF TAKING THE DEPOSITION OF MATTHEW SWAN CPA	AL	SH	04/06/06	
			AL			
0053	04/06/06	NOTC/NOTICE CONTINUING THE DEPOSITION OF MATTHEW SWAN CPA	AL	SH	04/06/06	
			AL			
0054	04/11/06	RSPN/RESPONSE TO REPLY TO OPPOSITION TO MOTION TO DISMISS	0001 0001			
0055	04/13/06	RPLY/REPLY TO OPPOSITION TO MOTION TO DISMISS	0002 0002			
0056	04/25/06	NOTC/RENOTICE OF TAKING THE DEPOSITION OF MATTHEW SWAN CPA	AL	SH	05/01/06	
			AL			
0057	04/27/06	NOTC/NOTICE OF INTENT TO TAKE DEFAULT	*D			
0058	04/28/06	NOTC/NOTICE OF TAKING DEPOSITIONS		SH	05/12/06	
0059	04/28/06	SUBP/SUBPOENA	0001	SH	05/01/06	
			0001	SV	04/26/06	
					05/01/06	
0060	04/28/06	CERT/CERTIFICATION OF SERVICE				
0061	05/01/06	ERR /ERRATA TO NOTICE OF INTENT TOTAKE DEFAULT	AL			
			AL			
0062	05/08/06	ANS /ANSWER OF WENDOVER PROJECT LLC BIG SPRING RANCH LLC AND NEVADA LAND AND WATER RESOURCES LLC TO PLAINTIFFS COMPLAINT	0005 0005			Y
0063	05/08/06	ANS /ANSWER OF WENDOVER PROJECT LLC BIG SPRING RANCH LLC AND NEVADA LAND AND WATER RESOURCES LLC TO PLAINTIFFS COMPLAINT	0006 0006			Y
0064	05/08/06	ANS /ANSWER OF WENDOVER PROJECT LLC BIG SPRING RANCH LLC AND NEVADA LAND AND WATER RESOURCES LLC TO PLAINTIFFS COMPLAINT	0007 0007			Y
0065	05/08/06	NOTC/NOTICE OF CONTINUATION OF DEPOSITIONS	AL	SH	05/12/06	
0066	05/08/06	SUBP/SUBPOENA DUCES TECUM	*D	SH	05/12/06	
			*D	SV	04/27/06	
0067	05/09/06	ANS /REPLY TO COUNTERCLAIM	0009		05/09/06	
0068	05/16/06	NOTC/NOTICE OF TAKING DEPOSITIONS	AL	SH	06/01/06	
0069	05/16/06	APPL/APPLICATION FOR ISSUANCE OF COMMISSION TO TAKE OUT OF STATE DEPOSITION OF	MP MP			Y

(Continued to page 4)

WFZ1417

NO.	FILED/REC CODE	REASON/DESCRIPTION	FOR	OC	SCH/PER	C
ELI ABRISHAMI						
0070	05/16/06	APPL/APPLICATION FOR ISSUANCE OF COMMISSION TO TAKE OUT OF STATE DEPOSITION OF	MP MP			Y
MAXIM C W WEBB						
0071	05/16/06	NOTC/NOTICE OF TAKING DEPOSITIONS	AL	SH	06/08/06	
0072	05/19/06	CERT/CERTIFICATION OF SERVICE			05/16/06	
0073	05/30/06	SUBP/SUBPOENA DUCES TECUM	0002	SH	06/01/06	
			0002	SV	05/18/06	
0074	05/30/06	NOTC/RE-NOTICE OF TAKING DEPOSITIONS	AL	SH	06/01/06	
0075	05/30/06	NOTC/NOTICE OF TAKING DEPOSITION	AL	SH	06/23/06	
0076	05/30/06	SUBP/SUBPOENA DUCES TECUM	0002	SH	06/01/06	
			0002	SV	05/18/06	
0077	05/30/06	APPL/APPLICATION FOR ISSUANCE OF COMMISSION TO TAKE OUT OF STATE DEPOSITION OF	0002 0002			Y
EZRI NAMVAR						
0078	05/30/06	NOTC/NOTICE OF TAKING DEPOSITION	AL	SH	06/13/06	
0079	06/05/06	NOTC/NOTICE OF TAKING THE DEPOSITION OF MARK CUTCHEN	AL AL	SH	06/21/06	
0080	06/07/06	SUBP/SUBPOENA DUCES TECUM-DON PATTALOCK			06/01/06	
0081	06/07/06	CERT/CERTIFICATE OF SERVICE	0001		05/31/06	
0082	06/07/06	SUBP/SUBPOENA DUCES TECUM	0002	SH	06/13/06	
			0002	SV	05/26/06	
0083	06/07/06	PSER/PROOF OF SERVICE OF SUBPOENA DUCES TECUM ON MAXIM C W WEBB	AL AL	SV	05/24/06	
0084	06/07/06	PSER/PROOF OF SERVICE OF SUBPOENA DUCES TECUM ON ELI ABRISHAMI	AL AL	SV	05/27/06	
0085	06/08/06	SUBP/SUBPOENA DUCES TECUM-REZAI GHASSEM		SH	06/13/06	
				SV	06/01/06	
0086	06/08/06	APPL/APPLICATION FOR ISSUANCE OF COMMISSION TO TAKE OUT OF STATE DEPOSITION OF JOHN	AL AL			Y
HART						
0087	06/08/06	NOTC/NOTICE OF TAKING DEPOSITION	AL	SH	06/22/06	
0088	06/08/06	NOTC/RENOTICE OF TAKING DEPOSITION OF ELI ABRISHAMI	AL AL	SH	06/23/06	
0089	06/22/06	DOW /DESIGNATION OF EXPERT WITNESS	*D			
0090	06/22/06	CRTF/CERTIFICATE OF SERVICE	0009		06/13/06	
0091	06/22/06	NOTC/NOTICE OF TAKING DEPOSITION OF THOMAS CLIMO PH D	AL AL	SH	06/29/06	
0092	06/22/06	SUBP/SUBPOENA DUCES TECUM	*D	SH	06/22/06	
			*D	SV	06/09/06	
0093	06/22/06	SUBP/SUBPOENA FOR DEPOSITION	0002	SH	06/23/06	
			0002	SV	06/06/06	
0094	06/22/06	NOTC/NOTICE OF INTENT TO TAKE DEFAULT	AL		06/22/06	
0095	07/03/06	SUBP/SUBPOENA DUCES TECUM		SH	06/29/06	
0096	07/03/06	RPLY/REPLY OF WENDOVER PROJECT LLC TO PLAINTIFFS COUNTERCLAIM TO COUNTERCLAIM	AL AL			
0097	07/05/06	SCCR/PLAINTIFF COUNTERDEFENDANTS SUPPLEMENTAL TO 16.1 PRODUCTION OF DOCUMENTS	0001 0001			
0098	07/13/06	NOTC/RENOTICE OF TAKING DEPOSITION OF THOMAS CLIMO PH D	AL AL	SH	07/28/06	
0099	07/13/06	SUPP/DEFENDANTS SUPPLEMENT TO 16.1 DISCLOSURES				

(Continued to page 5)

WFZ1418

NO.	FILED/REC CODE	REASON/DESCRIPTION	FOR	OC	SCH/PER	C
0100	07/21/06	SUBP/SUBPOENA FOR ARBITRATION	0002	SH	08/22/06	
			0002	SV	07/19/06	
0101	07/21/06	SUBP/SUBPOENA FOR ARBITRATION		SH	08/22/06	
				SV	07/19/06	
0102	07/21/06	SUBP/SUBPOENA FOR ARBITRATION	0001	SH	08/22/06	
0103	07/25/06	SUBP/SUBPOENA FOR ARBITRATION		SH	08/22/06	
				SV	07/20/06	
0104	08/08/06	SCCR/PLAINTIFF COUNTERDEFENDANTS SECOND SUPPLEMENT TO 16.1 PRODUCTION OF DOCUMENTS	AL			Y
			AL			
0105	09/28/06	ATLN/NOTICE OF ATTORNEY LIEN	AL		09/28/06	
0106	12/04/06	REQT/REQUEST FOR BUSINESS COURT	AL			
0107	12/05/06	ASSG/REASSIGNMENT OF JUDGE Denton TO JUDGE Gonzalez				
0108	12/13/06	MOT /PLTF/CNTRDEFT JAZI MTN FOR CONFIRMATION & ENTRY OF JGMNT ON ARBITRATION AWARD/03	AL		01/11/07	
			AL			
0109	12/13/06	ROC /RECEIPT OF COPY OF ZANDIANS MOTION FOR CONFIRMATION AND ENTRY OF JUDGMENT ON	*D		12/13/06	Y
			*D			
ARBITRATION AWARD						
0110	12/16/06	ASSG/Reassign Case From Judge Gonzalez To Judge JOHNSON				
0111	12/18/06	MOT /DEFT'S MTN TO VACATE ARBITRATION AWARD/MTN TO MODIFY OR CORRECT /04	AL		01/11/07	
			AL			
0112	12/18/06	ASSG/REASSIGNMENT OF JUDGE JOHNSON TO JUDGE Gonzalez				
0113	12/22/06	OCAL/MINUTE ORDER RE: INCORRECT CASE REASSIGNMENT	NP		12/22/06	
			NP			
0114	12/22/06	ASSG/REASSIGNMENT OF JUDGE Gonzalez TO JUDGE Denton				
0115	12/22/06	CMMT/PER MINUTES 12/22/06				
0116	12/22/06	PRMT/PEREMPTORY CHALLENGE Denton CASE REASSIGNED TO Halverson				
0117	12/22/06	ASSG/REASSIGNMENT OF JUDGE Halverson TO JUDGE Gonzalez				
0118	12/22/06	CMMT/RE-ASSIGNED TO GONZALEZ (BUS CRT CASE)				
0119	12/22/06	NDR /NOTICE OF DEPARTMENT REASSIGNMENT 001335001768001335001335001768FC			12/22/06	Y
		001335001335001335????????001768001335001335001768001335001335001335001335				
0120	12/21/06	ROC /RECEIPT OF COPY OF MOTION TO VACATE ARBITRATION AWARD OR IN THE ALTERNATIVE TO MODIFY OR CORRECT	0001		12/19/06	Y
			0001			
0121	12/21/06	EXPT/EX PARTE APPLICATION FOR ORDER ORDER SHORTENING TIME AND REQUEST FOR	AL			Y
			AL			
ORAL ARGUMENT						
0122	12/26/06	NOEV/NOTICE OF EXHIBIT(S) IN THE VAULT	AL		12/18/06	
0123	12/26/06	NOEV/NOTICE OF EXHIBIT(S) IN THE VAULT	AL		12/13/06	
0124	12/27/06	CERT/CERTIFICATION OF SERVICE			12/21/06	
0125	12/28/06	OPPS/OPPOSITION TO MOTION TO VACATE ARBITRATION AWARD OR IN THE	AL		01/11/07	Y
			AL			
ALTERNATIVE MOTION TO MODIFY OR CORRECT						
0126	12/29/06	NOEV/PLTF'S OPPTS TO MTN TO VACATE ARB AWARD	AL			
0127	01/05/07	OPPS/OPPOSITION TO MOTION FOR CONFIRMATION AND ENTRY OFJUDGMENT ON ARBITRATINO			01/11/07	Y

(Continued to page 6)

WFZ1419

NO.	FILED/REC CODE	REASON/DESCRIPTION	FOR	OC	SCH/PER	C
AWARD AND REPLY TO OPPOSITION TO MOTION TO VACATE						
0128	01/11/07	MOT /ALL PENDING MOTIONS (1/11/07)	AL		01/11/07	
0129	01/09/07	RPLY/REPLY TO OPPOSITION TO MOTION FOR CONFIRMATION AND ENTRY OF JUDGMENT ON	0001			Y
ARBITRATION AWARD						
0130	01/16/07	TRAN/REPORTER'S TRANSCRIPT OF PROCEEDINGS	AL		01/11/07	
0131	01/19/07	NOEV/NOTICE OF EXHIBIT(S) IN THE VAULT	AL			
0132	01/19/07	ORDR/ORDER ON MOTION TO CONFIRM ARBITRATION AWARD AND MOTION TO VACATE ARBITRATION	AL			Y
AWARD						
0133	01/22/07	NOTC/NOTICE OF ENTRY OF ORDER ON MOTION TO CONFIRM ARBITRATION AWARD AND MOTION TO	AL		01/19/07	Y
VACATE ARBITRATION AWARD						
0134	03/08/07	SUPP/SUPPLEMENT TO NOTICE OF ATTORNEYS LIEN	AL			
0135	03/22/07	MOT /PLTF'S MTN FOR REFERRAL TO ARBITRATOR/07	NP	DN	04/24/07	
0136	04/05/07	OPPS/OPPOSITION TO PLTF'S MOTION FOR REFERRAL TO ARBITRATOR	0001		04/24/07	
0137	03/26/07	RAR /ARBITRATOR REPORT AND RECOMMENDATION TO DISTRICT COURT	AL			
0138	04/16/07	RPLY/REPLY TO OPPOSITION TO PLAINTIFFS MOTION FOR REFERRAL TO ARBITRATOR	0001			
0139	04/24/07	REQT/REQUEST FOR ORAL ARGUMENT ON THE PLAINTIFFS MOTION FOR REFERRAL TO	AL	SH	04/24/07	Y
ARBITRATOR						
0140	04/25/07	OBJ /PLTF'S OBJECTION TO DEFTS REQUEST FOR ORAL ARGUMENT ON PLTF'S MOTIN FOR	*D		04/25/07	Y
REFERRAL TO ARBITRATOR						
0141	05/16/07	MOT /ZANDIAN'S MTN FOR CONFIRMATION/ENTRY OF JGMNT ON ARBITRATION AWARD AND OST /08	AL	GR	06/05/07	
0142	05/16/07	ROC /RECEIPT OF COPY OF ZANDIANS MOTION FOR CONFIRMATION AND ENTRY OF JUDGMENT ON	*D		05/16/07	Y
ARBITRATION AWARD AND ORDER SHORTENING TIME						
0143	05/25/07	OPPS/OPPOSITION TO PLAINTIFFS MOTION FOR CONFIRMATION AND ENTRY OF JUDGMENT ON	0001	SH	06/05/07	Y
ARBITRATION AWARD COUNTER MOTION TO VACATE ARBITRATION AWARD AS AMENDED						
0144	05/31/07	RPLY/REPLY TO OPPOSITION TO MOTION FOR CONFIRMATION AND ENTRY OF JUDGMENT	AL			Y
ON ARBITRATION AWARD						
0145	06/06/07	OCAL/STATUS CHECK: COMPLIANCE (VJ 07-17-07)	AL	VC	07/24/07	
0146	06/08/07	NOTC/NOTICE OF ENTRY OF JUDGMENT CONFIRMING ARBITRATION AWARD	AL		06/08/07	
0147	06/13/07	MOT /DEFT'S MTN TO STAY /10	AL	GR	06/21/07	
0148	06/13/07	HEAR/DEFT'S MTN FOR REHEARING/11	AL	DN	07/17/07	
0149	06/08/07	JMNT/JUDGMENT UPON ARBITRATION AWARD	0003		06/15/07	
0150	06/08/07	JMNT/JUDGMENT UPON ARBITRATION AWARD	0004		06/15/07	
0151	06/15/07	MOT /DEFT'S MTN TO AMEND JUDGMENT/12	AL	DN	07/17/07	
0152	06/18/07	ROC /RECEIPT OF COPY	0001		06/15/07	
0153	06/18/07	ROC /RECEIPT OF COPY	AL		06/15/07	
0154	06/18/07	ORDR/ORDER SHORTENING TIME	*D	SH	06/21/07	
0155	06/19/07	OPPS/OPPOSITION TO MOTION FOR HEARING	*D		06/21/07	
0156	06/19/07	OPPS/OPPOSITION TO MOTION FOR STAY	*D	SH	06/21/07	
0157	06/20/07	RPLY/REPLY TO OPPOSITION TO MOTION FOR STAY	0001	SH	06/21/07	
			0001			

(Continued to page 7)

WFZ1420

NO.	FILED/REC CODE	REASON/DESCRIPTION	FOR	OC	SCH/PER	C
0158	06/25/07	MOT /ALL PENDING MOTIONS (06-21-07)	AL		06/21/07	
0159	06/20/07	ERR /ERRATA TO OPPOSITION TO MOTION FOR STAY	AL			
0160	06/20/07	RPLY/REPLY TO OPPOSITION TO MOTION FOR RE- HEARING	AL	SH	06/21/07	
0161	06/21/07	CRTF/CERTIFICATION OF SERVICE OF ORDER SHORTENING TIME FOR HEARINGS	AL		06/19/07	
0162	06/25/07	OPPS/OPPOSITION TO MOTION TO AMEND OR ALTER JUDGMENT PURSUANT TO NRCP 59E OR IN THE ALTERNATIVE MOTION FOR A NEW TRIAL PURSUANT TO NRCP 59A	AL	SH	07/17/07	Y
0163	06/25/07	ORDR/ORDER RE DEFENDANTS MOTION FOR RE HEARING AND MOTION FOR STAY OF	AL	VC	06/21/07	Y
			AL	SH	07/17/07	
PROCEEDINGS						
0164	06/25/07	CHBD/CASH BOND #01365592 \$10,000.00			06/25/07	
0165	06/27/07	NOTC/NOTICE OF ENTRY OF ORDER	AL		06/25/07	
0166	07/03/07	TRAN/REPORTER'S TRANSCRIPT OF HEARING ON MOTION FOR STAY	AL		06/21/07	
0167	07/03/07	RPLY/REPLY TO OPPOSITION TO MOTION TO AMEND OR ALTER JUDGMENT PURUSANT TO NRCP	0001		07/17/07	Y
			0001			
59(E) OR IN THE ALTERANTIVE MOTION FOR NEW TRIAL PURUSANT TO NRCP 59(A)						
0168	07/13/07	NOTC/NOTICE OF APPEARANCE	AL		07/13/07	
0169	07/13/07	BREF/SUPPLEMENTAL BRIEF IN SUPPORT OF DEFTS MOTION TO AMEND OR ALTER JUDGMENT PURSUANT TO NRCP 59(e) OR IN THE ALTERNATIVE MOTIN FOR NEW TRIAL PURSUANT NRCP 59(a)			07/18/07	Y
0170	07/17/07	MOT /ALL PENDING MOTIONS (07-17-07)	AL		07/17/07	
0171	07/17/07	OCAL/STATUS CHECK: COMPLIANCE	AL		08/23/07	
0172	07/16/07	RPLY/PLAINTIFFS REPLY TO DEFENDANTS SUPPLEMENTAL BRIEF TO MOTION TO ALTER OR AMEND JUDGMENT AND COUNTER MOTION TO STRIKE	*D		07/16/07	Y
			*D			
0173	07/19/07	MOT /NETZORG'S MTN TO WITHDRAW AS COUNSEL /16	NP		08/21/07	
0174	07/20/07	ORDR/ORDER ON POST JUDGMENT MOTIONS	AL	HG	07/17/07	
0175	07/23/07	NOTC/NOTICE OF ENTRY OF ORDER	AL		07/20/07	
0176	07/26/07	NOAS/NOTICE OF APPEAL (SC 49924)	AL	AP	07/26/07	
0177	07/26/07	NOAS/NOTICE OF APPEAL	AL		07/26/07	
0178	07/26/07	NOAS/NOTICE OF APPEAL	AL		07/26/07	
0179	07/26/07	NOAS/NOTICE OF APPEAL	AL		07/26/07	
0180	07/26/07	NOAS/NOTICE OF APPEAL	AL		07/26/07	
0181	07/26/07	STAT/CASE APPEAL STATEMENT	*D			
0182	07/30/07	CRTF/CERTIFICATION OF SERVICE	AL		07/19/07	
0183	08/01/07	MOT /DEFT'S MTN TO STAY OF PROCEEDINGS TO ENFORCE/17	AL	GR	08/07/07	
			AL			
0184	08/02/07	CERT/CERTIFICATE OF MAILING	0008		08/02/07	
0185	08/03/07	OPPS/OPPOSITION TO MOTION FOR STAY OF PROCEEDINGS TO ENFORCE JUDGMENT AND TO SET SUPERSEDEAS BOND ORDER SHORTENING TIME	*D	SH	08/07/07	Y
			*D			
0186	08/06/07	ROC /RECEIPT OF COPY	0001		08/02/07	
0187	08/06/07	ROC /RECEIPT OF COPY OF OPPOSITION TO MOTION FOR STAY OF PROCEEDINGS TO ENFORCE JUDGMENT AND TO SET SUPERSEDEAS BOND ORDER SHORTENING TIME	*D		08/07/07	Y
			*D			
0188	07/31/07	AMEN/AMENDED CASE APPEAL STATEMENT	AL		07/31/07	
0189	07/31/07	BOND/NON RESIDENT COST BOND NO 75-0009 - \$500.00	0001			
			0001			

(Continued to page 8)

WFZ1421

NO.	FILED/REC CODE	REASON/DESCRIPTION	FOR	OC	SCH/PER	C
0190	08/08/07	NOTC/FILING OF ORIGINAL COST BOND				*D
0191	08/09/07	BOND/NOTICE OF FILING OF SUPERSEDEAS BOND - NO 1000755588 - \$250,000.00				0001 0001
0192	08/09/07	NOAS/NOTICE OF CROSS-APPEAL (SC 49924)				0001 AP 08/09/07
0193	08/09/07	BOND/COST BOND ON CROSS APPEAL - BOND NO NV41238 - \$250.00				0001 0001
0194	08/09/07	STAT/CASE CROSS APPEAL STATEMENT				0001 AP 08/09/07
0195	08/10/07	NOAS/NOTICE OF APPEAL				AL 08/10/07
0196	08/13/07	TRAN/REPORTER'S TRANSCRIPT OF PROCEEDINGS DEFTS MOTION TO AMEND JUDGMENT				AL 07/17/07 Y AL
MOTION FOR REHEARING						
0197	08/13/07	ORDR/ORDER				AL HG 08/07/07
0198	08/14/07	NOTC/NOTICE OF FILING OF NON RESIDENT BONDS				AL 08/14/07
0199	08/14/07	NOTC/NOTICE OF ENTRY OF ORDER				AL 08/13/07

16

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JUN 8 10 50 AM '07

Cliff
CLERK OF THE COURT

1 JUDGE
JOHN PETER LEE, LTD.
2 JOHN PETER LEE, ESQ.
Nevada Bar No. 001768
3 MICHAEL A. REYNOLDS, ESQ.
Nevada Bar No. 008631
4 830 Las Vegas Boulevard South
Las Vegas, Nevada 89101
5 (702) 382-4044 Fax: (702) 383-9950
Attorneys for Plaintiff/Counterdefendant
6

DISTRICT COURT

CLARK COUNTY, NEVADA

9 GHOLAMREZA ZANDIAN JAZI,

CASE NO.: A511131
DEPT. NO.: XI

10 Plaintiff,

11 v.

12 RAY KOROGHLI, individually, FARIBORZ FRED
SADRI, individually, and as Trustee of the Star
13 Living Trust, WENDOVER PROJECT, LLC, a
Nevada limited liability company; BIG SPRING
14 RANCH, LLC, a Nevada limited liability company,
and NEVADA LAND AND WATER
15 RESOURCES, LLC, a Nevada limited liability
company,

16 Defendants.

**JUDGMENT CONFIRMING
ARBITRATION AWARD**

18 RAY KOROGHLI, individually and FARIBORZ
FRED SADRI, individually,

19 Counterclaimants,

DATE: 6-5-07
TIME: 9:00 a.m.

20 v.

21 GHOLAMREZA ZANDIAN JAZI,

22 Counterdefendant.

24 WENDOVER PROJECT, LLC,

25 Counterclaimant,

26 v.

27 GHOLAMREZA ZANDIAN JAZI,

28 Counterdefendant.

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

RECEIVED
JUN 08 2007
CLERK OF THE COURT

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

1 GHOLAMREZA ZANDIAN JAZI,)
2 Counterclaimant,)
3 v.)
4 WENDOVER PROJECT, LLC,)
5 Counterdefendant.)

6 1334.022860-JLR

7 ZANDIAN'S MOTION FOR CONFIRMATION AND ENTRY OF JUDGMENT ON
8 ARBITRATION AWARD and the Defendants' COUNTERMOTION TO VACATE
9 ARBITRATION AWARD having come before this Court on Tuesday, June 5, 2007, the Honorable
10 Elizabeth Gonzalez presiding, and the Court being fully apprised in the premises and good cause
11 appearing, it is hereby

12 ORDERED that Plaintiff's MOTION FOR CONFIRMATION AND ENTRY OF
13 JUDGMENT ON ARBITRATION AWARD is granted, and Defendants' COUNTERMOTION TO
14 VACATE ARBITRATION AWARD is denied.

15 IT IS FURTHER ORDERED that this Court confirms the Arbitration Awards made and
16 entered by Floyd A. Hale, Esq., and enters judgment on the Arbitration Awards as follows:

17 IT IS ORDERED, ADJUDGED AND DECREED that all of the relief granted by the
18 aforesaid Arbitrator in his Arbitration Decision dated the 20th day of September, 2006, a copy of
19 which is attached hereto as Exhibit "1" is granted by this Court.

20 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that the Arbitrator's Decision
21 Denying Defendants' Motion to Change Award dated the 11th day of October, 2006, a copy of which
22 is attached hereto as Exhibit "2" is granted by this Court.

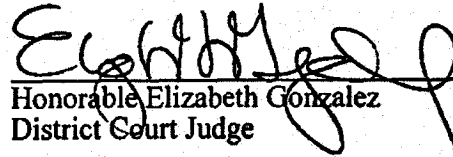
23 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that all relief granted in the
24 Implementation Award dated the 29th day of November, 2006, a copy of which is attached hereto
25 as Exhibit "3" is granted by this Court.

26 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that the Arbitrator's Report
27 and Recommendation to District Court dated the 28th day of February, 2007, a copy of which is
28 attached hereto as Exhibit "4" is granted by this Court.

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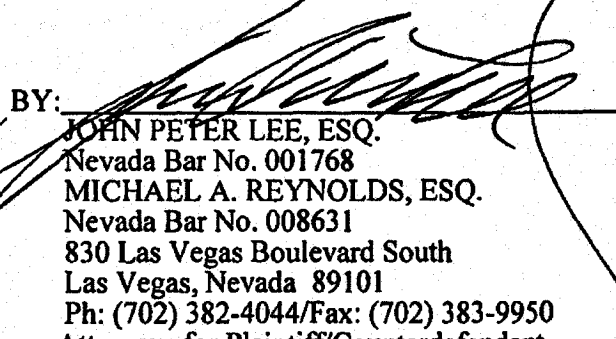
IT IS FURTHER ORDERED, ADJUDGED AND DECREED that this Court retains jurisdiction to implement this Judgment.

Dated this 7 day of June, 2007.


Honorable Elizabeth Gonzalez
District Court Judge

SUBMITTED BY:

JOHN PETER LEE, LTD.

BY: 
JOHN PETER LEE, ESQ.
Nevada Bar No. 001768
MICHAEL A. REYNOLDS, ESQ.
Nevada Bar No. 008631
830 Las Vegas Boulevard South
Las Vegas, Nevada 89101
Ph: (702) 382-4044/Fax: (702) 383-9950
Attorneys for Plaintiff/Counterdefendant

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

RECEIVED
SEP 22 2008
JOHN PETER LEE, LTD.

1 ARB
2 FLOYD A. HALE, ESQ.
3 Nevada Bar No. 1873
4 JAMS
5 2300 W. Sahara, #900
6 Las Vegas, NV 89102
7 Ph: (702) 457-5267
8 Fax: (702) 437-5267
9 Arbitrator

DISTRICT COURT
CLARK COUNTY, NEVADA

10 GHOLAMREZA ZANDIAN JAZI,) Case No. A511131
11) Dept. No. XII
12 Plaintiff,)
13 vs.)
14 RAY KOROGHLI, individually,)
15 FABIRORZ FRED SADRI, individually,)
16 and as Trustee of the Star Living Trust,)
17 WENDOVER PROJECT, LLC, a Nevada)
18 limited liability company; BIG SPRING)
19 RANCH, LLC, a Nevada limited liability)
20 company, and NEVADA LAND AND)
21 WATER RESOURCES, LLC, a Nevada)
22 limited liability company,)
23 Defendants.)

ARBITRATION DECISION

24 Arbitration Hearings in this matter were conducted for two full days. The parties
25 submitted voluminous exhibits, depositions and briefs to the Arbitrator. Having reviewed the
26 documentation submitted and having heard the testimony and representations of the parties, the
27 following Arbitration Decision is entered:

- 28 1. The entire interest in the Pah Rah, LLC, property will be transferred to Gholamreza

FLOYD A. HALE
SPECIAL MASTER
2300 W. SAHARA, SUITE 900
LAS VEGAS, NEVADA 89102
PHONE (702) 457-5267 EMAIL fhaale@floydahale.com

FLOYD A. HALE
SPECIAL MASTER
2300 W. I
AVE. SUITE 900
LAS VEGAS, NV 89102
PHONE (702) 457-5287 EMAIL f. hale@floydahale.com

1 Zandian Jazi, free and clear of all encumbrances, including the promissory note secured by Deed
2 of Trust issued for the benefit of Fariborz Fred Sadri; any obligation owed to Jeff Codega, related
3 to work that was performed as to the Pah Rah real estate will be the obligation of Gholamreza
4 Zandian Jazi;
5

6 2. The 320 acres referenced in the briefs and this lawsuit will be transferred free and clear
7 to Gholamreza Zandian Jazi without any obligation to the other litigants or parties to this
8 Arbitration or to any other party who may profess to have an interest in the 320 acres that are
9 bound by this lawsuit and Arbitration;
10

11 3. Fariborz Fred Sadri and Ray Koroghli will, within 30 days from the service of this
12 Arbitration Decision, pay Gholamreza Zandian Jazi \$250,000.00 in return for Gholamreza
13 Zandian Jazi waiving any claims or any rights as to the Big Springs Ranch, LLC or any of its
14 assets;
15

16 4. That Gholamreza Zandian Jazi will transfer any interest in the Wendover project, LLC,
17 including all assets and real estate to Fariborz Fred Sadri and Ray Koroghli;

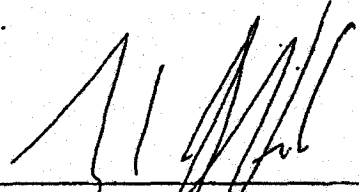
18 5. All of the entities and properties that are the subject of this Arbitration and lawsuit,
19 including Pah Rah, LLC, the owners of the 300 acres referenced above, the Big Springs Ranch,
20 LLC, and the Wendover purchase or Wendover Project, LLC, referenced in this lawsuit and
21 Arbitration waive any claims to reimbursement or participation in any consulting fees previously
22 paid to Gholamreza Zandian Jazi from the seller of the real estate to those entities;
23

24 6. That the parties, through counsel, will prepare all necessary documents to effect the
25 transfers of the real estate assets and LLC entities and the parties to this lawsuit and Arbitration
26 will execute all necessary documents to effect this Arbitration Order, including a mutual Release
27 to be executed by all parties.
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7. That each party pay their own fees and costs incurred herein.

DATED this 20th day of September, 2006.

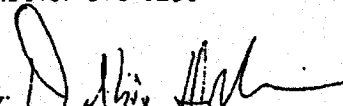
By: 
FLOYD HALE, Arbitrator
2300 West Sahara Avenue, #900
Las Vegas, NV 89102

CERTIFICATE OF FACSIMILE AND MAIL

I hereby certify that on the 21 day of September, 2006, I faxed and mailed a true and correct copy of the foregoing addressed to:

John Peter Lee, Esq.
830 Las Vegas Boulevard South
Las Vegas, NV 89101
Attorneys for Plaintiffs
Fax No. 383-9950

John Netzorg, Esq.
2810 West Charleston Blvd. #H-81
Las Vegas, NV 89102
Attorneys for Defendants
Fax No. 878-1255

By: 
Employee of Jams

FLOYD A. HALE
SPECIAL MASTER
2300 W. S. W. SUITE 900
LAS VEGAS, NV 89102
PHONE (702) 457-5287 FAX (702) 457-5287
WWW.FLOYDAHALE.COM



1 ARB
 2 FLOYD A. HALE, ESQ.
 3 Nevada Bar No. 1873
 4 JAMS
 5 2300 W. Sahara, #900
 6 Las Vegas, NV 89102
 7 Ph: (702) 457-5267
 8 Fax: (702) 437-5267
 9 Arbitrator

DISTRICT COURT

CLARK COUNTY, NEVADA

10	GHOLAMREZA ZANDIAN JAZI,	)	Case No. A511131
		)	Dept. No. XII
11	Plaintiff,)	
)	
12	vs.)	
)	
13	RAY KOROGHLI, individually,)	
14	FABIRORZ FRED SADRI, individually,)	
	and as Trustee of the Star Living Trust,)	
15	WENDOVER PROJECT, LLC, a Nevada)	
16	limited liability company; BIG SPRING)	
17	RANCH, LLC, a Nevada limited liability)	
	company, and NEVADA LAND AND)	
18	WATER RESOURCES, LLC, a Nevada)	
	limited liability company,)	
19)	
	Defendants.)	
20)	

ARBITRATION DECISION

21 On October 11, 2006, the Arbitrator received the Defendant's **MOTION TO CHANGE**
 22 **AWARD BY ARBITRATOR PURSUANT TO NRS 38.237.** The Motion requests that
 23 Zandian Jazi: Execute documents necessary to have the property transferred as required by the
 24 Arbitration Decision; issue guarantees that he has not made transfers to third parties; assign shares
 25 of shipyard stock; warrant and verify that he is in a position to execute documents required by the
 26
 27
 28

FLOYD A. HALE
 SPECIAL COUNSEL
 2300 W. SAHARA, SUITE 900
 LAS VEGAS, NEVADA 89102
 PHONE (702) 457-5267 FAX (702) 437-5267
 EMAIL f. hale@floydahale.com

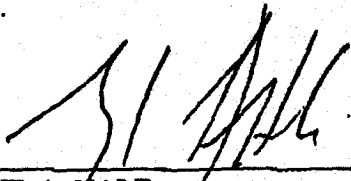
1 Arbitration Decision and verify other factual issues that were the subject of the Arbitration
2 Agreement.

3 The Motion goes well beyond the Arbitration Decision asking to reopen evidentiary
4 matters which are unnecessary at this time. Furthermore, paragraph 6 of the Arbitration Decision
5 indicates as follows:
6

7 6. That the parties, through counsel, will prepare all necessary
8 documents to effect the transfers of the real estate assets and LLC
9 entities and the parties to this lawsuit and Arbitration will execute all
10 necessary documents to effect this Arbitration Order, including a
mutual Release to be executed by all parties.

11 The Defendant's MOTION TO CHANGE AWARD BY ARBITRATOR PURSUANT
12 TO NRS 38.237 is denied.

13 DATED this 11th day of October, 2006.

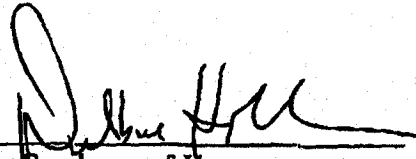
14 By: 
15 FLOYD A. HALE
16 2300 W. Sahara, #900
17 Las Vegas, NV 89102
18 Arbitrator

19 CERTIFICATE OF FACSIMILE

20 I hereby certify that on the 11th day of October, 2006, I faxed and mailed a true and
21 correct copy of the foregoing addressed to:

22 John Peter Lec, Esq.
23 830 Las Vegas Boulevard South
24 Las Vegas, NV 89101
25 Attorneys for Plaintiffs
26 Fax No. 383-9950

John Netzorg, Esq.
2810 West Charleston Blvd. #H-81
Las Vegas, NV 89102
Attorneys for Defendants
Fax No. 878-1255

27 By: 
28 Employee of James

FLOYD A. HALE
SPEC. MASTER
2300 W. SAHARA SUITE 900
LAS VEGAS, NV 89102
PHONE (702) 457-6267 EMAIL fhaw@fahale.com

JOHN PETER LEE, LTD.
ATTORNEY AT LAW
830 LAS VEGAS BLVD. SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9951

1 AWD
2 JOHN PETER LEE, LTD.
3 JOHN PETER LEE, ESQ.
4 Nevada Bar No. 001768
5 MICHAEL A. REYNOLDS, ESQ.
6 Nevada Bar No. 008631
7 830 Las Vegas Boulevard South
8 Las Vegas, Nevada 89101
9 (702) 382-4044 Fax: (702) 383-9950
10 Attorneys for Plaintiff/Counterdefendant
11 GHOLAMREZA ZANDIAN JAZI

RECEIVED
NOV 30 2006
JOHN PETER LEE, LTD.

DISTRICT COURT

CLARK COUNTY, NEVADA

9 GHOLAMREZA ZANDIAN JAZI,)
10 Plaintiff,)
11 v.)
12 RAY KOROGHLI, individually, FARIBORZ FRED)
13 SADRI, individually, and as Trustee of the Star)
14 Living Trust, WENDOVER PROJECT, LLC, a)
15 Nevada limited liability company; BIG SPRING)
16 RANCH, LLC, a Nevada limited liability company,)
17 and NEVADA LAND AND WATER)
18 RESOURCES, LLC, a Nevada limited liability)
19 company,)
20 Defendants.)

CASE NO.: A511131
DEPT. NO.: XIII

BEFORE ARBITRATOR
FLOYD A. HALE

IMPLEMENTATION AWARD

18 RAY KOROGHLI, individually and FARIBORZ)
19 FRED SADRI, individually,)
20 Counterclaimants,)
21 v.)
22 GHOLAMREZA ZANDIAN JAZI,)
23 Counterdefendant.)
24 WENDOVER PROJECT, LLC,)
25 Counterclaimant,)
26 v.)
27 GHOLAMREZA ZANDIAN JAZI,)
28 Counterdefendant.)

1 GHOLAMREZA ZANDIAN JAZI,)
 2 Counterclaimant,)
 3 v.)
 4 WENDOVER PROJECT, LLC,)
 5 Counterdefendant.)

6 1334.022860-sy

7 **IMPLEMENTATION AWARD**

8 On September 20, 2006, an Arbitration Decision was issued in this dispute. Plaintiff
 9 GHOLAMREZA ZANDIAN JAZI filed his Motion to Enforce Arbitration Decision on September
 10 25, 2006. On October 24, 2006, Plaintiff filed his Motion to Implement Arbitration Award. On
 11 October 26, 2006, Plaintiff filed his Amendment to Motion to Implement Arbitration Award and
 12 Request for Expedited Hearing. On October 31, 2006, Defendants Sadri and Koroghli filed their
 13 Opposition to Motion to Implement Arbitration Award. Plaintiff filed his Reply Re: Motion to
 14 Implement Arbitration Award on November 2, 2006.

15 After considering the papers filed by both parties including draft transfer documents;
 16 **THE FOLLOWING IMPLEMENTATION AWARD IS ENTERED:**

- 17 1. Defendants shall pay to John Peter Lee, Ltd., the sum of \$250,000 within five (5)
- 18 days.
- 19 2. Defendants are to execute and deliver to Plaintiff's Counsel within ten days of this
- 20 Award a Quitclaim Deed of the 320 acre parcel provided as Exhibit "1" by Plaintiff
- 21 on the 2nd day of November, 2006.
- 22 3. Defendants are to execute and deliver to Plaintiff's counsel within ten days of this
- 23 Award the Grant, Bargain and Sale Deed of the 320 acre parcel provided by Plaintiff
- 24 as Exhibit "2" on the 2nd of November, 2006.
- 25 4. Defendants are to execute and deliver to Plaintiff's counsel within ten days of this
- 26 Award the Quitclaim Deed of the 320 acre parcel provided by Plaintiff as Exhibit "3"
- 27 on November 2, 2006.
- 28 5. Defendants are to execute and deliver to Plaintiff's counsel within ten days of this

JOHN PETER LEE, LTD.
 ATTORNEYS AT LAW
 830 LAS VEGAS BLVD. SOUTH
 LAS VEGAS, NEVADA 89101
 Telephone (702) 382-4044
 Telecopier (702) 383-9953

JOHN PETER LEE, LTD.
ATTORNEY AT LAW
830 LAS VEGAS BLVD. SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9954

- 1 Award the Grant, Bargain and Sale Deed of the Pah-Rah parcel provided by Plaintiff
- 2 as Exhibit "4" on November 2, 2006.
- 3 6. Mr. Sadri is to execute and deliver to Plaintiff's counsel within ten days of this
- 4 Award the Request for Full Reconveyance concerning the \$333,000 Note provided
- 5 by Plaintiff as Exhibit "5" on November 2, 2006.
- 6 7. Mr. Zandian is to execute and deliver to Defendants' counsel within ten days of this
- 7 Award the Quitclaim Deed of the Wendover parcel provided by Plaintiff as Exhibit
- 8 "6" on November 2, 2006.
- 9 8. Mr. Zandian is to execute and deliver to Defendants' counsel within ten days of this
- 10 Award the Assignment of Interest in Wendover Project, LLC, provided by Plaintiff
- 11 as Exhibit "7" on November 2, 2006.
- 12 9. Mr. Zandian is to execute and deliver to Defendants' counsel within ten days of this
- 13 Award the Quitclaim Deed of the Big Spring Ranch parcel provided by Plaintiff as
- 14 Exhibit "8" on November 2, 2006.
- 15 10. Mr. Zandian is to execute and deliver to Defendant's counsel within ten days of this
- 16 Award the Assignment of Interest in Big Spring Ranch, LLC., provided by Plaintiff
- 17 as Exhibit "9" on November 2, 2006.
- 18 11. Mr. Zandian is to execute and deliver to Defendants' counsel within ten days of this
- 19 Award the Assignment of Interest in Nevada Land and Water Resources, LLC.,
- 20 provided by Plaintiff as Exhibit "10" on November 11, 2006.
- 21 12. Mr. Zandian is to record and deliver to Defendants' counsel within ten days of this
- 22 Award the four (4) Releases of Lis Pendens provided by Plaintiff as Exhibit "11" on
- 23 November 2, 2006.
- 24 13. Mr. Zandian is to execute, file and deliver to Defendants' counsel within ten days of
- 25 this Award the Certificate of Resignation concerning Wendover Project, LLC.,
- 26 provided by Plaintiff as Exhibit "12" on November 2, 2006.
- 27 14. Mr. Zandian is to execute, file and deliver to Defendants' counsel within ten days
- 28 of this Award the Certificate of Resignation concerning Nevada Land and Water

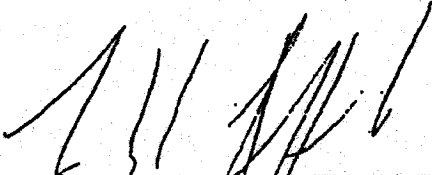
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Resources, LLC, provided as Exhibit "13" on November 2, 2006.

15. Mr. Zandian is to execute, file and deliver to Defendants' counsel within ten days of this Award the Certificate of Resignation concerning Big Spring Ranch, LLC., provided by Plaintiff as Exhibit "14" on November 2, 2006.

16. All parties are to sign the Mutual Release of Claims provided by Plaintiff as Exhibit "16" on November 2, 2006, and deliver a Counterpart to the other party's counsel within ten (10) from this Award.

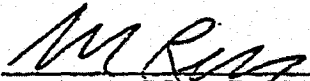
Dated this 29th day of November, 2006.



FLOYD A. HALE, ARBITRATOR

Respectfully submitted

JOHN PETER LEE, LTD.



JOHN PETER LEE, ESQ.
Nevada Bar No. 001768
MICHAEL A. REYNOLDS, ESQ.
Nevada Bar No. 008631
830 Las Vegas Boulevard South
Las Vegas, Nevada 89101
(702) 382-4044 Fax: (702) 383-9950
Attorneys for Plaintiff/Counterdefendant

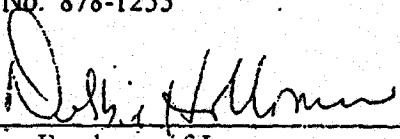
JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEG. BLVD. SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

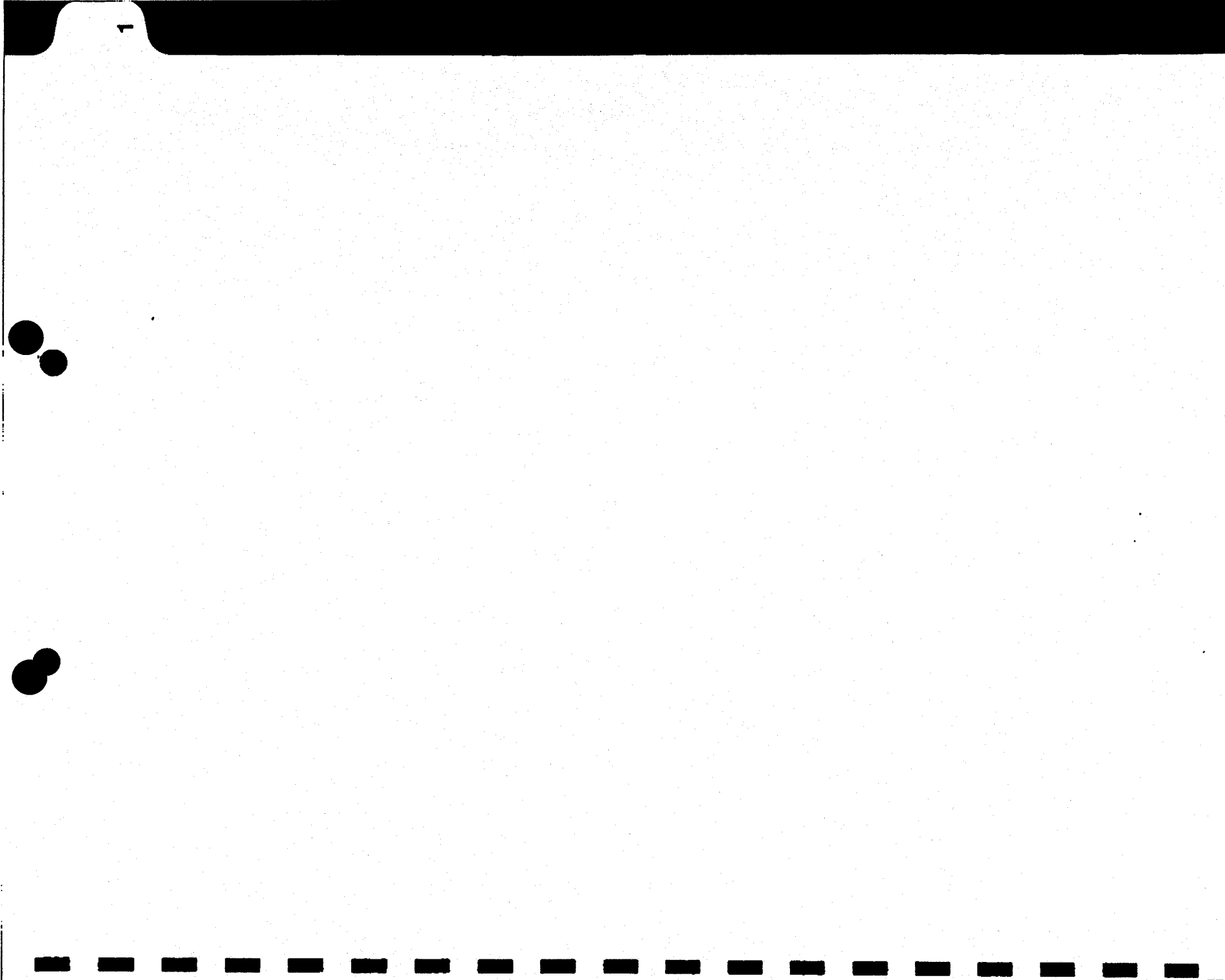
CERTIFICATE OF FACSIMILE AND MAILING

I hereby certify that on the 29th day of November 2006, I faxed and mailed a true and correct copy of the foregoing Implementation Award addressed to:

John Peter Lee, Esq.
830 Las Vegas Boulevard South
Las Vegas, NV 89101
Attorneys for Plaintiffs
Fax No. 383-9950

John Netzorg, Esq.
2810 West Charleston Blvd. #H-81
Las Vegas, NV 89102
Attorneys for Defendants
Fax No. 878-1255

By: 
Employee of Jams



APN: 076-100-19

WHEN RECORDED, RETURN TO
JOHN PETER LEE, LTD.
830 Las Vegas Boulevard South
Las Vegas, Nevada 89101

GRANTEE/MAIL TAX STATEMENTS TO:
JOHN PETER LEE, LTD.
830 Las Vegas Boulevard South
Las Vegas, Nevada 89101

320 acre parcel

QUITCLAIM DEED

By this instrument dated this ____ day of _____, 2006, for a valuable consideration, Ray Koroghli, individually, and Fariborz Fred Sadri, individually and as Trustee of the Star Living Trust, do hereby remise, release and forever quitclaim to Gholamreza Zandian Jazi, the following described real property in the State of Nevada, County of Washoe:

Set forth in Exhibit A attached and incorporated herein by this reference

RAY KOROGHLI, individually

FARIBORZ FRED SADRI, individually

FARIBORZ FRED SADRI, as Trustee of the
Star Living Trust

STATE OF NEVADA)
) SS.:
COUNTY OF CLARK)

On _____, 2006, before me the undersigned, a Notary Public in and for said County and State, personally appeared Ray Koroghli, known to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.

NOTARY PUBLIC

STATE OF NEVADA)
) SS.:
COUNTY OF CLARK)

On _____, 2006, before me the undersigned, a Notary Public in and for said County and State, personally appeared Fariborz Fred Sadri, known to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.

NOTARY PUBLIC

STATE OF NEVADA)
) SS.:
COUNTY OF CLARK)

On _____, 2006, before me the undersigned, a Notary Public in and for said County and State, personally appeared Fariborz Fred Sadri, Trustee of the Star Living Trust, known to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.

NOTARY PUBLIC

County Home => Assessor's Office => Property Assessment Data => Parcel QuickInfo

WASHOE COUNTY QUICK INFO (Summary data may not be complete representation of property)				10/18/2006	
Owner Information & Legal Description			Building Information		
APN	076-100-19		Property Name:		
Parcel Map | Map Warehouse			Quality		Bldg Type
Card	1 of 1		Stories		
Situs	SPANISH SPRINGS RD		Year Built	0	Square Feet
Owner 1	BIG SPRING RANCH LLC		W.A.Y.	0	Square Feet does not include Bsmt or Garage Conversion area click for details
Mail Address	P O BOX 81624		Bedrooms	0	
	LAS VEGAS NV 89180-1624		Full Baths	0	Finished Bsmt
Owner 2			Half Baths	0	Unfin Bsmt
Owner 3			Fixtures	0	Bsmt Type
Rec Doc No	02957442	Rec Date	11/21/2003	Fireplaces	0
Prior Owner	GRAHAM,EARL L & JONI		Heat Type		Gar Conv Sq Foot
Prior Doc	02623847 11/30/2001		Sec Heat Type		Total Gar Area
Legal Desc	34-1-1-2		Ext Walls		Gar Type
Subdivision	34-1-1-2		Sec Ext Walls		Det Garage
	Lot	Block	Sub Map#	Roof Cover	Bsmt Gar Door
				%Incomplete	0
	Record of Survey Map		Parcel Map#	Obso/Bldg Adj	0
Section 34	Township 21	Range 21	SPC	Construction Mod	0
Tax Dist	4400	Add'l Tax Info	Prior APN	Last Activity	CEM 04/08/1996
					Last Permit

Land Information											
Land Use	012	Zoning	GR	Sewer	NONE	Value Year	2007	Reason	Reappraisal	Factor Dist	586R
Size	320 AC	Water	NONE	Street	NONE			Reapp Years	2002-2007		

Valuation Information			2005/2006 FV		2006/2007 FV		Sales/Transfer Information/Recorded Document				
Taxable Land Value			78,304		86,917		V-Code	LUC	Doc Date	Value	Grantor
Txble Improvement Value			0		0	1SVR	012	11/21/2003	95,000	GRAHAM,EARL L & JONI	
Secured Personal Property (rounded)			0		0	3NTT	012	11/30/2001	0	LONDON,DALE R	
Taxable Total			78,304		86,917	3NTT	012	11/30/2001	0	GRAHAM,EARL L & JONI	
Assessed Land Value			27,406		30,421			07/07/1997	0		
Assessed Improvement Value			0		0	1GCR	012	06/03/1997	70,000		
								08/01/1976	10,980		

All data on this form is for use by the Washoe County Assessor for

Assessed Personal Prop		0	assessment purposes only. Zoning information should be verified with the appropriate planning agency.
Total Assessed	27,406	30,421	
Supplemental New Const	0	0	

We are currently experiencing some problems with our photo and sketch database which can cause the wrong sketch or photo to display, please review any sketches and photos carefully.

Sketch Is Not Available On-Line.	Property Photo Is Not Available On-Line.
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APN: 076-100-19

WHEN RECORDED, RETURN TO

JOHN PETER LEE, LTD.
830 Las Vegas Boulevard South
Las Vegas, Nevada 89101

GRANTEE/MAIL TAX STATEMENTS TO:

JOHN PETER LEE, LTD.
830 Las Vegas Boulevard South
Las Vegas, Nevada 89101

320 acre parcel

GRANT, BARGAIN AND SALE DEED

THIS INDENTURE, made this ____ day of _____, 2006, by and between Big Spring Ranch, LLC, as Grantor, and Gholamreza Zandian Jazi, as Grantee:

WITNESSETH

That Grantor, in consideration of the sum of Ten Dollars (\$10.00) lawful money of the United States, and good and valuable consideration, paid to Grantor by Grantee, the receipt whereof is hereby acknowledged, does by these presents grant, bargain and sell to Grantee and to Grantee's successors and assigns, all those certain lots, pieces, or parcels of land situated in the County of Washoe, State of Nevada, and more particularly described as follows:

Set forth in Exhibit A attached and incorporated herein by this reference

TOGETHER WITH all and singular the tenements, hereditaments, and appurtenances thereunto belonging or in anywise appertaining, and the reversion and reversions, remainder or remainders, rents, issues, and profits thereof.

SUBJECT TO rights, reservations and restrictions of record.

TO HAVE AND TO HOLD all and singular the premises, together with the appurtenances, unto Grantee and to Grantee's successors and assigns forever.

IN WITNESS WHEREOF, Grantor have executed this conveyance the day and year first above written.

BIG SPRING RANCH, LLC

BY: _____
RAY KOROGHLI, Member/Manager

BY: _____
FARIBORZ FRED SADRI, Member/Manager

STATE OF NEVADA)
) SS.:
COUNTY OF CLARK)

On _____, 2006, before me the undersigned, a Notary Public in and for said County and State, personally appeared Ray Koroghli, known to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.

NOTARY PUBLIC

STATE OF NEVADA)
) SS.:
COUNTY OF CLARK)

On _____, 2006, before me the undersigned, a Notary Public in and for said County and State, personally appeared Fariborz Fred Sadri, known to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.

NOTARY PUBLIC

County Home => Assessor's Office => Property Assessment Data => Parcel QuickInfo

WASHOE COUNTY QUICK INFO (Summary data may not be complete representation of property)										10/18/2006		
Owner Information & Legal Description					Building Information							
APN 076-100-19					Property Name:							
<u>Parcel Map | Map Warehouse</u>					Quality		Bldg Type					
Card 1 of 1					Stories							
Situs		SPANISH SPRINGS RD			Year Built		0					
Owner 1		BIG SPRING RANCH LLC			W.A.Y.		0					
Mail Address		P O BOX 81624			Bedrooms		0					
		LAS VEGAS NV 89180-1624			Full Baths		0					
Owner 2					Half Baths		0					
Owner 3					Fixtures		0					
Rec Doc No		02957442		Rec Date		11/21/2003		Fireplaces		0		
Prior Owner		GRAHAM,EARL L & JONI			Heat Type							
Prior Doc		02623847 11/30/2001			Sec Heat Type							
Legal Desc		34-1-1-2			Ext Walls							
Subdivision		34-1-1-2			Sec Ext Walls							
		Lot Block		Sub Map#		Roof Cover						
		Record of Survey Map		Parcel Map#		%Incomplete		0				
Section 34		Township 21		Range 21		Obso/Bldg Adj		0				
Tax Dist		4400		Add'l Tax Info		Construction Mod		0				
		Prior APN				Last Activity		CEM 04/08/1996				
Land Information												
Land Use		012		Zoning		GR		Sewer		NONE		
Size		320 Ac		Water		NONE		Street		NONE		
Value Year		2007		Reason		Reappraisal		Factor Dist		586R		
Reapp Years		2002-2007										
Valuation Information			2005/2006 FV		2006/2007 FV		Sales/Transfer Information/Recorded Document					
Taxable Land Value			78,304		86,917		V-Code		LUC		Doc Date	
Txble Improvement Value			0		0		1SVR		012		11/21/2003	
Secured Personal Property (rounded)			0		0		3NTT		012		11/30/2001	
Taxable Total			78,304		86,917		3NTT		012		11/30/2001	
Assessed Land Value			27,406		30,421						07/07/1997	
Assessed Improvement Value			0		0		1GCR		012		06/03/1997	
											08/01/1976	
											10,980	
All data on this form is for use by the Washoe County Assessor for												

Assessed Personal Prop		0	assessment purposes only. Zoning information should be verified with the appropriate planning agency.
Total Assessed	27,406	30,421	
Supplemental New Const	0	0	

We are currently experiencing some problems with our photo and sketch database which can cause the wrong sketch or photo to display, please review any sketches and photos carefully.

Sketch Is Not Available On-Line.	Property Photo Is Not Available On-Line.
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APN: 076-100-19

WHEN RECORDED, RETURN TO
JOHN PETER LEE, LTD.
830 Las Vegas Boulevard South
Las Vegas, Nevada 89101

GRANTEE/MAIL TAX STATEMENTS TO:
JOHN PETER LEE, LTD.
830 Las Vegas Boulevard South
Las Vegas, Nevada 89101

320 acre parcel

QUITCLAIM DEED

By this instrument dated this ____ day of _____, 2006, for a valuable consideration,
Big Spring Ranch, LLC does hereby remise, release and forever quitclaim to Gholamreza Zandian
Jazi, the following described real property in the State of Nevada, County of Washoe:

Set forth in Exhibit A attached and incorporated
herein by this reference

BIG SPRING RANCH, LLC

BY: _____
RAY KOROGHLI

BY: _____
FARIBORZ FRED SADRI

STATE OF NEVADA)
) SS.:
COUNTY OF CLARK)

On the ____ day of _____, 2006, before me the undersigned, a Notary Public
in and for said County and State, personally appeared Ray Koroghli, known to me to be the person
whose name is subscribed to the within instrument, and acknowledged to me that he executed the
same.

NOTARY PUBLIC

STATE OF NEVADA)
) SS.:
COUNTY OF CLARK)

On the ____ day of _____, 2006, before me the undersigned, a Notary Public in and for said County and State, personally appeared Fariborz Fred Sadri, known to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.

NOTARY PUBLIC

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WASHOE COUNTY QUICK INFO (Summary data may not be complete representation of property)				10/18/2006	
Owner Information & Legal Description			Building Information		
APN 076-100-19			Property Name:		
Parcel Map | Map Warehouse			Quality	Bldg Type	
Card 1 of 1			Stories		
Situs	SPANISH SPRINGS RD		Year Built	0	Square Feet 0
Owner 1	BIG SPRING RANCH LLC		W.A.Y.	0	Square Feet does not include Bsmt or Garage Conversion area click for details
Mail Address	P O BOX 81624		Bedrooms	0	
	LAS VEGAS NV 89180-1624		Full Baths	0	Finished Bsmt 0
Owner 2			Half Baths	0	Unfin Bsmt 0
Owner 3			Fixtures	0	Bsmt Type
Rec Doc No	02957442	Rec Date	11/21/2003	Fireplaces	0
Prior Owner	GRAHAM,EARL L & JONI		Heat Type	Total Gar Area 0	
Prior Doc	02623847 11/30/2001		Sec Heat Type	Gar Type	
Legal Desc	34-1-1-2		Ext Walls	Det Garage 0	
Subdivision	34-1-1-2		Sec Ext Walls	Bsmt Gar Door 0	
	Lot	Block	Sub Map#	Roof Cover	Sub Floor
				%Incomplete	0
	Record of Survey Map		Parcel Map#	Obso/Bldg Adj	0
	Section 34	Township 21	Range 21	Construction Mod	0
			SPC	Last Activity	CEM 04/08/1996
Tax Dist	4400	Add'l Tax Info	Prior APN	Last Permit	

Land Information											
Land Use	012	Zoning	GR	Sewer	NONE	Value Year	2007	Reason	Reappraisal	Factor Dist	586R
Size	320 Ac	Water	NONE	Street	NONE			Reapp Years	2002-2007		

Valuation Information			2005/2006 FV	2006/2007 FV	Sales/Transfer Information/Recorded Document					
Taxable Land Value			78,304	86,917	V-Code	LUC	Doc Date	Value	Grantor	
Txble Improvement Value			0	0	1SVR	012	11/21/2003	95,000	GRAHAM,EARL L & JONI	
Secured Personal Property (rounded)			0	0	3NTT	012	11/30/2001	0	LANDON,DALE R	
Taxable Total			78,304	86,917	3NTT	012	11/30/2001	0	GRAHAM,EARL L & JONI	
Assessed Land Value			27,406	30,421			07/07/1997	0		
Assessed Improvement Value			0	0	1GCR	012	06/03/1997	70,000		
							08/01/1976	10,980		

All data on this form is for use by the Washoe County Assessor for

Assessed Personal Prop		0	assessment purposes only. Zoning information should be verified with the appropriate planning agency.
Total Assessed	27,406	30,421	
Supplemental New Const	0	0	
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Sketch Is Not Available On-Line.		Property Photo Is Not Available On-Line.	

99052

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APN: 079-150-09, 079-150-10, 07-150-13
084-040-02, 084-040-04, 084-040-06
084-040-10, 084-130-07, -84-140-17

WHEN RECORDED, RETURN TO

JOHN PETER LEE, LTD.
830 Las Vegas Boulevard South
Las Vegas, Nevada 89101

GRANTEE/MAIL TAX STATEMENTS TO:

JOHN PETER LEE, LTD.
830 Las Vegas Boulevard South
Las Vegas, Nevada 89101

Pah Rah parcel

GRANT, BARGAIN AND SALE DEED

THIS INDENTURE, made this ____ day of _____, 2006, by and between Ray Koroghli, individually, and Fariborz Fred Sadri, individually and as Trustee of the Star Living Trust, as Grantors, and Gholamreza Zandian Jazi, as Grantee:

WITNESSETH

That Grantors, in consideration of the sum of Ten Dollars (\$10.00) lawful money of the United States, and good and valuable consideration, paid to Grantors by Grantee, the receipt whereof is hereby acknowledged, does by these presents grant, bargain and sell to Grantee and to Grantee's successors and assigns, all those certain lots, pieces, or parcels of land situated in the County of Washoe, State of Nevada, and more particularly described as follows:

Set forth in Exhibit A attached and incorporated herein by this reference

TOGETHER WITH all and singular the tenements, hereditaments, and appurtenances thereunto belonging or in anywise appertaining, and the reversion and reversions, remainder or remainders, rents, issues, and profits thereof.

SUBJECT TO rights, reservations and restrictions of record.

TO HAVE AND TO HOLD all and singular the premises, together with the appurtenances, unto Grantee and to Grantee's successors and assigns forever.

IN WITNESS WHEREOF, Grantors have executed this conveyance the day and year first above written.

RAY KOROGHLI, individually

FARIBORZ FRED SADRI, individually

FARIBORZ FRED SADRI, as Trustee of the
Star Living Trust

STATE OF NEVADA)
) SS.:
COUNTY OF CLARK)

On _____, 2006, before me the undersigned, a Notary Public in and for said County and State, personally appeared Ray Koroghli, known to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.

NOTARY PUBLIC

STATE OF NEVADA)
) SS.:
COUNTY OF CLARK)

On _____, 2006, before me the undersigned, a Notary Public in and for said County and State, personally appeared Fariborz Fred Sadri, known to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.

NOTARY PUBLIC

STATE OF NEVADA)
) SS.:
COUNTY OF CLARK)

On _____, 2006, before me the undersigned, a Notary Public in and for said County and State, personally appeared Fariborz Fred Sadri, Trustee of the Star Living Trust, known to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.

NOTARY PUBLIC

APN: 079-150-09, 079-150-10, 07-150-13
084-040-02, 084-040-04, 084-040-06,
084-040-10, 084-130-07, 084-140-17

DOC # 2900592
08/08/2003 03:48P Fee:20.00
BK1
Requested By
WESTERN TITLE COMPANY INC
Washoe County Recorder
Kathryn L. Burke - Recorder
Pg 1 of 7 RPTT 1500.00

RECORDING REQUESTED BY AND
WHEN RECORDED RETURN TO:

Star Living Trust
950 Seven Hills Drive, Ste 1026
Henderson, NV 89032

2827 S. MONTE CRISTO
LAS VEGAS, NV 89117

MAIL (BY STATEMENT TO ABOVE)
25269-0012

00130277 GRANT, BARGAIN AND SALE DEED



THIS GRANT, BARGAIN AND SALE DEED is made this 1st day of AUGUST, 2003 by and between NEVADA LAND AND RESOURCE COMPANY, LLC, a Delaware limited liability company, whose address is 704 W. Nye Lane, Suite 201, Carson City, Nevada, 89703 (referred to as "GRANTOR") and FRED SADRI TRUSTEE OF THE STAR LIVING TRUST, DATED APRIL 14, 1997, AS TO AN UNDIVIDED 1/3 INTEREST, RAY KOROGHLI, AN UNMARRIED MAN, AS TO AN UNDIVIDED 1/3 INTEREST AND REZA ZANDIAN, A MARRIED MAN AS HIS SOLE AND SEPARATE PROPERTY, AS TO AN UNDIVIDED 1/3 INTEREST, AS TENANTS IN COMMON, (referred to as "GRANTEE").

GRANTOR, in consideration of the sum of Ten Dollars (\$10.00), lawful money of the United States, and other good and valuable consideration to GRANTOR paid by the GRANTEE, the receipt of which GRANTOR acknowledges, by these presents grants, bargains and sells to GRANTEE, and to GRANTEE's successors and assigns forever, all right, title and interest in and to that certain real property situated in Washoe County, State of Nevada, and more particularly described on Exhibit A, except the easement and mineral estate and interest reserved to GRANTOR.

Together with all and singular the tenements, hereditaments and appurtenances belonging, or in anywise appertaining, to the real property, and the reversion and reversions, remainder and remainders, rents, issues and profits of the real property;

To have and to hold the real property above described with the appurtenances, unto GRANTEE, and to GRANTEE's heirs, and successors and assigns forever.

GRANTOR reserves to itself and its successors and assigns a 20 foot wide access easement over, through, within, under, across and along the East and South boundaries of Section 3, Township 20 North, Range 23 East.

GRANTOR reserves to itself the exclusive right and privilege to enter on the property for the purposes of exploration and prospecting for the development, extraction, mining, production, removal and sale of all minerals, mineral substances, metals, ore-bearing materials, coal, oil, gas, other hydrocarbons, geothermal steam, liquids or brines, heat, other geothermal resources and rocks of every kind, except sand and gravel. The mineral estate and rights reserved to Grantor include all of the right, title and interest to minerals in, on or under the property, including, but not limited to, the surface and subsurface of the property, all minerals, mineral elements and compounds and ores, together with all easements and rights-of-way reserved or granted in, on or under the property, together with any and all lodes, veins and mineral deposits extending from or into or contained in the

100700



property. The term "minerals" shall include all mineral elements and compounds, including by way of example and not by limitation, all barite, copper, gold, iron, silver and other metals, whether the same are presently known to exist on the property or are subsequently discovered on the property, and regardless of the method of extraction, mining or processing of the same (whether open pit or strip mining, underground mining, surface or subsurface leaching) whether presently or subsequently employed, invented, or developed. Grantor reserves to itself the rights of egress and ingress to and from the property for any and all purposes related to the mineral estate reserved to Grantor. Grantor shall conduct all of its activities in accordance with all applicable laws, regulations, and ordinances, and shall defend, indemnify and hold Grantee from and against all actions, claims, damages and losses resulting from Grantor's exercise of the rights appurtenant to its reserved mineral estate. Grantor shall compensate Grantee for surface damages resulting from Grantor's activities related to Grantor's reserved mineral estate. If Grantee and Grantor are unable to mutually determine the damages resulting to the surface, such damages shall be determined by a mutually acceptable independent appraiser who shall determine the fair market value of the surface damaged as a result of Grantor's activities.

GRANTOR makes no representation or warranty concerning the effect of those Minerals Leases, by and between Southern Pacific Land Company, a California corporation, as lessor, and SFP Minerals Corporation, a Delaware corporation, as lessee, to the degree or the extent that the same applies and is enforceable against the property described in this Grant, Bargain and Sale Deed, if at all.

GRANTOR has executed this Grant, Bargain and Sale Deed the day and year first above written.

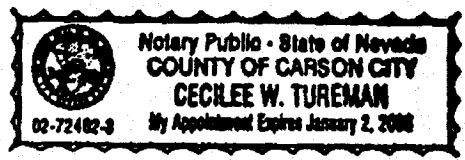
NEVADA LAND AND RESOURCE COMPANY, LLC, A
DELAWARE LIMITED LIABILITY COMPANY

By: *Dorothy A. Timian-Palmer*
Dorothy A. Timian-Palmer
Chief Operating Officer

STATE OF NEVADA)
) ss.
COUNTY OF CARSON CITY)

This instrument was acknowledged before me on August 1, 2003, by Dorothy A. Timian-Palmer its Chief Operating Officer of and for Nevada Land and Resource Company, LLC, a Delaware limited liability company.

Cecilee W. Tureman
Notary Public



100701



EXHIBIT " A "

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

PARCEL A:
A.P.N. 079-150-09

The Northeast $\frac{1}{4}$ and the South $\frac{1}{2}$ of the Northwest $\frac{1}{4}$ and the South $\frac{1}{2}$ in
Section 33, Township 21 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar
and other valuable minerals as reserved by the United States of America or the
State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores
within or underlying the property, including, without limitation, oil, natural gas
and hydrocarbon substances, geothermal steam, brines and minerals in solution,
and sand gravel and aggregates, and products derived therefrom, together with
any rights of ingress and egress in, upon or over the property and to make such
use of the property and the surface thereof as is necessary or useful in
connection therewith, as reserved in the Deed recorded January 09, 1990 in
Book 3019, Page 756 as Document No. 1373452 of Official Records.

PARCEL B:
A.P.N: 079-150-10

Section 31, Township 21 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar
and other valuable minerals as reserved by the United States of America or the
State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores
within or underlying the property, including, without limitation, oil, natural gas
and hydrocarbon substances, geothermal steam, brines and minerals in solution,
and sand gravel and aggregates, and products derived therefrom, together with



any rights of ingress and egress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded February 22, 1991 in Book 3216, Page 526 as Document No. 1461483 of Official Records.

PARCEL C:
A.P.N. 079-150-13

The Northeast $\frac{1}{4}$; South $\frac{1}{2}$ of the Northwest $\frac{1}{4}$; South $\frac{1}{2}$ of Section 27,
Township 21 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

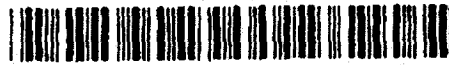
FURTHER EXCEPTING and reserving any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with any rights of ingress and egress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded January 09, 1990 in Book 3019, Page 756 as Document No. 1373452 of Official Records.

PARCEL D:
A.P.N. 084-040-02

Section 5, Township 20 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with any rights of ingress and egress in, upon or over the property and to make such



use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded February 22, 1991 in Book 3216, Page 526 as Document No. 1461483 of Official Records.

PARCEL E:

A.P.N. 084-040-04

Section 3, Township 20 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with any rights of ingress and egress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded January 03, 1992 in Book 3391, Page 840 as Document No. 1534872 of Official Records.

PARCEL F:

A.P.N. 084-040-06

Section 1, Township 20 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with any rights of ingress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection



2996592
08/06/2003
6 of 7

therewith, as reserved in the Deed recorded January 03, 1992 in Book 3391, Page 840 as Document No. 1534872 of Official Records.

PARCEL G:
A.P.N. 084-040-10

The North $\frac{1}{2}$ and the North $\frac{1}{2}$ of the Northwest $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ and the Southwest $\frac{1}{4}$ of the Northwest $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ and the North $\frac{1}{2}$ of the Northeast $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ and the North $\frac{1}{2}$ of the Northwest $\frac{1}{4}$ of the Southeast $\frac{1}{4}$, all in Section 11, Township 20 North, Range 23 East, M.D.B.&M.

ALSO EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with any rights of ingress and egress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded January 03, 1992 in Book 3391, Page 840 as Document No. 1534872 of Official Records.

PARCEL H:
A.P.N. 084-130-07

The Northwest $\frac{1}{4}$ and the North $\frac{1}{2}$ of the Southwest $\frac{1}{4}$ and Government Lot 1 in the Southwest $\frac{1}{4}$ of Section 15, Township 20 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with

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WFZ1462



2988592
08/08/2003
7 of 7

any rights of ingress and egress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded January 03, 1992 in Book 3391, Page 840 as Document No. 1534872 of Official Records.

PARCEL I:

A.P.N. 084-140-17

The Northeast $\frac{1}{4}$ of Section 15, Township 20 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with any rights of ingress and egress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded January 03, 1992 in Book 3391, Page 840 as Document No. 1534872 of Official Records.

REQUEST FOR FULL RECONVEYANCE

TO: Western Title Company, Inc., Trustee

The undersigned is the legal owner and holder of the Note or Notes, and of all other indebtedness secured by the attached Deed of Trust. Said Note or Notes, together with all other indebtedness secured by said Deed of Trust, have been fully paid and satisfied; and you are hereby requested and directed to cancel said note or notes above mentioned, and all other evidences of indebtedness secured by said Deed of Trust delivered to you herewith, together with the Deed of Trust, and to reconvey, without warranty, to Gholamreza Zandian Jazi all the estate now held by you under the same.

DATED this _____ day of _____, 2006.

Fariborz Fred Sadri

STAR LIVING TRUST

BY: _____
Fariborz Fred Sadri, Trustee

Pah Rah parcel

APN: 079-150-09,10,13 084-040-02,04,06,10 084-130-07

DOC # 2900594

05/08/2003 03:48P Fee:48.00

BK1

Requested By

WESTERN TITLE COMPANY INC

Washoe County Recorder

Kathryn L. Burke - Recorder

Pg 1 of 18 RPTT 0.00

RECORDING REQUESTED BY:
Western Title Company, Inc.

WHEN RECORDED MAIL TO:

Name STAR LIVING TRUST, FRED SADRI
Street 2827 S. MONTE CRISTO
City,State LAS VEGAS, NV 89117
Zip
Order No. 00025269-501-DBR - Accommodation



(SPACE ABOVE THIS LINE FOR RECORDERS USE)

DEED OF TRUST WITH ASSIGNMENT OF RENTS

This DEED OF TRUST, made on July 31, 2003, between REZA ZANDIAN, a married man as his sole and separate property, TRUSTOR, whose address is 9550 W. Sahara Ave., Apt 2148
Las Vegas 89117 NV 89117 Western Title Company, Inc.,
a Nevada Corporation, TRUSTEE, and FARIBORZ SADRI, TRUSTEE OF THE STAR LIVING TRUST, DATED APRIL 14, 1997, BENEFICIARY.

WITNESSETH: That Trustor grants to Trustee in Trust, with Power of Sale, that property in the City of N/A, County of Washoe, Nevada, described as:

SEE ATTACHED FOR LEGAL DESCRIPTION

In the event the herein described property or any part thereof, or any interest therein is sold, agreed to be sold, conveyed or alienated by the trustor, or by the operation of law or otherwise, all obligations secured by this instrument, irrespective of the maturity dates expressed therein, at the option of the holder hereof and without demand or notice shall immediately become due and payable.

Together with the rents, issues and profits thereof, subject, however, to the right, power and authority hereinafter given to and conferred upon Beneficiary to collect and apply such rents, issues and profits.

For the Purpose of Securing (1) payment of the sum of \$333,996.56 with interest thereon according to the terms of a promissory note or notes of even date herewith made by Trustor, payable to order of Beneficiary, and extensions or renewals thereof; (2) the performance of each agreement of Trustor incorporated by reference or contained herein or reciting it is so secured; (3) Payment of additional sums and interest thereon which may hereafter be loaned to Trustor, or his successors or assigns, when evidenced by a promissory note or notes reciting that they are secured by this Deed of Trust.

To protect the security of this Deed of Trust, and with respect to the property above described, Trustor expressly makes each and all of the agreements, and adopts and agrees to perform and be bound by each

and all of the terms and provisions set forth in subdivision A and it is mutually agreed that each and all of the terms and provisions set forth in subdivision B of the Fictitious Deed of trust recorded in the office of



each County Recorder in the State of Nevada on January 30, 1968, in the book and at the page thereof, or under the document or file number, noted below opposite the name of such county, namely: COUNTY

COUNTY	BOOK	PAGE	DOC. NO.	COUNTY	BOOK	PAGE	DOC. NO.
Churchill	39	363	115384	Lincoln			45902
Clark	Mortgages 850 Off. Rec.		682747	Lyon	37 Off. Rec.	341	100661
Douglas	57 Off. Rec.	115	40050	Mineral	11 Off. Rec.	129	89073
Elko	192 Off. Rec.	652	35747	Nye	105 Off. Rec.	107	04823
Esmeralda	3-X Deeds	195	35922	Ormsby	72 Deeds	537	32867
Eureka	22 Off. Rec.	138	45941	Pershing	11 Off. Rec.	249	66107
Humboldt	28 Off. Rec.	124	131075	Storey	"S" Off. Rec.	206	31506
Lander	24 Off. Rec.	168	50782	Washoe	300 Off. Rec.	517	107192
				White Pine	295 R.E. Records	258	

shall insure to and bind the parties hereto, with respect to the property above described. Said agreements, terms and provisions contained in said subdivisions A and B (identical in all counties, and printed on the reverse side hereof) are by the within reference thereto, incorporated herein and made a part of Deed of Trust for all purposes as fully as if set forth at length herein, and Beneficiary may charge for a statement regarding the obligation secured hereby, provided the charge therefor does not exceed a reasonable amount.



2906594
08/06/2003
3 of 18

The undersigned Trustor, requests that a copy of any notice of default and any notice of sale hereunder be mailed to him at this address herein before set forth.

STATE OF NEVADA

COUNTY OF CLARK

This instrument was acknowledged before me on

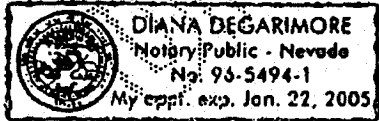
AUGUST 5th, 2003

by REZA ZANDIAN

REZA ZANDIAN

Diana DeGarimore

Notary Public





DO NOT RECORD

A. TO PROTECT THE SECURITY OF THIS DEED OF TRUST, TRUSTOR AGREES,

- (1) To keep said property in good condition and repair; not to remove or demolish any building thereon; to complete or restore promptly and in good and workmanlike manner any building which may be constructed, damaged or destroyed thereon, and to pay when due all claims for labor performed and materials furnished therefor; to comply with all laws affecting said property, or requiring any alterations or improvements to be made thereon; not to commit or permit waste thereof; not to commit suffer or permit any act upon said property in violation of law; to cultivate, irrigate, fertilize, fumigate, prune and do all other acts which from the character or use of said property may be reasonably necessary, the specific enumerations herein not excluding the general.
- (2) Trustor covenants to keep all buildings that may now or at any time be on said property during the continuance of this trust in good repair and insured against loss by fire, with extended coverage endorsement, in a company or companies authorized to issue such insurance in the State of Nevada, and as may be approved by Beneficiary, for such sum or sums as shall equal the total indebtedness secured by this Deed of Trust and all obligations having priority over this Deed of Trust and shall be payable to Beneficiary to the amount of the unsatisfied obligation to Beneficiary hereby secured, and to deliver the policy to Beneficiary, or to collection agent of Beneficiary, and in default hereof, Beneficiary may procure such insurance and/or make such repairs, and expend for either of such purposes such SLDN or sums as Beneficiary shall deem proper.
- (3) To appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee; and to pay all costs and expenses, including cost of evidence of title and attorney's fees in a reasonable sum, in any such action or proceeding in which Beneficiary or Trustee may appear, and in any suit brought by Beneficiary to foreclose this Deed of Trust.
- (4) To pay at least ten days before delinquency all taxes and assessments affecting said property, including assessments on appurtenant water stock, water rights and grazing privileges; when due, all encumbrances, charges and liens, with interest on as to property or any part thereof, which appear to be prior or superior hereto, and all costs, fees and expenses of this trust.

Should Trustor fail to make any payment or to do any act as herein provided, then Beneficiary or Trustee, but without obligation so to do and without notice to or demand upon Trustor, and without releasing Trustor from any obligation hereof, may make or do the same in such manner and to such extent as either may deem necessary to protect the security hereof; Beneficiary or Trustee being authorized to enter upon said property for such purposes; appear in and defend any action or proceeding purporting to affect the security hereof the rights or powers of Beneficiary or Trustee; pay, purchase, contest or compromise any encumbrance, charge or lien which in the judgment of either appears to be prior or superior hereto; and, in exercising any such powers, pay necessary expenses, employ counsel and pay his reasonable fees.

- (5) To pay immediately, and without demand all sums so expended by Beneficiary or Trustee, with interest from date of expenditure at ten percent per annum.
- (6) At Beneficiary's option, Trustor will pay a "late charge", as indicated in the Promissory Note to cover the extra expense involved in handling delinquent payments; of such "late charge" shall not be payable out of the proceeds of any sale made to satisfy the indebtedness secured hereby, unless such proceeds are sufficient to discharge the entire indebtedness and all proper costs and expenses secured thereby.

B. IT IS MUTUALLY AGREED

- (1) That any award of damages in connection with any condemnation for public use or injury to said property or any part thereof is hereby assigned and shall be paid to Beneficiary who may apply or release such moneys received by him in the same manner and with the same effect as above provided for disposition of proceeds of fire or other insurance.
- (2) That by accepting payment of any sum secured hereby after its due date, Beneficiary does not waive his right either to require prompt payment when due of all other sums so secured or to declare default for failure so to pay.
- (3) That at any time or from time to time, without liability therefor and without notice, upon written request of Beneficiary and presentation of this deed and said note for endorsement, and without affecting the personal liability of any person for payment of the indebtedness secured hereby, Trustee may reconvey any part of said property; consent to the making of any map or plat thereof; join in granting any easement thereon; or join in any extension agreement of any agreement subordinating the lien or charge hereof.
- (4) That upon written request of Beneficiary stating that all sums secured hereby have been paid, and upon surrender of this deed and said note to Trustee for cancellation and retention or other disposition as Trustee in its sole discretion may choose, and upon payment of its fees, Trustee shall reconvey, without warranty, the property then held hereunder. The recitals in such reconveyance of any matters or facts shall be conclusive proof of the truthfulness thereof. The grantee in such reconveyance may be described as "the person or persons legally entitled thereto".
- (5) That as additional security, Trustor hereby gives to and confers upon Beneficiary the right, power and authority, during the continuance of these trusts, to collect the rents, issues and profits of said property, reserving unto Trustor the right, prior to any default by Trustor in payment of any indebtedness secured hereby or in performance of any agreement hereunder, to collect and retain such rents, issues and profits as they become due and payable. Upon any such default, Beneficiary may at any time without notice, either in person, by a agent, or by a receiver to be appointed by a court, and without regard to the adequacy of any security for the indebtedness hereby Secured, enter upon and take possession of said property or any part thereof, in his own name sue for or otherwise collect such rents, issues, and profits, including those past due, and unpaid, and apply the same, less costs and expenses of operation and collection, including reasonable attorney's fees, upon any indebtedness secured hereby, and in such order as Beneficiary may determine. The entering upon and taking possession of said property, the collection of such rents, issues and profits and the application thereof as aforesaid, shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice.
- (6) That upon default by Trustor in payment of any indebtedness secured hereby or in performance of any agreement hereunder, Beneficiary may declare all sums secured hereby immediately due and payable by delivery to Trustee of written notice of default and of election to cause to be sold said property, which notice Trustee shall cause to be recorded. Beneficiary also shall deposit with Trustee this Deed of Trust, said note and all documents evidencing expenditures secured hereby.

After the lapse of such time as may then be required by law following the recordation of said notice of default, and notice of sale having been given as then required by law for the sale of real property under writ of execution, Trustee, without demand on Trustor, shall sell said property or any part thereof at the time and place fixed by it in said notice of sale, either as a whole or in separate parcels, and in such order as it may determine, at public auction to the highest bidder for cash in lawful money of the United States, payable at time of sale. Trustee may postpone sale of all or any portion of said property by public announcement at such time and place of sale, and from time to time thereafter may postpone such sale by public announcement at the time fixed by the preceding postponement. In the event that any indebtedness secured hereby shall not have been fully satisfied by said sale, Trustee may give notice of sale of any property not previously noticed for sale in the manner set forth above and sell the same in the manner set forth above.

Trustee shall deliver to any purchaser its deed conveying the property so sold, but without any covenant or warranty, express or implied. The recitals in such deed of any matters or facts shall be conclusive proof of the truthfulness thereof. Any person, including Trustor, Trustee, or Beneficiary as hereinafter defined, may purchase at such sale.

After deducting all costs, fees and expenses of Trustee, including a reasonable fee for the attorney of Trustee, and of this trust, including cost evidence of title in connection with sale, Trustee shall apply the proceeds of sale to payment of: all sums expended under the terms hereof, not then repaid, with accrued interest at ten percent per annum; all other sums then secured hereby; and the remainder, if any, to the person or persons legally entitled thereto.



- (7) That Beneficiary, or his assignee, may from time to time, by instrument in writing, substitute a successor or successors to any Trustee named herein or acting here under, which instrument, executed and acknowledged and recorded in the office of the recorder of the county or counties where said property is situated, shall be conclusive proof of proper substitution of such successor Trustee or Trustees, who shall, without conveyance from the Trustee predecessor, succeed to all its title, estate, rights, powers and duties. Said instrument must contain the name of the original Trustor, Trustee and Beneficiary hereunder, the book and page where, or document or file number under which, this Deed of Trust is recorded, and the name and address of the new Trustee. If notice of default shall have been recorded, this power of substitution cannot be exercised until after the costs, fees and expenses of the then acting Trustee shall have been paid to such Trustee, who shall endorse receipt thereof upon such instrument of substitution. The procedure herein provided for substitution of Trustee shall be exclusive of all other provisions for substitution, statutory or otherwise.
- (8) The following covenants: Nos. 1, 3, 4, (interest 10%) 5, 6, 8 and 9 of Nevada Revised Statutes 107.030, when not inconsistent with other covenants and provisions herein contained, are hereby adopted and made a part of this Deed of Trust.
- (9) The rights and remedies hereby granted shall not exclude any other rights or remedies granted by law, and all rights and remedies granted hereunder or permitted by law shall be concurrent and cumulative. A violation of any of the Covenants herein expressly set forth shall have the same effect as the violation of any covenant herein adopted by reference.
- (10) It is expressly agreed that the trust created hereby is irrevocable by Trustor.
- (11) That this Deed of Trust applies to, insures to the benefit of, and binds all parties hereto, their heirs, legatees, devisees, administrators, executors, successors and assigns. The term Beneficiary shall mean the owner and holder, including pledges, of the note secured hereby, whether or not named as Beneficiary herein. In this Deed of Trust, whenever the context so requires, the masculine gender includes the feminine and/or neuter, and the singular number includes the plural.
- (12) That Trustee accepts this trust when this Deed of Trust, duly executed and acknowledged, is made a public record as provided by law. Trustee is not obligated to notify any party hereto of pending sale under any other Deed of Trust or of any action or proceeding in which Trustor, Beneficiary or Trustee shall be a party unless brought by Trustee.
- (13) Trustor agrees to pay any deficiency arising from any cause after application of the proceeds of the sale held in accordance with the provisions of the covenants herein above adopted by reference.

The undersigned Trustor requests that a copy of any notice of default and any notice of sale hereunder be mailed to him at his address herein before set forth.

REQUEST FOR FULL RECONVEYANCE

**DO NOT RECORD
TO TRUSTEE**

The undersigned is the legal owner and holder of the note or notes, and of all other indebtedness secured by the foregoing Deed of Trust. Said note or notes, together with all other indebtedness secured by said Deed of Trust, have been fully paid and satisfied and you are hereby requested and directed, on payment to you of any sums owing to you under the terms of said Deed of Trust, to cancel said note or notes above mentioned, and all other evidences of indebtedness secured by said Deed of Trust delivered to you herewith, together with the said Deed of Trust, and to reconvey, without warranty, to the parties designated by the terms of said Deed of Trust, all the estate now held by you under the same.

Dated: _____

Please mail Deed of Trust,
Note and Reconveyance to _____

Do not lose or destroy this Deed of Trust OR THE NOTE which it secures. Both must be delivered to the Trustee for cancellation before reconveyance will be made.



EXHIBIT "A"

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

PARCEL A:
A.P.N. 079-150-09

The Northeast $\frac{1}{4}$ and the South $\frac{1}{2}$ of the Northwest $\frac{1}{4}$ and the South $\frac{1}{2}$ in Section 33, Township 21 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with any rights of ingress and egress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded January 09, 1990 in Book 3019, Page 756 as Document No. 1373452 of Official Records.

PARCEL B:
A.P.N. 079-150-10

Section 31, Township 21 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with



any rights of ingress and egress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded February 22, 1991 in Book 3216, Page 526 as Document No. 1461483 of Official Records.

PARCEL C:
A.P.N. 079-150-13

The Northeast $\frac{1}{4}$; South $\frac{1}{2}$ of the Northwest $\frac{1}{4}$; South $\frac{1}{2}$ of Section 27,
Township 21 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with any rights of ingress and egress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded January 09, 1990 in Book 3019, Page 756 as Document No. 1373452 of Official Records.

PARCEL D:
A.P.N. 084-040-02

Section 5, Township 20 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with any rights of ingress and egress in, upon or over the property and to make such



use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded February 22, 1991 in Book 3216, Page 526 as Document No. 1461483 of Official Records.

PARCEL E:
A.P.N. 084-040-04

Section 3, Township 20 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with any rights of ingress and egress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded January 03, 1992 in Book 3391, Page 840 as Document No. 1534872 of Official Records.

PARCEL F:
A.P.N. 084-040-06

Section 1, Township 20 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with any rights of ingress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection



therewith, as reserved in the Deed recorded January 03, 1992 in Book 3391, Page 840 as Document No. 1534872 of Official Records.

PARCEL G:
A.P.N. 084-040-10

The North $\frac{1}{2}$ and the North $\frac{1}{2}$ of the Northwest $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ and the Southwest $\frac{1}{4}$ of the Northwest $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ and the North $\frac{1}{2}$ of the Northeast $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ and the North $\frac{1}{2}$ of the Northwest $\frac{1}{4}$ of the Southeast $\frac{1}{4}$, all in Section 11, Township 20 North, Range 23 East, M.D.B.&M.

ALSO EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with any rights of ingress and egress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded January 03, 1992 in Book 3391, Page 840 as Document No. 1534872 of Official Records.

PARCEL H:
A.P.N. 084-130-07

The Northwest $\frac{1}{4}$ and the North $\frac{1}{2}$ of the Southwest $\frac{1}{4}$ and Government Lot 1 in the Southwest $\frac{1}{4}$ of Section 15, Township 20 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with



2300594
08/06/2003
10 of 10

any rights of ingress and egress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded January 03, 1992 in Book 3391, Page 840 as Document No. 1534872 of Official Records.

PARCEL I:
A.P.N. 084-140-17

The Northeast $\frac{1}{4}$ of Section 15, Township 20 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with any rights of ingress and egress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded January 03, 1992 in Book 3391, Page 840 as Document No. 1534872 of Official Records.

APN: 010-510-001; 010-520-001; 010-730-001;
010-740-0BG; 010-740-110; 010-740-111;
010-740-113; 010-740-202

WHEN RECORDED, RETURN TO

GRANTEE/MAIL TAX STATEMENTS TO:

Wendover Parcel

QUITCLAIM DEED

By this instrument dated this ____ day of _____, 2006, for a valuable consideration, Gholamreza Zandian Jazi does hereby remise, release and forever quitclaim to Ray Koroghli, individually and Fariborz Fred Sadri, individually, and as Trustee of the Star Living Trust, the following described real property in the State of Nevada, County of Elko:

Set forth in Exhibit A attached and incorporated herein by this reference

GHOLAMREZA ZANDIAN JAZI

STATE OF NEVADA)
) SS.:
COUNTY OF CLARK)

On _____, 2006, before me the undersigned, a Notary Public in and for said County and State, personally appeared Gholamreza Zandian Jazi, known to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.

NOTARY PUBLIC

5 4 02 512362
FEE FILED
REQUEST OF

2003 DEC 30 PM 4:09

Stewart Title Co.
JERRY D. MACY
ELKO CO. RECORDER

When recorded, return to:
JAMES R. CAVILIA, ESQ.
ALLISON, MacKENZIE, RUSSELL,
PA VLAKIS, WRIGHT & FAGAN, LTD.
402 North Division Street
P.O. Box 646
Carson City, NV 89702

0301167

A.P.N: Nos.: 010-510-001; 010-520-001; 010-730-001; 010-740-0BG; 010-740-110;
010-740-111; 010-740-113; 010-740-202

GRANT, BARGAIN, AND SALE DEED

THIS INDENTURE, made this 29th day of December, 2003, by and between BIG SPRINGS LAND & RESOURCE COMPANY, LLC, a Nevada limited liability company ("BIG SPRINGS"), Grantor, and WENDOVER PROJECT, L.L.C., a Nevada limited liability company, as to an undivided 91.67% and THE STAR LIVING TRUST, Fariborz Sadri, Trustee, as to an undivided 8.33%, Grantee.

WITNESSETH:

That the Grantor, in consideration of the sum of TEN DOLLARS (\$10.00), lawful money of the United States, and other good and valuable consideration to it in hand paid by the Grantee, the receipt whereof is hereby acknowledged, does by these presents grant, bargain and sell to the Grantee, and to its successors and assigns forever, all those certain lots, pieces or parcels of land situate, lying and being in Elko County, Nevada, and more particularly described in Exhibit "A" attached hereto and incorporated herein by reference.

TOGETHER WITH all and singular the tenements, hereditaments and appurtenances thereunto belonging or in anywise appertaining and the reversion and reversions,

remainder and remainders, rents, issues and profits thereof, including but not limited to any right title and interest in any and all grazing rights or allotments appurtenant thereto.

TO HAVE AND TO HOLD all and singular the premises, together with the appurtenances, unto the said Grantee and to its successors and assigns forever.

IN WITNESS WHEREOF, the Grantor has executed this conveyance the day and year first above written.

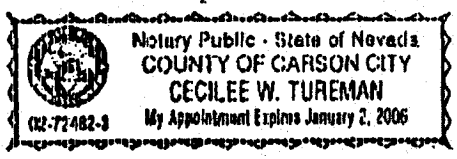
Big Springs Land & Resource Company,
a Nevada limited liability company

By: Vidler Water Company, Inc., a
Delaware corporation
Its Manager

By: *Dorothy A. Timian-Palmer*
DOROTHY A. TIMIAN-PALMER
Chief Operating Officer/Director

STATE OF NEVADA)
 : ss.
CARSON CITY)

On December 29, 2003, DOROTHY A. TIMIAN-PALMER, personally appeared before me, a notary public, personally known to me to be the person whose name is subscribed to the foregoing instrument and who acknowledged to me that she is the Chief Operating Officer and a Director of Vidler Water Company, a Delaware corporation, and who acknowledged to me that she executed the foregoing GRANT, BARGAIN AND SALE DEED on behalf of said corporation.



Cecilee W. Tureman
NOTARY PUBLIC

3 72540

Exhibit "A"
Big Horn Ranch Wendover Property Legal Descriptions

TWP	RNG	SEC	ALMOST PARTS	ACREAGE
32N	69E	01	Lots 1-3, S/2 N/2, S/2	600.34
32N	69E	02	S/2 N/2, S/2	480.00
32N	70E	06	Lots 4, 6, 7, 10, 12, 13, SW/4 NW/4	164.82
33N	69E	01	S/2	320.00
33N	69E	12	All	640.00
33N	69E	25	All	640.00
33N	69E	35	N/2, N/2 S/2	640.00
33N	69E	36	N/2, N/2 SW/4 SE/4, SE/4 SW/4	600.00
33N	70E	08	Lots 7, 8, 9 and 11	35.00
33N	70E	15	Lots 12, 13, 15, 18, 20, 23-25, and 28-30, NE/4 SW/4 SE/4 NW/4, E/2 SE/4 SE/4 NW/4, NW/4 SE/4 SE/4 NW/4	46.23
33N	70E	17	S/2 S/2	160.00
33N	70E	19	All	640.00
33N	70E	20	Lots 2, 3, 6, 11, NW/4 NE/4, N/2 SW/4 NE/4, SE/4 SW/4 NE/4, N/2 SW/4 SW/4 NE/4, NW/4, N/2 SW/4, SW/4 SW/4	416.67
33N	70E	20	Lots 8, 9 and S/2 SW/4 SW/4 NE/4	73.07
33N	70E	21	Lot 2	13.21
33N	70E	29	Lots 3, 5, 8, NW/4 NW/4	73.14
33N	70E	29	Lot 2	16.01
33N	70E	30	Lots 2, 3, NE/4, W/2, W/2 SE/4	612.56
33N	70E	31	Lots 2, 4, 5, 8, 10, 11, NW/4, W/2 SW/4	372.91
33N	70E	*	Parts of 9 and 10 (Parcel 2 of recorded parcel map #485646)	4.20
33N	70E	*	Parts of 9 and 10 (Parcel 1 of recorded parcel map #485646)	3.87
33N	70E	*	Parts of 9, 10 and 16 (Parcel 4 of recorded parcel map #485646)	65.31

* These parcels cover more than one section

6,457.24

3 72541

100762

WFZ1480

Exhibit "A"
Big Springs Ranch Wendover Property Legal Descriptions

T14N	R10E	SEC	ALLOT/DY PARTS	ACREAGE
32N	69E	01	Lots 1-3, S/2 N/2, S/2	150.34
32N	69E	02	S/2 N/2, S/2	160.00
32N	70E	05	Lots 4, 6, 7, 10, 12, 13, SW/4 NW/4	164.62
33N	69E	01	S/2	320.00
33N	69E	12	All	640.00
33N	69E	25	All	640.00
33N	69E	35	N/2, N/2 S/2	640.00
33N	69E	36	N/2, N/2 SW/4, SE/4, SE/4 SW/4	480.00
33N	70E	00	Lots 2-5, 9 and 11	600.00
33N	70E	15	Lots 12, 13, 15, 18, 20, 23, 25, and 28-30, NE/4 SW/4, SE/4 NW/4, E/2 SE/4 SE/4 NW/4, NW/4 SE/4 SE/4 NW/4	35.00
33N	70E	17	S/2 S/2	160.00
33N	70E	19	All	640.00
33N	70E	20	Lots 2, 3, 6, 11, NW/4 NE/4, N/2 SW/4 NE/4, SE/4 SW/4 NE/4, N/2 SW/4 SW/4 NE/4, NW/4, N/2 SW/4, SW/4 SW/4	416.67
33N	70E	20	Lots 8, 9 and S/2 SW/4 SW/4 NE/4	73.00
33N	70E	21	1 of 2	13.21
33N	70E	29	Lots 3, 5, 8, NW/4 NW/4	73.11
33N	70E	29	1 of 2	16.01
33N	70E	30	Lots 2, 3, NE/4, W/2, W/2 SE/4	612.50
33N	70E	31	Lots 2, 4, 5, 8, 10, 11, NW/4, W/2 SW/4	372.01
33N	70E	*	Plns of 9 and 10 (Parcel 2 of recorded parcel map #485646)	4.21
33N	70E	*	Plns of 9 and 10 (Parcel 1 of recorded parcel map #485646)	3.87
33N	70E	*	Plns of 9, 10 and 16 (Parcel 4 of recorded parcel map #485646)	65.51

* These parcels cover more than one section

6,457.24

3 72542

100763

Order No.: 03011167

LEGAL DESCRIPTION

The land referred to herein is situated in the State of Nevada,
County of ELKO COUNTY, described as follows:

PARCEL 1:

TOWNSHIP 32 NORTH, RANGE 69 EAST, M.D.B.&M.

Section 1: Lots 1, 2 and 3; S1/2N1/2; S1/2;
Section 2: S1/2N1/2; S1/2;

TOWNSHIP 33 NORTH, RANGE 69 EAST, M.D.B.&M.

Section 1: S1/2;
Section 12: All;
Section 25: All;
Section 35: N1/2; N1/2S1/2;
Section 36: N1/2; N1/2SW1/4; SE1/4; SE1/4SW1/4;

TOWNSHIP 32 NORTH, RANGE 70 EAST, M.D.B.&M.

Section 6: Lots 4, 6, 7, 10, 12 and 13; SW1/4NW1/4;

TOWNSHIP 33 NORTH, RANGE 70 EAST, M.D.B.&M.

Section 8: Lots 2, 3, 4, 5, 6, 9 and 11;
Section 9: SE1/4SE1/4; N1/2SW1/4SW1/4SE1/4; E1/2SW1/4SE1/4;
Section 10: Lot 4;
Section 15: Lots 12, 13, 15, 18, 20, 23, 24, 25, 26,
28, 29 and 30; NE1/4SW1/4SE1/4NW1/4;
E1/2SE1/4SE1/4NW1/4; NW1/4SE1/4SE1/4NW1/4;
Section 16: N1/2NE1/4NE1/4NE1/4;
Section 17: S1/2S1/2;
Section 19: All;
Section 20: Lots 2, 3, 6 and 11; NW1/4NE1/4; N1/2SW1/4NE1/4;
SE1/4SW1/4NE1/4; N1/2SW1/4SW1/4NE1/4; NW1/4;
N1/2SW1/4; SW1/4SW1/4;
Section 21: Lot 2;
Section 29: Lots 3, 5 and 8; NW1/4NW1/4;
Section 30: Lots 2 and 3; NE1/4; W1/2; W1/2SE1/4;
Section 31: Lots 2, 4, 5, 8, 10 and 11; NW1/4; W1/2SW1/4;

EXCEPTING FROM Sections 9, 10 and 16, Parcels 1, 2, 3 and 4 as
shown on Parcel Map for Big Springs Land & Resource Co., filed
in the Office of the Elko County Recorder on July 16, 2002 as
Continued on next page

-1-

3 72543

SCHEDULE A
CLTA PRELIMINARY REPORT
(12/92)

STEWART TITLE
Guaranty Company

100764

WFZ1482

Order No. 03011167

File Number 485646.

PARCEL 2:

Parcel 1, 2 and 4 as shown on that certain Parcel Map for Big Springs Land & Resource Co. filed in the office of the County Recorder of Elko County, State of Nevada, on July 16, 2002, as File No. 485646, being a portion of Sections 9, 10 and 16, Township 33 North, Range 70 East, M.D.B.&M..

EXCEPTING FROM Parcels 1 and 2 all the oil and gas and geothermal resources in the lands so patented as reserved by the UNITED STATES OF AMERICA in Patent recorded May 26, 1999 in Book 1100, Page 615, Official Records, Elko County, Nevada.

FURTHER EXCEPTING FROM Parcels 1 and 2 those portions lying within the railroad right-of-ways.

PARCEL 3:

TOWNSHIP 33 NORTH, RANGE 70 EAST, M.D.B.&M.

Section 20: Lots 8 and 9; S1/2SW1/4SW1/4NE1/4;

Section 29: Lot 2;

EXCEPTING THEREFROM all the oil and gas and geothermal resources in the lands so patented as reserved by the UNITED STATES OF AMERICA in Patent recorded August 15, 2003 in Book 3, Page 45700, Official Records, Elko County, Nevada.

ASSIGNMENT OF INTEREST IN WENDOVER PROJECT, LLC

The undersigned Assignor, GHOLAMREZA ZANDIAN JAZI, currently holds an interest in WENDOVER PROJECT, LLC, a Nevada limited liability company, consisting of a membership, as well as a management right, and, in consideration of value received, GHOLAMREZA ZANDIAN JAZI herewith transfers and assigns to RAY KOROGHLI, individually, and FARIBORZ FRED SADRI, individually, and as Trustee of the Star Living Trust, all of the Assignor's right as Member or Manager in WENDOVER PROJECT, LLC, a Nevada LLC effective as of the _____ day of _____, 2006.

The Assignor represents that the interest herewith assigned has not been transferred, assigned, encumbered, the subject of any agreement, or security interest and that he holds the full and complete rights, the subject of this Assignment. The Assignor irrevocably appoints the Assignee as the Attorney in Fact to transfer such interests on the books and records of WENDOVER PROJECT, LLC, a Nevada LLC, the Assignor agrees to separately execute a resignation as a Member and Manager of WENDOVER PROJECT, LLC, a Nevada LLC.

The undersigned executes this Assignment on the _____ day of _____, 2006.

GHOLAMREZA ZANDIAN JAZI



APN: 009-530-001; 009-540-001; 009-550-001; 009-560-004
009-570-011; 010-090-001; 010-090-003; 010-110-001
010-120-001; 010-130-001; 010-320-001

WHEN RECORDED, RETURN TO

GRANTEE/MAIL TAX STATEMENTS TO:

Big Spring Ranch Parcel

QUITCLAIM DEED

By this instrument dated this ____ day of _____, 2006, for a valuable consideration, Gholamreza Zandian Jazi does hereby remise, release and forever quitclaim to Ray Koroghli, individually and Fariborz Fred Sadri, individually, and as Trustee of the Star Living Trust, the following described real property in the State of Nevada, County of Elko:

Set forth in Exhibit A attached and incorporated herein by this reference

GHOLAMREZA ZANDIAN JAZI

STATE OF NEVADA)
) SS.:
COUNTY OF CLARK)

On _____, 2006, before me the undersigned, a Notary Public in and for said County and State, personally appeared Gholamreza Zandian Jazi, known to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.

NOTARY PUBLIC

512358

FEE \$52 FILE # _____
RECORDED

2003 DEC 30 PM 4:08

Stewart Title Co.

JERRY D. SYDOLUS
ELKO COUNTY RECORDER

When recorded, return to:
JAMES R. CAVILIA, ESQ.
ALLISON, MacKENZIE, RUSSELL,
PAVLAKIS, WRIGHT & FAGAN, LTD.
402 North Division Street
P.O. Box 646
Carson City, NV 89702

A.P.N: Nos.: 009-530-001; 009-540-001; 009-550-001; 009-560-004; 009-570-011;
010-090-001; 010-090-003; 010-110-001; 010-120-001; 010-130-001;
010-320-001

GRANT, BARGAIN, AND SALE DEED

03012789

THIS INDENTURE, made this 29th day of December, 2003, by and
between BIG SPRINGS LAND & RESOURCE COMPANY, LLC, a Nevada limited liability
company ("BIG SPRINGS"), Grantor, and BIG SPRING RANCH, L.L.C., a Nevada limited
liability company, as to an undivided 75% interest and THE STAR LIVING TRUST as to an
undivided 25% interest, Grantee.

WITNESSETH:

That the Grantor, in consideration of the sum of TEN DOLLARS (\$10.00), lawful
money of the United States, and other good and valuable consideration to it in hand paid by the
Grantee, the receipt whereof is hereby acknowledged, does by these presents grant, bargain and
sell to the Grantee, and to its successors and assigns forever, all those certain lots, pieces or
parcels of land situate, lying and being in Elko County, Nevada, and more particularly described
in Exhibit "A" attached hereto and incorporated herein by reference.

3 72491

100766

WFZ1488

TOGETHER WITH all and singular the tenements, hereditaments and appurtenances thereunto belonging or in anywise appertaining and the reversion and reversions, remainder and remainders, rents, issues and profits thereof, including but not limited to any right title and interest in any and all grazing rights or allotments appurtenant thereto.

TO HAVE AND TO HOLD all and singular the premises, together with the appurtenances, unto the said Grantee and to its successors and assigns forever.

IN WITNESS WHEREOF, the Grantor has executed this conveyance the day and year first above written.

Big Springs Land & Resource Company,
a Nevada limited liability company

By: Vidler Water Company, Inc., a
Delaware corporation
Its Manager

By: *Dorothy A. Timian-Palmer*
DOROTHY A. TIMIAN-PALMER
Chief Operating Officer/Director

STATE OF NEVADA)
 : ss.
CARSON CITY)

On December 29, 2003, DOROTHY A. TIMIAN-PALMER, personally appeared before me, a notary public, personally known to me to be the person whose name is subscribed to the foregoing instrument and who acknowledged to me that she is the Chief Operating Officer and a Director of Vidler Water Company, a Delaware corporation, and who acknowledged to me that she executed the foregoing GRANT, BARGAIN AND SALE DEED on behalf of said corporation.

Cecile W. Tureman

NOTARY PUBLIC

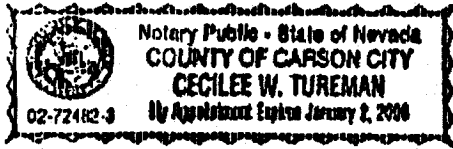


EXHIBIT A

County	APN #	Twn	Rng	Sec	Aliquot Parts	Acres
Elko	009-530-001	34N	66E	1	All except 0.23 Ac conv to WPR Co.	640.37
Elko	009-530-001	34N	66E	11	All	640.00
Elko	010-090-001	34N	67E	5	All	638.08
Elko	010-090-001	34N	67E	7	E/2 and ptn of W/2 east of the Nevada Northern Railroad as now constructed	366.98

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EXHIBIT "A"
Big Springs Ranch Legal Descriptions

County	APN #	Twn	Rng	Sec	Allotment Parts	Acres
Elko	009-530-001	34N	66E	3	All	643.64
Elko	009-530-001	34N	66E	4	Lots 3 and 4, S/2 NW/4, SW/4 (W/2)	319.92
Elko	009-530-001	34N	66E	5	All	638.12
Elko	009-530-001	34N	66E	9	All	640.00
Elko	009-530-001	34N	66E	15	All	640.00
Elko	009-540-001	35N	66E	1	All	666.40
Elko	009-540-001	35N	66E	2	Lots 3 and 4, S/2 NW/4, SW/4 (W/2)	331.44
Elko	009-540-001	35N	66E	3	All	665.12
Elko	009-540-001	35N	66E	9	All	640.00
Elko	009-540-001	35N	66E	10	E/2 E/2	160.00
Elko	009-540-001	35N	66E	11	All	640.00
Elko	009-540-001	35N	66E	13	All	640.00
Elko	009-540-001	35N	66E	14	W/2 W/2	160.00
Elko	009-540-001	35N	66E	15	All	640.00
Elko	009-540-001	35N	66E	21	All	640.00
Elko	009-540-001	35N	66E	22	NE/4, SE/4 NW/4, N/2 SE/4, SW/4 SE/4, SE/4 SW/4	360.00
Elko	009-540-001	35N	66E	23	All	640.00
Elko	009-540-001	35N	66E	25	All	640.00
Elko	009-540-001	35N	66E	27	All	640.00
Elko	009-540-001	35N	66E	28	SE/4, SE/4 NE/4	200.00
Elko	009-540-001	35N	66E	33	All	640.00
Elko	009-540-001	35N	66E	34	W/2	320.00
Elko	009-540-001	35N	66E	35	All	640.00
Elko	009-550-001	36N	66E	1	All	642.24
Elko	009-550-001	36N	66E	11	All less 70.23 in I-80 ROW	569.77
Elko	009-550-001	36N	66E	13	All	640.00
Elko	009-550-001	36N	66E	15	All	640.00
Elko	009-550-001	36N	66E	21	E/2	320.00
Elko	009-550-001	36N	66E	22	W/2 NW/4, S/2	400.00
Elko	009-550-001	36N	66E	23	All	640.00
Elko	009-550-001	36N	66E	25	All	640.00
Elko	009-550-001	36N	66E	26	W/2 W/2	160.00
Elko	009-550-001	36N	66E	27	All	640.00
Elko	009-550-001	36N	66E	28	E/2 E/2, W/2 SE/4 less 4.50 Ac to Beaumont in SE/4 SW/4, SW/4 SE/4	235.50
Elko	009-550-001	36N	66E	33	All	640.00
Elko	009-550-001	36N	66E	34	All	640.00
Elko	009-550-001	36N	66E	35	All	640.00
Elko	009-560-004	37N	66E	25	All less 15.22 Ac St Rt 30 ROW	624.78
Elko	009-560-004	37N	66E	27	SE/4 SE/4	40.00
Elko	009-560-004	37N	66E	35	All	625.34
Elko	009-570-011	38N	66E	23	Pin 200' south of the CPRR centerline	568.06
Elko	009-570-011	38N	66E	25	Pin 200' south of the CPRR centerline except 6.44 Ac in N/2 for Wyo tract	591.44
Elko	010-090-001	34N	67E	1	All	638.80
Elko	010-090-001	34N	67E	3	All	638.04
Elko	010-090-001	34N	67E	9	All	640.00
Elko	010-090-001	34N	67E	11	All	640.00

County	APN #	Twn	Rng	Sec	Aliquot Parts	Acres
Elko	010-090-001	34N	67E	13	All	640.00
Elko	010-090-001	34N	67E	15	All	640.00
Elko	010-090-001	34N	67E	17	All	640.00
Elko	010-090-001	34N	67E	19	NE/4, E/2 NW/4, Lots 1 and 2 (N/2) except 4.83 Ac conv to Nevada Northern Railroad Co.	306.35
Elko	010-090-001	34N	67E	21	N/2	320.00
Elko	010-090-001	34N	67E	22	All	640.00
Elko	010-090-001	34N	67E	23	N/2	320.00
Elko	010-090-003	34N	67E	7	Ptn of the E/2 W/2 west of the NNRR RW	46.98
Elko	010-110-001	36N	67E	7	All except 12.70 Ac conv to Northern Nevada Railroad Co.	619.98
Elko	010-110-001	36N	67E	19	All except 12.05 Ac conv to Northern Nevada Railroad Co. except ptn conv to State of NV for Hwy	608.15
Elko	010-110-001	36N	67E	31	All except 12.14 Ac conv to Northern Nevada Railroad Co.	627.26
Elko	010-120-001	37N	67E	1	Ptn 200' south of the CPRR centerline less 12.76 Ac to SR-30 RW	589.64
Elko	010-120-001	37N	67E	5	Ptn 200' south of the CPRR centerline	604.67
Elko	010-120-001	37N	67E	9	NW/4, S/2 less 6.70 Ac conv to Northern Nevada Railroad Co. and 15.10 Ac to SR-30 RW	458.20
Elko	010-120-001	37N	67E	11	Ptn 200' south of the CPRR centerline less 11.07 Ac to SR-30 RW	611.42
Elko	010-120-001	37N	67E	17	All less 16.33 Ac to SR-30 RW	623.67
Elko	010-120-001	37N	67E	19	All	628.68
Elko	010-130-001	38N	67E	31	Ptn 200' south of the CPRR centerline	594.40
Elko	010-320-001	35N	68E	7	All except 21.28 Ac conv to Western Pacific Railroad Co. less 45.33 to I-80 RW	614.35
Elko	010-320-001	35N	68E	17	All north of the WPRR centerline, and all south of the WPRR centerline less 6.89 Ac to I-80 RW	521.98
Total Acres:						35,254.34

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Order No.: 03012789

LEGAL DESCRIPTION

The land referred to herein is situated in the State of Nevada, County of ELKO COUNTY, described as follows:

PARCEL 1:

TOWNSHIP 34 NORTH, RANGE 67 EAST, M.D.B.&M.

Section 1: All;
Section 3: All;
Section 9: All;
Section 11: All;
Section 13: All;
Section 15: All;
Section 17: All;
Section 19: Lots 1 and 2, E1/2NW1/4; NE1/4;

EXCEPTING THEREFROM all that portion of said land as conveyed to Nevada Northern Railway Company in Deed recorded February 7, 1906 in Book 28, Page 617, Deed Records, Elko County, Nevada.

Section 21: N1/2;
Section 22: All;
Section 23: N1/2;

EXCEPTING FROM Section 22, TOWNSHIP 34 NORTH, RANGE 67 EAST, M.D.B.&M., all the coal and other valuable minerals in the lands so granted as reserved by The United States of America in Patent recorded June 28, 1946 in Book 8, Page 413, Patent Records, Elko County, Nevada.

FURTHER EXCEPTING FROM all of Parcel 1 all right, title and interest to coal, oil, gas and other minerals of every kind and nature whatsoever, lying in and under said land, as reserved by Russell Wilkins, et ux, et al, in Deed recorded December 10, 1946 in Book 55, Page 63, Deed Records, Elko, Nevada.

FURTHER EXCEPTING FROM Section 22, TOWNSHIP 34 NORTH, RANGE 67 EAST, M.D.B.&M., an undivided 1/2 interest in and to all gas, oil, petroleum, minerals and/or mineral rights, lying in and under said land, as reserved by Theodore E. Smith and Pearl Smith, his wife, in Deed recorded August 15, 1958 in Book 74, Page 181, Deed Records, Elko County.

PARCEL 2:

Continued on next page

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SCHEDULE A
CLTA PRELIMINARY REPORT
(12/92)

STEWART TITLE
Guaranty Company

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WFZ1494

Order No. 03012789

TOWNSHIP 35 NORTH, RANGE 66 EAST, M.D.B.&M.

Section 1: All;
Section 3: All;
Section 9: All;
Section 11: All;
Section 13: All;
Section 15: All;
Section 21: All;
Section 23: All;
Section 25: All;
Section 27: S1/2;
Section 33: All;
Section 35: All;

EXCEPTING THEREFROM Parcel 2 all petroleum, oil, natural gas, and products derived therefrom, lying in and under said land or that may be produced therefrom, as reserved by Southern Pacific Land Company in Deed recorded August 1, 1949 in Book 57, Page 126, Deed Records, Elko County, Nevada.

PARCEL 3:

TOWNSHIP 35 NORTH, RANGE 68 EAST, M.D.B.&M.

Section 7: All;

EXCEPTING THEREFROM all that portion of said land as conveyed to Western Pacific Railway Company in Deed recorded February 19, 1909 in Book 31, Page 71, Deed Records, Elko County, Nevada.

Section 17: All that portion lying northerly of a line parallel with and one hundred (100) feet northerly of the center center line of Western Pacific Railway Company's railroad known as Arnold "L-1" or "3 $\frac{1}{2}$ " line and all that portion lying southerly of a line parallel with and one hundred (100) feet southerly of the center line of Western Pacific Railway Company's railroad known as "R-2" or "4 $\frac{1}{2}$ " line, which railroad rights of way were conveyed to Western Pacific Railway Company by Deed No. 126-F, dated November 27, 1908, and recorded February 19, 1909 in Book 31, Page 71, and Deed No. 188-F, dated June 30, 1910, and recorded September 10, 1910 in Book 32, Page 319, Deed Records, Elko County, Nevada.

Continued on next page

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Order No. 03012789

EXCEPTING FROM Parcel 3 all that portion of said land as conveyed to the State of Nevada, acting by and through its Department of Highways in Deed recorded September 7, 1973 in Book 184, Page 44 and recorded June 24, 1976 in Book 230, Page 377, Official Records, Elko County, Nevada, portions of which have been relinquished by Resolution Relinquishing portion of Highway Right of Way recorded October 11, 1985 in Book 504, Page 308, Official Records, Elko County, Nevada.

FURTHER EXCEPTING FROM Parcel 3 all right, title and interest to coal, oil, gas and other minerals of every kind and nature whatsoever, lying in and under said land, as reserved by Russell Wilkins, et ux, et al, in Deed recorded December 10, 1946 in Book 55, Page 63, Deed Records, Elko County, Nevada.

PARCEL 4:

TOWNSHIP 38 NORTH, RANGE 67 EAST, M.D.B.&M.

Section 31: All that portion lying southwesterly of a line two hundred (200) feet southwesterly and parallel with the center line of Central Pacific Railway Company's railroad as now constructed ;

EXCEPTING FROM Parcel 4 all right, title and interest to coal, oil, gas and other minerals of every kind and nature whatsoever, lying in and under said land, as reserved by Russell Wilkins, et ux, et al, in Deed recorded December 10, 1946 in Book 55, Page 63, Deed Records, Elko County, Nevada.

PARCEL 5:

TOWNSHIP 36 NORTH, RANGE 67 EAST, M.D.B.&M.

Section 7: All;
Section 19: All;
Section 31: All;

EXCEPTING FROM Parcel 5 all that portion of said land as conveyed to Nevada Northern Railway Company in Deed recorded February 7, 1906 in Book 28, Page 617, Deed Records, Elko County, Nevada.

FURTHER EXCEPTING FROM Section 19 all that portion of said land as conveyed to the State of Nevada, acting by and through its
Continued on next page

Order No. 03012789

Department of Highways, in Deed recorded September 7, 1973 in Book 184, Page 44, Official Records, Elko County, Nevada, portions of which have been relinquished by Resolution Relinquishing Portion of Highway Right-of-Way recorded October 11, 1985 in Book 504, Page 308, Official Records, Elko County, Nevada.

FURTHER EXCEPTING FROM Parcel 5 all right, title and interest to coal, oil, gas and other minerals of every kind and nature whatsoever, lying in and under said land, as reserved by Russell Wilkins, et ux, et al, in Deed recorded December 10, 1946 in Book 55, Page 63, Deed Records, Elko County, Nevada.

PARCEL 6:

TOWNSHIP 37 NORTH, RANGE 67 EAST, M.D.B.&M.

Section 1: That portion lying southeasterly of a line two hundred (200) feet southeasterly and parallel with the center line of Central Pacific Railway Company's railroad, as now constructed;

Section 5: That portion lying southwesterly of a line two hundred (200) feet southwesterly and parallel with the center line of Central Pacific Railway Company's railroad, as now constructed;

Section 9: NW1/4; S1/2;

EXCEPTING FROM Section 9 all that portion of said land as conveyed to Nevada Northern Railway Company in Deed recorded February 7, 1906 in Book 28, Page 617 and recorded November 15, 1912 in Book 34, Page 130, Deed Records, Elko County, Nevada.

Section 11: That part lying southeasterly of a line two hundred (200) feet southeasterly and parallel with the center line of Central Pacific Railway Company's railroad as now constructed;

Section 17: All;

Section 19: All;

EXCEPTING FROM Parcel 6 all right, title and interest to coal, oil, gas and other minerals of every kind and nature whatsoever, lying in and under said land, as reserved by Russell Wilkins, et ux, et al, in Deed recorded December 10, 1946 in Book 55, Page 63, Deed Records, Elko County, Nevada.

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Order No. 03012789

PARCEL 7:

TOWNSHIP 37 NORTH, RANGE 66 EAST, M.D.B.&M.

Section 25: All;
Section 27: SE1/4SE1/4;
Section 35: All;

TOWNSHIP 38 NORTH, RANGE 66 EAST, M.D.B.&M.

Section 23: That portion southwesterly of a line parallel with and two hundred (200) feet distant southwesterly of center line of Central Pacific Railway Company's railroad as now constructed;

Section 25: That part southwesterly of a line parallel with and two hundred (200) feet distant southwesterly of center line of Central Pacific Railway Company's railroad as now constructed;

EXCEPTING FROM Section 25 a parcel of land in the north half of said Section 25, containing 6.44 acres for Central Pacific Railway Company's Wye track.

FURTHER EXCEPTING FROM Parcel 7 all petroleum, oil, natural gas, and products derived therefrom, lying in and under said land or that may be produced therefrom, as reserved by Southern Pacific Land Company in Deed recorded August 1, 1949 in Book 57, Page 126, Deed Records, Elko County, Nevada.

PARCEL 8:

TOWNSHIP 34 NORTH, RANGE 66 EAST, M.D.B.&M.

Section 3: All;
Section 5: All;
Section 9: All;
Section 15: All;

TOWNSHIP 36 NORTH, RANGE 66 EAST, M.D.B.&M.

Section 1: All;
Section 11: All;

EXCEPTING FROM Section 11 all that portion of said land condemned to the State of Nevada by Final Order of Condemnation recorded

Continued on next page

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Order No. 03012789

August 22, 1973 in Book 182, Page 625, Official Records, Elko County, Nevada.

Section 13: All;

EXCEPTING FROM Section 13 all that portion of said land as conveyed to the State of Nevada, acting by and through its Department of Highways, in Deed recorded September 7, 1973 in Book 184, Page 44, Official Records, Elko County, Nevada.

Section 15: All;
Section 23: All;
Section 25: All;

EXCEPTING FROM Parcel 8 all petroleum, oil, natural gas and products derived therefrom, lying in and under said land or that may be produced therefrom, as reserved by Southern Pacific Land Company in Deed recorded August 1, 1949 in Book 57, Page 126, Deed Records, Elko County, Nevada.

PARCEL 9:

TOWNSHIP 36 NORTH, RANGE 66 EAST, M.D.B.&M.

Section 35: All;

EXCEPTING FROM Parcel 9 all petroleum, oil, natural gas, and products derived therefrom, as reserved by Southern Pacific Land Company in Deed recorded August 1, 1949 in Book 57, Page 126, Deed Records, Elko County, Nevada.

PARCEL 10:

TOWNSHIP 34 NORTH, RANGE 66 EAST, M.D.B.&M.

Section 4: Lots 3 and 4; S1/2NW1/4; SW1/4;

EXCEPTING THEREFROM all minerals, mineral rights, gas, oil, coal and other hydrocarbons, in, under or upon said property or that may in any way be produced therefrom as reserved by W.J. Thomas and Grace L. Thomas, his wife, in Deed recorded January 23, 1959 in Book 75, Page 376, Deed Records, Elko County, Nevada.

PARCEL 11:

Continued on next page

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Order No. 03012789

TOWNSHIP 35 NORTH, RANGE 66 EAST, M.D.B.&M.

Section 2: Lots 3 and 4; S1/2NW1/4; SW1/4;
Section 10: E1/2E1/2;
Section 14: W1/2W1/2;
Section 22: NE1/4; SE1/4NW1/4; N1/2SE1/4; SW1/4SE1/4; SE1/4SW1/4;
Section 27: N1/2;
Section 28: SE1/4; SE1/4NE1/4;

EXCEPTING FROM Parcel 11 all right, title and interest to coal, oil, gas and other minerals of every kind and nature whatsoever, lying in and under said land, as reserved by Russell Wilkins, et ux, et al, in Deed Recorded December 10, 1946 in Book 55, Page 63, Deed Records, Elko County, Nevada.

PARCEL 12:

TOWNSHIP 36 NORTH, RANGE 66 EAST, M.D.B.&M.

Section 21: E1/2;
Section 22: W1/2NW1/4; S1/2;
Section 26: W1/2W1/2;
Section 27: All;
Section 28: E1/2E1/2; W1/2SE1/4;

EXCEPTING AND RESERVING THEREFROM the following described land:

Beginning at a point from which the Southwest Corner of Section 28, TOWNSHIP 36 NORTH, RANGE 66 EAST, M.D.B.&M., bears South 84°52' West, 2,519.9 feet distant;

THENCE North 25°20' East, 486.81 feet;

THENCE South 64°40' East, 303.07 feet;

THENCE South 25°21' West, 140.51 feet;

THENCE South 64°40' East, 140.00 feet;

THENCE South 25°20' West, 346.30 feet;

THENCE North 64°40' West, 443.07 feet;

Section 33: All;
Section 34: All;

Continued on next page

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Order No. 03012789

EXCEPTING FROM Parcel 12 all right, title and interest to coal, oil, gas and other minerals of every kind and nature whatsoever, lying in and under said land, as reserved by Russell Wilkins, et ux, et al, in Deed recorded December 10, 1946 in Book 55, Page 63, Deed Records, Elko County, Nevada.

PARCEL 13:

TOWNSHIP 35 NORTH, RANGE 66 EAST, M.D.B.&M.

Section 34: W1/2;

EXCEPTING FROM Section 13 all minerals, mineral rights, gas, oil, coal and other hydrocarbons, in, under or upon said property or that may in any way be produced therefrom as reserved by W.J. Thomas and Grace L. Thomas, his wife, in Deed recorded January 23, 1959 in Book 75, Page 376, Deed Records, Elko County, Nevada.

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REGISTERED

2003 DEC 30 PM 4:08

Stewart Title Co.
JERRY W. HARTMAN
CLERK OF COURTS

When recorded, return to:
JAMES R. CAVILIA, ESQ.
ALLISON, MacKENZIE, RUSSELL,
PA VLAKIS, WRIGHT & FAGAN, LTD.
402 North Division Street
P.O. Box 646
Carson City, NV 89702

A.P.N: Nos.: 009-530-001; 010-090-001

03012789

GRANT, BARGAIN, AND SALE DEED

THIS INDENTURE, made this 31st day of December, 2003, by and between NEVADA LAND AND RESOURCE COMPANY, LLC, a Delaware limited liability company ("NLRC"), Grantor, and BIG SPRING RANCH, L.L.C., a Nevada limited liability company, as to an undivided 75% interest and THE STAR LIVING TRUST as to an undivided 25% interest, Grantee.

WITNESSETH:

That the Grantor, in consideration of the sum of TEN DOLLARS (\$10.00), lawful money of the United States, and other good and valuable consideration to it in hand paid by the Grantee, the receipt whereof is hereby acknowledged, does by these presents grant, bargain and sell to the Grantee, and to its successors and assigns forever, all those certain lots, pieces or parcels of land situate, lying and being in Elko County, Nevada, and more particularly described in Exhibit "A" attached hereto and incorporated herein by reference.

TOGETHER WITH all and singular the tenements, hereditaments and appurtenances thereunto belonging or in anywise appertaining and the reversion and reversions,

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remainder and remainders, rents, issues and profits thereof, including but not limited to any right title and interest in any and all grazing rights or allotments appurtenant thereto.

TO HAVE AND TO HOLD all and singular the premises, together with the appurtenances, unto the said Grantee and to its successors and assigns forever.

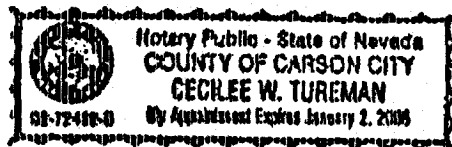
IN WITNESS WHEREOF, the Grantor has executed this conveyance the day and year first above written.

Nevada Land and Resource Company, LLC
a Delaware limited liability company

By: *Dorothy A. Timian-Palmer*
DOROTHY A. TIMIAN-PALMER
Chief Operating Officer/Director

STATE OF NEVADA)
 : ss.
CARSON CITY)

On December 29, 2003, DOROTHY A. TIMIAN-PALMER, personally appeared before me, a notary public, personally known to me to be the person whose name is subscribed to the foregoing instrument and who acknowledged to me that she is the Chief Operating Officer and a Director of Nevada Land and Resource Company, a Delaware limited liability company, and who acknowledged to me that she executed the foregoing GRANT, BARGAIN AND SALE DEED on behalf of said corporation.



Ceclee W. Tureman
NOTARY PUBLIC

EXHIBIT A

County	APN #	Twp	Rng	Sec	Aliquot Parts	Acres:
Elko	009-530-001	34N	66E	1	All except 0.23 Ac conv to WPK Co.	640.37
Elko	009-530-001	34N	66E	11	All	640.00
Elko	010-090-001	34N	67E	5	All	638.08
Elko	010-090-001	34N	67E	7	E/2 and pt of W/2 east of the Nevada Northern Railroad as now constructed	366.98

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WFZ1504

PARCEL 14:

TOWNSHIP 34 NORTH, RANGE 67 EAST, M.D.B.&M.

Section 5: All;

Section 7: All;

EXCEPTING THEREFROM all that portion of said land as conveyed to Nevada Northern Railway Company, in Deed recorded February 7, 1906 in Book 28, Page 617, Deed Records, Elko County, Nevada.

FURTHER EXCEPTING THEREFROM all that portion of said land as conveyed to Western Pacific Railway Company in Deed recorded February 19, 1909 in Book 31, Page 71, Deed Records, Elko County, Nevada.

FURTHER EXCEPTING THEREFROM that portion of the W1/2W1/2 lying west of the Nevada Northern Railroad as conveyed to Gordon Griswold and Kitty Griswold, his wife, in Deed recorded August 14, 1946 in Book 54, Page 354, Deed Records, Elko County, Nevada.

FURTHER EXCEPTING FROM all of Parcel 14 all right, title and interest to coal, oil, gas and other minerals of every kind and nature whatsoever, lying in and under said land, as reserved by Russell Wilkins, et ux, et al, in Deed recorded December 10, 1946 in Book 55, Page 63, Deed Records, Elko, Nevada.

PARCEL 15:

TOWNSHIP 34 NORTH, RANGE 66 EAST, M.D.B.&M.

Section 1: All;

EXCEPTING THEREFROM all that portion of said land as conveyed to Western Pacific Railway Company in Deed recorded February 19, 1909 in Book 31, Page 71, Deed Records, Elko County, Nevada.

Section 11: ALL;

EXCEPTING FROM Parcel 15 all petroleum, oil, natural gas and products derived therefrom, lying in and under said land or that may be produced therefrom, as reserved by Southern Pacific Land Company in Deed recorded August 1, 1949 in Book 57, Page 126, Deed Records, Elko County, Nevada.

FURTHER EXCEPTING FROM all of the above described land those portion lying within the railroad right-of-way.

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ASSIGNMENT OF INTEREST IN BIG SPRING RANCH, LLC

The undersigned Assignor, GHOLAMREZA ZANDIAN JAZI, currently holds an interest in BIG SPRING RANCH, LLC, a Nevada limited liability company, consisting of a membership, as well as a management right, and, in consideration of value received, GHOLAMREZA ZANDIAN JAZI herewith transfers and assigns to RAY KOROGHLI, individually, and FARIBORZ FRED SADRI, individually, and as Trustee of the Star Living Trust, all of the Assignor's right as Member or Manager in BIG SPRING RANCH, a Nevada LLC effective as of the _____ day of _____, 2006.

The Assignor represents that the interest herewith assigned has not been transferred, assigned, encumbered, the subject of any agreement, or security interest and that he holds the full and complete rights, the subject of this Assignment. The Assignor irrevocably appoints the Assignee as the Attorney in Fact to transfer such interests on the books and records of BIG SPRING RANCH, LLC, a Nevada LLC, the Assignor agrees to separately execute a resignation as a Member and Manager of BIG SPRING RANCH, LLC, a Nevada LLC.

The undersigned executes this Assignment on the _____ day of _____, 2006.

GHOLAMREZA ZANDIAN JAZI

ASSIGNMENT OF INTEREST IN
NEVADA LAND & WATER RESOURCES, LLC

The undersigned Assignor, GHOLAMREZA ZANDIAN JAZI, currently holds an interest in NEVADA LAND & WATER RESOURCES, LLC, a Nevada limited liability company, consisting of a membership, as well as a management right, and, in consideration of value received, GHOLAMREZA ZANDIAN JAZI herewith transfers and assigns to RAY KOROGHLI, individually, and FARIBORZ FRED SADRI, individually, and as Trustee of the Star Living Trust, all of the Assignor's right as Member or Manager in NEVADA LAND & WATER RESOURCES, LLC, a Nevada LLC effective as of the _____ day of _____, 2006.

The Assignor represents that the interest herewith assigned has not been transferred, assigned, encumbered, the subject of any agreement, or security interest and that he holds the full and complete rights, the subject of this Assignment. The Assignor irrevocably appoints the Assignee as the Attorney in Fact to transfer such interests on the books and records of NEVADA LAND & WATER, LLC, a Nevada LLC, the Assignor agrees to separately execute a resignation as a Member and Manager of NEVADA LAND & WATER RESOURCES, LLC, a Nevada LLC.

The undersigned executes this Assignment on the _____ day of _____, 2006.

GHOLAMREZA ZANDIAN JAZI

JOHN PETER LEE, L.P.D.
ATTORNEYS AT LAW
830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

1 RELS
JOHN PETER LEE, LTD.
2 JOHN PETER LEE, ESQ.
Nevada Bar No. 001768
3 MICHAEL A. REYNOLDS, ESQ.
Nevada Bar No. 008631
4 830 Las Vegas Boulevard South
Las Vegas, Nevada 89101
5 (702) 382-4044 Fax: (702) 383-9950
Attorneys for Plaintiff/Counterdefendant
6

7 DISTRICT COURT

8 CLARK COUNTY, NEVADA

9 GHOLAMREZA ZANDIAN JAZI,
10 Plaintiff,

CASE NO.: A511131
DEPT. NO.: XIII

11 v.

12 RAY KOROGHLI, individually, FARIBORZ FRED
SADRI, individually, and as Trustee of the Star
13 Living Trust, WENDOVER PROJECT, LLC, a
Nevada limited liability company; BIG SPRING
14 RANCH, LLC, a Nevada limited liability company,
and NEVADA LAND AND WATER
15 RESOURCES, LLC, a Nevada limited liability
company,
16

RELEASE OF LIS PENDENS

17 Defendants.

18 RAY KOROGHLI, individually and FARIBORZ
FRED SADRI, individually,
19

20 Counterclaimants,

DATE: N/A
TIME: N/A

21 v.

22 GHOLAMREZ ZANDIAN JAZI,
23

Counterdefendant.

24 WENDOVER PROJECT, LLC,
25

Counterclaimant,

26 v.

27 GHOLAMREZ ZANDIAN JAZI,
28

Counterdefendant.

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

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GHOLAMREZ ZANDIAN JAZI,
Counterclaimant,
v.
WENDOVER PROJECT, LLC,
Counterdefendant,

1334.022860-JLR

NOTICE is hereby given that the undersigned did, on the 30th day of January, 2006 file a Notice of Lis Pendens with the above-referenced Court, a copy of which was recorded with the Elko County Recorder as Document Number 548113 on February 2, 2006.

NOW THEREFORE, for valuable consideration, the undersigned does by these presents release, satisfy and discharge said Lis Pendens.

DATED this _____ day of _____, 2006.

JOHN PETER LEE, LTD.

BY: _____
John Peter Lee, Esq.
Nevada Bar No. 001768
Michael A. Reynolds, Esq.
Nevada Bar No. 008631
830 Las Vegas Boulevard South
Las Vegas, Nevada 89101
Ph: (702) 382-4044/Fax: (702) 383-9950
Attorneys for Plaintiffs

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

1 RELS
JOHN PETER LEE, LTD.
2 JOHN PETER LEE, ESQ.
Nevada Bar No. 001768
3 MICHAEL A. REYNOLDS, ESQ.
Nevada Bar No. 008631
4 830 Las Vegas Boulevard South
Las Vegas, Nevada 89101
5 (702) 382-4044 Fax: (702) 383-9950
Attorneys for Plaintiff/Counterdefendant
6

7
8 DISTRICT COURT
CLARK COUNTY, NEVADA

9 GHOLAMREZA ZANDIAN JAZI,
10 Plaintiff,

CASE NO.: A511131
DEPT. NO.: XIII

11 v.

12 RAY KOROGHLI, individually, FARIBORZ FRED
SADRI, individually, and as Trustee of the Star
13 Living Trust, WENDOVER PROJECT, LLC, a
Nevada limited liability company; BIG SPRING
14 RANCH, LLC, a Nevada limited liability company,
and NEVADA LAND AND WATER
15 RESOURCES, LLC, a Nevada limited liability
company,

RELEASE OF LIS PENDENS

16 Defendants.
17

18 RAY KOROGHLI, individually and FARIBORZ
FRED SADRI, individually,

19 Counterclaimants,
20

DATE: N/A
TIME: N/A

21 v.

22 GHOLAMREZ ZANDIAN JAZI,
23 Counterdefendant.

24 WENDOVER PROJECT, LLC,
25 Counterclaimant,

26 v.

27 GHOLAMREZ ZANDIAN JAZI,
28 Counterdefendant.

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

1 GHOLAMREZ ZANDIAN JAZI,)
2 Counterclaimant,)
3 v.)
4 WENDOVER PROJECT, LLC,)
5 Counterdefendant,)

6 1334.022860-JLR

7 NOTICE is hereby given that the undersigned did, on the 14th day of October, 2005 file a
8 Notice of Lis Pendens with the above-referenced Court, a copy of which was recorded with the Elko
9 County Recorder as Document Number 542563 on October 25, 2005.

10 NOW THEREFORE, for valuable consideration, the undersigned does by these presents
11 release, satisfy and discharge said Lis Pendens.

12 DATED this _____ day of _____, 2006.

13 JOHN PETER LEE, LTD.

14 BY: _____

15 John Peter Lee, Esq.
16 Nevada Bar No. 001768
17 Michael A. Reynolds, Esq.
18 Nevada Bar No. 008631
19 830 Las Vegas Boulevard South
20 Las Vegas, Nevada 89101
21 Ph: (702) 382-4044/Fax: (702) 383-9950
22 Attorneys for Plaintiffs
23
24
25
26
27
28

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

1 RELS
JOHN PETER LEE, LTD.
2 JOHN PETER LEE, ESQ.
Nevada Bar No. 001768
3 MICHAEL A. REYNOLDS, ESQ.
Nevada Bar No. 008631
4 830 Las Vegas Boulevard South
Las Vegas, Nevada 89101
5 (702) 382-4044 Fax: (702) 383-9950
Attorneys for Plaintiff/Counterdefendant
6

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DISTRICT COURT
CLARK COUNTY, NEVADA

9 GHOLAMREZA ZANDIAN JAZI,
10
11 Plaintiff,

CASE NO.: A511131
DEPT. NO.: XIII

11 v.

12 RAY KOROGHLI, individually, FARIBORZ FRED
SADRI, individually, and as Trustee of the Star
Living Trust, WENDOVER PROJECT, LLC, a
13 Nevada limited liability company; BIG SPRING
RANCH, LLC, a Nevada limited liability company,
14 and NEVADA LAND AND WATER
RESOURCES, LLC, a Nevada limited liability
15 company,

RELEASE OF LIS PENDENS

16 Defendants.
17

18 RAY KOROGHLI, individually and FARIBORZ
FRED SADRI, individually,

19 Counterclaimants,

DATE: N/A
TIME: N/A

20 v.

21 GHOLAMREZ ZANDIAN JAZI,

22 Counterdefendant.
23

24 WENDOVER PROJECT, LLC,

25 Counterclaimant,

26 v.

27 GHOLAMREZ ZANDIAN JAZI,

28 Counterdefendant.

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GHOLAMREZ ZANDIAN JAZI,
Counterclaimant,
v.
WENDOVER PROJECT, LLC,
Counterdefendant,

1334.022860-JLR

NOTICE is hereby given that the undersigned did, on the 14th day of October, 2005 file a Notice of Lis Pendens with the above-referenced Court, a copy of which was recorded with the Washoe County Recorder as Document Number 3301912 on November 3, 2005.

NOW THEREFORE, for valuable consideration, the undersigned does by these presents release, satisfy and discharge said Lis Pendens.

DATED this _____ day of _____, 2006.

JOHN PETER LEE, LTD.

BY: _____
John Peter Lee, Esq.
Nevada Bar No. 001768
Michael A. Reynolds, Esq.
Nevada Bar No. 008631
830 Las Vegas Boulevard South
Las Vegas, Nevada 89101
Ph: (702) 382-4044/Fax: (702) 383-9950
Attorneys for Plaintiffs

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

JOHN PETER LEE, L.I.D.
ATTORNEYS AT LAW
830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

1 RELS
JOHN PETER LEE, LTD.
2 JOHN PETER LEE, ESQ.
Nevada Bar No. 001768
3 MICHAEL A. REYNOLDS, ESQ.
Nevada Bar No. 008631
4 830 Las Vegas Boulevard South
Las Vegas, Nevada 89101
5 (702) 382-4044 Fax: (702) 383-9950
Attorneys for Plaintiff/Counterdefendant
6

7 DISTRICT COURT
8 CLARK COUNTY, NEVADA

9 GHOLAMREZA ZANDIAN JAZI,)
10 Plaintiff,)

CASE NO.: A511131
DEPT. NO.: XIII

11 v.
12 RAY KOROGHLI, individually, FARIBORZ FRED)
SADRI, individually, and as Trustee of the Star)
13 Living Trust, WENDOVER PROJECT, LLC, a)
14 Nevada limited liability company; BIG SPRING)
RANCH, LLC, a Nevada limited liability company,)
15 and NEVADA LAND AND WATER)
RESOURCES, LLC, a Nevada limited liability)
16 company,)
17 Defendants.

RELEASE OF LIS PENDENS

18 RAY KOROGHLI, individually and FARIBORZ)
FRED SADRI, individually,)
19 Counterclaimants,)
20

DATE: N/A
TIME: N/A

21 v.
22 GHOLAMREZ ZANDIAN JAZI,)
23 Counterdefendant.)

24 WENDOVER PROJECT, LLC,)
25 Counterclaimant,)

26 v.
27 GHOLAMREZ ZANDIAN JAZI,)
28 Counterdefendant.)

JOHN PETER LEE, L.L.D.
ATTORNEYS AT LAW
830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

1 GHOLAMREZ ZANDIAN JAZI,
2 Counterclaimant,
3 v.
4 WENDOVER PROJECT, LLC,
5 Counterdefendant,

6 1334.022860-JLR

7 NOTICE is hereby given that the undersigned did, on the 16th day of November, 2005 file
8 a Notice of Lis Pendens with the above-referenced Court, a copy of which was recorded with the
9 Clark County Recorder in Book/Instrument 20051116-0004202 on November 16, 2005.

10 NOW THEREFORE, for valuable consideration, the undersigned does by these presents
11 release, satisfy and discharge said Lis Pendens.

12 DATED this _____ day of _____, 2006.

13 JOHN PETER LEE, LTD.

14 BY: _____
15 John Peter Lee, Esq.
16 Nevada Bar No. 001768
17 Michael A. Reynolds, Esq.
18 Nevada Bar No. 008631
19 830 Las Vegas Boulevard South
20 Las Vegas, Nevada 89101
21 Ph: (702) 382-4044/Fax: (702) 383-9950
22 Attorneys for Plaintiffs

23
24
25
26
27
28



DEAN HELLER
 Secretary of State
 202 North Carson Street
 Carson City, Nevada 89701-4201
 (775) 684 5700
 Website: secretaryofstate.biz

**Certificate of Resignation of Officer,
 Director, Manager, Member, General
 Partner, Trustee or Subscriber**

ABOVE SPACE IS FOR OFFICE USE ONLY

**Certificate of Resignation of
 Officer, Director, Manager, Member,
 General Partner, Trustee or Subscriber**

1. The name and title(s) of person that desires to resign:

GHOLAMREZA ZANDIAN JAZI
 (Name)

Manager
 (Title(s))

2. The name and file number of the entity for which resignation is being made:

WENDOVER PROJECT L.L.C.
 (Name of Entity)

(File Number)

3. Signature: _____

4. Fee: \$75.00 per form. Resignation of one person from one entity per form.

This form must be accompanied by appropriate fees.

Nevada Secretary of State Resignation of Officer 2503
 Revised on: 02/03/05



DEAN HELLER
Secretary of State
202 North Carson Street
Carson City, Nevada 89701-4201
(775) 684 5708
Website: secretaryofstate.biz

Certificate of Resignation of Officer,
Director, Manager, Member, General
Partner, Trustee or Subscriber

ABOVE SPACE IS FOR OFFICE USE ONLY

Certificate of Resignation of
Officer, Director, Manager, Member,
General Partner, Trustee or Subscriber

1. The name and title(s) of person that desires to resign:

GHOLAMREZA ZANDIAN JAZI

(Name)

Manager

(Title(s))

2. The name and file number of the entity for which resignation is being made:

NEVADA LAND & WATER RESOURCES, L.L.C.

(Name of Entity)

(File Number)

3. Signature: _____

4. Fee: \$75.00 per form. Resignation of one person from one entity per form.

This form must be accompanied by appropriate fees.

Nevada Secretary of State Resignation of Officer 2303
Revised on: 02/03/06



DEAN HELLER
 Secretary of State
 202 North Carson Street
 Carson City, Nevada 89701-4201
 (775) 684 5708
 Website: secretaryofstate.biz

**Certificate of Resignation of Officer,
 Director, Manager, Member, General
 Partner, Trustee or Subscriber**

ABOVE SPACE IS FOR OFFICE USE ONLY

**Certificate of Resignation of
 Officer, Director, Manager, Member,
 General Partner, Trustee or Subscriber**

1. The name and title(s) of person that desires to resign:

GHOLAMREZA ZANDIAN JAZI
 (Name)

Manager
 (Title(s))

2. The name and file number of the entity for which resignation is being made:

BIG SPRING RANCH LLC
 (Name of Entity)

(File Number)

3. Signature: _____

4. Fee: \$75.00 per form. Resignation of one person from one entity per form.

This form must be accompanied by appropriate fees.

Nevada Secretary of State Resignation of Officer 2003
 Revised on: 02/03/06

1 RCPT
JOHN PETER LEE, LTD.
2 JOHN PETER LEE, ESQ.
Nevada Bar No. 001768
3 MICHAEL A. REYNOLDS, ESQ.
Nevada Bar No. 008631
4 830 Las Vegas Boulevard South
Las Vegas, Nevada 89101
5 (702) 382-4044 Fax: (702) 383-9950
Attorneys for Plaintiff/Counterdefendant
6

7 DISTRICT COURT

8 CLARK COUNTY, NEVADA

9 GHOLAMREZA ZANDIAN JAZI,

10 Plaintiff,

11 v.

12 RAY KOROGHLI, individually, FARIBORZ FRED
SADRI, individually, and as Trustee of the Star
13 Living Trust, WENDOVER PROJECT, LLC, a
Nevada limited liability company; BIG SPRING
14 RANCH, LLC, a Nevada limited liability company,
and NEVADA LAND AND WATER
15 RESOURCES, LLC, a Nevada limited liability
company,

16 Defendants.
17

18 RAY KOROGHLI, individually and FARIBORZ
FRED SADRI, individually,

19 Counterclaimants,
20

21 v.

22 GHOLAMREZ ZANDIAN JAZI,

23 Counterdefendant.
24

25 WENDOVER PROJECT, LLC,

26 Counterclaimant,
27

28 v.

GHOLAMREZ ZANDIAN JAZI,

Counterdefendant.

CASE NO.: A511131
DEPT. NO.: XIII

RECEIPT

DATE: N/A
TIME: N/A

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

1 GHOLAMREZ ZANDIAN JAZI,
2 Counterclaimant,
3 v.
4 WENDOVER PROJECT, LLC,
5 Counterdefendant,

6 1334.022860-JLR

7 RECEIPT of \$250,000 made payable to John Peter Lee, Ltd., in compliance and in
8 conformity with the Award of Floyd Hale, Arbitrator dated September 20, 2006 is acknowledged this
9 ___ day of _____, 2006.

10 JOHN PETER LEE, LTD.

11
12 BY: _____
13 John Peter Lee, Esq.
14 Nevada Bar No. 001768
15 Michael A. Reynolds, Esq.
16 Nevada Bar No. 008631
17 830 Las Vegas Boulevard South
18 Las Vegas, Nevada 89101
19 Ph: (702) 382-4044/Fax: (702) 383-9950
20 Attorneys for Plaintiff/Counterdefendant

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

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MUTUAL RELEASE OF CLAIMS

This Mutual Release of Claims is made this _____ day of _____, 2006 by and between GHOLAMREZA ZANDIAN JAZI ("Zandian"), Ray Koroghli ("Koroghi"), Fariborz Fred Sadri ("Sadri"), Wendover Project, LLC ("Wendover"), Nevada Land and Water Resources, LLC ("Nevada Land") and Big Spring Ranch, LLC, ("Big Spring"). For purposes of this agreement, Zandian is hereinafter called Plaintiff and all of the individuals and LLCs are jointly called Defendants.

RECITALS

WHEREAS disputes have arisen by and between the Plaintiff and the Defendants resulting in litigation which was commenced in the District Court, Clark County Nevada, given Case No. A511131; and

WHEREAS the matter was thereafter referred to arbitration before Floyd A. Hale by an agreement; and

WHEREAS, in addition to the Complaint, the Defendants filed various Counterclaims against the Plaintiff in the District Court action, all of which claims were heretofore referred to Floyd A. Hale to arbitrate; and

WHEREAS the parties to this Release, Plaintiff and the Defendants, commenced the arbitration process before Floyd A. Hale, which commenced on the 22nd day of August, 2006 and ended on the 8th day of September, 2006; and

WHEREAS on the latter date an order was entered on the record concerning settlement of the claims asserted by the Plaintiff, and the counterclaims asserted by the Defendants, which will be reduced to an order entered in the arbitration proceedings; and

WHEREAS the order provides for the release of certain rights by the parties, one against the other, and the payment of sums by certain of the Defendants, all as set forth in separate instruments, and further set forth in the Arbitration Order; and

WHEREAS these parties desire to settle and resolve all issues, allegations, claims, rights, defenses and obligations and causes of action asserted, or which could have been asserted by the Plaintiff against the Defendants and the Defendants against the Plaintiff;

NOW THEREFORE in consideration of these Recitals and the mutual covenants, promises and conditions hereinafter set forth, these parties agree as follows:

1. In consideration of the mutual covenants of the parties hereto, their heirs, executors, administrators, assigns, representative trustees, beneficiaries, directors, officers, employees, agents and attorneys and assigns to enter to this Mutual Release whereby the Plaintiff releases the Defendants and the Defendants release the Plaintiff from any and all demands, claims, damages, lawsuits, causes of action, costs and expenses of whatever character, known or unknown, and whenever occurring in the past, in the present or which will accrue in the future in any way, which are directly or indirectly related to the demands, claims and causes of action alleged, or which could have been alleged by the parties in the Complaint, the Amended Complaint and the various Counterclaims, or any amendments which could have been filed in the underlying proceedings.

2. The parties recognize that the Plaintiff and that the Defendants each may have claims against the others, of which they are unaware, it is the intention of the parties entering into this Mutual Release that this instrument will terminate the claim of the Plaintiff as against the Defendants and the Defendants against the Plaintiff, and prevent them from asserting the same. To this end, the

parties, and each of them, do waive all rights and benefits conferred upon them by statute or common law of any jurisdiction which has provisions which provides generally as follows:

“a general release does not extend to claims which the creditor does know or suspect in his favor at the time of executing the Release, which, if known by him, must have materially effected his settlement with the Debtor.”

The Plaintiff indemnifies the Defendants and the Defendants indemnify the Plaintiff from any and all claims asserted against any of them as a result of, or in connection with, any action or proceeding brought directly or indirectly on behalf, in the name of anyone claiming standing through the Plaintiff or the Defendants, contrary to the provisions of the Releases as provided for in this agreement.

3. This mutual settlement agreement is a compromise of disputed claims and arises out of, connected with, and relating to the underlying action and is not to be constructed as an admission of liability on the part of any party, all of whom expressly deny liability.

4. The construction, effect and validity of this agreement is governed by the laws of the State of Nevada and shall bind and inure to the benefit of each party and constitutes the entire agreement among the parties with respect to the subject hereto and may not be amended, except in writing, executed by the party to be charged.

5. Each party agrees to do anything necessary, and to execute all instruments necessary proper to effectuate the provisions and intent of this agreement, and each party shall mark cancelled and deliver to the other all evidence of any debt or obligation owed to the other, including Notes, Deeds of Trust or promises to pay, including, but not limited to, that certain Promissory Note

executed by Zandian in favor of Fariborz Fred Sadri and the Star Living Trust for \$333,333 secured by a Deed of Trust on 4,400 acres of property in Washoe County, Nevada.

6. Each party warrants that he has the power, capacity and authority to enter into this Mutual Release.

7. The Plaintiff and the Defendants separately acknowledge that their execution of this Release is freely and voluntarily done, and that all Recitals are true and correct, and they have not assigned or transferred to any person the matters released hereunder.

8. All the terms and conditions herein are severable in the event that any terms held are considered unenforceable by any court of competent jurisdiction. This agreement shall be interpreted as if the unenforceable terms were not contained herein.

9. This mutual agreement shall not create any rights in any person who is not a party hereto.

10. This mutual settlement agreement may be signed in multiple originals, each of which is considered a counterpart of the others, and taken together shall constitute one original.

DATED the day above first written.

GHOLAMREZA ZANDIAN JAZI

RAY KOROGHLI, individually

FARIBORZ FRED SADRI, individually and
as Trustee of the Star Living Trust

WENDOVER PROJECT, LLC

BY: _____

NEVADA LAND & WATER RESOURCES, LLC

BY: _____

BIG SPRING RANCH, LLC

BY: _____



1 ARB
2 FLOYD A. HALE, ESQ.
3 Nevada Bar No. 1873
4 JAMS
5 2300 W. Sahara, #900
6 Las Vegas, NV 89102
7 Ph: (702) 457-5267
8 Fax: (702) 437-5267
9 Arbitrator.

RECEIVED
MAR 02 2007

JOHN PETER LEE, LTD.

DISTRICT COURT

CLARK COUNTY, NEVADA

10 GHOLAMREZA ZANDIAN JAZI,) Case No. A511131
11) Dept. No. XII
12 Plaintiff,)
13 vs.)
14 RAY KOROGHLI, individually,)
15 FABIRORZ FRED SADRI, individually,)
16 and as Trustee of the Star Living Trust,)
17 WENDOVER PROJECT, LLC, a Nevada)
18 limited liability company; BIG SPRING)
19 RANCH, LLC, a Nevada limited liability)
20 company, and NEVADA LAND AND)
21 WATER RESOURCES, LLC, a Nevada)
22 limited liability company,)
23 Defendants.)

ARBITRATOR REPORT AND RECOMMENDATION TO
DISTRICT COURT

23 This matter was submitted to Arbitration and Arbitration Hearings were conducted for two
24 days, as well as the submission of voluminous exhibits, depositions and briefs. During the
25 Arbitration proceeding, the parties agreed to meet with the Arbitrator in an effort to resolve the
26 dispute. With agreement of counsel, the parties met directly with the Arbitrator and an agreement
27 for a final conclusion of this matter was read into the record, being recorded by a court reporter.
28

FLOYD A. HALE
SPECIALIST
2300 W. Sahara, Suite 900
LAS VEGAS, NEVADA 89102
PHONE (702) 457-5267 EMAIL f. hale@floydahale.com

FLOYD A HALE
SPECIALIST
2300 W. SAHARA, SUITE 900
LAS VEGAS, NEVADA 89102
PHONE (702) 457-5267 EMAIL f.ahale@floydahale.com

1 The undersigned then issued an Arbitration Decision based upon the evidence submitted as well
2 as the agreement of the parties.

3
4 On January 11, 2007, counsel for the parties conducted a hearing before this Court
5 regarding confirmation of the Arbitration Award. Counsel for the parties could not reach an
6 agreement as to what documents needed to be signed to effect the Arbitration Decision. For that
7 reason, the matter was referred back to the Arbitrator for further proceedings. The actual
8 reference, contained in page 25, line 6-14 of the January 11, 2007, transcript is as follows:
9

10 THE COURT: I'm going to resolve your problem. Its real easy. I am
11 going to refer the matter back to Floyd Hale for further proceedings,
12 consistent with the 9/8/06 transcript. Those will include getting the
13 mechanism for the spouses of the parties to sign the documents, getting
14 a mechanism for the waiver of the release of the rights of first refusal
15 that exist, entering into the settlement agreement the parties entered
16 into. If he is unable to reach an agreement among the parties, then I
17 will have the final word.

18 The District Court has already indicated that wives of the principals will need to sign
19 documents. The following report and recommendation will reference the parties to the
20 Arbitration with the understanding that the District Court has already indicated that wives for
21 those parties will be required to sign all necessary documents.

22 IT IS REPORTED AND RECOMMENDED to the Court that the following documents
23 will need to be executed by the parties and their wives:

24 4,400 acres of real estate, owned by Poh Rah, LLC: The only members of the Pah Rah,
25 LLC are the parties to this action: Zandian Jazi; Ray Koroghli and Fred Sadri. These parties will
26 be required to sign a Grant Bargain Sale Deed to transfer the 4,400 acres of real estate to Zandian
27 Jazi. Fred Sadri will need to execute a full reconveyance of the Deed of Trust and release the
28 Promissory Note which was secured by the Deed of Trust as to this property. The parties will also

FLOYD A MALE
SPEC STER
2300 W. SANA, E. SUITE 900
LAS VEGAS, NEVADA 89102
PHONE (702) 457-5267 EMAIL fmale@floydahale.com

1 have to sign a waiver of any right of first refusal to this property.

2 320 acres owned by Big Springs Ranch, LLC. The only members of the Big Springs
3 Ranch LLC, are the parties to this action and Mr. Abrishami. If Mr. Zandian Jazi can obtain the
4 signature of Mr. Abrishami on a Deed to transfer this property, then the parties to this action must
5 all execute a Grant Bargain Sale Deed transferring this real estate to Zandian Jazi. If Mr. Jandian
6 Jazi is unable to obtain the signature of Mr. Abrishami, then Mr. Sadri and Mr. Koroghli are
7 required to sign a Quit Claim Deed from Big Springs Ranch, LLC to Zandian Jazi to sign waivers
8 of rights of first refusal.
9

10
11 \$250,000.00 Payment to Zandian Jazi: There has been a dispute as to what entity is
12 responsible for making this payment. During the Arbitration Proceedings, as well as during prior
13 meetings with the parties, it was represented to the Arbitrator that Mr. Sadri and Mr. Koroghli
14 would make this payment. It is Recommended that either Mr. Sadri or Mr. Koroghli, or both, are
15 individually responsible for this payment. Sadri and Koroghli may, however, execute the
16 payment check or draft in whatever representative capacity that they believe is the most
17 appropriate.
18

19 Transfer of Wendover Project, LLC Interest: Zandian Jazi has agreed to waive or transfer
20 any interest that he has, if any, in the Wendover Project, LLC. Mr. Netzorg has argued that it is
21 incumbent upon Mr. Zandian Jazi to obtain signatures on waivers of rights of first refusal from
22 all members of the LLC. This was not part of the settlement agreement and the District Court
23 should be aware that the Defendants contested that Zandian Jazi even owned rights in the
24 Wendover Project, LLC at the time of the arbitration.
25

26
27 It is the Report and Recommendation of the Arbitrator that Zandian Jazi sign a transfer
28 of all interest that he owns in the Wendover Project, LLC directly to: "Wendover Project, LLC."

FLOYD A. MALE
SPECIAL INTER
2300 W. SAHARA, E. SUITE 900
LAS VEGAS, NEVADA 89102
PHONE (702) 457-5287 EMAIL fmaale@floydmaale.com

1 Zandian Jazi must also sign a waiver of any right of first refusal that he has as to that LLC.
2
3 The remaining managing members of the Wendover Project LLC are responsible for
4 determining the appropriate allocation of the Zandian Jazi interest. If they believe that it is
5 necessary to obtain waivers of rights of first refusal to make that allocation of interest, then it is
6 their responsibility to do so. Before distributing Mr. Zandian Jazi's interest, the managing
7 members of the LLC should either distribute that interest in accordance with the operating
8 agreements or, alternatively, obtain whatever signatures that the managing members determine
9 are necessary to make a different distribution or allocation of that interest. It would seem unfair
10 to place this burden on the transferring party who is merely transferring his interest to the entire
11 Wendover Project, LLC.
12

13 Big Springs Ranch, LLC: As with the Wendover Project, LLC, Mr. Zandian Jazi will be
14 required to execute a transfer of interest and waiver of any interest of the Big Springs Ranch,
15 LLC, directly to: "Big Springs Ranch, LLC." He must also execute a waiver of right of first
16 refusal that he would have under that LLC. As stated with the Wendover Project, LLC, it is the
17 duty of the managing members of the Big Springs Ranch, LLC, to make an appropriate
18 distribution or allocation of this interest. The remaining managing members of the Big Springs
19 Ranch, LLC must either transfer the property as required by the operating agreement or obtain
20 whatever waivers of rights of first refusal that are necessary to make a transfer which they believe
21 are necessary.
22
23

24 CONCLUSION:

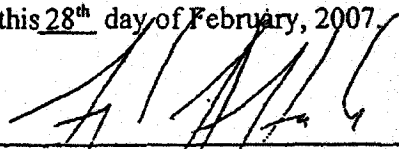
25 Mr. Netzorg has contested the requirement that the receiving LLC entities are required to
26 obtain waivers of rights of first refusal. Actually, waivers are not necessary if the receiving
27 interest is transferred pursuant to the operating agreement. If the managing members want to
28

FLOYD A. HALE
SPECIALIST
2300 W. SAHARA, ...E., SUITE 900
LAS VEGAS, NEVADA 89102
PHONE (702) 457-5267 EMAIL fhaale@floydahale.com

1 obtain waivers of rights of first refusal to make a different distribution, they are certainly free to
2 do so. That should not be the burden of Mr. Zandian Jazi.

3
4 Mr. Netzorg has also asked for numerous documents regarding a purported transfer of Mr.
5 Zandian Jazi's shipyard stock. There was absolutely no evidence that any entity related to these
6 proceedings acknowledged receipt of that stock or issued any credit related to receipt of that
7 stock. Although that stock was discussed during the Arbitration proceedings, there was no
8 competent evidence regarding that stock being relevant to the Arbitration proceedings.
9

10 RESPECTFULLY SUBMITTED this 28th day of February, 2007.

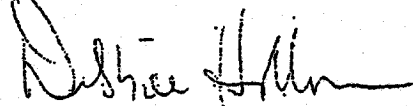
11 By: 
12 FLOYD A. HALE
13 2300 W. Sahara, #900
14 Las Vegas, NV 89102
15 Arbitrator

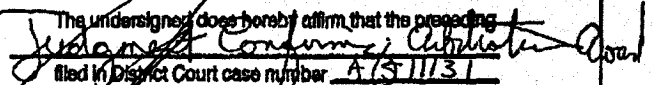
16 CERTIFICATE OF FACSIMILE AND MAIL

17 I hereby certify that on the 28th day of February, 2007, I faxed and mailed a true and
18 correct copy of the foregoing addressed to:

19 John Peter Lee, Esq.
20 830 Las Vegas Boulevard South
21 Las Vegas, NV 89101
22 Attorneys for Plaintiffs
23 Fax No. 383-9950

24 John Netzorg, Esq.
25 2810 West Charleston Blvd. #H-81
26 Las Vegas, NV 89102
27 Attorneys for Defendants
28 Fax No. 878-1255

By: 
Employee of Jams

AFFIRMATION
Pursuant to NRS 239B.030
The undersigned does hereby affirm that the preceding

filed in District Court case number A511131
DOES NOT contain the social security number of any person.
Date 6/8/07

ORIGINAL

17

1 NOEJ
 2 JOHN PETER LEE, LTD.
 3 JOHN PETER LEE, ESQ.
 Nevada Bar No. 001768
 4 MICHAEL A. REYNOLDS, ESQ.
 Nevada Bar No. 008631
 5 830 Las Vegas Boulevard South
 Las Vegas, Nevada 89101
 (702) 382-4044 Fax: (702) 383-9950
 Attorneys for Plaintiff/Counterdefendant

FILED

JUN 8 4 27 PM '07

Cliff SRS
CLERK OF THE COURT

DISTRICT COURT

CLARK COUNTY, NEVADA

9 GHOLAMREZA ZANDIAN JAZI,)
 10 Plaintiff,)
 11 v.)
 12 RAY KOROGHLI, individually, FARIBORZ FRED)
 SADRI, individually, and as Trustee of the Star)
 13 Living Trust, WENDOVER PROJECT, LLC, a)
 Nevada limited liability company; BIG SPRING)
 14 RANCH, LLC, a Nevada limited liability company,)
 and NEVADA LAND AND WATER)
 15 RESOURCES, LLC, a Nevada limited liability)
 company,)
 16 Defendants.

CASE NO.: A511131
DEPT. NO.: XI

NOTICE OF ENTRY OF
JUDGMENT CONFIRMING
ARBITRATION AWARD

18 RAY KOROGHLI, individually and FARIBORZ)
 FRED SADRI, individually,)
 19 Counterclaimants,)
 20 v.)
 GHOLAMREZ ZANDIAN JAZI,)
 Counterdefendant.

DATE: 6-5-07
TIME: 9:00 a.m.

24 WENDOVER PROJECT, LLC,)
 Counterclaimant,)
 25 v.)
 26 GHOLAMREZ ZANDIAN JAZI,)
 Counterdefendant.

JOHN PETER LEE, LTD.
 ATTORNEYS AT LAW
 830 LAS VEGAS BOULEVARD SOUTH
 LAS VEGAS, NEVADA 89101
 Telephone (702) 382-4044
 Telecopier (702) 383-9950

CLERK OF THE COURT

JUN 8 2007

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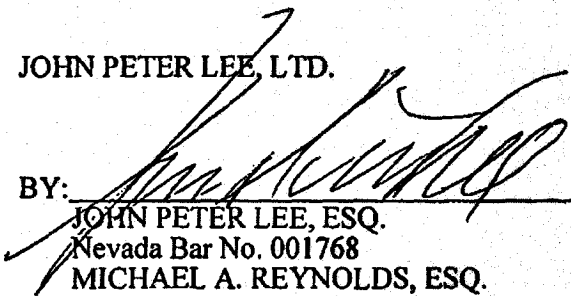
1 GHOLAMREZ ZANDIAN JAZI,
2 Counterclaimant,
3 v.
4 WENDOVER PROJECT, LLC,
5 Counterdefendant,

6 1334.022860-JLR

7 PLEASE TAKE NOTICE that an JUDGMENT CONFIRMING ARBITRATION was filed
8 in the above matter on the 8th day of June, 2007. A copy of said JUDGMENT is attached hereto.

9 DATED this 8th day of June, 2007.

10 JOHN PETER LEE, LTD.

11
12 BY: 

13 JOHN PETER LEE, ESQ.
14 Nevada Bar No. 001768
15 MICHAEL A. REYNOLDS, ESQ.
16 Nevada Bar No. 008631
17 830 Las Vegas Boulevard South
18 Las Vegas, Nevada 89101
19 Ph: (702) 382-4044/Fax: (702) 383-9950
20 Attorneys for Plaintiff/Counterdefendant
21 Gholamreza Zandian Jazi

22
23
24
25
26
27
28
JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Teletypewriter (702) 383-9950

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

1 JUDGE
JOHN PETER LEE, LTD.
2 JOHN PETER LEE, ESQ.
Nevada Bar No. 001768
3 MICHAEL A. REYNOLDS, ESQ.
Nevada Bar No. 008631
4 830 Las Vegas Boulevard South
Las Vegas, Nevada 89101
5 (702) 382-4044 Fax: (702) 383-9950
Attorneys for Plaintiff/Counterdefendant
6

FILED
JUN 8 10 50 AM '07

Clark
CLERK OF THE COURT

7 DISTRICT COURT

8 CLARK COUNTY, NEVADA

9 GHOLAMREZA ZANDIAN JAZI,

10 Plaintiff,

11 v.

12 RAY KOROGHLI, individually, FARIBORZ FRED
13 SADRI, individually, and as Trustee of the Star
Living Trust, WENDOVER PROJECT, LLC, a
14 Nevada limited liability company; BIG SPRING
RANCH, LLC, a Nevada limited liability company,
15 and NEVADA LAND AND WATER
RESOURCES, LLC, a Nevada limited liability
company,

16 Defendants.
17

CASE NO.: A511131
DEPT. NO.: XI

18 RAY KOROGHLI, individually and FARIBORZ
19 FRED SADRI, individually,

20 Counterclaimants,

21 v.

22 GHOLAMREZA ZANDIAN JAZI,

23 Counterdefendant.
24

25 WENDOVER PROJECT, LLC,

26 Counterclaimant,

27 v.

28 GHOLAMREZA ZANDIAN JAZI,

Counterdefendant.

**JUDGMENT CONFIRMING
ARBITRATION AWARD**

DATE: 6-5-07
TIME: 9:00 a.m.

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

1 GHOLAMREZA ZANDIAN JAZI,
2 Counterclaimant,
3 v.
4 WENDOVER PROJECT, LLC,
5 Counterdefendant.

6 1334.022860-JLR

7 ZANDIAN'S MOTION FOR CONFIRMATION AND ENTRY OF JUDGMENT ON
8 ARBITRATION AWARD and the Defendants' COUNTERMOTION TO VACATE
9 ARBITRATION AWARD having come before this Court on Tuesday, June 5, 2007, the Honorable
10 Elizabeth Gonzalez presiding, and the Court being fully apprised in the premises and good cause
11 appearing, it is hereby

12 ORDERED that Plaintiff's MOTION FOR CONFIRMATION AND ENTRY OF
13 JUDGMENT ON ARBITRATION AWARD is granted, and Defendants' COUNTERMOTION TO
14 VACATE ARBITRATION AWARD is denied.

15 IT IS FURTHER ORDERED that this Court confirms the Arbitration Awards made and
16 entered by Floyd A. Hale, Esq., and enters judgment on the Arbitration Awards as follows:

17 IT IS ORDERED, ADJUDGED AND DECREED that all of the relief granted by the
18 aforesaid Arbitrator in his Arbitration Decision dated the 20th day of September, 2006, a copy of
19 which is attached hereto as Exhibit "1" is granted by this Court.

20 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that the Arbitrator's Decision
21 Denying Defendants' Motion to Change Award dated the 11th day of October, 2006, a copy of which
22 is attached hereto as Exhibit "2" is granted by this Court.

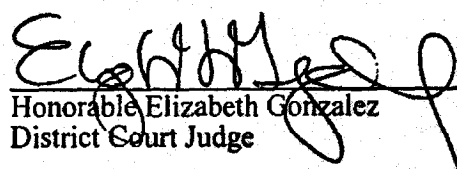
23 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that all relief granted in the
24 Implementation Award dated the 29th day of November, 2006, a copy of which is attached hereto
25 as Exhibit "3" is granted by this Court.

26 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that the Arbitrator's Report
27 and Recommendation to District Court dated the 28th day of February, 2007, a copy of which is
28 attached hereto as Exhibit "4" is granted by this Court.

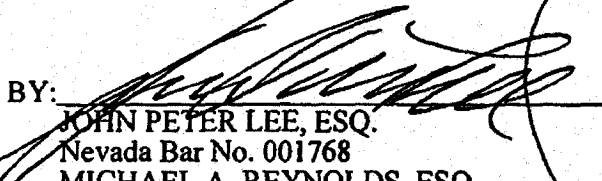
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IT IS FURTHER ORDERED, ADJUDGED AND DECREED that this Court retains jurisdiction to implement this Judgment.

Dated this 7 day of June, 2007.


Honorable Elizabeth Gonzalez
District Court Judge

SUBMITTED BY:
JOHN PETER LEE, LTD.

BY: 
JOHN PETER LEE, ESQ.
Nevada Bar No. 001768
MICHAEL A. REYNOLDS, ESQ.
Nevada Bar No. 008631
830 Las Vegas Boulevard South
Las Vegas, Nevada 89101
Ph: (702) 382-4044/Fax: (702) 383-9950
Attorneys for Plaintiff/Counterdefendant

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

RECEIVED
SEP 22 2006
JOHN PETER LEE, LTD.

1 ARB
2 FLOYD A. HALE, ESQ.
3 Nevada Bar No. 1873
4 JAMS
5 2300 W. Sahara, #900
6 Las Vegas, NV 89102
7 Ph: (702) 457-5267
8 Fax: (702) 437-5267
9 Arbitrator

DISTRICT COURT

CLARK COUNTY, NEVADA

10 GHOLAMREZA ZANDIAN JAZI,) Case No. A511131
11) Dept. No. XII
12 Plaintiff,)
13 vs.)
14 RAY KOROGHLI, individually,)
15 FABIRORZ FRED SADRI, individually,)
16 and as Trustee of the Star Living Trust,)
17 WENDOVER PROJECT, LLC, a Nevada)
18 limited liability company; BIG SPRING)
19 RANCH, LLC, a Nevada limited liability)
20 company, and NEVADA LAND AND)
21 WATER RESOURCES, LLC, a Nevada)
22 limited liability company,)
23 Defendants.)

ARBITRATION DECISION

22 Arbitration Hearings in this matter were conducted for two full days. The parties
23 submitted voluminous exhibits, depositions and briefs to the Arbitrator. Having reviewed the
24 documentation submitted and having heard the testimony and representations of the parties, the
25 following Arbitration Decision is entered:
26

- 27 1. The entire interest in the Pah Rah, LLC, property will be transferred to Gholamreza
28

FLOYD A. HALE
SPECIAL MASTER
2300 W. SAHARA, SUITE 900
LAS VEGAS, NEVADA 89102
PHONE (702) 457-5267 EMAIL fhaale@floydahale.com

FLUTIA A. MALE
SPECIAL MASTER
2300 W. AVE. SUITE 900
LAS VEGAS, NEVADA 89102
PHONE (702) 457-5267
EMAIL flutia@flutia.com

1 Zandian Jazi, free and clear of all encumbrances, including the promissory note secured by Deed
2 of Trust issued for the benefit of Fariborz Fred Sadri; any obligation owed to Jeff Codega, related
3 to work that was performed as to the Pah Rah real estate will be the obligation of Gholamreza
4 Zandian Jazi;
5

6 2. The 320 acres referenced in the briefs and this lawsuit will be transferred free and clear
7 to Gholamreza Zandian Jazi without any obligation to the other litigants or parties to this
8 Arbitration or to any other party who may profess to have an interest in the 320 acres that are
9 bound by this lawsuit and Arbitration;
10

11 3. Fariborz Fred Sadri and Ray Koroghli will, within 30 days from the service of this
12 Arbitration Decision, pay Gholamreza Zandian Jazi \$250,000.00 in return for Gholamreza
13 Zandian Jazi waiving any claims or any rights as to the Big Springs Ranch, LLC or any of its
14 assets;
15

16 4. That Gholamreza Zandian Jazi will transfer any interest in the Wendover project, LLC,
17 including all assets and real estate to Fariborz Fred Sadri and Ray Koroghli;

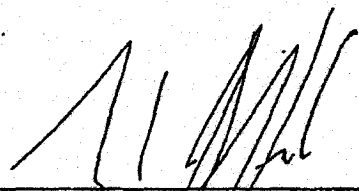
18 5. All of the entities and properties that are the subject of this Arbitration and lawsuit,
19 including Pah Rah, LLC, the owners of the 300 acres referenced above, the Big Springs Ranch,
20 LLC, and the Wendover purchase or Wendover Project, LLC, referenced in this lawsuit and
21 Arbitration waive any claims to reimbursement or participation in any consulting fees previously
22 paid to Gholamreza Zandian Jazi from the seller of the real estate to those entities;
23

24 6. That the parties, through counsel, will prepare all necessary documents to effect the
25 transfers of the real estate assets and LLC entities and the parties to this lawsuit and Arbitration
26 will execute all necessary documents to effect this Arbitration Order, including a mutual Release
27 to be executed by all parties.
28

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7. That each party pay their own fees and costs incurred herein.

DATED this 20th day of September, 2006.

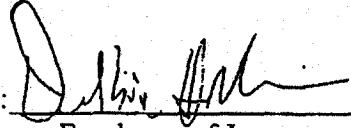
By: 
FLOYD HALE, Arbitrator
2300 West Sahara Avenue, #900
Las Vegas, NV 89102

CERTIFICATE OF FACSIMILE AND MAIL

I hereby certify that on the 21 day of September, 2006, I faxed and mailed a true and correct copy of the foregoing addressed to:

John Peter Lee, Esq.
830 Las Vegas Boulevard South
Las Vegas, NV 89101
Attorneys for Plaintiffs
Fax No. 383-9950

John Netzorg, Esq.
2810 West Charleston Blvd. #H-81
Las Vegas, NV 89102
Attorneys for Defendants
Fax No. 878-1255

By: 
Employee of Jams

FLOYD A. HALE
SPECIAL MASTER
2300 W. S
LAS VEG.
PHONE (702) 457-5267
WE. SUITE 900
_VADA 89102
EMAIL: fahale@floydahale.com

1 ARB
2 FLOYD A. HALE, ESQ.
3 Nevada Bar No. 1873
4 JAMS
5 2300 W. Sahara, #900
6 Las Vegas, NV 89102
7 Ph: (702) 457-5267
8 Fax: (702) 437-5267
9 Arbitrator

7 DISTRICT COURT

8 CLARK COUNTY, NEVADA

9
10 GHOLAMREZA ZANDIAN JAZI,) Case No. A511131
11)) Dept. No. XII
12 Plaintiff,)
13 vs.)
14 RAY KOROGHLI, individually,)
15 FABIRORZ FRED SADRI, individually,)
16 and as Trustee of the Star Living Trust,)
17 WENDOVER PROJECT, LLC, a Nevada)
18 limited liability company; BIG SPRING)
19 RANCH, LLC, a Nevada limited liability)
20 company, and NEVADA LAND AND)
21 WATER RESOURCES, LLC, a Nevada)
22 limited liability company,)
23 Defendants.)

21 **ARBITRATION DECISION**

22 On October 11, 2006, the Arbitrator received the Defendant's **MOTION TO CHANGE**
23 **AWARD BY ARBITRATOR PURSUANT TO NRS 38.237.** The Motion requests that
24 Zandian Jazi: Execute documents necessary to have the property transferred as required by the
25 Arbitration Decision; issue guarantees that he has not made transfers to third parties; assign shares
26 of shipyard stock; warrant and verify that he is in a position to execute documents required by the
27
28

FLOYD A. HALE
SPECIAL MASTER
2300 W. SAHARA, SUITE 900
LAS VEGAS, NV 89102
PHONE: (702) 457-5267 email: fha@floydahale.com

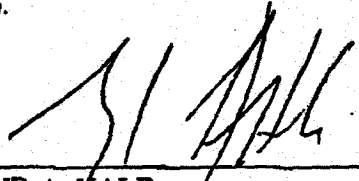
1 Arbitration Decision and verify other factual issues that were the subject of the Arbitration
2 Agreement.

3 The Motion goes well beyond the Arbitration Decision asking to reopen evidentiary
4 matters which are unnecessary at this time. Furthermore, paragraph 6 of the Arbitration Decision
5 indicates as follows:
6

7 6. That the parties, through counsel, will prepare all necessary
8 documents to effect the transfers of the real estate assets and LLC
9 entities and the parties to this lawsuit and Arbitration will execute all
10 necessary documents to effect this Arbitration Order, including a
mutual Release to be executed by all parties.

11 The Defendant's MOTION TO CHANGE AWARD BY ARBITRATOR PURSUANT
12 TO NRS 38.237 is denied.

13 DATED this 11th day of October, 2006.

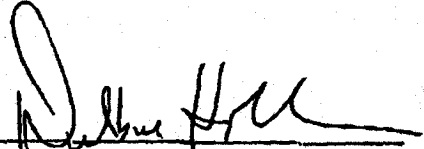
14
15
16 By: 
17 FLOYD A. HALE
18 2300 W. Sahara, #900
19 Las Vegas, NV 89102
20 Arbitrator

21 CERTIFICATE OF FACSIMILE

22 I hereby certify that on the 11th day of October, 2006, I faxed and mailed a true and
23 correct copy of the foregoing addressed to:

24 John Peter Lec, Esq.
25 830 Las Vegas Boulevard South
26 Las Vegas, NV 89101
27 Attorneys for Plaintiffs
28 Fax No. 383-9950

John Netzorg, Esq.
2810 West Charleston Blvd. #H-81
Las Vegas, NV 89102
Attorneys for Defendants
Fax No. 878-1255

26
27 By: 
28 Employee of Jams

FLOYD A. HALE
SPEC. MASTER
2300 W. SAHARA, SUITE 900
LAS VEGAS, NV 89102
PHONE (702) 457-8287 FAX: fha@floydahale.com



1 AWD
2 JOHN PETER LEE, LTD.
3 JOHN PETER LEE, ESQ.
4 Nevada Bar No. 001768
5 MICHAEL A. REYNOLDS, ESQ.
6 Nevada Bar No. 008631
7 830 Las Vegas Boulevard South
8 Las Vegas, Nevada 89101
9 (702) 382-4044 Fax: (702) 383-9950
10 Attorneys for Plaintiff/Counterdefendant
11 GHOLAMREZA ZANDIAN JAZI

RECEIVED
NOV 30 2006
JOHN PETER LEE, LTD.

DISTRICT COURT

CLARK COUNTY, NEVADA

9 GHOLAMREZA ZANDIAN JAZI,)
10 Plaintiff,)
11 v.)
12 RAY KOROGHLI, individually, FARIBORZ FRED)
13 SADRI, individually, and as Trustee of the Star)
14 Living Trust, WENDOVER PROJECT, LLC, a)
15 Nevada limited liability company; BIG SPRING)
16 RANCH, LLC, a Nevada limited liability company,)
17 and NEVADA LAND AND WATER)
18 RESOURCES, LLC, a Nevada limited liability)
19 company,)
20 Defendants.)

CASE NO.: A511131
DEPT. NO.: XIII

BEFORE ARBITRATOR
FLOYD A. HALE

IMPLEMENTATION AWARD

18 RAY KOROGHLI, individually and FARIBORZ)
19 FRED SADRI, individually,)
20 Counterclaimants,)
21 v.)
22 GHOLAMREZA ZANDIAN JAZI,)
23 Counterdefendant.)
24 WENDOVER PROJECT, LLC,)
25 Counterclaimant,)
26 v.)
27 GHOLAMREZA ZANDIAN JAZI,)
28 Counterdefendant.)

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BLVD. SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9951

JOHN PETER LEE, LTD.
ATTORNEY AT LAW
830 LAS VEGAS BLVD. SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9923

1 GHOLAMREZA ZANDIAN JAZI,
2 Counterclaimant,
3 v.
4 WENDOVER PROJECT, LLC,
5 Counterdefendant.

6 1334.022860-sy

7 **IMPLEMENTATION AWARD**

8 On September 20, 2006, an Arbitration Decision was issued in this dispute. Plaintiff
9 GHOLAMREZA ZANDIAN JAZI filed his Motion to Enforce Arbitration Decision on September
10 25, 2006. On October 24, 2006, Plaintiff filed his Motion to Implement Arbitration Award. On
11 October 26, 2006, Plaintiff filed his Amendment to Motion to Implement Arbitration Award and
12 Request for Expedited Hearing. On October 31, 2006, Defendants Sadri and Koroghli filed their
13 Opposition to Motion to Implement Arbitration Award. Plaintiff filed his Reply Re: Motion to
14 Implement Arbitration Award on November 2, 2006.

15 After considering the papers filed by both parties including draft transfer documents;

16 **THE FOLLOWING IMPLEMENTATION AWARD IS ENTERED:**

- 17 1. Defendants shall pay to John Peter Lee, Ltd., the sum of \$250,000 within five (5)
18 days.
- 19 2. Defendants are to execute and deliver to Plaintiff's Counsel within ten days of this
20 Award a Quitclaim Deed of the 320 acre parcel provided as Exhibit "1" by Plaintiff
21 on the 2nd day of November, 2006.
- 22 3. Defendants are to execute and deliver to Plaintiff's counsel within ten days of this
23 Award the Grant, Bargain and Sale Deed of the 320 acre parcel provided by Plaintiff
24 as Exhibit "2" on the 2nd of November, 2006.
- 25 4. Defendants are to execute and deliver to Plaintiff's counsel within ten days of this
26 Award the Quitclaim Deed of the 320 acre parcel provided by Plaintiff as Exhibit "3"
27 on November 2, 2006.
- 28 5. Defendants are to execute and deliver to Plaintiff's counsel within ten days of this

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BLVD. SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9953

- 1 Award the Grant, Bargain and Sale Deed of the Pah-Rah parcel provided by Plaintiff
- 2 as Exhibit "4" on November 2, 2006.
- 3 6. Mr. Sadri is to execute and deliver to Plaintiff's counsel within ten days of this
- 4 Award the Request for Full Reconveyance concerning the \$333,000 Note provided
- 5 by Plaintiff as Exhibit "5" on November 2, 2006.
- 6 7. Mr. Zandian is to execute and deliver to Defendants' counsel within ten days of this
- 7 Award the Quitclaim Deed of the Wendover parcel provided by Plaintiff as Exhibit
- 8 "6" on November 2, 2006.
- 9 8. Mr. Zandian is to execute and deliver to Defendants' counsel within ten days of this
- 10 Award the Assignment of Interest in Wendover Project, LLC, provided by Plaintiff
- 11 as Exhibit "7" on November 2, 2006.
- 12 9. Mr. Zandian is to execute and deliver to Defendants' counsel within ten days of this
- 13 Award the Quitclaim Deed of the Big Spring Ranch parcel provided by Plaintiff as
- 14 Exhibit "8" on November 2, 2006.
- 15 10. Mr. Zandian is to execute and deliver to Defendant's counsel within ten days of this
- 16 Award the Assignment of Interest in Big Spring Ranch, LLC., provided by Plaintiff
- 17 as Exhibit "9" on November 2, 2006.
- 18 11. Mr. Zandian is to execute and deliver to Defendants' counsel within ten days of this
- 19 Award the Assignment of Interest in Nevada Land and Water Resources, LLC.,
- 20 provided by Plaintiff as Exhibit "10" on November 11, 2006.
- 21 12. Mr. Zandian is to record and deliver to Defendants' counsel within ten days of this
- 22 Award the four (4) Releases of Lis Pendens provided by Plaintiff as Exhibit "11" on
- 23 November 2, 2006.
- 24 13. Mr. Zandian is to execute, file and deliver to Defendants' counsel within ten days of
- 25 this Award the Certificate of Resignation concerning Wendover Project, LLC.,
- 26 provided by Plaintiff as Exhibit "12" on November 2, 2006.
- 27 14. Mr. Zandian is to execute, file and deliver to Defendants' counsel within ten days
- 28 of this Award the Certificate of Resignation concerning Nevada Land and Water

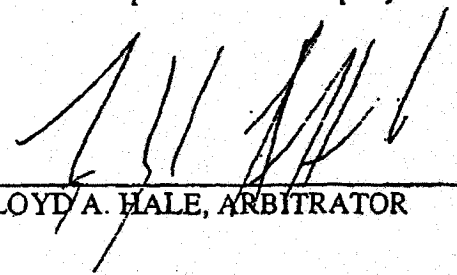
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Resources, LLC, provided as Exhibit "13" on November 2, 2006.

15. Mr. Zandian is to execute, file and deliver to Defendants' counsel within ten days of this Award the Certificate of Resignation concerning Big Spring Ranch, LLC., provided by Plaintiff as Exhibit "14" on November 2, 2006.

16. All parties are to sign the Mutual Release of Claims provided by Plaintiff as Exhibit "16" on November 2, 2006, and deliver a Counterpart to the other party's counsel within ten (10) from this Award.

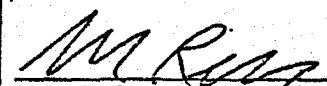
Dated this 29th day of November, 2006.



FLOYD A. HALE, ARBITRATOR

Respectfully submitted

JOHN PETER LEE, LTD.


JOHN PETER LEE, ESQ.
Nevada Bar No. 001768
MICHAEL A. REYNOLDS, ESQ.
Nevada Bar No. 008631
830 Las Vegas Boulevard South
Las Vegas, Nevada 89101
(702) 382-4044 Fax: (702) 383-9950
Attorneys for Plaintiff/Counterdefendant

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEG. BLVD. SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

CERTIFICATE OF FACSIMILE AND MAILING

I hereby certify that on the 29th day of November 2006, I faxed and mailed a true and correct copy of the foregoing Implementation Award addressed to:

John Peter Lee, Esq.
830 Las Vegas Boulevard South
Las Vegas, NV 89101
Attorneys for Plaintiffs
Fax No. 383-9950

John Netzorg, Esq.
2810 West Charleston Blvd. #H-81
Las Vegas, NV 89102
Attorneys for Defendants
Fax No. 878-1255

By: 

Employee of Jams

APN: 076-100-19

WHEN RECORDED, RETURN TO
JOHN PETER LEE, LTD.
830 Las Vegas Boulevard South
Las Vegas, Nevada 89101

GRANTEE/MAIL TAX STATEMENTS TO:
JOHN PETER LEE, LTD.
830 Las Vegas Boulevard South
Las Vegas, Nevada 89101

320 acre parcel

QUITCLAIM DEED

By this instrument dated this ____ day of _____, 2006, for a valuable consideration, Ray Koroghli, individually, and Fariborz Fred Sadri, individually and as Trustee of the Star Living Trust, do hereby remise, release and forever quitclaim to Gholamreza Zandian Jazi, the following described real property in the State of Nevada, County of Washoe:

Set forth in Exhibit A attached and incorporated herein by this reference

RAY KOROGHLI, individually

FARIBORZ FRED SADRI, individually

FARIBORZ FRED SADRI, as Trustee of the
Star Living Trust

STATE OF NEVADA)
) SS.:
COUNTY OF CLARK)

On _____, 2006, before me the undersigned, a Notary Public in and for said County and State, personally appeared Ray Koroghli, known to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.

NOTARY PUBLIC

STATE OF NEVADA)
) SS.:
COUNTY OF CLARK)

On _____, 2006, before me the undersigned, a Notary Public in and for said County and State, personally appeared Fariborz Fred Sadri, known to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.

NOTARY PUBLIC

STATE OF NEVADA)
) SS.:
COUNTY OF CLARK)

On _____, 2006, before me the undersigned, a Notary Public in and for said County and State, personally appeared Fariborz Fred Sadri, Trustee of the Star Living Trust, known to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.

NOTARY PUBLIC

County Home => Assessor's Office => Property Assessment Data => Parcel QuickInfo

WASHOE COUNTY QUICK INFO (Summary data may not be complete representation of property)				10/18/2006	
Owner Information & Legal Description			Building Information		
APN 076-100-19			Property Name:		
Parcel Map | Map Warehouse			Quality		Bldg Type
Card 1 of 1			Stories		
Situs	SPANISH SPRINGS RD		Year Built	0	Square Feet 0
Owner 1	BIG SPRING RANCH LLC		W.A.Y.	0	Square Feet does not include Bsmt or Garage Conversion area click for details
Mail Address	P O BOX 81624		Bedrooms	0	
	LAS VEGAS NV 89180-1624		Full Baths	0	Finished Bsmt 0
Owner 2			Half Baths	0	Unfin Bsmt 0
Owner 3			Fixtures	0	Bsmt Type
Rec Doc No	02957442	Rec Date	11/21/2003	Fireplaces	0
Prior Owner	GRAHAM,EARL L & JONI		Heat Type		Total Gar Area 0
Prior Doc	02623847 11/30/2001		Sec Heat Type		Gar Type
Legal Desc	34-1-1-2		Ext Walls		Det Garage 0
Subdivision	34-1-1-2		Sec Ext Walls		Bsmt Gar Door 0
	Lot	Block	Sub Map#	Roof Cover	Sub Floor
				%Incomplete	0
	Record of Survey Map		Parcel Map#	Obso/Bldg Adj	0
	Section 34	Township 21	Range 21	Construction Mod	0
			SPC	Last Activity	CEM 04/08/1996
Tax Dist	4400	Add'l Tax Info	Prior APN		Last Permit

Land Information											
Land Use	012	Zoning	GR	Sewer	NONE	Value Year	2007	Reason	Reappraisal	Factor Dist	586R
Size	320 AC	Water	NONE	Street	NONE			Reapp Years	2002-2007		

Valuation Information			2005/2006 FV	2006/2007 FV	Sales/Transfer Information/Recorded Document				
Taxable Land Value			78,304	86,917	V-Code	LUC	Doc Date	Value	Grantor
Txble Improvement Value			0	0	1SVR	012	11/21/2003	95,000	GRAHAM,EARL L & JONI
Secured Personal Property (rounded)			0	0	3NTT	012	11/30/2001	0	LONDON,DALE R
Taxable Total			78,304	86,917	3NTT	012	11/30/2001	0	GRAHAM,EARL L & JONI
Assessed Land Value			27,406	30,421			07/07/1997	0	
Assessed Improvement Value			0	0	1GCR	012	06/03/1997	70,000	
							08/01/1976	10,980	

All data on this form is for use by the Washoe County Assessor for

Assessed Personal Prop		0	assessment purposes only. Zoning information should be verified with the appropriate planning agency.
Total Assessed	27,406	30,421	
Supplemental New Const	0	0	

We are currently experiencing some problems with our photo and sketch database which can cause the wrong sketch or photo to display, please review any sketches and photos carefully.

Sketch Is Not Available On-Line.	Property Photo Is Not Available On-Line.
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99052

∴ return to original page ∴

APN: 076-100-19

WHEN RECORDED, RETURN TO

JOHN PETER LEE, LTD.
830 Las Vegas Boulevard South
Las Vegas, Nevada 89101

GRANTEE/MAIL TAX STATEMENTS TO:

JOHN PETER LEE, LTD.
830 Las Vegas Boulevard South
Las Vegas, Nevada 89101

320 acre parcel

GRANT, BARGAIN AND SALE DEED

THIS INDENTURE, made this ____ day of _____, 2006, by and between Big Spring Ranch, LLC, as Grantor, and Gholamreza Zandian Jazi, as Grantee:

WITNESSETH

That Grantor, in consideration of the sum of Ten Dollars (\$10.00) lawful money of the United States, and good and valuable consideration, paid to Grantor by Grantee, the receipt whereof is hereby acknowledged, does by these presents grant, bargain and sell to Grantee and to Grantee's successors and assigns, all those certain lots, pieces, or parcels of land situated in the County of Washoe, State of Nevada, and more particularly described as follows:

Set forth in Exhibit A attached and incorporated herein by this reference

TOGETHER WITH all and singular the tenements, hereditaments, and appurtenances thereunto belonging or in anywise appertaining, and the reversion and reversions, remainder or remainders, rents, issues, and profits thereof.

SUBJECT TO rights, reservations and restrictions of record.

TO HAVE AND TO HOLD all and singular the premises, together with the appurtenances, unto Grantee and to Grantee's successors and assigns forever.

IN WITNESS WHEREOF, Grantor have executed this conveyance the day and year first above written.

BIG SPRING RANCH, LLC

BY: _____
RAY KOROGHLI, Member/Manager

BY: _____
FARIBORZ FRED SADRI, Member/Manager

STATE OF NEVADA)
) SS.:
COUNTY OF CLARK)

On _____, 2006, before me the undersigned, a Notary Public in and for said County and State, personally appeared Ray Koroghli, known to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.

NOTARY PUBLIC

STATE OF NEVADA)
) SS.:
COUNTY OF CLARK)

On _____, 2006, before me the undersigned, a Notary Public in and for said County and State, personally appeared Fariborz Fred Sadri, known to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.

NOTARY PUBLIC

County Home => Assessor's Office => Property Assessment Data => Parcel QuickInfo

WASHOE COUNTY QUICK INFO (Summary data may not be complete representation of property)				10/18/2006	
Owner Information & Legal Description			Building Information		
APN	076-100-19		Property Name:		
Parcel Map | Map Warehouse			Quality	Bldg Type	
Card 1 of 1			Stories		
Situs	SPANISH SPRINGS RD		Year Built	0	Square Feet 0
Owner 1	BIG SPRING RANCH LLC		W.A.Y.	0	Square Feet does not include Bsmt or Garage Conversion area click for details
Mail Address	P O BOX 81624		Bedrooms	0	
	LAS VEGAS NV 89180-1624		Full Baths	0	Finished Bsmt 0
Owner 2			Half Baths	0	Unfin Bsmt 0
Owner 3			Fixtures	0	Bsmt Type
Rec Doc No	02957442	Rec Date	11/21/2003	Fireplaces	0
Prior Owner	GRAHAM,EARL L & JONI		Heat Type	Total Gar Area 0	
Prior Doc	02623847 11/30/2001		Sec Heat Type	Gar Type	
Legal Desc	34-1-1-2		Ext Walls	Det Garage 0	
Subdivision	34-1-1-2		Sec Ext Walls	Bsmt Gar Door 0	
	Lot	Block	Sub Map#	Roof Cover	Sub Floor
				%Incomplete	0
				Obso/Bldg Adj	0
				Construction Mod	0
				Last Activity	CEM 04/08/1996
					Last Permit
Tax Dist	4400	Add'l Tax Info	Prior APN		

Land Information											
Land Use	012	Zoning	GR	Sewer	NONE	Value Year	2007	Reason	Reappraisal	Factor Dist	586R
Size	320 Ac	Water	NONE	Street	NONE			Reapp Years	2002-2007		

Valuation Information		2005/2006 FV	2006/2007 FV	Sales/Transfer Information/Recorded Document					
				V-Code	LUC	Doc Date	Value	Grantor	
Taxable Land Value		78,304	86,917	1SVR	012	11/21/2003	95,000	GRAHAM,EARL L & JONI	
Txble Improvement Value		0	0	3NTT	012	11/30/2001	0	LONDON,DALE R	
Secured Personal Property (rounded)		0	0	3NTT	012	11/30/2001	0	GRAHAM,EARL L & JONI	
Taxable Total		78,304	86,917			07/07/1997	0		
Assessed Land Value		27,406	30,421	1GCR	012	06/03/1997	70,000		
Assessed Improvement Value		0	0			08/01/1976	10,980		

All data on this form is for use by the Washoe County Assessor for

Assessed Personal Prop		0	assessment purposes only. Zoning information should be verified with the appropriate planning agency.
Total Assessed	27,406	30,421	
Supplemental New Const	0	0	
We are currently experiencing some problems with our photo and sketch database which can cause the wrong sketch or photo to display, please review any sketches and photos carefully.			
Sketch Is Not Available On-Line.		Property Photo Is Not Available On-Line.	

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∴ return to original page ∴

APN: 076-100-19

WHEN RECORDED, RETURN TO
JOHN PETER LEE, LTD.
830 Las Vegas Boulevard South.
Las Vegas, Nevada 89101

GRANTEE/MAIL TAX STATEMENTS TO:
JOHN PETER LEE, LTD.
830 Las Vegas Boulevard South
Las Vegas, Nevada 89101

320 acre parcel

QUITCLAIM DEED

By this instrument dated this ____ day of _____, 2006, for a valuable consideration,
Big Spring Ranch, LLC does hereby remise, release and forever quitclaim to Gholamreza Zandian
Jazi, the following described real property in the State of Nevada, County of Washoe:

Set forth in Exhibit A attached and incorporated
herein by this reference

BIG SPRING RANCH, LLC

BY: _____
RAY KOROGHLI

BY: _____
FARIBORZ FRED SADRI

STATE OF NEVADA)
) SS.:
COUNTY OF CLARK)

On the ____ day of _____, 2006, before me the undersigned, a Notary Public
in and for said County and State, personally appeared Ray Koroghli, known to me to be the person
whose name is subscribed to the within instrument, and acknowledged to me that he executed the
same.

NOTARY PUBLIC

STATE OF NEVADA)
) SS.:
COUNTY OF CLARK)

On the ____ day of _____, 2006, before me the undersigned, a Notary Public in and for said County and State, personally appeared Fariborz Fred Sadri, known to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.

NOTARY PUBLIC

County Home => Assessor's Office => Property Assessment Data => Parcel QuickInfo

WASHOE COUNTY QUICK INFO (Summary data may not be complete representation of property)										10/18/2006						
Owner Information & Legal Description					Building Information											
APN 076-100-19					Property Name:											
Parcel Map | Map Warehouse					Quality		Bldg Type									
Card 1 of 1					Stories											
Situs		SPANISH SPRINGS RD			Year Built		0									
Owner 1		BIG SPRING RANCH LLC			W.A.Y.		0									
Mail Address		P O BOX 81624			Bedrooms		0									
		LAS VEGAS NV 89180-1624			Full Baths		0									
Owner 2					Half Baths		0									
Owner 3					Fixtures		0									
Rec Doc No		02957442		Rec Date		11/21/2003		Fireplaces			0					
Prior Owner		GRAHAM,EARL L & JONI			Heat Type											
Prior Doc		02623847 11/30/2001			Sec Heat Type											
Legal Desc		34-1-1-2			Ext Walls											
Subdivision		34-1-1-2			Sec Ext Walls											
		Lot Block		Sub Map#		Roof Cover										
		Record of Survey Map		Parcel Map#		%Incomplete		0								
Section 34		Township 21 Range 21		SPC		Obso/Bldg Adj		0								
Tax Dist		4400 Add'l Tax Info		Prior APN		Construction Mod		0								
						Last Activity		CEM 04/08/1996								
Land Information																
Land Use		012		Zoning		GR		Sewer		NONE						
Size		320 Ac		Water		NONE		Street		NONE						
Value Year		2007		Reason		Reappraisal		Factor Dist		586R						
Reapp Years		2002-2007														
Valuation Information			2005/2006 FV		2006/2007 FV		Sales/Transfer Information/Recorded Document									
Taxable Land Value			78,304		86,917		V-Code		LUC		Doc Date		Value		Grantor	
Txble Improvement Value			0		0		ISVR		012		11/21/2003		95,000		GRAHAM,EARL L & JONI	
Secured Personal Property (rounded)			0		0		3NTT		012		11/30/2001		0		LONDON,DALE R	
Taxable Total			78,304		86,917		3NTT		012		11/30/2001		0		GRAHAM,EARL L & JONI	
Assessed Land Value			27,406		30,421						07/07/1997		0			
Assessed Improvement Value			0		0		1GCR		012		06/03/1997		70,000			
											08/01/1976		10,980			
All data on this form is for use by the Washoe County Assessor for																

Assessed Personal Prop		0	assessment purposes only. Zoning information should be verified with the appropriate planning agency.
Total Assessed	27,406	30,421	
Supplemental New Const	0	0	

We are currently experiencing some problems with our photo and sketch database which can cause the wrong sketch or photo to display, please review any sketches and photos carefully.

Sketch Is Not Available On-Line.	Property Photo Is Not Available On-Line.
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APN: 079-150-09, 079-150-10, 07-150-13
084-040-02, 084-040-04, 084-040-06
084-040-10, 084-130-07, -84-140-17

WHEN RECORDED, RETURN TO

JOHN PETER LEE, LTD.
830 Las Vegas Boulevard South
Las Vegas, Nevada 89101

GRANTEE/MAIL TAX STATEMENTS TO:

JOHN PETER LEE, LTD.
830 Las Vegas Boulevard South
Las Vegas, Nevada 89101

Pah Rah parcel

GRANT, BARGAIN AND SALE DEED

THIS INDENTURE, made this ____ day of _____, 2006, by and between Ray Koroghli, individually, and Fariborz Fred Sadri, individually and as Trustee of the Star Living Trust, as Grantors, and Gholamreza Zandian Jazi, as Grantee:

WITNESSETH

That Grantors, in consideration of the sum of Ten Dollars (\$10.00) lawful money of the United States, and good and valuable consideration, paid to Grantors by Grantee, the receipt whereof is hereby acknowledged, does by these presents grant, bargain and sell to Grantee and to Grantee's successors and assigns, all those certain lots, pieces, or parcels of land situated in the County of Washoe, State of Nevada, and more particularly described as follows:

Set forth in Exhibit A attached and incorporated herein by this reference

TOGETHER WITH all and singular the tenements, hereditaments, and appurtenances thereunto belonging or in anywise appertaining, and the reversion and reversions, remainder or remainders, rents, issues, and profits thereof.

SUBJECT TO rights, reservations and restrictions of record.

TO HAVE AND TO HOLD all and singular the premises, together with the appurtenances, unto Grantee and to Grantee's successors and assigns forever.

IN WITNESS WHEREOF, Grantors have executed this conveyance the day and year first above written.

RAY KOROGHLI, individually

FARIBORZ FRED SADRI, individually

FARIBORZ FRED SADRI, as Trustee of the
Star Living Trust

STATE OF NEVADA)
) SS.:
COUNTY OF CLARK)

On _____, 2006, before me the undersigned, a Notary Public in and for said County and State, personally appeared Ray Koroghli, known to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.

NOTARY PUBLIC

STATE OF NEVADA)
) SS.:
COUNTY OF CLARK)

On _____, 2006, before me the undersigned, a Notary Public in and for said County and State, personally appeared Fariborz Fred Sadri, known to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.

NOTARY PUBLIC

STATE OF NEVADA)
) SS.:
COUNTY OF CLARK)

On _____, 2006, before me the undersigned, a Notary Public in and for said County and State, personally appeared Fariborz Fred Sadri, Trustee of the Star Living Trust, known to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.

NOTARY PUBLIC

APN: 079-150-09, 079-150-10, 07-150-13
084-040-02, 084-040-04, 084-040-06,
084-040-10, 084-130-07, 084-140-17

DOC # 2900592
08/08/2003 03:48P Fee:20.00
BK1
Requested By
WESTERN TITLE COMPANY INC
Washoe County Recorder
Kathryn L. Burke - Recorder
Pg 1 of 7 RPTT 1500.00

RPTT \$1,500.00 130277-TX
RECORDING REQUESTED BY AND
WHEN RECORDED RETURN TO:

Star Living Trust
950 Seven Hills Drive, Ste 1026
Henderson, NV 89032

2827 S. MONTA CRISTO
LAS VEGAS, NV 89117

Mail Tax Statement to Above
25269-0812
00130277 GRANT, BARGAIN AND SALE DEED



THIS GRANT, BARGAIN AND SALE DEED is made this 1st day of AUGUST 2003 by and between NEVADA LAND AND RESOURCE COMPANY, LLC, a Delaware limited liability company, whose address is 704 W. Nye Lane, Suite 201, Carson City, Nevada, 89703 (referred to as "GRANTOR") and FRED SADRI TRUSTEE OF THE STAR LIVING TRUST, DATED APRIL 14, 1997, AS TO AN UNDIVIDED 1/3 INTEREST, RAY KOROGHLI, AN UNMARRIED MAN, AS TO AN UNDIVIDED 1/3 INTEREST AND REZA ZANDIAN, A MARRIED MAN AS HIS SOLE AND SEPARATE PROPERTY, AS TO AN UNDIVIDED 1/3 INTEREST, AS TENANTS IN COMMON, (referred to as "GRANTEE").

GRANTOR, in consideration of the sum of Ten Dollars (\$10.00), lawful money of the United States, and other good and valuable consideration to GRANTOR paid by the GRANTEE, the receipt of which GRANTOR acknowledges, by these presents grants, bargains and sells to GRANTEE, and to GRANTEE's successors and assigns forever, all right, title and interest in and to that certain real property situated in Washoe County, State of Nevada, and more particularly described on Exhibit A, except the easement and mineral estate and interest reserved to GRANTOR.

Together with all and singular the tenements, hereditaments and appurtenances belonging, or in anywise appertaining, to the real property, and the reversion and reversions, remainder and remainders, rents, issues and profits of the real property;

To have and to hold the real property above described with the appurtenances, unto GRANTEE, and to GRANTEE's heirs, and successors and assigns forever.

GRANTOR reserves to itself and its successors and assigns a 20 foot wide access easement over, through, within, under, across and along the East and South boundaries of Section 3, Township 20 North, Range 23 East.

GRANTOR reserves to itself the exclusive right and privilege to enter on the property for the purposes of exploration and prospecting for the development, extraction, mining, production, removal and sale of all minerals, mineral substances, metals, ore-bearing materials, coal, oil, gas, other hydrocarbons, geothermal steam, liquids or brines, heat, other geothermal resources and rocks of every kind, except sand and gravel. The mineral estate and rights reserved to Grantor include all of the right, title and interest to minerals in, on or under the property, including, but not limited to, the surface and subsurface of the property, all minerals, mineral elements and compounds and ores, together with all easements and rights-of-way reserved or granted in, on or under the property, together with any and all lodes, veins and mineral deposits extending from or into or contained in the

100700



property. The term "minerals" shall include all mineral elements and compounds, including by way of example and not by limitation, all barite, copper, gold, iron, silver and other metals, whether the same are presently known to exist on the property or are subsequently discovered on the property, and regardless of the method of extraction, mining or processing of the same (whether open pit or strip mining, underground mining, surface or subsurface leaching) whether presently or subsequently employed, invented, or developed. Grantor reserves to itself the rights of egress and ingress to and from the property for any and all purposes related to the mineral estate reserved to Grantor. Grantor shall conduct all of its activities in accordance with all applicable laws, regulations, and ordinances, and shall defend, indemnify and hold Grantee from and against all actions, claims, damages and losses resulting from Grantor's exercise of the rights appurtenant to its reserved mineral estate. Grantor shall compensate Grantee for surface damages resulting from Grantor's activities related to Grantor's reserved mineral estate. If Grantee and Grantor are unable to mutually determine the damages resulting to the surface, such damages shall be determined by a mutually acceptable independent appraiser who shall determine the fair market value of the surface damaged as a result of Grantor's activities.

GRANTOR makes no representation or warranty concerning the effect of those Minerals Leases, by and between Southern Pacific Land Company, a California corporation, as lessor, and SFP Minerals Corporation, a Delaware corporation, as lessee, to the degree or the extent that the same applies and is enforceable against the property described in this Grant, Bargain and Sale Deed, if at all.

GRANTOR has executed this Grant, Bargain and Sale Deed the day and year first above written.

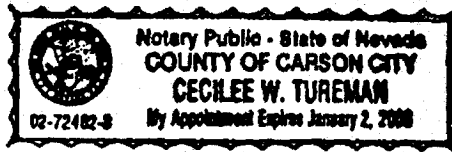
NEVADA LAND AND RESOURCE COMPANY, LLC, A
DELAWARE LIMITED LIABILITY COMPANY

By: *Dorothy A. Timian-Palmer*
Dorothy A. Timian-Palmer
Chief Operating Officer

STATE OF NEVADA)
) ss.
COUNTY OF CARSON CITY)

This instrument was acknowledged before me on August 1, 2003, by Dorothy A. Timian-Palmer its Chief Operating Officer of and for Nevada Land and Resource Company, LLC, a Delaware limited liability company.

Cecilee W. Tureman
Notary Public



100701



EXHIBIT " A "

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

PARCEL A:

A.P.N. 079-150-09

The Northeast $\frac{1}{4}$ and the South $\frac{1}{2}$ of the Northwest $\frac{1}{4}$ and the South $\frac{1}{2}$ in
Section 33, Township 21 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar
and other valuable minerals as reserved by the United States of America or the
State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores
within or underlying the property, including, without limitation, oil, natural gas
and hydrocarbon substances, geothermal steam, brines and minerals in solution,
and sand gravel and aggregates, and products derived therefrom, together with
any rights of ingress and egress in, upon or over the property and to make such
use of the property and the surface thereof as is necessary or useful in
connection therewith, as reserved in the Deed recorded January 09, 1990 in
Book 3019, Page 756 as Document No. 1373452 of Official Records.

PARCEL B:

A.P.N: 079-150-10

Section 31, Township 21 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar
and other valuable minerals as reserved by the United States of America or the
State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores
within or underlying the property, including, without limitation, oil, natural gas
and hydrocarbon substances, geothermal steam, brines and minerals in solution,
and sand gravel and aggregates, and products derived therefrom, together with



any rights of ingress and egress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded February 22, 1991 in Book 3216, Page 526 as Document No. 1461483 of Official Records.

PARCEL C:
A.P.N. 079-150-13

The Northeast $\frac{1}{4}$; South $\frac{1}{2}$ of the Northwest $\frac{1}{4}$; South $\frac{1}{2}$ of Section 27,
Township 21 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with any rights of ingress and egress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded January 09, 1990 in Book 3019, Page 756 as Document No. 1373452 of Official Records.

PARCEL D:
A.P.N. 084-040-02

Section 5, Township 20 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with any rights of ingress and egress in, upon or over the property and to make such



use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded February 22, 1991 in Book 3216, Page 526 as Document No. 1461483 of Official Records.

PARCEL E:

A.P.N. 084-040-04

Section 3, Township 20 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with any rights of ingress and egress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded January 03, 1992 in Book 3391, Page 840 as Document No. 1534872 of Official Records.

PARCEL F:

A.P.N. 084-040-06

Section 1, Township 20 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with any rights of ingress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection



therewith, as reserved in the Deed recorded January 03, 1992 in Book 3391, Page 840 as Document No. 1534872 of Official Records.

PARCEL G:
A.P.N. 084-040-10

The North $\frac{1}{2}$ and the North $\frac{1}{2}$ of the Northwest $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ and the Southwest $\frac{1}{4}$ of the Northwest $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ and the North $\frac{1}{2}$ of the Northeast $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ and the North $\frac{1}{2}$ of the Northwest $\frac{1}{4}$ of the Southeast $\frac{1}{4}$, all in Section 11, Township 20 North, Range 23 East, M.D.B.&M.

ALSO EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with any rights of ingress and egress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded January 03, 1992 in Book 3391, Page 840 as Document No. 1534872 of Official Records.

PARCEL H:
A.P.N. 084-130-07

The Northwest $\frac{1}{4}$ and the North $\frac{1}{2}$ of the Southwest $\frac{1}{4}$ and Government Lot 1 in the Southwest $\frac{1}{4}$ of Section 15, Township 20 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with



2900592
08/06/2003
7 of 7

any rights of ingress and egress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded January 03, 1992 in Book 3391, Page 840 as Document No. 1534872 of Official Records.

PARCEL I:

A.P.N. 084-140-17

The Northeast $\frac{1}{4}$ of Section 15, Township 20 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with any rights of ingress and egress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded January 03, 1992 in Book 3391, Page 840 as Document No. 1534872 of Official Records.

100706

WFZ1582

REQUEST FOR FULL RECONVEYANCE

TO: Western Title Company, Inc., Trustee

The undersigned is the legal owner and holder of the Note or Notes, and of all other indebtedness secured by the attached Deed of Trust. Said Note or Notes, together with all other indebtedness secured by said Deed of Trust, have been fully paid and satisfied; and you are hereby requested and directed to cancel said note or notes above mentioned, and all other evidences of indebtedness secured by said Deed of Trust delivered to you herewith, together with the Deed of Trust, and to reconvey, without warranty, to Gholamreza Zandian Jazi all the estate now held by you under the same.

DATED this _____ day of _____, 2006.

Fariborz Fred Sadri

STAR LIVING TRUST

BY: _____
Fariborz Fred Sadri, Trustee

Pah Rah parcel

APN: 079-150-09,10,13 084-040-02,04,06,10 084-130-07

DOC # 2900594

08/08/2003 03:48P Fee:48.00

BK1

Requested By

WESTERN TITLE COMPANY INC

Washoe County Recorder

Kathryn L. Burke - Recorder

Pg 1 of 10 RPTT 0.00

RECORDING REQUESTED BY:

Western Title Company, Inc.

WHEN RECORDED MAIL TO:

Name STAR LIVING TRUST, FRED SADRI
Street 2827 S. MONTE CRISTO
City,State LAS VEGAS, NV 89117
Zip
Order No. 00025269-501-DBR



(SPACE ABOVE THIS LINE FOR RECORDERS USE)

DEED OF TRUST WITH ASSIGNMENT OF RENTS

This DEED OF TRUST, made on July 31, 2003, between REZA ZANDIAN, a married man as his sole and separate property, TRUSTOR, whose address is 9550 W. Sahara Ave., Apt 2148 Las Vegas 89117 NV 89117 Western Title Company, Inc., a Nevada Corporation, TRUSTEE, and FARIBORZ SADRI, TRUSTEE OF THE STAR LIVING TRUST, DATED APRIL 14, 1997, BENEFICIARY.

WITNESSETH: That Trustor grants to Trustee in Trust, with Power of Sale, that property in the City of N/A, County of Washoe, Nevada, described as:

SEE ATTACHED FOR LEGAL DESCRIPTION

In the event the herein described property or any part thereof, or any interest therein is sold, agreed to be sold, conveyed or alienated by the trustor, or by the operation of law or otherwise, all obligations secured by this instrument, irrespective of the maturity dates expressed therein, at the option of the holder hereof and without demand or notice shall immediately become due and payable.

Together with the rents, issues and profits thereof, subject, however, to the right, power and authority hereinafter given to and conferred upon Beneficiary to collect and apply such rents, issues and profits.

For the Purpose of Securing (1) payment of the sum of \$333,996.56 with interest thereon according to the terms of a promissory note or notes of even date herewith made by Trustor, payable to order of Beneficiary, and extensions or renewals thereof; (2) the performance of each agreement of Trustor incorporated by reference or contained herein or reciting it is so secured; (3) Payment of additional sums and interest thereon which may hereafter be loaned to Trustor, or his successors or assigns, when evidenced by a promissory note or notes reciting that they are secured by this Deed of Trust.

To protect the security of this Deed of Trust, and with respect to the property above described, Trustor expressly makes each and all of the agreements, and adopts and agrees to perform and be bound by each

and all of the terms and provisions set forth in subdivision A and it is mutually agreed that each and all of the terms and provisions set forth in subdivision B of the Fictitious Deed of trust recorded in the office of



each County Recorder in the State of Nevada on January 30, 1968, in the book and at the page thereof, or under the document or file number, noted below opposite the name of such county, namely: COUNTY

	BOOK	PAGE	DOC. NO.	COUNTY	BOOK	PAGE	DOC. NO.
Churchill	39	363	115384	Lincoln			45902
Clark	Mortgages 850 Off. Rec.		682747	Lyon	37 Off. Rec.	341	100661
Douglas	57 Off. Rec.	115	40050	Mineral	11 Off. Rec.	129	89073
Elko	192 Off. Rec.	652	35747	Nye	105 Off. Rec.	107	04823
Esmeralda	3-X Deeds	195	35922	Ormsby	72 Deeds	537	32867
Eureka	22 Off. Rec.	138	45941	Pershing	11 Off. Rec.	249	66107
Humboldt	28 Off. Rec.	124	131075	Storey	"S" Off. Rec.	206	31506
Lander	24 Off. Rec.	168	50782	Washoe	300 Off. Rec.	517	107192
				White Pine	295 R.E. Records	258	

shall insure to and bind the parties hereto, with respect to the property above described. Said agreements, terms and provisions contained in said subdivisions A and B (identical in all counties, and printed on the reverse side hereof) are by the within reference thereto, incorporated herein and made a part of Deed of Trust for all purposes as fully as if set forth at length herein, and Beneficiary may charge for a statement regarding the obligation secured hereby, provided the charge therefor does not exceed a reasonable amount.



The undersigned Trustor, requests that a copy of any notice of default and any notice of sale hereunder be mailed to him at this address herein before set forth.

STATE OF NEVADA

COUNTY OF CLARK

} ss

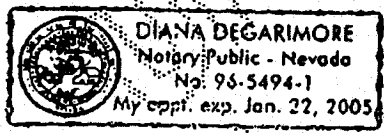
This instrument was acknowledged before me on

AUGUST 5th, 2003

by REZA ZANDIAN

REZA ZANDIAN

Diana DeGarimore
Notary Public



COPIED



DO NOT RECORD

A. TO PROTECT THE SECURITY OF THIS DEED OF TRUST, TRUSTOR AGREES,

- (1) To keep said property in good condition and repair; not to remove or demolish any building thereon; to complete or restore promptly and in good and workmanlike manner any building which may be constructed, damaged or destroyed thereon; and to pay when due all claims for labor performed and materials furnished therefor; to comply with all laws affecting said property, or requiring any alterations or improvements to be made thereon; not to commit or permit waste thereof; not to commit suffer or permit any act upon said property in violation of law; to cultivate, irrigate, fertilize, fumigate, prune and do all other acts which from the character or use of said property may be reasonably necessary, the specific enumerations herein not excluding the general.
- (2) Trustor covenants to keep all buildings that may now or at any time be on said property during the continuance of this trust in good repair and insured against loss by fire, with extended coverage endorsement, in a company or companies authorized to issue such insurance in the State of Nevada, and as may be approved by Beneficiary, for such sum or sums as shall equal the total indebtedness secured by this Deed of Trust and all obligations having priority over this Deed of Trust and shall be payable to Beneficiary to the amount of the unperfected obligation to Beneficiary hereby secured, and to deliver the policy to Beneficiary, or to collection agent of Beneficiary, and in default hereof, Beneficiary may procure such insurance and/or make such repairs, and expend for either of such purposes such SLM or sums as Beneficiary shall deem proper.
- (3) To appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee; and to pay all costs and expenses, including cost of evidence of title and attorney's fees in a reasonable sum, in any such action or proceeding in which Beneficiary or Trustee may appear, and in any suit brought by Beneficiary to foreclose this Deed of Trust.
- (4) To pay at least ten days before delinquency all taxes and assessments affecting said property, including assessments on appurtenant water stock, water rights and grazing privileges; when due, all encumbrances, charges and liens, with interest, on said property or any part thereof, which appear to be prior or superior hereto, and all costs, fees and expenses of this trust.

Should Trustor fail to make any payment, or to do any act as herein provided, then Beneficiary or Trustee, but without obligation so to do and without notice to or demand upon Trustor, and without releasing Trustor from any obligation hereof, may make or do the same in such manner and to such extent as either may deem necessary to protect the security hereof; Beneficiary or Trustee being authorized to enter upon said property for such purposes; appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee; pay, purchase, contest or compromise any encumbrance, charge or lien which in the judgment of either appears to be prior or superior hereto; and, in exercising any such powers, pay necessary expenses, employ counsel and pay his reasonable fees.

- (5) To pay immediately, and without demand all sums so expended by Beneficiary or Trustee, with interest from date of expenditure at ten percent per annum.
- (6) At Beneficiary's option, Trustor will pay a "late charge" as indicated in the Promissory Note to cover the extra expense involved in handling delinquent payments; of such "late charge" shall not be payable out of the proceeds of any sale made to satisfy the indebtedness secured hereby, unless such proceeds are sufficient to discharge the entire indebtedness and all proper costs and expenses secured thereby.

B. IT IS MUTUALLY AGREED

- (1) That any award of damages in connection with any condemnation for public use of or injury to said property or any part thereof is hereby assigned and shall be paid to Beneficiary who may apply or release such moneys received by him in the same manner and with the same effect as above provided for disposition of proceeds of fire or other insurance.
- (2) That by accepting payment of any sum secured hereby after its due date, Beneficiary does not waive his right either to require prompt payment when due of all other sums so secured or to declare default for failure so to pay.
- (3) That at any time or from time to time, without liability therefor and without notice, upon written request of Beneficiary and presentation of this deed and said note for endorsement, and without affecting the personal liability of any person for payment of the indebtedness secured hereby, Trustee may reconvey any part of said property; consent to the making of any map or plat thereof; join in granting any easement thereon; or join in any extension agreement of any agreement subordinating the lien or charge hereof.
- (4) That upon written request of Beneficiary stating that all sums secured hereby have been paid, and upon surrender of this deed and said note to Trustee for cancellation and retention or other disposition as Trustee in its sole discretion may choose, and upon payment of its fees, Trustee shall reconvey, without warranty, the property then held hereunder. The recitals in such reconveyance of any matters or facts shall be conclusive proof of the truthfulness thereof. The grantee in such reconveyance may be described as "the person or persons legally entitled thereto".
- (5) That as additional security, Trustor hereby gives to and confers upon Beneficiary the right, power and authority, during the continuance of these trusts, to collect the rents, issues and profits of said property, reserving unto Trustor the right, prior to any default by Trustor in payment of any indebtedness secured hereby or in performance of any agreement hereunder, to collect and retain such rents, issues and profits as they become due and payable. Upon any such default, Beneficiary may at any time without notice, either in person, by a agent, or by a receiver to be appointed by a court, and without regard to the adequacy of any security for the indebtedness hereby Secured, enter upon and take possession of said property or any part thereof, in his own name sue for or otherwise collect such rents, issues, and profits, including those past due, and unpaid, and apply the same, less costs and expenses of operation and collection, including reasonable attorney's fees, upon any indebtedness secured hereby, and in such order as Beneficiary may determine. The entering upon and taking possession of said property, the collection of such rents, issues and profits and the application thereof as aforesaid, shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice.
- (6) That upon default by Trustor in payment of any indebtedness secured hereby or in performance of any agreement hereunder, Beneficiary may declare all sums secured hereby immediately due and payable by delivery to Trustee of written notice of default and of election to cause to be sold said property, which notice Trustee shall cause to be recorded. Beneficiary also shall deposit with Trustee this Deed of Trust, said note and all documents evidencing expenditures secured hereby.

After the lapse of such time as may then be required by law following the recording of said notice of default, and notice of sale having been given as then required by law for the sale of real property under writ of execution, Trustee, without demand on Trustor, shall sell said property or any part thereof at the time and place fixed by it in said notice of sale, either as a whole or in separate parcels, and in such order as it may determine, at public auction to the highest bidder for cash in lawful money of the United States, payable at time of sale. Trustee may postpone sale of all or any portion of said property by public announcement at such time and place of sale, and from time to time thereafter may postpone such sale by public announcement at the time fixed by the preceding postponement. In the event that any indebtedness secured hereby shall not have been fully satisfied by said sale, Trustee may give notice of sale of any property not previously noticed for sale in the manner set forth above and sell the same in the manner set forth above.

Trustee shall deliver to any purchaser its deed conveying the property so sold, but without any covenant or warranty, express or implied. The recitals in such deed of any matters or facts shall be conclusive proof of the truthfulness thereof. Any person, including Trustor, Trustee, or Beneficiary as hereinafter defined, may purchase at such sale.

After deducting all costs, fees and expenses of Trustee, including a reasonable fee for the attorney of Trustee, and of this trust, including cost evidence of title in connection with sale, Trustee shall apply the proceeds of sale to payment of: all sums expended under the terms hereof, not then repaid, with accrued interest at ten percent per annum; all other sums then secured hereby; and the remainder, if any, to the person or persons legally entitled thereto.



- (7) That Beneficiary, or his assignee, may from time to time, by instrument in writing, substitute a successor or successors to any Trustee named herein or acting hereunder, which instrument, executed and acknowledged and recorded in the office of the recorder of the county or counties where said property is situated, shall be conclusive proof of proper substitution of such successor Trustee or Trustees, who shall, without conveyance from the Trustee predecessor, succeed to all its title, estate, rights, powers and duties. Said instrument must contain the name of the original Trustor, Trustee and Beneficiary hereunder, the book and page where, or document or file number under which, this Deed of Trust is recorded, and the name and address of the new Trustee. If notice of default shall have been recorded, this power of substitution cannot be exercised until after the costs, fees and expenses of the then acting Trustee shall have been paid to such Trustee, who shall endorse receipt thereof upon such instrument of substitution. The procedure herein provided for substitution of Trustee shall be exclusive of all other provisions for substitution, statutory or otherwise.
- (8) The following covenants: Nos. 1, 3, 4, (interest 10%) 5, 6, 8 and 9 of Nevada Revised Statutes 107.030, when not inconsistent with other covenants and provisions herein contained, are hereby adopted and made a part of this Deed of Trust.
- (9) The rights and remedies hereby granted shall not exclude any other rights or remedies granted by law, and all rights and remedies granted hereunder or permitted by law shall be concurrent and cumulative. A violation of any of the covenants herein expressly set forth shall have the same effect as the violation of any covenant herein adopted by reference.
- (10) It is expressly agreed that the trust created hereby is irrevocable by Trustor.
- (11) That this Deed of Trust applies to, insures to the benefit of, and binds all parties hereto, their heirs, legatees, devisees, administrators, executors, successors and assigns. The term Beneficiary shall mean the owner and holder, including pledges, of the note secured hereby, whether or not named as Beneficiary herein. In this Deed of Trust, whenever the context so requires, the masculine gender includes the feminine and/or neuter, and the singular number includes the plural.
- (12) That Trustee accepts this trust when this Deed of Trust, duly executed and acknowledged, is made a public record as provided by law. Trustee is not obligated to notify any party hereto of pending sale under any other Deed of Trust or of any action or proceeding in which Trustor, Beneficiary or Trustee shall be a party unless brought by Trustee.
- (13) Trustor agrees to pay any deficiency arising from any cause after application of the proceeds of the sale held in accordance with the provisions of the covenants herein above adopted by reference.

The undersigned Trustor requests that a copy of any notice of default and any notice of sale hereunder be mailed to him at his address herein before set forth.

DO NOT RECORD
REQUEST FOR FULL RECONVEYANCE
TO TRUSTEE

The undersigned is the legal owner and holder of the note or notes, and of all other indebtedness secured by the foregoing Deed of Trust. Said note or notes, together with all other indebtedness secured by said Deed of Trust, have been fully paid and satisfied and you are hereby requested and directed, on payment to you of any sums owing to you under the terms of said Deed of Trust, to cancel said note or notes above mentioned, and all other evidences of indebtedness secured by said Deed of Trust delivered to you herewith, together with the said Deed of Trust, and to reconvey, without warranty, to the parties designated by the terms of said Deed of Trust, all the estate now held by you under the same.

Dated: _____

Please mail Deed of Trust,
Note and Reconveyance to _____

Do not lose or destroy this Deed of Trust OR THE NOTE which it secures. Both must be delivered to the Trustee for cancellation before reconveyance will be made.



EXHIBIT "A"

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

PARCEL A:
A.P.N. 079-150-09

The Northeast $\frac{1}{4}$ and the South $\frac{1}{2}$ of the Northwest $\frac{1}{4}$ and the South $\frac{1}{2}$ in Section 33, Township 21 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

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PARCEL B:
A.P.N. 079-150-10

Section 31, Township 21 North, Range 23 East, M.D.B.&M.

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PARCEL C:
A.P.N. 079-150-13

The Northeast $\frac{1}{4}$; South $\frac{1}{2}$ of the Northwest $\frac{1}{4}$; South $\frac{1}{2}$ of Section 27,
Township 21 North, Range 23 East, M.D.B. & M.

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PARCEL D:
A.P.N. 084-040-02

Section 5, Township 20 North, Range 23 East, M.D.B. & M.

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PARCEL E:
A.P.N. 084-040-04

Section 3, Township 20 North, Range 23 East, M.D.B.&M.

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PARCEL F:
A.P.N. 084-040-06

Section 1, Township 20 North, Range 23 East, M.D.B.&M.

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PARCEL G:
A.P.N. 084-040-10

The North $\frac{1}{2}$ and the North $\frac{1}{2}$ of the Northwest $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ and the Southwest $\frac{1}{4}$ of the Northwest $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ and the North $\frac{1}{2}$ of the Northeast $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ and the North $\frac{1}{2}$ of the Northwest $\frac{1}{4}$ of the Southeast $\frac{1}{4}$, all in Section 11, Township 20 North, Range 23 East, M.D.B.&M.

ALSO EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with any rights of ingress and egress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded January 03, 1992 in Book 3391, Page 840 as Document No. 1534872 of Official Records.

PARCEL H:
A.P.N. 084-130-07

The Northwest $\frac{1}{4}$ and the North $\frac{1}{2}$ of the Southwest $\frac{1}{4}$ and Government Lot 1 in the Southwest $\frac{1}{4}$ of Section 15, Township 20 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with



any rights of ingress and egress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded January 03, 1992 in Book 3391, Page 840 as Document No. 1534872 of Official Records.

PARCEL I:
A.P.N. 084-140-17

The Northeast ¼ of Section 15, Township 20 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with any rights of ingress and egress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded January 03, 1992 in Book 3391, Page 840 as Document No. 1534872 of Official Records.

APN: 010-510-001; 010-520-001; 010-730-001;
010-740-0BG; 010-740-110; 010-740-111;
010-740-113; 010-740-202

WHEN RECORDED, RETURN TO

GRANTEE/MAIL TAX STATEMENTS TO:

Wendover Parcel

QUITCLAIM DEED

By this instrument dated this ____ day of _____, 2006, for a valuable consideration, Gholamreza Zandian Jazi does hereby remise, release and forever quitclaim to Ray Koroghli, individually and Fariborz Fred Sadri, individually, and as Trustee of the Star Living Trust, the following described real property in the State of Nevada, County of Elko:

Set forth in Exhibit A attached and incorporated herein by this reference

GHOLAMREZA ZANDIAN JAZI

STATE OF NEVADA)
) SS.:
COUNTY OF CLARK)

On _____, 2006, before me the undersigned, a Notary Public in and for said County and State, personally appeared Gholamreza Zandian Jazi, known to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.

NOTARY PUBLIC

5 4 32 512362
FEE 44 FILED
REQUEST OF

2003 DEC 30 PM 4:09

Stewart Title Co.

JERRY D. W. FIELDS
ELKO CO. REGISTER

When recorded, return to:
JAMES R. CAVILIA, ESQ.
ALLISON, MacKENZIE, RUSSELL,
PAVLAKIS, WRIGHT & FAGAN, LTD.
402 North Division Street
P.O. Box 646
Carson City, NV 89702

0301167

A.P.N: Nos.: 010-510-001; 010-520-001; 010-730-001; 010-740-0BG; 010-740-110;
010-740-111; 010-740-113; 010-740-202

GRANT, BARGAIN, AND SALE DEED

THIS INDENTURE, made this 29th day of December, 2003, by and between BIG SPRINGS LAND & RESOURCE COMPANY, LLC, a Nevada limited liability company ("BIG SPRINGS"), Grantor, and WENDOVER PROJECT, L.L.C., a Nevada limited liability company, as to an undivided 91.67% and THE STAR LIVING TRUST, Fariborz Sadri, Trustee, as to an undivided 8.33%, Grantee.

WITNESSETH:

That the Grantor, in consideration of the sum of TEN DOLLARS (\$10.00), lawful money of the United States, and other good and valuable consideration to it in hand paid by the Grantee, the receipt whereof is hereby acknowledged, does by these presents grant, bargain and sell to the Grantee, and to its successors and assigns forever, all those certain lots, pieces or parcels of land situate, lying and being in Elko County, Nevada, and more particularly described in Exhibit "A" attached hereto and incorporated herein by reference.

TOGETHER WITH all and singular the tenements, hereditaments and appurtenances thereunto belonging or in anywise appertaining and the reversion and reversions,

remainder and remainders, rents, issues and profits thereof, including but not limited to any right title and interest in any and all grazing rights or allotments appurtenant thereto.

TO HAVE AND TO HOLD all and singular the premises, together with the appurtenances, unto the said Grantee and to its successors and assigns forever.

IN WITNESS WHEREOF, the Grantor has executed this conveyance the day and year first above written.

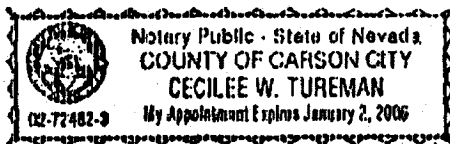
Big Springs Land & Resource Company,
a Nevada limited liability company

By: Vidler Water Company, Inc., a
Delaware corporation
Its Manager

By: *Dorothy A. Timian-Palmer*
DOROTHY A. TIMIAN-PALMER
Chief Operating Officer/Director

STATE OF NEVADA)
 : ss.
CARSON CITY)

On December 29, 2003, DOROTHY A. TIMIAN-PALMER, personally appeared before me, a notary public, personally known to me to be the person whose name is subscribed to the foregoing instrument and who acknowledged to me that she is the Chief Operating Officer and a Director of Vidler Water Company, a Delaware corporation, and who acknowledged to me that she executed the foregoing GRANT, BARGAIN AND SALE DEED on behalf of said corporation.



Cecilee W. Tureman
NOTARY PUBLIC

Exhibit "A"
 Biggs Ranch Wenchover Property Legal Descriptions

TWP	RANG	SEC	ALLOTMENT PARTS	ACREAGE
32N	69E	01	Lots 1-3, S/2 N/2, S/2	600.34
32N	69E	02	S/2 N/2, S/2	480.00
32N	70E	08	Lots 4, 6, 7, 10, 12, 13, SW/4 NW/4	164.52
32N	69E	01	S/2	320.00
32N	69E	12	All	640.00
32N	69E	25	All	640.00
32N	69E	35	N/2, N/2 S/2	480.00
32N	69E	36	N/2, N/2 SW/4, SE/4, SE/4 SW/4	600.00
32N	70E	08	Lots 2-8, 9 and 11	35.00
32N	70E	15	Lots 12, 13, 15, 18, 20, 23-25, and 28-30, NE/4 SW/4 SE/4 NW/4, E/2 SE/4 SE/4 NW/4, NW/4 SE/4 SE/4 NW/4	46.23
32N	70E	17	S/2 S/2	160.00
32N	70E	19	All	640.00
32N	70E	20	Lots 2, 3, 8, 11, NW/4 NE/4, N/2 SW/4 NE/4, SE/4 SW/4 NE/4, N/2 SW/4 SW/4 NE/4, NW/4, N/2 SW/4, SW/4 SW/4	416.64
32N	70E	20	Lots 8, 9 and S/2 SW/4 SW/4 NE/4	73.00
32N	70E	21	Lot 2	13.21
32N	70E	29	Lots 3, 5, 8, NW/4 NW/4	73.14
32N	70E	29	Lot 2	16.81
32N	70E	30	Lots 2, 3, NE/4, W/2, W/2 SE/4	612.56
32N	70E	31	Lots 2, 4, 5, 8, 10, 11, NW/4, W/2 SW/4	372.91
32N	70E		Parts of 9 and 10 (Parcel 2 of recorded parcel map #485646)	4.24
32N	70E		Parts of 9 and 10 (Parcel 1 of recorded parcel map #485646)	3.87
32N	70E		Parts of 9, 10 and 16 (Parcel 4 of recorded parcel map #485646)	65.31

* These parcels cover more than one section

6,457.34

3 72541

100762

WFZT599

EXHIBIT "A"
Big Springs Ranch Wendover Property Legal Descriptions

T15NM	RNG	SEC	ALIGNED PARTS	ACREAGE
32N	69E	01	Lots 1-3, S/2 N/2, S/2	600.34
32N	69E	02	S/2 N/2 S/2	480.00
32N	70E	05	Lots 4, 6, 7, 10, 12, 13, SW/4 NW/4	184.62
33N	69E	01	S/2	320.00
33N	69E	12	All	640.00
33N	69E	25	All	640.00
33N	69E	35	N/2, N/2 S/2	480.00
33N	69E	36	N/2, N/2 SW/4, SE/4, SE/4 SW/4	600.00
33N	70E	00	Lots 2-5, 9 and 11	35.00
33N	70E	15	Lots 12, 13, 15, 18, 20, 23-24, and 28-30, NE/4 SW/4 SE/4 NW/4, E/2 SE/4 SE/4 NW/4, NW/4 SE/4 SE/4 NW/4	46.23
33N	70E	17	S/2 S/2	160.00
33N	70E	19	All	640.00
33N	70E	20	Lots 2, 3, 6, 11, NW/4 NE/4, N/2 SW/4 NE/4, SE/4 SW/4 NE/4, N/2 SW/4 SW/4 NE/4, NW/4, N/2 SW/4, SW/4 SW/4	416.61
33N	70E	20	Lots 8, 9 and S/2 SW/4 SW/4 NE/4	73.00
33N	70E	21	Lot 2	13.21
33N	70E	29	Lots 3, 5, 8, NW/4 NW/4	73.16
33N	70E	29	Lot 2	16.01
33N	70E	30	Lots 2, 3, NE/4, W/2, W/2 SE/4	612.56
33N	70E	31	Lots 2, 4, 5, 8, 10, 11, NW/4, W/2 SW/4	372.91
33N	70E	-	Plns of 9 and 10 (Parcel 2 of recorded parcel map #485646)	4.20
33N	70E	-	Plns of 9 and 10 (Parcel 1 of recorded parcel map #485646)	3.87
33N	70E	-	Plns of 9, 10 and 16 (Parcel 4 of recorded parcel map #485646)	65.31

* These parcels cover more than one section

5,457.24

3 72542

100763

Order No.: 03011167

LEGAL DESCRIPTION

The land referred to herein is situated in the State of Nevada,
County of ELKO COUNTY, described as follows:

PARCEL 1:

TOWNSHIP 32 NORTH, RANGE 69 EAST, M.D.B.&M.

Section 1: Lots 1, 2 and 3; S1/2NW1/2; S1/2;
Section 2: S1/2NW1/2; S1/2;

TOWNSHIP 33 NORTH, RANGE 69 EAST, M.D.B.&M.

Section 1: S1/2;
Section 12: All;
Section 25: All;
Section 35: N1/2; N1/2S1/2;
Section 36: N1/2; N1/2SW1/4; SE1/4; SE1/4SW1/4;

TOWNSHIP 32 NORTH, RANGE 70 EAST, M.D.B.&M.

Section 6: Lots 4, 5, 7, 10, 12 and 13; SW1/4NW1/4;

TOWNSHIP 33 NORTH, RANGE 70 EAST, M.D.B.&M.

Section 8: Lots 2, 3, 4, 5, 6, 9 and 11;
Section 9: SE1/4SE1/4; N1/2SW1/4SW1/4SE1/4; E1/2SW1/4SE1/4;
Section 10: Lot 4;
Section 15: Lots 12, 13, 15, 18, 20, 23, 24, 25, 26,
28, 29 and 30; NE1/4SW1/4SE1/4NW1/4;
E1/2SE1/4SE1/4NW1/4; NW1/4SE1/4SE1/4NW1/4;
Section 16: N1/2NE1/4NE1/4NE1/4;
Section 17: S1/2S1/2;
Section 19: All;
Section 20: Lots 2, 3, 6 and 11; NW1/4NE1/4; N1/2SW1/4NE1/4;
SE1/4SW1/4NE1/4; N1/2SW1/4SW1/4NE1/4; NW1/4;
N1/2SW1/4; SW1/4SW1/4;
Section 21: Lot 2;
Section 29: Lots 3, 5 and 8; NW1/4NW1/4;
Section 30: Lots 2 and 3; NE1/4; W1/2; W1/2SE1/4;
Section 31: Lots 2, 4, 5, 8, 10 and 11; NW1/4; W1/2SW1/4;

EXCEPTING FROM Sections 9, 10 and 16, Parcels 1, 2, 3 and 4 as
shown on Parcel Map for Big Springs Land & Resource Co., filed
in the Office of the Elko County Recorder on July 16, 2002 as
Continued on next page

-1-

SCHEDULE A
CLTA PRELIMINARY REPORT
(12/93)

3 72543
STEWART TITLE
Guaranty Company

100764

WFZ1601

Order No. 03011167

File Number 485646.

PARCEL 2:

Parcel 1, 2 and 4 as shown on that certain Parcel Map for Big Springs Land & Resource Co. filed in the office of the County Recorder of Elko County, State of Nevada, on July 16, 2002, as File No. 485646, being a portion of Sections 9, 10 and 16, Township 33 North, Range 70 East, M.D.B.&M..

EXCEPTING FROM Parcels 1 and 2 all the oil and gas and geothermal resources in the lands so patented as reserved by the UNITED STATES OF AMERICA in Patent recorded May 26, 1999 in Book 1100, Page 615, Official Records, Elko County, Nevada.

FURTHER EXCEPTING FROM Parcels 1 and 2 those portions lying within the railroad right-of-ways.

PARCEL 3:

TOWNSHIP 33 NORTH, RANGE 70 EAST, M.D.B.&M.

Section 20: Lots 8 and 9; S1/2SW1/4SW1/4NE1/4;

Section 29: Lot 2;

EXCEPTING THEREFROM all the oil and gas and geothermal resources in the lands so patented as reserved by the UNITED STATES OF AMERICA in Patent recorded August 15, 2003 in Book 3, Page 45700, Official Records, Elko County, Nevada.

ASSIGNMENT OF INTEREST IN WENDOVER PROJECT, LLC

The undersigned Assignor, GHOLAMREZA ZANDIAN JAZI, currently holds an interest in WENDOVER PROJECT, LLC, a Nevada limited liability company, consisting of a membership, as well as a management right, and, in consideration of value received, GHOLAMREZA ZANDIAN JAZI herewith transfers and assigns to RAY KOROGHLI, individually, and FARIBORZ FRED SADRI, individually, and as Trustee of the Star Living Trust, all of the Assignor's right as Member or Manager in WENDOVER PROJECT, LLC, a Nevada LLC effective as of the _____ day of _____, 2006.

The Assignor represents that the interest herewith assigned has not been transferred, assigned, encumbered, the subject of any agreement, or security interest and that he holds the full and complete rights, the subject of this Assignment. The Assignor irrevocably appoints the Assignee as the Attorney in Fact to transfer such interests on the books and records of WENDOVER PROJECT, LLC, a Nevada LLC, the Assignor agrees to separately execute a resignation as a Member and Manager of WENDOVER PROJECT, LLC, a Nevada LLC.

The undersigned executes this Assignment on the _____ day of _____, 2006.

GHOLAMREZA ZANDIAN JAZI

APN: 009-530-001; 009-540-001; 009-550-001; 009-560-004
009-570-011; 010-090-001; 010-090-003; 010-110-001
010-120-001; 010-130-001; 010-320-001

WHEN RECORDED, RETURN TO

GRANTEE/MAIL TAX STATEMENTS TO:

Big Spring Ranch Parcel

QUITCLAIM DEED

By this instrument dated this ____ day of _____, 2006, for a valuable consideration, Gholamreza Zandian Jazi does hereby remise, release and forever quitclaim to Ray Koroghli, individually and Fariborz Fred Sadri, individually, and as Trustee of the Star Living Trust, the following described real property in the State of Nevada, County of Elko:

Set forth in Exhibit A attached and incorporated herein by this reference

GHOLAMREZA ZANDIAN JAZI

STATE OF NEVADA)
) SS.:
COUNTY OF CLARK)

On _____, 2006, before me the undersigned, a Notary Public in and for said County and State, personally appeared Gholamreza Zandian Jazi, known to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.

NOTARY PUBLIC

512358

FEE \$50 FILE#
PROPERTY OF

2003 DEC 30 PM 4:08

Stewart Title Co.

JERRY G. SYMULUS
ELIQU COLLECTOR

When recorded, return to:
JAMES R. CAVILLA, ESQ.
ALLISON, MacKENZIE, RUSSELL,
PAVLAKIS, WRIGHT & FAGAN, LTD.
402 North Division Street
P.O. Box 646
Carson City, NV 89702

A.P.N: Nos.: 009-530-001; 009-540-001; 009-550-001; 009-560-004; 009-570-011;
010-090-001; 010-090-003; 010-110-001; 010-120-001; 010-130-001;
010-320-001

GRANT, BARGAIN, AND SALE DEED

03012789

THIS INDENTURE, made this 29th day of December, 2003, by and
between BIG SPRINGS LAND & RESOURCE COMPANY, LLC, a Nevada limited liability
company ("BIG SPRINGS"), Grantor, and BIG SPRING RANCH, L.L.C., a Nevada limited
liability company, as to an undivided 75% interest and THE STAR LIVING TRUST as to an
undivided 25% interest, Grantee.

WITNESSETH:

That the Grantor, in consideration of the sum of TEN DOLLARS (\$10.00), lawful
money of the United States, and other good and valuable consideration to it in hand paid by the
Grantee, the receipt whereof is hereby acknowledged, does by these presents grant, bargain and
sell to the Grantee, and to its successors and assigns forever, all those certain lots, pieces or
parcels of land situate, lying and being in Elko County, Nevada, and more particularly described
in Exhibit "A" attached hereto and incorporated herein by reference.

3 72491

100766

TOGETHER WITH all and singular the tenements, hereditaments and appurtenances thereunto belonging or in anywise appertaining and the reversion and reversions, remainder and remainders, rents, issues and profits thereof, including but not limited to any right title and interest in any and all grazing rights or allotments appurtenant thereto.

TO HAVE AND TO HOLD all and singular the premises, together with the appurtenances, unto the said Grantee and to its successors and assigns forever.

IN WITNESS WHEREOF, the Grantor has executed this conveyance the day and year first above written.

Big Springs Land & Resource Company,
a Nevada limited liability company

By: Vidler Water Company, Inc., a
Delaware corporation
Its Manager

By: *Dorothy A. Timian-Palmer*
DOROTHY A. TIMIAN-PALMER
Chief Operating Officer/Director

STATE OF NEVADA)
 : ss.
CARSON CITY)

On December 29, 2003, DOROTHY A. TIMIAN-PALMER, personally appeared before me, a notary public, personally known to me to be the person whose name is subscribed to the foregoing instrument and who acknowledged to me that she is the Chief Operating Officer and a Director of Vidler Water Company, a Delaware corporation, and who acknowledged to me that she executed the foregoing GRANT, BARGAIN AND SALE DEED on behalf of said corporation.

Cecile W. Tureman

NOTARY PUBLIC

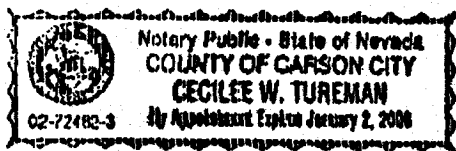


EXHIBIT A

County	APN #	Twn	Rng	Sec	Aliquot Parts	Acreage
Elko	009-530-001	34N	66E	1	All except 0.23 Ac conv to WPR Co.	640.37
Elko	009-530-001	34N	66E	11	All	640.00
Elko	010-090-001	34N	67E	5	All	638.08
Elko	010-090-001	34N	67E	7	E/2 and ptn of W/2 east of the Nevada Northern Railroad as now constructed	366.98

3 72494

100769

WFZ1610

EXHIBIT "A"
Big Springs Ranch Legal Descriptions

County	APN #	Twn	Rng	Sec	Aliquot Parts	Acreage
Elko	009-530-001	34N	66E	3	All	643.64
Elko	009-530-001	34N	66E	4	Lots 3 and 4, S/2 NW/4, SW/4 (N/2)	319.92
Elko	009-530-001	34N	66E	5	All	638.12
Elko	009-530-001	34N	66E	9	All	640.00
Elko	009-530-001	34N	66E	15	All	640.00
Elko	009-540-001	35N	66E	1	All	666.40
Elko	009-540-001	35N	66E	2	Lots 3 and 4, S/2 NW/4, SW/4 (W/2)	331.44
Elko	009-540-001	35N	66E	3	All	665.12
Elko	009-540-001	35N	66E	9	All	640.00
Elko	009-540-001	35N	66E	10	E/2 E/2	160.00
Elko	009-540-001	35N	66E	11	All	640.00
Elko	009-540-001	35N	66E	13	All	640.00
Elko	009-540-001	35N	66E	14	W/2 W/2	160.00
Elko	009-540-001	35N	66E	15	All	640.00
Elko	009-540-001	35N	66E	21	All	640.00
Elko	009-540-001	35N	66E	22	NE/4, SE/4 NW/4, N/2 SE/4, SW/4 SE/4, SE/4 SW/4	360.00
Elko	009-540-001	35N	66E	23	All	640.00
Elko	009-540-001	35N	66E	25	All	640.00
Elko	009-540-001	35N	66E	27	All	640.00
Elko	009-540-001	35N	66E	28	SE/4, SE/4 NE/4	200.00
Elko	009-540-001	35N	66E	33	All	640.00
Elko	009-540-001	35N	66E	34	W/2	320.00
Elko	009-540-001	35N	66E	35	All	640.00
Elko	009-550-001	36N	66E	1	All	642.24
Elko	009-550-001	36N	66E	11	All less 70.23 in I-80 ROW	569.77
Elko	009-550-001	36N	66E	13	All	640.00
Elko	009-550-001	36N	66E	15	All	640.00
Elko	009-550-001	36N	66E	21	E/2	320.00
Elko	009-550-001	36N	66E	22	W/2 NW/4, S/2	400.00
Elko	009-550-001	36N	66E	23	All	640.00
Elko	009-550-001	36N	66E	25	All	640.00
Elko	009-550-001	36N	66E	26	W/2 W/2	160.00
Elko	009-550-001	36N	66E	27	All	640.00
Elko	009-550-001	36N	66E	28	E/2 E/2, W/2 SE/4 less 4.50 Ac to Department in SE/4 SW/4, SW/4 SE/4	235.50
Elko	009-550-001	36N	66E	33	All	640.00
Elko	009-550-001	36N	66E	34	All	640.00
Elko	009-550-001	36N	66E	35	All	640.00
Elko	009-560-004	37N	66E	25	All less 15.22 Ac S/2 Ft. 30 ROW	624.78
Elko	009-560-004	37N	66E	27	SE/4 SE/4	40.00
Elko	009-560-004	37N	66E	35	All	625.34
Elko	009-570-011	38N	66E	23	Pin 200' south of the CPRR centerline	568.06
Elko	009-570-011	38N	66E	25	Pin 200' south of the CPRR centerline except 6.44 Ac in N/2 for Wyo tract	591.44
Elko	010-090-001	34N	67E	1	All	638.80
Elko	010-090-001	34N	67E	3	All	638.04
Elko	010-090-001	34N	67E	9	All	640.00
Elko	010-090-001	34N	67E	11	All	640.00

County	APN #	Twn	Rng	Sec	Aliquot Parts	Acraage
Elko	010-090-001	34N	67E	13	All	640.00
Elko	010-090-001	34N	67E	15	All	640.00
Elko	010-090-001	34N	67E	17	All	640.00
Elko	010-090-001	34N	67E	19	NE/4, E/2 NW/4, Lots 1 and 2 (N/2) except 4.68 Ac conv to Nevada Northern Railroad Co.	306.35
Elko	010-090-001	34N	67E	21	N/2	320.00
Elko	010-090-001	34N	67E	22	All	640.00
Elko	010-090-001	34N	67E	23	N/2	320.00
Elko	010-090-003	34N	67E	7	Port of the E/2 W/2 west of the NWR RW	46.98
Elko	010-110-001	36N	67E	7	All except 12.70 Ac conv to Northern Nevada Railroad Co.	619.98
Elko	010-110-001	36N	67E	19	All except 12.05 Ac conv to Northern Nevada Railroad Co. except ptn conv to State of NV for Hwy	608.15
Elko	010-110-001	36N	67E	31	All except 12.14 Ac conv to Northern Nevada Railroad Co.	627.26
Elko	010-120-001	37N	67E	1	Ptn 200' south of the CPRR centerline less 12.76 Ac to SR-30 RW	589.64
Elko	010-120-001	37N	67E	5	Ptn 200' south of the CPRR centerline	604.67
Elko	010-120-001	37N	67E	9	NW/4, S/2 less 6.70 Ac conv to Northern Nevada Railroad Co. and 15.10 Ac to SR-30 RW	458.20
Elko	010-120-001	37N	67E	11	Ptn 200' south of the CPRR centerline less 11.07 Ac to SR-30 RW	611.42
Elko	010-120-001	37N	67E	17	All less 16.33 Ac to SR-30 RW	623.67
Elko	010-120-001	37N	67E	19	All	628.68
Elko	010-130-001	38N	67E	31	Ptn 200' south of the CPRR centerline	594.40
Elko	010-320-001	35N	68E	7	All except 21.28 Ac conv to Western Pacific Railroad Co. less 45.33 to I-80 RW	614.35
Elko	010-320-001	35N	68E	17	All north of the WPRR centerline, and all south of the WPRR centerline less 6.83 Ac to I-80 RW	521.98
Total Acraage:						35,254.34

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WFZ1612

Order No.: 03012789

LEGAL DESCRIPTION

The land referred to herein is situated in the State of Nevada, County of ELKO COUNTY, described as follows:

PARCEL 1:

TOWNSHIP 34 NORTH, RANGE 67 EAST, M.D.B.&M.

Section 1: All;
Section 3: All;
Section 9: All;
Section 11: All;
Section 13: All;
Section 15: All;
Section 17: All;
Section 19: Lots 1 and 2, E1/2NW1/4; NE1/4;

EXCEPTING THEREFROM all that portion of said land as conveyed to Nevada Northern Railway Company in Deed recorded February 7, 1906 in Book 28, Page 617, Deed Records, Elko County, Nevada.

Section 21: N1/2;
Section 22: All;
Section 23: N1/2;

EXCEPTING FROM Section 22, TOWNSHIP 34 NORTH, RANGE 67 EAST, M.D.B.&M., all the coal and other valuable minerals in the lands so granted as reserved by The United States of America in Patent recorded June 28, 1946 in Book 8, Page 413, Patent Records, Elko County, Nevada.

FURTHER EXCEPTING FROM all of Parcel 1 all right, title and interest to coal, oil, gas and other minerals of every kind and nature whatsoever, lying in and under said land, as reserved by Russell Wilkins, et ux, et al, in Deed recorded December 10, 1946 in Book 55, Page 63, Deed Records, Elko, Nevada.

FURTHER EXCEPTING FROM Section 22, TOWNSHIP 34 NORTH, RANGE 67 EAST, M.D.B.&M., an undivided 1/2 interest in and to all gas, oil, petroleum, minerals and/or mineral rights, lying in and under said land, as reserved by Theodore E. Smith and Pearl Smith, his wife, in Deed recorded August 15, 1950 in Book 74, Page 181, Deed Records, Elko County.

PARCEL 2:

Continued on next page

-1-

SCHEDULE A
CLTA PRELIMINARY REPORT
(12/32)

STEWART TITLE
Guaranty Company

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WFZ1613

Order No. 03012789

TOWNSHIP 35 NORTH, RANGE 66 EAST, M.D.B.&M.

Section 1: All;
Section 3: All;
Section 9: All;
Section 11: All;
Section 13: All;
Section 15: All;
Section 21: All;
Section 23: All;
Section 25: All;
Section 27: S1/2;
Section 33: All;
Section 35: All;

EXCEPTING THEREFROM Parcel 2 all petroleum, oil, natural gas, and products derived therefrom, lying in and under said land or that may be produced therefrom, as reserved by Southern Pacific Land Company in Deed recorded August 1, 1949 in Book 57, Page 126, Deed Records, Elko County, Nevada.

PARCEL 3:

TOWNSHIP 35 NORTH, RANGE 68 EAST, M.D.B.&M.

Section 7: All;

EXCEPTING THEREFROM all that portion of said land as conveyed to Western Pacific Railway Company in Deed recorded February 19, 1909 in Book 31, Page 71, Deed Records, Elko County, Nevada.

Section 17: All that portion lying northerly of a line parallel with and one hundred (100) feet northerly of the center center line of Western Pacific Railway Company's railroad known as Arnold "L-1" or "3 1/4" line and all that portion lying southerly of a line parallel with and one hundred (100) feet southerly of the center line of Western Pacific Railway Company's railroad known as "R-2" or "4 1/4" line, which railroad rights of way were conveyed to Western Pacific Railway Company by Deed No. 126-F, dated November 27, 1908, and recorded February 19, 1909 in Book 31, Page 71, and Deed No. 188-F, dated June 30, 1910, and recorded September 10, 1910 in Book 32, Page 319, Deed Records, Elko County, Nevada.

Continued on next page

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Order No. 03012789

EXCEPTING FROM Parcel 3 all that portion of said land as conveyed to the State of Nevada, acting by and through its Department of Highways in Deed recorded September 7, 1973 in Book 184, Page 44 and recorded June 24, 1976 in Book 230, Page 377, Official Records, Elko County, Nevada, portions of which have been relinquished by Resolution Relinquishing portion of Highway Right of Way recorded October 11, 1985 in Book 504, Page 308, Official Records, Elko County, Nevada.

FURTHER EXCEPTING FROM Parcel 3 all right, title and interest to coal, oil, gas and other minerals of every kind and nature whatsoever, lying in and under said land, as reserved by Russell Wilkins, et ux, et al, in Deed recorded December 10, 1946 in Book 55, Page 63, Deed Records, Elko County, Nevada.

PARCEL 4:

TOWNSHIP 38 NORTH, RANGE 67 EAST, M.D.B.&M.

Section 31: All that portion lying southwesterly of a line two hundred (200) feet southwesterly and parallel with the center line of Central Pacific Railway Company's railroad as now constructed ;

EXCEPTING FROM Parcel 4 all right, title and interest to coal, oil, gas and other minerals of every kind and nature whatsoever, lying in and under said land, as reserved by Russell Wilkins, et ux, et al, in Deed recorded December 10, 1946 in Book 55, Page 63, Deed Records, Elko County, Nevada.

PARCEL 5:

TOWNSHIP 36 NORTH, RANGE 67 EAST, M.D.B.&M.

Section 7: All;
Section 19: All;
Section 31: All;

EXCEPTING FROM Parcel 5 all that portion of said land as conveyed to Nevada Northern Railway Company in Deed recorded February 7, 1906 in Book 28, Page 617, Deed Records, Elko County, Nevada.

FURTHER EXCEPTING FROM Section 19 all that portion of said land as conveyed to the State of Nevada, acting by and through its
Continued on next page

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WFZ1615

Order No. 03012789

Department of Highways, in Deed recorded September 7, 1973 in Book 184, Page 44, Official Records, Elko County, Nevada, portions of which have been relinquished by Resolution Relinquishing Portion of Highway Right-of-Way recorded October 11, 1985 in Book 504, Page 308, Official Records, Elko County, Nevada.

FURTHER EXCEPTING FROM Parcel 5 all right, title and interest to coal, oil, gas and other minerals of every kind and nature whatsoever, lying in and under said land, as reserved by Russell Wilkins, et ux, et al, in Deed recorded December 10, 1946 in Book 55, Page 63, Deed Records, Elko County, Nevada.

PARCEL 6:

TOWNSHIP 37 NORTH, RANGE 67 EAST, M.D.B.&M.

- Section 1: That portion lying southeasterly of a line two hundred (200) feet southeasterly and parallel with the center line of Central Pacific Railway Company's railroad, as now constructed;
- Section 5: That portion lying southwesterly of a line two hundred (200) feet southwesterly and parallel with the center line of Central Pacific Railway Company's railroad, as now constructed;
- Section 9: NW1/4; S1/2;

EXCEPTING FROM Section 9 all that portion of said land as conveyed to Nevada Northern Railway Company in Deed recorded February 7, 1906 in Book 28, Page 617 and recorded November 15, 1912 in Book 34, Page 130, Deed Records, Elko County, Nevada.

- Section 11: That part lying southeasterly of a line two hundred (200) feet southeasterly and parallel with the center line of Central Pacific Railway Company's railroad as now constructed;
- Section 17: All;
- Section 19: All;

EXCEPTING FROM Parcel 6 all right, title and interest to coal, oil, gas and other minerals of every kind and nature whatsoever, lying in and under said land, as reserved by Russell Wilkins, et ux, et al, in Deed recorded December 10, 1946 in Book 55, Page 63, Deed Records, Elko County, Nevada.

Continued on next page

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Order No. 03012789

PARCEL 7:

TOWNSHIP 37 NORTH, RANGE 66 EAST, M.D.B.&M.

Section 25: All;
Section 27: SE1/4SE1/4;
Section 35: All;

TOWNSHIP 38 NORTH, RANGE 66 EAST, M.D.B.&M.

Section 23: That portion southwesterly of a line parallel with and two hundred (200) feet distant southwesterly of center line of Central Pacific Railway Company's railroad as now constructed;
Section 25: That part southwesterly of a line parallel with and two hundred (200) feet distant southwesterly of center line of Central Pacific Railway Company's railroad as now constructed;

EXCEPTING FROM Section 25 a parcel of land in the north half of said Section 25, containing 6.44 acres for Central Pacific Railway Company's Wye track.

FURTHER EXCEPTING FROM Parcel 7 all petroleum, oil, natural gas, and products derived therefrom, lying in and under said land or that may be produced therefrom, as reserved by Southern Pacific Land Company in Deed recorded August 1, 1949 in Book 57, Page 126, Deed Records, Elko County, Nevada.

PARCEL 8:

TOWNSHIP 34 NORTH, RANGE 66 EAST, M.D.B.&M.

Section 3: All;
Section 5: All;
Section 9: All;
Section 15: All;

TOWNSHIP 36 NORTH, RANGE 66 EAST, M.D.B.&M.

Section 1: All;
Section 11: All;

EXCEPTING FROM Section 11 all that portion of said land condemned to the State of Nevada by Final Order of Condemnation recorded
Continued on next page

Order No. 03012789

August 22, 1973 in Book 182, Page 625, Official Records, Elko County, Nevada.

Section 13: All;

EXCEPTING FROM Section 13 all that portion of said land as conveyed to the State of Nevada, acting by and through its Department of Highways, in Deed recorded September 7, 1973 in Book 184, Page 41, Official Records, Elko County, Nevada.

Section 15: All;

Section 23: All;

Section 25: All;

EXCEPTING FROM Parcel 8 all petroleum, oil, natural gas and products derived therefrom, lying in and under said land or that may be produced therefrom, as reserved by Southern Pacific Land Company in Deed recorded August 1, 1949 in Book 57, Page 126, Deed Records, Elko County, Nevada.

PARCEL 9:

TOWNSHIP 36 NORTH, RANGE 66 EAST, M.D.B.&M.

Section 35: All;

EXCEPTING FROM Parcel 9 all petroleum, oil, natural gas, and products derived therefrom, as reserved by Southern Pacific Land Company in Deed recorded August 1, 1949 in Book 57, Page 126, Deed Records, Elko County, Nevada.

PARCEL 10:

TOWNSHIP 34 NORTH, RANGE 66 EAST, M.D.B.&M.

Section 4: Lots 3 and 4; S1/2NW1/4; SW1/4;

EXCEPTING THEREFROM all minerals, mineral rights, gas, oil, coal and other hydrocarbons, in, under or upon said property or that may in any way be produced therefrom as reserved by W.J. Thomas and Grace L. Thomas, his wife, in Deed recorded January 23, 1959 in Book 75, Page 376, Deed Records, Elko County, Nevada.

PARCEL 11:

Continued on next page

Order No. 03012789

TOWNSHIP 35 NORTH, RANGE 66 EAST, M.D.B.&M.

Section 2: Lots 3 and 4; S1/2NW1/4; SW1/4;
Section 10: E1/2E1/2;
Section 14: W1/2W1/2;
Section 22: NE1/4; SE1/4NW1/4; N1/2SE1/4; SW1/4SE1/4; SE1/4SW1/4;
Section 27: N1/2;
Section 28: SE1/4; SE1/4NE1/4;

EXCEPTING FROM Parcel 11 all right, title and interest to coal, oil, gas and other minerals of every kind and nature whatsoever, lying in and under said land, as reserved by Russell Wilkins, et ux, et al, in Deed Recorded December 10, 1946 in Book 55, Page 63, Deed Records, Elko County, Nevada.

PARCEL 12:

TOWNSHIP 36 NORTH, RANGE 66 EAST, M.D.B.&M.

Section 21: E1/2;
Section 22: W1/2NW1/4; S1/2;
Section 26: W1/2W1/2;
Section 27: All;
Section 28: E1/2E1/2; W1/2SE1/4;

EXCEPTING AND RESERVING THEREFROM the following described land:

Beginning at a point from which the Southwest Corner of Section 28, TOWNSHIP 36 NORTH, RANGE 66 EAST, M.D.B.&M., bears South 84°52' West, 2,519.9 feet distant;

THENCE North 25°20' East, 486.81 feet;

THENCE South 64°40' East, 303.07 feet;

THENCE South 25°21' West, 140.51 feet;

THENCE South 64°40' East, 140.00 feet;

THENCE South 25°20' West, 346.30 feet;

THENCE North 64°40' West, 443.07 feet;

Section 33: All;
Section 34: All;

Continued on next page

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Order No. 03012789

EXCEPTING FROM Parcel 12 all right, title and interest to coal, oil, gas and other minerals of every kind and nature whatsoever, lying in and under said land, as reserved by Russell Wilkins, et ux, et al, in Deed recorded December 10, 1946 in Book 55, Page 63, Deed Records, Elko County, Nevada.

PARCEL 13: .

TOWNSHIP 35 NORTH, RANGE 66 EAST, M.D.B.M.

Section 34: W1/2;

EXCEPTING FROM Section 13 all minerals, mineral rights, gas, oil, coal and other hydrocarbons, in, under or upon said property or that may in any way be produced therefrom as reserved by W.J. Thomas and Grace L. Thomas, his wife, in Deed recorded January 23, 1959 in Book 75, Page 376, Deed Records, Elko County, Nevada.

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FEE 17 FILED
REGISTER

2003 DEC 30 PM 4:08

Stewart Title Co.
JERRY G. ...
LINDA ...

When recorded, return to:
JAMES R. CAVILLA, ESQ.
ALLISON, MacKENZIE, RUSSELL,
PA VLAKIS, WRIGHT & FAGAN, LTD.
402 North Division Street
P.O. Box 646
Carson City, NV 89702

A.P.N. Nos.: 009-530-001; 010-090-001

03012789

GRANT, BARGAIN AND SALE DEED

THIS INDENTURE, made this 31st day of December, 2003, by and between NEVADA LAND AND RESOURCE COMPANY, LLC, a Delaware limited liability company ("NLRC"), Grantor, and BIG SPRING RANCH, L.L.C., a Nevada limited liability company, as to an undivided 75% interest and THE STAR LIVING TRUST as to an undivided 25% interest, Grantee.

WITNESSETH:

That the Grantor, in consideration of the sum of TEN DOLLARS (\$10.00), lawful money of the United States, and other good and valuable consideration to it in hand paid by the Grantee, the receipt whereof is hereby acknowledged, does by these presents grant, bargain and sell to the Grantee, and to its successors and assigns forever, all those certain lots, pieces or parcels of land situate, lying and being in Elko County, Nevada, and more particularly described in Exhibit "A" attached hereto and incorporated herein by reference.

TOGETHER WITH all and singular the tenements, hereditaments and appurtenances thereunto belonging or in anywise appertaining and the reversion and reversions,

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remainder and remainders, rents, issues and profits thereof, including but not limited to any right title and interest in any and all grazing rights or allotments appurtenant thereto.

TO HAVE AND TO HOLD all and singular the premises, together with the appurtenances, unto the said Grantee and to its successors and assigns forever.

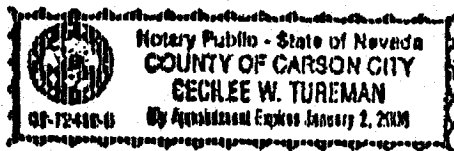
IN WITNESS WHEREOF, the Grantor has executed this conveyance the day and year first above written.

Nevada Land and Resource Company, LLC
a Delaware limited liability company

By: *Dorothy A. Timian Palmer*
DOROTHY A. TIMIAN-PALMER
Chief Operating Officer/Director

STATE OF NEVADA)
 : ss.
CARSON CITY)

On December 29, 2003, DOROTHY A. TIMIAN-PALMER, personally appeared before me, a notary public, personally known to me to be the person whose name is subscribed to the foregoing instrument and who acknowledged to me that she is the Chief Operating Officer and a Director of Nevada Land and Resource Company, a Delaware limited liability company, and who acknowledged to me that she executed the foregoing GRANT, BARGAIN AND SALE DEED on behalf of said corporation.



Cecile W. Tureman
NOTARY PUBLIC

EXHIBIT A

County	APN #	Twp	Range	Sec	Adjusted Acres	Acres
Elko	009-530-001	34N	66E	1	All except 0.23 Ac conv to WPK Co.	640.37
Elko	009-530-001	34N	66E	11	All	640.00
Elko	010-090-001	34N	67E	5	All	638.08
Elko	010-090-001	34N	67E	7	E/2 and ptn of W/2 east of the Nevada Northern Railroad as now constructed	366.98

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PARCEL 14:

TOWNSHIP 34 NORTH, RANGE 67 EAST, M.D.B.&M.

Section 5: All;

Section 7: All;

EXCEPTING THEREFROM all that portion of said land as conveyed to Nevada Northern Railway Company, in Deed recorded February 7, 1906 in Book 28, Page 617, Deed Records, Elko County, Nevada.

FURTHER EXCEPTING THEREFROM all that portion of said land as conveyed to Western Pacific Railway Company in Deed recorded February 19, 1909 in Book 31, Page 71, Deed Records, Elko County, Nevada.

FURTHER EXCEPTING THEREFROM that portion of the W1/2W1/2 lying west of the Nevada Northern Railroad as conveyed to Gordon Griswold and Kitty Griswold, his wife, in Deed recorded August 14, 1946 in Book 54, Page 354, Deed Records, Elko County, Nevada.

FURTHER EXCEPTING FROM all of Parcel 14 all right, title and interest to coal, oil, gas and other minerals of every kind and nature whatsoever, lying in and under said land, as reserved by Russell Wilkins, et ux, et al, in Deed recorded December 10, 1946 in Book 55, Page 63, Deed Records, Elko, Nevada.

PARCEL 15:

TOWNSHIP 34 NORTH, RANGE 66 EAST, M.D.B.&M.

Section 1: All;

EXCEPTING THEREFROM all that portion of said land as conveyed to Western Pacific Railway Company in Deed recorded February 19, 1909 in Book 31, Page 71, Deed Records, Elko County, Nevada.

Section 11: ALL;

EXCEPTING FROM Parcel 15 all petroleum, oil, natural gas and products derived therefrom, lying in and under said land or that may be produced therefrom, as reserved by Southern Pacific Land Company in Deed recorded August 1, 1949 in Book 57, Page 125, Deed Records, Elko County, Nevada.

FURTHER EXCEPTING FROM all of the above described land those portion lying within the railroad right-of-way.

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ASSIGNMENT OF INTEREST IN BIG SPRING RANCH, LLC

The undersigned Assignor, GHOLAMREZA ZANDIAN JAZI, currently holds an interest in BIG SPRING RANCH, LLC, a Nevada limited liability company, consisting of a membership, as well as a management right, and, in consideration of value received, GHOLAMREZA ZANDIAN JAZI herewith transfers and assigns to RAY KOROGHLI, individually, and FARIBORZ FRED SADRI, individually, and as Trustee of the Star Living Trust, all of the Assignor's right as Member or Manager in BIG SPRING RANCH, a Nevada LLC effective as of the _____ day of _____, 2006.

The Assignor represents that the interest herewith assigned has not been transferred, assigned, encumbered, the subject of any agreement, or security interest and that he holds the full and complete rights, the subject of this Assignment. The Assignor irrevocably appoints the Assignee as the Attorney in Fact to transfer such interests on the books and records of BIG SPRING RANCH, LLC, a Nevada LLC, the Assignor agrees to separately execute a resignation as a Member and Manager of BIG SPRING RANCH, LLC, a Nevada LLC.

The undersigned executes this Assignment on the _____ day of _____, 2006.

GHOLAMREZA ZANDIAN JAZI

ASSIGNMENT OF INTEREST IN
NEVADA LAND & WATER RESOURCES, LLC

The undersigned Assignor, GHOLAMREZA ZANDIAN JAZI, currently holds an interest in NEVADA LAND & WATER RESOURCES, LLC, a Nevada limited liability company, consisting of a membership, as well as a management right, and, in consideration of value received, GHOLAMREZA ZANDIAN JAZI herewith transfers and assigns to RAY KOROGHLI, individually, and FARIBORZ FRED SADRI, individually, and as Trustee of the Star Living Trust, all of the Assignor's right as Member or Manager in NEVADA LAND & WATER RESOURCES, LLC, a Nevada LLC effective as of the _____ day of _____, 2006.

The Assignor represents that the interest herewith assigned has not been transferred, assigned, encumbered, the subject of any agreement, or security interest and that he holds the full and complete rights, the subject of this Assignment. The Assignor irrevocably appoints the Assignee as the Attorney in Fact to transfer such interests on the books and records of NEVADA LAND & WATER, LLC, a Nevada LLC, the Assignor agrees to separately execute a resignation as a Member and Manager of NEVADA LAND & WATER RESOURCES, LLC, a Nevada LLC.

The undersigned executes this Assignment on the _____ day of _____, 2006.

GHOLAMREZA ZANDIAN JAZI

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

1 RELS
JOHN PETER LEE, LTD.
2 JOHN PETER LEE, ESQ.
Nevada Bar No. 001768
3 MICHAEL A. REYNOLDS, ESQ.
Nevada Bar No. 008631
4 830 Las Vegas Boulevard South
Las Vegas, Nevada 89101
5 (702) 382-4044 Fax: (702) 383-9950
Attorneys for Plaintiff/Counterdefendant
6

7 DISTRICT COURT

8 CLARK COUNTY, NEVADA

9 GHOLAMREZA ZANDIAN JAZI,)

CASE NO.: A511131

DEPT. NO.: XIII

10 Plaintiff,)

11 v.)

12 RAY KOROGHLI, individually, FARIBORZ FRED)
SADRI, individually, and as Trustee of the Star)
13 Living Trust, WENDOVER PROJECT, LLC, a)
Nevada limited liability company; BIG SPRING)
14 RANCH, LLC, a Nevada limited liability company,)
and NEVADA LAND AND WATER)
15 RESOURCES, LLC, a Nevada limited liability)
company,)

RELEASE OF LIS PENDENS

16 Defendants.)

17 _____)
18 RAY KOROGHLI, individually and FARIBORZ)
FRED SADRI, individually,)

19 Counterclaimants,)

DATE: N/A

TIME: N/A

20 v.)

21 GHOLAMREZ ZANDIAN JAZI,)

22 Counterdefendant.)

23 _____)
24 WENDOVER PROJECT, LLC,)

25 Counterclaimant,)

26 v.)

27 GHOLAMREZ ZANDIAN JAZI,)

28 Counterdefendant.)

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

1 GHOLAMREZ ZANDIAN JAZI,
2 Counterclaimant,
3 v.
4 WENDOVER PROJECT, LLC,
5 Counterdefendant,

6 1334.022860-JLR

7 NOTICE is hereby given that the undersigned did, on the 30th day of January, 2006 file a
8 Notice of Lis Pendens with the above-referenced Court, a copy of which was recorded with the Elko
9 County Recorder as Document Number 548113 on February 2, 2006.

10 NOW THEREFORE, for valuable consideration, the undersigned does by these presents
11 release, satisfy and discharge said Lis Pendens.

12 DATED this _____ day of _____, 2006.

13 JOHN PETER LEE, LTD.

14
15 BY: _____
16 John Peter Lee, Esq.
17 Nevada Bar No. 001768
18 Michael A. Reynolds, Esq.
19 Nevada Bar No. 008631
20 830 Las Vegas Boulevard South
21 Las Vegas, Nevada 89101
22 Ph: (702) 382-4044/Fax: (702) 383-9950
23 Attorneys for Plaintiffs
24
25
26
27
28

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

1 RELS
JOHN PETER LEE, LTD.
2 JOHN PETER LEE, ESQ.
Nevada Bar No. 001768
3 MICHAEL A. REYNOLDS, ESQ.
Nevada Bar No. 008631
4 830 Las Vegas Boulevard South
Las Vegas, Nevada 89101
5 (702) 382-4044 Fax: (702) 383-9950
Attorneys for Plaintiff/Counterdefendant
6

7 DISTRICT COURT

8 CLARK COUNTY, NEVADA

9 GHOLAMREZA ZANDIAN JAZI,
10 Plaintiff,

CASE NO.: A511131
DEPT. NO.: XIII

11 v.

12 RAY KOROGHLI, individually, FARIBORZ FRED
SADRI, individually, and as Trustee of the Star
13 Living Trust, WENDOVER PROJECT, LLC, a
Nevada limited liability company; BIG SPRING
14 RANCH, LLC, a Nevada limited liability company,
and NEVADA LAND AND WATER
15 RESOURCES, LLC, a Nevada limited liability
company,

RELEASE OF LIS PENDENS

16 Defendants.

17
18 RAY KOROGHLI, individually and FARIBORZ
FRED SADRI, individually,

19 Counterclaimants,

DATE: N/A
TIME: N/A

20 v.

21 GHOLAMREZ ZANDIAN JAZI,

22 Counterdefendant.

23
24 WENDOVER PROJECT, LLC,

25 Counterclaimant,

26 v.

27 GHOLAMREZ ZANDIAN JAZI,

28 Counterdefendant.

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

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GHOLAMREZ ZANDIAN JAZI,
Counterclaimant,
v.
WENDOVER PROJECT, LLC,
Counterdefendant,

1334.022860-JLR

NOTICE is hereby given that the undersigned did, on the 14th day of October, 2005 file a Notice of Lis Pendens with the above-referenced Court, a copy of which was recorded with the Elko County Recorder as Document Number 542563 on October 25, 2005.

NOW THEREFORE, for valuable consideration, the undersigned does by these presents release, satisfy and discharge said Lis Pendens.

DATED this _____ day of _____, 2006.

JOHN PETER LEE, LTD.

BY: _____
John Peter Lee, Esq.
Nevada Bar No. 001768
Michael A. Reynolds, Esq.
Nevada Bar No. 008631
830 Las Vegas Boulevard South
Las Vegas, Nevada 89101
Ph: (702) 382-4044/Fax: (702) 383-9950
Attorneys for Plaintiffs

JOHN PETER LEE, LTD.

ATTORNEYS AT LAW

830 LAS VEGAS BOULEVARD SOUTH

LAS VEGAS, NEVADA 89101

Telephone (702) 382-4044

Telecopier (702) 383-9950

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Nevada Bar No. 008631
4 830 Las Vegas Boulevard South
Las Vegas, Nevada 89101
5 (702) 382-4044 Fax: (702) 383-9950
Attorneys for Plaintiff/Counterdefendant
6

7 DISTRICT COURT

8 CLARK COUNTY, NEVADA

9 GHOLAMREZA ZANDIAN JAZI,)

10 Plaintiff,)

11 v.)

12 RAY KOROGHLI, individually, FARIBORZ FRED)
SADRI, individually, and as Trustee of the Star)
13 Living Trust, WENDOVER PROJECT, LLC, a)
Nevada limited liability company; BIG SPRING)
14 RANCH, LLC, a Nevada limited liability company,)
and NEVADA LAND AND WATER)
15 RESOURCES, LLC, a Nevada limited liability)
company,)

16 Defendants.)
17

18 RAY KOROGHLI, individually and FARIBORZ)
FRED SADRI, individually,)

19 Counterclaimants,)

20 v.)

21 GHOLAMREZ ZANDIAN JAZI,)

22 Counterdefendant.)
23

24 WENDOVER PROJECT, LLC,)

25 Counterclaimant,)

26 v.)

27 GHOLAMREZ ZANDIAN JAZI,)

28 Counterdefendant.)

CASE NO.: A511131.
DEPT. NO.: XIII

RELEASE OF LIS PENDENS

DATE: N/A
TIME: N/A

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

1 GHOLAMREZ ZANDIAN JAZI,
2 Counterclaimant,
3 v.
4 WENDOVER PROJECT, LLC,
5 Counterdefendant,
6

1334.022860-JLR

7 NOTICE is hereby given that the undersigned did, on the 14th day of October, 2005 file a
8 Notice of Lis Pendens with the above-referenced Court, a copy of which was recorded with the
9 Washoe County Recorder as Document Number 3301912 on November 3, 2005.

10 NOW THEREFORE, for valuable consideration, the undersigned does by these presents
11 release, satisfy and discharge said Lis Pendens.

12 DATED this _____ day of _____, 2006.

13 JOHN PETER LEE, LTD.

14
15 BY: _____
16 John Peter Lee, Esq.
17 Nevada Bar No. 001768
18 Michael A. Reynolds, Esq.
19 Nevada Bar No. 008631
20 830 Las Vegas Boulevard South
21 Las Vegas, Nevada 89101
22 Ph: (702) 382-4044/Fax: (702) 383-9950
23 Attorneys for Plaintiffs
24
25
26
27
28

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

1 REL'S
JOHN PETER LEE, LTD.
2 JOHN PETER LEE, ESQ.
Nevada Bar No. 001768
3 MICHAEL A. REYNOLDS, ESQ.
Nevada Bar No. 008631
4 830 Las Vegas Boulevard South
Las Vegas, Nevada 89101
5 (702) 382-4044 Fax: (702) 383-9950
Attorneys for Plaintiff/Counterdefendant
6

7 DISTRICT COURT

8 CLARK COUNTY, NEVADA

9 GHOLAMREZA ZANDIAN JAZI,
10 Plaintiff,

CASE NO.: A511131
DEPT. NO.: XIII

11 v.

12 RAY KOROGHLI, individually, FARIBORZ FRED
SADRI, individually, and as Trustee of the Star
13 Living Trust, WENDOVER PROJECT, LLC, a
Nevada limited liability company; BIG SPRING
14 RANCH, LLC, a Nevada limited liability company,
and NEVADA LAND AND WATER
15 RESOURCES, LLC, a Nevada limited liability
company,

RELEASE OF LIS PENDENS

16 Defendants.

17
18 RAY KOROGHLI, individually and FARIBORZ
FRED SADRI, individually,

19 Counterclaimants,

DATE: N/A
TIME: N/A

20 v.

21 GHOLAMREZ ZANDIAN JAZI,

22 Counterdefendant.

23
24 WENDOVER PROJECT, LLC,

25 Counterclaimant,

26 v.

27 GHOLAMREZ ZANDIAN JAZI,

28 Counterdefendant.

1 GHOLAMREZ ZANDIAN JAZI,
2 Counterclaimant,
3 v.
4 WENDOVER PROJECT, LLC,
5 Counterdefendant,

6 1334.022860-JLR

7 NOTICE is hereby given that the undersigned did, on the 16th day of November, 2005 file
8 a Notice of Lis Pendens with the above-referenced Court, a copy of which was recorded with the
9 Clark County Recorder in Book/Instrument 20051116-0004202 on November 16, 2005.

10 NOW THEREFORE, for valuable consideration, the undersigned does by these presents
11 release, satisfy and discharge said Lis Pendens.

12 DATED this _____ day of _____, 2006.

13 JOHN PETER LEE, LTD.

14 BY: _____
15 John Peter Lee, Esq.
16 Nevada Bar No. 001768
17 Michael A. Reynolds, Esq.
18 Nevada Bar No. 008631
19 830 Las Vegas Boulevard South
20 Las Vegas, Nevada 89101
21 Ph: (702) 382-4044/Fax: (702) 383-9950
22 Attorneys for Plaintiffs

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

28



DEAN HELLER
 Secretary of State
 202 North Carson Street
 Carson City, Nevada 89701-4201
 (775) 684 5708
 Website: secretaryofstate.biz

**Certificate of Resignation of Officer,
 Director, Manager, Member, General
 Partner, Trustee or Subscriber**

ABOVE SPACE IS FOR OFFICE USE ONLY

**Certificate of Resignation of
 Officer, Director, Manager, Member,
 General Partner, Trustee or Subscriber**

1. The name and title(s) of person that desires to resign:

GHOLAMREZA ZANDIAN JAZI
 (Name)

Manager
 (Title(s))

2. The name and file number of the entity for which resignation is being made:

WENDOVER PROJECT L.L.C.
 (Name of Entity)

(File Number)

3. Signature: _____

4. Fee: \$75.00 per form. Resignation of one person from one entity per form.

This form must be accompanied by appropriate fees.

Nevada Secretary of State Resignation of Officer 2003
 Revised on: 02/03/06



DEAN HELLER
Secretary of State
202 North Carson Street
Carson City, Nevada 89701-4201
(775) 684 5708
Website: secretaryofstate.biz

Certificate of Resignation of Officer,
Director, Manager, Member, General
Partner, Trustee or Subscriber

ABOVE SPACE IS FOR OFFICE USE ONLY

Certificate of Resignation of
Officer, Director, Manager, Member,
General Partner, Trustee or Subscriber

1. The name and title(s) of person that desires to resign:

GHOLAMREZA ZANDIAN JAZI

(Name)

Manager

(Title(s))

2. The name and file number of the entity for which resignation is being made:

NEVADA LAND & WATER RESOURCES, L.L.C.

(Name of Entity)

(File Number)

3. Signature: _____

4. Fee: \$75.00 per form. Resignation of one person from one entity per form.

This form must be accompanied by appropriate fees.

Nevada Secretary of State Resignation of Officer 2003
Revised on: 02/03/06



DEAN HELLER
 Secretary of State
 202 North Carson Street
 Carson City, Nevada 89701-4201
 (775) 684 5708
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**Certificate of Resignation of Officer,
 Director, Manager, Member, General
 Partner, Trustee or Subscriber**

ABOVE SPACE IS FOR OFFICE USE ONLY

**Certificate of Resignation of
 Officer, Director, Manager, Member,
 General Partner, Trustee or Subscriber**

1. The name and title(s) of person that desires to resign:

GHOLAMREZA ZANDIAN JAZI
 (Name)

Manager
 (Title(s))

2. The name and file number of the entity for which resignation is being made:

BIG SPRING RANCH LLC
 (Name of Entity)

(File Number)

3. Signature: _____

4. Fee: \$75.00 per form. Resignation of one person from one entity per form.

This form must be accompanied by appropriate fees.

Nevada Secretary of State Resignation of Officer 2003
 Revised on: 02/03/06

JOHN PETER LEE, LTD.

ATTORNEYS AT LAW

830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101

Telephone (702) 382-4044

Telecopier (702) 383-9950

1 RCPT
JOHN PETER LEE, LTD.
JOHN PETER LEE, ESQ.
Nevada Bar No. 001768
3 MICHAEL A. REYNOLDS, ESQ.
Nevada Bar No. 008631
4 830 Las Vegas Boulevard South
Las Vegas, Nevada 89101
5 (702) 382-4044 Fax: (702) 383-9950
Attorneys for Plaintiff/Counterdefendant
6

7 DISTRICT COURT

8 CLARK COUNTY, NEVADA

9 GHOLAMREZA ZANDIAN JAZI,
10 Plaintiff,
11 v.
12 RAY KOROGHLI, individually, FARIBORZ FRED
SADRI, individually, and as Trustee of the Star
13 Living Trust, WENDOVER PROJECT, LLC, a
Nevada limited liability company; BIG SPRING
14 RANCH, LLC, a Nevada limited liability company,
and NEVADA LAND AND WATER
15 RESOURCES, LLC, a Nevada limited liability
company,
16 Defendants.

CASE NO.: A511131
DEPT. NO.: XIII

RECEIPT

17
18 RAY KOROGHLI, individually and FARIBORZ
FRED SADRI, individually,
19 Counterclaimants,
20 v.
21 GHOLAMREZ ZANDIAN JAZI,
22 Counterdefendant.

DATE: N/A
TIME: N/A

23
24 WENDOVER PROJECT, LLC,
25 Counterclaimant,
26 v.
27 GHOLAMREZ ZANDIAN JAZI,
28 Counterdefendant.

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GHOLAMREZ ZANDIAN JAZI,
Counterclaimant,
v.
WENDOVER PROJECT, LLC,
Counterdefendant,

1334.022860-JLR

RECEIPT of \$250,000 made payable to John Peter Lee, Ltd., in compliance and in conformity with the Award of Floyd Hale, Arbitrator dated September 20, 2006 is acknowledged this ___ day of _____, 2006.

JOHN PETER LEE, LTD.

BY: _____
John Peter Lee, Esq.
Nevada Bar No. 001768
Michael A. Reynolds, Esq.
Nevada Bar No. 008631
830 Las Vegas Boulevard South
Las Vegas, Nevada 89101
Ph: (702) 382-4044/Fax: (702) 383-9950
Attorneys for Plaintiff/Counterdefendant

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

MUTUAL RELEASE OF CLAIMS

This Mutual Release of Claims is made this _____ day of _____, 2006 by and between GHOLAMREZA ZANDIAN JAZI ("Zandian"), Ray Koroghli ("Koroghi"), Fariborz Fred Sadri ("Sadri"), Wendover Project, LLC ("Wendover"), Nevada Land and Water Resources, LLC ("Nevada Land") and Big Spring Ranch, LLC, ("Big Spring"). For purposes of this agreement, Zandian is hereinafter called Plaintiff and all of the individuals and LLCs are jointly called Defendants.

RECITALS

WHEREAS disputes have arisen by and between the Plaintiff and the Defendants resulting in litigation which was commenced in the District Court, Clark County Nevada, given Case No. A511131; and

WHEREAS the matter was thereafter referred to arbitration before Floyd A. Hale by an agreement; and

WHEREAS, in addition to the Complaint, the Defendants filed various Counterclaims against the Plaintiff in the District Court action, all of which claims were heretofore referred to Floyd A. Hale to arbitrate; and

WHEREAS the parties to this Release, Plaintiff and the Defendants, commenced the arbitration process before Floyd A. Hale, which commenced on the 22nd day of August, 2006 and ended on the 8th day of September, 2006; and

WHEREAS on the latter date an order was entered on the record concerning settlement of the claims asserted by the Plaintiff, and the counterclaims asserted by the Defendants, which will be reduced to an order entered in the arbitration proceedings; and

WHEREAS the order provides for the release of certain rights by the parties, one against the other, and the payment of sums by certain of the Defendants, all as set forth in separate instruments, and further set forth in the Arbitration Order; and

WHEREAS these parties desire to settle and resolve all issues, allegations, claims, rights, defenses and obligations and causes of action asserted, or which could have been asserted by the Plaintiff against the Defendants and the Defendants against the Plaintiff;

NOW THEREFORE in consideration of these Recitals and the mutual covenants, promises and conditions hereinafter set forth, these parties agree as follows:

1. In consideration of the mutual covenants of the parties hereto, their heirs, executors, administrators, assigns, representative trustees, beneficiaries, directors, officers, employees, agents and attorneys and assigns to enter to this Mutual Release whereby the Plaintiff releases the Defendants and the Defendants release the Plaintiff from any and all demands, claims, damages, lawsuits, causes of action, costs and expenses of whatever character, known or unknown, and whenever occurring in the past, in the present or which will accrue in the future in any way, which are directly or indirectly related to the demands, claims and causes of action alleged, or which could have been alleged by the parties in the Complaint, the Amended Complaint and the various Counterclaims, or any amendments which could have been filed in the underlying proceedings.

2. The parties recognize that the Plaintiff and that the Defendants each may have claims against the others, of which they are unaware, it is the intention of the parties entering into this Mutual Release that this instrument will terminate the claim of the Plaintiff as against the Defendants and the Defendants against the Plaintiff, and prevent them from asserting the same. To this end, the

parties, and each of them, do waive all rights and benefits conferred upon them by statute or common law of any jurisdiction which has provisions which provides generally as follows:

“a general release does not extend to claims which the creditor does know or suspect in his favor at the time of executing the Release, which, if known by him, must have materially effected his settlement with the Debtor.”

The Plaintiff indemnifies the Defendants and the Defendants indemnify the Plaintiff from any and all claims asserted against any of them as a result of, or in connection with, any action or proceeding brought directly or indirectly on behalf, in the name of anyone claiming standing through the Plaintiff or the Defendants, contrary to the provisions of the Releases as provided for in this agreement.

3. This mutual settlement agreement is a compromise of disputed claims and arises out of, connected with, and relating to the underlying action and is not to be constructed as an admission of liability on the part of any party, all of whom expressly deny liability.

4. The construction, effect and validity of this agreement is governed by the laws of the State of Nevada and shall bind and inure to the benefit of each party and constitutes the entire agreement among the parties with respect to the subject hereto and may not be amended, except in writing, executed by the party to be charged.

5. Each party agrees to do anything necessary, and to execute all instruments necessary proper to effectuate the provisions and intent of this agreement, and each party shall mark cancelled and deliver to the other all evidence of any debt or obligation owed to the other, including Notes, Deeds of Trust or promises to pay, including, but not limited to, that certain Promissory Note

executed by Zandian in favor of Fariborz Fred Sadri and the Star Living Trust for \$333,333 secured by a Deed of Trust on 4,400 acres of property in Washoe County, Nevada.

6. Each party warrants that he has the power, capacity and authority to enter into this Mutual Release.

7. The Plaintiff and the Defendants separately acknowledge that their execution of this Release is freely and voluntarily done, and that all Recitals are true and correct, and they have not assigned or transferred to any person the matters released hereunder.

8. All the terms and conditions herein are severable in the event that any terms held are considered unenforceable by any court of competent jurisdiction. This agreement shall be interpreted as if the unenforceable terms were not contained herein.

9. This mutual agreement shall not create any rights in any person who is not a party hereto.

10. This mutual settlement agreement may be signed in multiple originals, each of which is considered a counterpart of the others, and taken together shall constitute one original.

DATED the day above first written.

GHOLAMREZA ZANDIAN JAZI

RAY KOROGHLI, individually

FARIBORZ FRED SADRI, individually and
as Trustee of the Star Living Trust

WENDOVER PROJECT, LLC

BY: _____

NEVADA LAND & WATER RESOURCES, LLC

BY: _____

BIG SPRING RANCH, LLC

BY: _____

1 ARB
 2 FLOYD A. HALE, ESQ.
 Nevada Bar No. 1873
 3 JAMS
 2300 W. Sahara, #900
 4 Las Vegas, NV 89102
 Ph: (702) 457-5267
 5 Fax: (702) 437-5267
 6 Arbitrator.

RECEIVED
 MAR 02 2007
 JOHN PETER LEE, LTD.

7 DISTRICT COURT
 8 CLARK COUNTY, NEVADA

9
 10 GHOLAMREZA ZANDIAN JAZI,) Case No. A511131
) Dept. No. XII
 11 Plaintiff,)
)
 12 vs.)
)
 13 RAY KOROGHLI, individually,)
 14 FABIRORZ FRED SADRI, individually,)
 and as Trustee of the Star Living Trust,)
 15 WENDOVER PROJECT, LLC, a Nevada)
 16 limited liability company; BIG SPRING)
 RANCH, LLC, a Nevada limited liability)
 17 company, and NEVADA LAND AND)
 WATER RESOURCES, LLC, a Nevada)
 18 limited liability company,)
)
 19 Defendants.)
 20)

FLOYD A. HALE
 SPECI
 2300 W. SAHARA, SUITE 900
 LAS VEGAS, NEVADA 89102
 PHONE (702) 457-5267 Email: fhaale@floydahale.com

21 ARBITRATOR REPORT AND RECOMMENDATION TO
 22 DISTRICT COURT

23 This matter was submitted to Arbitration and Arbitration Hearings were conducted for two
 24 days, as well as the submission of voluminous exhibits, depositions and briefs. During the
 25 Arbitration proceeding, the parties agreed to meet with the Arbitrator in an effort to resolve the
 26 dispute. With agreement of counsel, the parties met directly with the Arbitrator and an agreement
 27 for a final conclusion of this matter was read into the record, being recorded by a court reporter.
 28

FLOYD A. MALE
SPECI STER
2300 W. SAHA, #E, SUITE 900
LAS VEGAS, NEVADA 89102
PHONE (702) 457-5287 @www.fmale@floydahale.com

1 The undersigned then issued an Arbitration Decision based upon the evidence submitted as well
2 as the agreement of the parties.

3
4 On January 11, 2007, counsel for the parties conducted a hearing before this Court
5 regarding confirmation of the Arbitration Award. Counsel for the parties could not reach an
6 agreement as to what documents needed to be signed to effect the Arbitration Decision. For that
7 reason, the matter was referred back to the Arbitrator for further proceedings. The actual
8 reference, contained in page 25, line 6-14 of the January 11, 2007, transcript is as follows:
9

10 THE COURT: I'm going to resolve your problem. Its real easy. I am
11 going to refer the matter back to Floyd Hale for further proceedings,
12 consistent with the 9/8/06 transcript. Those will include getting the
13 mechanism for the spouses of the parties to sign the documents, getting
14 a mechanism for the waiver of the release of the rights of first refusal
15 that exist, entering into the settlement agreement the parties entered
16 into. If he is unable to reach an agreement among the parties, then I
17 will have the final word.

18 The District Court has already indicated that wives of the principals will need to sign
19 documents. The following report and recommendation will reference the parties to the
20 Arbitration with the understanding that the District Court has already indicated that wives for
21 those parties will be required to sign all necessary documents.

22 IT IS REPORTED AND RECOMMENDED to the Court that the following documents
23 will need to be executed by the parties and their wives:

24 4,400 acres of real estate, owned by Poh Rah, LLC: The only members of the Pah Rah,
25 LLC are the parties to this action: Zandian Jazi; Ray Koroghli and Fred Sadri. These parties will
26 be required to sign a Grant Bargain Sale Deed to transfer the 4,400 acres of real estate to Zandian
27 Jazi. Fred Sadri will need to execute a full reconveyance of the Deed of Trust and release the
28 Promissory Note which was secured by the Deed of Trust as to this property. The parties will also

FLOYD A. HALE
SPECIALIST
2300 W. SARA, SUITE 900
LAS VEGAS, NEVADA 89102
PHONE (702) 457-5267
EMAIL fhaale@floydahale.com

1 have to sign a waiver of any right of first refusal to this property.

2 320 acres owned by Big Springs Ranch, LLC. The only members of the Big Springs
3 Ranch LLC, are the parties to this action and Mr. Abrishami. If Mr. Zandian Jazi can obtain the
4 signature of Mr. Abrishami on a Deed to transfer this property, then the parties to this action must
5 all execute a Grant Bargain Sale Deed transferring this real estate to Zandian Jazi. If Mr. Jandian
6 Jazi is unable to obtain the signature of Mr. Abrishami, then Mr. Sadri and Mr. Koroghli are
7 required to sign a Quit Claim Deed from Big Springs Ranch, LLC to Zandian Jazi to sign waivers
8 of rights of first refusal.
9

10 \$250,000.00 Payment to Zandian Jazi: There has been a dispute as to what entity is
11 responsible for making this payment. During the Arbitration Proceedings, as well as during prior
12 meetings with the parties, it was represented to the Arbitrator that Mr. Sadri and Mr. Koroghli
13 would make this payment. It is Recommended that either Mr. Sadri or Mr. Koroghli, or both, are
14 individually responsible for this payment. Sadri and Koroghli may, however, execute the
15 payment check or draft in whatever representative capacity that they believe is the most
16 appropriate.
17

18 Transfer of Wendover Project, LLC Interest: Zandian Jazi has agreed to waive or transfer
19 any interest that he has, if any, in the Wendover Project, LLC. Mr. Netzorg has argued that it is
20 incumbent upon Mr. Zandian Jazi to obtain signatures on waivers of rights of first refusal from
21 all members of the LLC. This was not part of the settlement agreement and the District Court
22 should be aware that the Defendants contested that Zandian Jazi even owned rights in the
23 Wendover Project, LLC at the time of the arbitration.
24

25 It is the Report and Recommendation of the Arbitrator that Zandian Jazi sign a transfer
26 of all interest that he owns in the Wendover Project, LLC directly to: "Wendover Project, LLC."
27
28

FLOYD * MALE
SPEECH THER
2300 W. Sahara, S.E. SUITE 900
LAS VEGAS, NEVADA 89102
PHONE (702) 457-5267 email: fma@floydchale.com

1 Zandian Jazi must also sign a waiver of any right of first refusal that he has as to that LLC.

2 The remaining managing members of the Wendover Project LLC are responsible for
3 determining the appropriate allocation of the Zandian Jazi interest. If they believe that it is
4 necessary to obtain waivers of rights of first refusal to make that allegation of interest, then it is
5 their responsibility to do so. Before distributing Mr. Zandian Jazi's interest, the managing
6 members of the LLC should either distribute that interest in accordance with the operating
7 agreements or, alternatively, obtain whatever signatures that the managing members determine
8 are necessary to make a different distribution or allocation of that interest. It would seem unfair
9 to place this burden on the transferring party who is merely transferring his interest to the entire
10 Wendover Project, LLC.
11

12 Big Springs Ranch, LLC: As with the Wendover Project, LLC, Mr. Zandian Jazi will be
13 required to execute a transfer of interest and waiver of any interest of the Big Springs Ranch,
14 LLC, directly to: "Big Springs Ranch, LLC." He must also execute a waiver of right of first
15 refusal that he would have under that LLC. As stated with the Wendover Project, LLC, it is the
16 duty of the managing members of the Big Springs Ranch, LLC, to make an appropriate
17 distribution or allocation of this interest. The remaining managing members of the Big Springs
18 Ranch, LLC must either transfer the property as required by the operating agreement or obtain
19 whatever waivers of rights of first refusal that are necessary to make a transfer which they believe
20 are necessary.
21

22 CONCLUSION:

23 Mr. Netzorg has contested the requirement that the receiving LLC entities are required to
24 obtain waivers of rights of first refusal. Actually, waivers are not necessary if the receiving
25 interest is transferred pursuant to the operating agreement. If the managing members want to
26
27
28

1 obtain waivers of rights of first refusal to make a different distribution, they are certainly free to
2 do so. That should not be the burden of Mr. Zandian Jazi.

3 Mr. Netzorg has also asked for numerous documents regarding a purported transfer of Mr.
4 Zandian Jazi's shipyard stock. There was absolutely no evidence that any entity related to these
5 proceedings acknowledged receipt of that stock or issued any credit related to receipt of that
6 stock. Although that stock was discussed during the Arbitration proceedings, there was no
7 competent evidence regarding that stock being relevant to the Arbitration proceedings.
8
9

10 RESPECTFULLY SUBMITTED this 28th day of February, 2007.

11 By: 

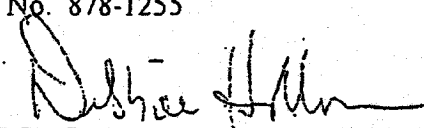
12 FLOYD A. HALE
13 2300 W. Sahara, #900
14 Las Vegas, NV 89102
15 Arbitrator

16 CERTIFICATE OF FACSIMILE AND MAIL

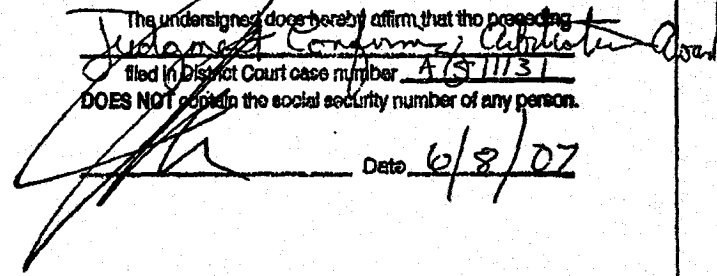
17 I hereby certify that on the 28th day of February, 2007, I faxed and mailed a true and
18 correct copy of the foregoing addressed to:

19 John Peter Lee, Esq.
20 830 Las Vegas Boulevard South
21 Las Vegas, NV 89101
22 Attorneys for Plaintiffs
23 Fax No. 383-9950

24 John Netzorg, Esq.
25 2810 West Charleston Blvd. #H-81
26 Las Vegas, NV 89102
27 Attorneys for Defendants
28 Fax No. 878-1255

By: 
Employee of Jams

AFFIRMATION
Pursuant to NRS 239B.030

The undersigned does hereby affirm that the preceding

filed in District Court case number A1511131
DOES NOT contain the social security number of any person.

Date 6/8/07

FLOYD A. HALE

SPECIAL INTER

2300 W. SAHARA, #900, SUITE 900
LAS VEGAS, NEVADA 89102

PHONE (702) 457-5267 Email: fahale@floydahale.com

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

RECEIPT OF COPY

RECEIPT OF COPY of the foregoing NOTICE OF ENTRY OF JUDGMENT
CONFIRMING ARBITRATION AWARD is hereby acknowledged this 8th day of June, 2007.

JAMS, The Resolution Experts

By: Floyd A. Hale, Esq.
Floyd A. Hale, Esq.
2300 West Sahara Avenue #900
Las Vegas, Nevada 89102

John M. Netzorg, Esq.
John M. Netzorg, Esq.
2810 West Charleston Boulevard #81
Las Vegas, Nevada 89102
Attorneys for Defendants

AFFIRMATION

Pursuant to NRS 239B.030

The undersigned does hereby affirm that the preceding

NOTICE OF JUDGMENT

filed in District Court case number 2511131

DOES NOT contain the social security number of any person.

[Signature] Date 6/8/07

ORIGINAL

FILED

AUG 13 9 50 AM '07

[Signature]
CLERK OF COURT

1 **ORD**
2 STEVEN L. DAY, ESQ.
3 Nevada Bar No. 3708
4 COHEN, JOHNSON & DAY
5 1060 Wigwam Parkway
6 Henderson, NV 89074
7 (702) 309-3333
8
9 Attorneys for Defendants

DISTRICT COURT

CLARK COUNTY, NEVADA

10 GHOLAMREZA ZANDIAN JAZI,)
11 Plaintiff,)
12 vs.)
13 RAY KOROGHLI, individually, FAIRBORZ)
14 FRED SADRI, individually and as Trustee of)
15 the Star Living Trust, WENDOVER PROJECT,)
16 LLC, a Nevada limited liability company; BIG)
17 SPRING RANCH, LLC, a Nevada limited)
18 liability company, and NEVADA LAND AND)
19 WATER RESOURCES, LLC, a Nevada)
20 limited liability company,)
21 Defendants.)

CASE NO. A511131
DEPT. NO. XI

CC

ORDER

21 This matter having come on for hearing on the 7th day of August, 2007, on
22 DEFENDANTS' MOTION FOR STAY OF PROCEEDINGS TO ENFORCE JUDGMENT
23 AND ALTERNATIVELY TO SET SUPERSEDEAS BOND; ORDER SHORTENING TIME,
24 Steven L. Day, Esq. of the law firm of Cohen, Johnson & Day, appearing on behalf of
25 Defendants, and Yvette R. Freedman, Esq., of the law firm of John Peter Lee, Ltd.,
26 appearing on behalf of Plaintiffs, and the court having heard oral argument and after

COHEN, JOHNSON & DAY
1060 Wigwam Parkway
Henderson, NV 89074
(702) 309-3333

CLERK OF THE COURT

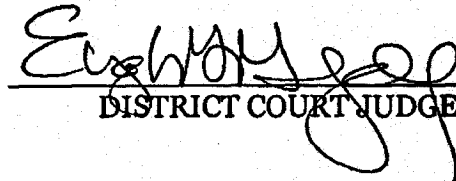
RECEIVED
AUG 13 2007

1 having examined the records and documents on file in the above-entitled matter and being
2 fully advised in the premises;

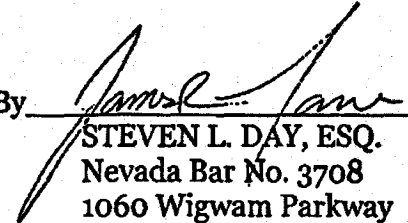
3 IT IS HEREBY ORDERED that DEFENDANTS' MOTION FOR STAY OF
4 PROCEEDINGS TO ENFORCE JUDGMENT AND ALTERNATIVELY TO SET
5 SUPERSEDEAS BOND, shall be, and the same is hereby GRANTED.
6

7 IT IS FURTHER HEREBY ORDERED that Defendants must post a bond in the
8 amount of Two Hundred Fifty Thousand Dollars (\$250,000.00)

9 DATED this 9 day of August, 2007.

10  ^{GC} _{BA}
11 DISTRICT COURT JUDGE

12 Submitted By:
13
14 COHEN, JOHNSON & DAY

15
16 By 
17 STEVEN L. DAY, ESQ.
18 Nevada Bar No. 3708
19 1060 Wigwam Parkway
20 Henderson, NV 89074
21 Attorneys for Defendants
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NOTC
STEVEN L. DAY, ESQ.
Nevada Bar No. 3708
COHEN, JOHNSON & DAY
1060 Wigwam Parkway
Henderson, NV 89074
(702) 309-3333

FILED

AUG 14 3 55 PM '07

Chaf...
CLERK OF THE COURT

Attorneys for Defendants

DISTRICT COURT
CLARK COUNTY, NEVADA

GHOLAMREZA ZANDIAN JAZI,)
)
Plaintiff,)
)
vs.)
)
RAY KOROGHLI, individually, FARIBORZ)
FRED SADRI, individually and as Trustee of)
the Star Living Trust, WENDOVER PROJECT,)
LLC, a Nevada limited liability company; BIG)
SPRING RANCH, LLC, a Nevada limited)
liability company, and NEVADA LAND AND)
WATER RESOURCES, LLC, a Nevada)
limited liability company,)
)
Defendants.)

CASE NO. A511131
DEPT. NO. XI

NOTICE OF ENTRY OF ORDER

TO: ALL PARTIES; and
TO: THEIR COUNSEL OF RECORD.

COHEN, JOHNSON & DAY
1060 Wigwam Parkway
Henderson, NV 89074
(702) 309-3333

RECEIVED
AUG 14 2007
CLERK OF THE COURT

1 PLEASE TAKE NOTICE that an Order was entered in the above-entitled action
2 on the 13th day of August, 2007, a copy of which is attached hereto.

3 DATED this 14th day of August, 2007.

4 COHEN, JOHNSON & DAY

5
6
7 By _____

Steven L. Day
8 STEVEN L. DAY, ESQ.
9 Nevada Bar No. 3708
10 1060 Wigwam Parkway
11 Henderson, NV 89074
12 Attorneys for Defendants

13 **CERTIFICATE OF MAILING**

14 I HEREBY CERTIFY that on the 14th day of August, 2007, I served a copy of the
15 foregoing NOTICE OF ENTRY OF ORDER, by causing a copy of the same to be
16 deposited in the United States mail, postage prepaid, addressed as follows:

17 John Peter Lee, Esq.
18 JOHN PETER LEE, LTD.
19 830 Las Vegas Blvd. South
20 Las Vegas, NV 89101
21 Attorneys for Plaintiff/Counterdefendant

22 *Georgia Keallon*
23 _____
24 An Employee of Cohen, Johnson & Day
25
26
27
28

1 **ORD**
2 STEVEN L. DAY, ESQ.
3 Nevada Bar No. 3708
4 COHEN, JOHNSON & DAY
5 1060 Wigwam Parkway
6 Henderson, NV 89074
7 (702) 309-3333

8 Attorneys for Defendants

FILED

AUG 13 9 50 AM '07

Chapman
CLERK OF DISTRICT COURT

DISTRICT COURT

CLARK COUNTY, NEVADA

9
10 GHOLAMREZA ZANDIAN JAZI,)

11 Plaintiff,)

12 vs.)

13 RAY KOROGHLI, individually, FAIRBORZ)
14 FRED SADRI, individually and as Trustee of)
15 the Star Living Trust, WENDOVER PROJECT,)
16 LLC, a Nevada limited liability company; BIG)
17 SPRING RANCH, LLC, a Nevada limited)
18 liability company, and NEVADA LAND AND)
19 WATER RESOURCES, LLC, a Nevada)
20 limited liability company,)

21 Defendants.)

CASE NO. A511131
DEPT. NO. XI

ORDER

22 This matter having come on for hearing on the 7th day of August, 2007, on
23 DEFENDANTS' MOTION FOR STAY OF PROCEEDINGS TO ENFORCE JUDGMENT
24 AND ALTERNATIVELY TO SET SUPERSEDEAS BOND; ORDER SHORTENING TIME,
25 Steven L. Day, Esq. of the law firm of Cohen, Johnson & Day, appearing on behalf of
26 Defendants, and Yvette R. Freedman, Esq., of the law firm of John Peter Lee, Ltd.,
27 appearing on behalf of Plaintiffs, and the court having heard oral argument and after
28

COHEN, JOHNSON & DAY
1060 Wigwam Parkway
Henderson, NV 89074
(702) 309-3333

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having examined the records and documents on file in the above-entitled matter and being fully advised in the premises;

IT IS HEREBY ORDERED that DEFENDANTS' MOTION FOR STAY OF PROCEEDINGS TO ENFORCE JUDGMENT AND ALTERNATIVELY TO SET SUPERSEDEAS BOND, shall be, and the same is hereby GRANTED.

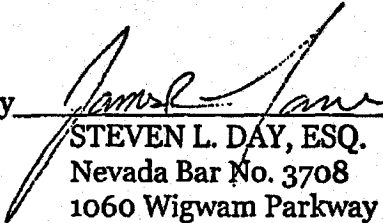
IT IS FURTHER HEREBY ORDERED that Defendants must post a bond in the amount of Two Hundred Fifty Thousand Dollars (\$250,000.00)

DATED this 9 day of Aug, 2007.

ELIZABETH GONZALEZ

DISTRICT COURT JUDGE

Submitted By:
COHEN, JOHNSON & DAY

By 
STEVEN L. DAY, ESQ.
Nevada Bar No. 3708
1060 Wigwam Parkway
Henderson, NV 89074
Attorneys for Defendants

CIVIL COURT MINUTES

05-A-511131-C Jazi, Gholamreza Z vs Koroghli, Ray

11/28/05 09:00 AM 00 PLTF'S MTN TO DISMISS COMPLAINT OR
COMPEL ARBITRATION /01

HEARD BY: Mark R. Denton, Judge; Dept. 13

OFFICERS: Sue Burdette, Court Clerk

PARTIES: NO PARTIES PRESENT

John Netzorg, Esq., present.

Mr. Netzorg advised the matter is resolved and there are no other matters to come before the Court today. COURT ORDERED, matter OFF CALENDAR.

CLERK'S NOTE: LATER, it was determined that a Stipulation for arbitration was filed.../sb

04/17/06 09:00 AM 00 DEFT'S MTN TO DISMISS COMPLAINT /02

HEARD BY: Mark R. Denton, Judge; Dept. 13

OFFICERS: Sue Burdette, Court Clerk

PARTIES: NO PARTIES PRESENT

COURT finds there are no appearances; finds that counsel has contacted Chambers and indicated the parties are stipulating to arbitration; and ORDERED, matter OFF CALENDAR.

CIVIL COURT MINUTES

05-A-511131-C Jazi, Gholamreza Z vs Koroghli, Ray

CONTINUED FROM PAGE: 001

12/22/06 ??:?? ?M 00 MINUTE ORDER RE: INCORRECT CASE REASSIGNMENT

HEARD BY: Elizabeth Gonzalez, Judge; Dept. 11

OFFICERS: Willa Pettice, Court Clerk

PARTIES: NO PARTIES PRESENT

The Court stated this is a Business Court case that was transferred from Dept. 13 in error. Judge Denton is to retain this case. COURT ORDERED, matter referred back to Dept. 13 as a Business Court case.

01/11/07 09:00 AM 00 ALL PENDING MOTIONS (1/11/07)

HEARD BY: Elizabeth Gonzalez, Judge; Dept. 11

OFFICERS: Melissa Swinn, Relief Clerk
Jill Hawkins, Reporter/Recorder

PARTIES: 0001 P1 Jazi, Gholamreza Z
008631 Reynolds, Michael A.
007699 Fic, Holly

N
Y
Y

0002 D1 Koroghli, Ray
001335 Netzorg, John M.

N
Y

PLAINTIFF/COUNTER DEFENDANT JAZI MOTION FOR CONFIRMATION AND ENTRY OF JUDGMENT ON ARBITRATION AWARD . . . DEFT'S MOTION TO VACATE ARBITRATION AWARD/MOTION TO MODIFY OR CORRECT

Arguments by counsel. COURT ORDERED, both motions DENIED. FURTHER, matter REFERRED back to Floyd Hale to resolve the following issues:

- 1 - Spouses need to sign on documents;
- 2 - Obtain waiver from anyone with the first right of refusal;
- 3 - Complete settlement agreement.

Further, it is this Court's recommendation that escrow be opened if real property is being transferred. Counsel advised all parties present that they can return to this Court to either resolve the issues or to assist in implementing the resolution.

CIVIL COURT MINUTES

05-A-511131-C Jazi, Gholamreza Z vs Koroghli, Ray

CONTINUED FROM PAGE: 002

04/24/07 ??:?? ?M 00 PLTF'S MTN FOR REFERRAL TO ARBITRATOR/07

HEARD BY: Elizabeth Gonzalez, Judge; Dept. 11

OFFICERS: Willa Pettice, Court Clerk

PARTIES: NO PARTIES PRESENT

COURT ORDERED, Pltf's Motion for Referral to Arbitrator is DENIED.

05/29/07 09:00 AM 00 ZANDIAN'S MTN FOR CONFIRMATION/ENTRY OF JGMNT ON ARBITRATION AWARD AND OST /08

HEARD BY: Elizabeth Gonzalez, Judge; Dept. 11

OFFICERS: Denise Trujillo, Court Clerk
Debbie Winn, Reporter/Recorder

PARTIES: NO PARTIES PRESENT

At request of both counsel, COURT ORDERED, matter CONTINUED.

CONTINUED TO: 06/05/07 09:00 AM 01

CIVIL COURT MINUTES

05-A-511131-C Jazi, Gholamreza Z vs Koroghli, Ray

CONTINUED FROM PAGE: 003

06/05/07 09:00 AM 01 ZANDIAN'S MTN FOR CONFIRMATION/ENTRY OF JGMNT ON ARBITRATION AWARD AND OST /08

HEARD BY: Elizabeth Gonzalez, Judge; Dept. 11

OFFICERS: Phyllis Irby/pi, Court Clerk
Jill Hawkins, Reporter/Recorder

REQ. BY: Jazi Gholamreza Z, Plaintiff

PARTIES:	0001 P1	Jazi, Gholamreza Z	N
	007373	Hatfield, Trevor J.	Y
	008631	Reynolds, Michael A.	Y
	0002 D1	Koroghli, Ray	N
	001335	Netzorg, John M.	Y
	0003 D	Sadri, Fariborz F	N
	001335	Netzorg, John M.	Y
	0005 D	Wendover Project LLC	N
	001335	Netzorg, John M.	Y
	0006 D	Big Spring Ranch LLC	N
	001335	Netzorg, John M.	Y
	0007 D	Nevada Land And Water Resources LLC	N
	001335	Netzorg, John M.	Y
	0008 CO	Wendover Project LLC	N
	001335	Netzorg, John M.	Y

Following arguments of counsel. COURT ORDERED, Zandian's Motion is GRANTED; matter set for status check.

7-24-07 9:00 AM STATUS CHECK: COMPLIANCE

CIVIL COURT MINUTES

05-A-511131-C Jazi, Gholamreza Z vs Koroghli, Ray

CONTINUED FROM PAGE: 004

06/21/07 09:00 AM 00 ALL PENDING MOTIONS (06-21-07)

HEARD BY: Elizabeth Gonzalez, Judge; Dept. 11

OFFICERS: Carol Donahoo, Relief Clerk
Jill Hawkins, Reporter/Recorder

PARTIES: 0001 P1 Jazi, Gholamreza Z
007373 Hatfield, Trevor J.

N
Y

0002 D1 Koroghli, Ray
001335 Netzorg, John M.

N
Y

DRFT.'S MOTION FOR STAY OF PROCEEDINGS TO ENFORCE THE JUDGMENT...DEFT.'S
MOTION FOR REHEARING

Argument on Deft.'s Motion for Stay of Proceedings. COURT ORDERED, Motion
GRANTED during the period of resolution of post-trial motions only. Court
will require a bond in the amount of \$10,000 for that limited period;
however, the Court will reconsider the amount of the bond after resolution
of the pending motions. COURT FURTHER ORDERED, Deft.'s Motion for Rehearing
rescheduled to July 17, 2007, at 9:00 a.m.

CIVIL COURT MINUTES

05-A-511131-C Jazi, Gholamreza Z vs Koroghli, Ray

CONTINUED FROM PAGE: 005

07/17/07 09:00 AM 00 ALL PENDING MOTIONS (07-17-07)

HEARD BY: Elizabeth Gonzalez, Judge; Dept. 11

OFFICERS: Carol Donahoo, Relief Clerk
Jill Hawkins, Reporter/Recorder

PARTIES: 0001 P1 Jazi, Gholamreza Z
008631 Reynolds, Michael A.

N
Y

0002 D1 Koroghli, Ray
003708 Day, Steven L.

N
Y

DEFT.'S MOTION FOR REHEARING PURSUANT TO E.D.C.R. 2.24...DEFT.'S MOTION TO AMEND OR ALTER JUDGMENT PURSUANT TO NRCP 59(e), OR IN THE ALTERNATIVE, MOTION FOR A NEW TRIAL PURSUANT TO NRCP 59(e)

Arguments by counsel on both Motions. COURT ORDERED, Motions DENIED. Colloquy regarding the July 24 Status Check. COURT FURTHER ORDERED status check VACATED and RESET.

08/23/07 9:00 AM STATUS CHECK: COMPLIANCE

CIVIL COURT MINUTES

05-A-511131-C Jazi, Gholamreza Z

vs Koroghli, Ray

CONTINUED FROM PAGE: 006

08/07/07 09:00 AM 00 DEFT'S MTN TO STAY OF PROCEEDINGS TO
ENFORCE/17

HEARD BY: Elizabeth Gonzalez, Judge; Dept. 11

OFFICERS: Kathy Klein, Court Clerk
Jill Hawkins, Reporter/Recorder

PARTIES: 0001 P1 Jazi, Gholamreza Z
009898 Freedman, Yvette R.

N
Y

0002 D1 Koroghli, Ray
003708 Day, Steven L.

N
Y

Mr. Day advised no reason to post bond, and if Court set a bond, then should consider the \$10,000.00 as previous. Colloquy regarding lis pendes, pending appeal, and security in the property. Ms. Freedman noted security is not sufficient, this is separate and apart, and could be tied up for years. COURT ORDERED, Deft's Motion to Stay of Proceedings to Enforce Judgement and to Set Supersedeas Bond, GRANTED, BOND SET at \$250,000.00.

08/21/07 ??:?? ?M 00 NETZORG'S MTN TO WITHDRAW AS COUNSEL /16

HEARD BY: Elizabeth Gonzalez, Judge; Dept. 11

OFFICERS: Kathy Klein, Court Clerk

PARTIES: NO PARTIES PRESENT

Motion is moot as Mr. Day has already substituted in as counsel.

CLERK'S NOTE: A copy of this minute order to be placed in the attorney folder(s) of Steven Day, Esq. (Cohen, Johnson, & Day) and Michael Reynolds Esq. (John Peter Lee).

**SUPREME COURT OF THE STATE OF NEVADA
OFFICE OF THE CLERK**

GHOLAMREZA ZANDIAN JAZI,
Appellant/Cross-Respondent,
vs.

Supreme Court No. 49924

District Court Case No. A511131

RAY KOROGHLI, INDIVIDUALLY; FARIBORZ FRED SADRI,
INDIVIDUALLY AND AS TRUSTEE OF THE STAR LIVING TRUST;
WENDOVER PROJECT, LLC, A NEVADA LIMITED LIABILITY
COMPANY; BIG SPRING RANCH, LLC, A NEVADA LIMITED
LIABILITY COMPANY; AND NEVADA LAND AND WATER
RESOURCES, LLC, A NEVADA LIMITED LIABILITY COMPANY,
Respondents/Cross-Appellants.

RECEIPT FOR DOCUMENTS

TO: John Peter Lee Ltd. and Yvette Y. Freedman and John Peter Lee
Cohen, Johnson & Day and Steven L. Day and James R. Nance
Charles J. Short, District Court Clerk

You are hereby notified that the Clerk of the Supreme Court has received and/or filed the following:

08/23/07	Filed Proof of Service Motion for Leave to File Reply.
08/23/07	Filed Certified Copy of Amended Notice of Cross-Appeal.

DATE: August 23, 2007

Janette M. Bloom, Clerk of Court

By: NH
Deputy Clerk

WFZ1673

JOHN PETER LEE, LTD.

ATTORNEYS AT LAW

830 LAS VEGAS BOULEVARD SOUTH

LAS VEGAS, NEVADA 89101

Telephone (702) 382-4044

Telecopier (702) 383-9950

1 JOHN PETER LEE, LTD.
 JOHN PETER LEE, ESQ.
 2 Nevada Bar No. 001768
 MICHAEL A. REYNOLDS, ESQ.
 3 Nevada Bar No. 009898
 YVETTE R. FREEDMAN, ESQ.
 4 Nevada Bar No. 009898
 830 Las Vegas Boulevard South
 5 Las Vegas, Nevada 89101
 Ph: (702) 382-4044/Fax: (702) 383-9950
 6 Attorneys for Respondent

IN THE SUPREME COURT OF THE STATE OF NEVADA

9 RAY KOROGHLI, individually, FARIBORZ FRED)
 SADRI, individually, and as Trustee of the Star
 10 Living Trust, WENDOVER PROJECT, LLC, a
 Nevada limited liability company; BIG SPRING
 11 RANCH, LLC, a Nevada limited liability company,
 and NEVADA LAND AND WATER
 12 RESOURCES, LLC, a Nevada limited liability
 company,

Supreme Court No.:49924

District Court No.: A 511131

Appellants,

vs.

GHOLAMREZA ZANDIAN JAZI,

Respondent.

FILED

AUG 23 2007

JANETTE M. BLOOM
 CLERK OF SUPREME COURT
 BY *[Signature]*
 DEPUTY CLERK

1334.023317-JLR

**CERTIFICATE OF MAILING OF MOTION FOR LEAVE
TO FILE A REPLY IN SUPPORT OF MOTION TO DISMISS**

20 I HEREBY CERTIFY that on the 21st day of August, 2007, I served a copy of the foregoing
 21 MOTION FOR LEAVE TO FILE A REPLY IN SUPPORT OF MOTION TO DISMISS upon the
 22 appropriate parties hereto, by enclosing it in a sealed envelope, deposited in the United States mail,
 23 upon which first class postage was fully prepaid addressed to:

24 Robert F. Saint-Aubin, Esq.
 3753 Howard Hughes, #200
 25 Las Vegas, Nevada 89169

RECEIVED
 AUG 23
 CLERK OF SUPREME COURT
 DEPUTY CLERK

[Signature]
 An employee of
 John Peter Lee, Esq.

WFZ1674

07-18680



In the Supreme Court of the State of Nevada

FILED

AUG 27 2007

ANETTE M. BLOOM
CLERK OF SUPREME COURT
BY A. Wasada
DEPUTY CLERK

No. 49924

INDICATE FULL CAPTION:

RAY KOROGHLI, individually, FARIBORZ FRED SADRI, individually, and as Trustee of the Star Living Trust, WENDOVER PROJECT, LLC, a Nevada limited liability company; BIG SPRING RANCH, LLC, a Nevada limited liability company, and NEVADA LAND AND WATER RESOURCES, LLC, a Nevada limited liability company,

Appellants/Cross-Respondents,

vs.

GHOLAMREZA ZANDIAN JAZI,

Respondent/Cross-Appellant.

1334.023317 dp

DOCKETING STATEMENT
CIVIL APPEALS

GENERAL INFORMATION

All appellants not in proper person must complete this docketing statement. NRAP 14(a). The purpose of the docketing statement is to assist the Supreme Court in screening jurisdiction, classifying cases for en banc, panel, or expedited treatment, compiling statistical information and identifying parties and their counsel.

WARNING

This statement must be completed fully, accurately and on time. NRAP 14(c). The Supreme Court may impose sanctions on counsel or appellant if it appears that the information provided is incomplete or inaccurate. *Id.* Failure to attach documents as requested in this statement, completely fill out the statement, or to fail to file it in a timely manner, will constitute grounds for the imposition of sanctions, including a fine and/or dismissal of the appeal.

This court has noted that when attorneys do not take seriously their obligations under NRAP 14 to complete the docketing statement properly and conscientiously, they waste the valuable judicial resources of this court, making the imposition of sanctions appropriate. See *Moran v. Bonneville Square Assocs.*, 117 Nev. 525, 25 P.3d 898 (2001); *KDI, Sylvan Pools v. Workman*, 107 Nev. 340, 810 P.2d 1217 (1991). Please use tab dividers to separate any attached documents.

ANETTE M. BLOOM
CLERK OF SUPREME COURT
DEPUTY CLERK

1. Judicial District Eighth Department XI County Clark
Judge Honorable Elizabeth Gonzales District Ct. Docket No. A511131

2. Attorney filing this docket statement:

Attorney John Peter Lee, Esq. Telephone (702) 382-4044
Firm John Peter Lee, Ltd.
Address 830 Las Vegas Boulevard South
Las Vegas, NV 89101
Client(s) Gholamreza Zandian Jazi

If this is a joint statement completed on behalf of multiple appellants, add the names and addresses of other counsel and the names of their clients on an additional sheet accompanied by a certification that they concur in the filing of this statement.

3. Attorney(s) representing respondent(s):

Attorney Steven L. Day / James R. Nance Telephone (702) 309-3333
Firm Cohen, Johnson & Day
Address 1060 Wigwam Parkway
Henderson, NV 89074
Client(s) Ray Koroghli; Fariborz Fred Sadri; Wendover Project, LLC; Big Spring Ranch, LLC; and Nevada Land and Water Resources, LLC
Attorney _____ Telephone _____
Firm _____
Address _____
Client(s) _____

(List additional counsel on separate sheet if necessary)

4. Nature of disposition below (check all that apply):

- | | |
|--|--|
| <input type="checkbox"/> Judgment after bench trial | <input type="checkbox"/> Grant/Denial of NRCPC 60(b) relief |
| <input type="checkbox"/> Judgment after jury verdict | <input type="checkbox"/> Grant/Denial of injunction |
| <input type="checkbox"/> Summary judgment | <input type="checkbox"/> Grant/Denial of declaratory relief |
| <input type="checkbox"/> Default judgment | <input type="checkbox"/> Review of agency determination |
| <input type="checkbox"/> Dismissal | <input type="checkbox"/> Divorce decree: |
| <input type="checkbox"/> Lack of jurisdiction | <input type="checkbox"/> Original <input type="checkbox"/> Modification |
| <input type="checkbox"/> Failure to state a claim | <input checked="" type="checkbox"/> Other disposition (specify) <u>Judgment Confirming</u> |
| <input type="checkbox"/> Failure to prosecute | <u>Arbitration Award; Order Staying</u> |
| <input type="checkbox"/> Other (specify) _____ | <u>Proceeding to Enforce Judgment</u> |

5. Does this appeal raise issues concerning any of the following: No.

- | | |
|--|--|
| <input type="checkbox"/> Child custody | <input type="checkbox"/> Termination of parental rights |
| <input type="checkbox"/> Venue | <input type="checkbox"/> Grant/denial of injunction or TRO |
| <input type="checkbox"/> Adoption | <input type="checkbox"/> Juvenile matters |

6. Pending and prior proceedings in this court. List the case name and docket number of all appeals or original proceedings presently or previously pending before this court which are related to this appeal: None.

7. **Pending and prior proceedings in other courts.** List the case name, number and court of all pending and prior proceedings in other courts which are related to this appeal (e.g., bankruptcy, consolidated or bifurcated proceedings) and their dates of disposition:

None.

8. **Nature of the action.** Briefly describe the nature of the action, including a list of the causes of action pleaded, and the result below: This case arises out of a dispute over real estate and LLC interests. Plaintiff pleaded the following causes of action: (1) breach of contract; (2) breach of implied covenant of good faith and fair dealing; (3) breach of fiduciary duties; (4) slander/defamation; (5) civil conspiracy; (6) declaratory judgment; (7) injunctive relief; (8) punitive damages; and (9) appointment of receiver.

9. **Issues on appeal.** State concisely the principal issue(s) in this appeal:

See attached.

10. **Pending proceedings in this court raising the same or similar issues.** If you are aware of any proceeding presently pending before this court which raises the same or similar issues raised in this appeal, list the case name and docket number and identify the same or similar issues raised:

None.

11. **Constitutional issues.** If this appeal challenges the constitutionality of a statute, and the state, any state agency, or any officer or employee thereof is not a party to this appeal, have you notified the clerk of this court and the attorney general in accordance with NRAP 44 and NRS 30.130?

N/A......Yes.....No.....

If not, explain.....

12. **Other issues.** Does this appeal involve any of the following issues? No.

- Reversal of well-settled Nevada precedent (on an attachment, identify the case(s))
- An issue arising under the United States and/or Nevada Constitutions
- A substantial issue of first-impression
- An issue of public policy
- An issue where en banc consideration is necessary to maintain uniformity of this court's decisions
- A ballot question

If so, explain.....

13. **Trial.** If this action proceeded to trial, how many days did the trial last? N/A

Was it a bench or jury trial?

14. **Judicial disqualification.** Do you intend to file a motion to disqualify or have a justice recuse him/herself from participation in this appeal. If so, which Justice? No.

WFZ1677

9. Issues on appeal. State concisely the principal issue(s) in this appeal:

(1) Whether each of the Plaintiffs' causes of action will be reinstated if this Court holds that the district court erred in granting judgment confirming the arbitration award.

(2) Whether each of the Plaintiffs' causes of action will be reinstated if this Court holds that the district court erred in not amending the judgment and not ordering a new trial/arbitration hearing.

TIMELINESS OF NOTICE OF APPEAL

15. **Date of entry of written judgment or order appealed from.** June 8, 2007 & August 13, 2007. **Attach a copy. If more than one judgment or order is appealed from, attach copies of each judgment or order from which an appeal is taken.**

(a) If no written judgment or order was filed in the district court, explain the basis for seeking appellate review:

.....
.....

16. **Date written notice of entry of judgment or order served.** June 8, 2007 & August 14, 2007. **Attach a copy, including proof of service, for each order or judgment appealed from.**

(a) Was service by delivery ^{Delivery} 6-8-07 or by mail ^{Mail} 8-14-07 (specify).

17. **If the time for filing the notice of appeal was tolled by a post-judgment motion (NRCP 50(b), 52(b), or 59),**

(a) Specify the type of motion, and the date and method of service of the motion, and date of filing.

NRCP 50(b)..... Date served..... By delivery..... or by mail..... Date of filing.....
NRCP 52(b)..... Date served..... By delivery..... or by mail..... Date of filing.....
NRCP 59(e)..... Date served 6/15/07 By delivery X or by mail..... Date of filing 6/15/07

Attach copies of all post-trial tolling motions.

NOTE: Motions made pursuant to NRCP 60 or motions for rehearing or reconsideration do not toll the time for filing a notice of appeal.

(b) Date of entry of written order resolving tolling motion 7/20/07. **Attach a copy.**

(c) Date written notice of entry of order resolving motion served 7/20/07. **Attach a copy, including proof of service.**

(i) Was service by delivery..... or by mail X (specify).

18. **Date notice of appeal was filed.** ^{CROSS-} 8-9-07; Amended 8-20-07

(a) If more than one party has appealed from the judgment or order, list date each notice of appeal was filed and identify by name the party filing the notice of appeal:

Appellants: 7-26-07
Cross-Appellants: 8-9-07 & 8-20-07

19. **Specify statute or rule governing the time limit for filing the notice of appeal, e.g., NRAP 4(a), NRS 155.190, or other.** NRAP 4(a)(4) and (5)

SUBSTANTIVE APPEALABILITY

20. **Specify the statute or other authority granting this court jurisdiction to review the judgment or order appealed from:**

NRAP 3A(b)(1).....NRS 155.190.....(specify subsection).....
NRAP 3A(b)(2).....NRS 38.205.....(specify subsection).....
NRAP 3A(b)(3).....NRS 703.376.....
Other (specify).....NRS 38.247(1)(f).....

Explain how each authority provides a basis for appeal from the judgment or order:

Plaintiff appeals from a final judgment confirming an arbitration award in the
event the district court erred in granting judgment or erred in denying
Defendant's Motion to Alter or Amend.

21. **List all parties involved in the action in the district court:**

Plaintiff: Gholamreza Zandian Jazi
Defendants: Ray Koroghli; Fariborz Fred Sadri; Wendover Project, LLC; Big
Spring Ranch, LLC and Nevada Land and Water Resources, LLC
Counterclaimants: Ray Koroghli; Fariborz Fred Sadri; Wendover Project, LLC
Counterdefendant: Gholamreza Zandian Jazi

(a) If all parties in the district court are not parties to this appeal, explain in detail why those parties are not involved in this appeal, e.g., formally dismissed, not served, or other: N/A

22. **Give a brief description (3 to 5 words) of each party's separate claims, counterclaims, cross-claims or third-party claims, and the trial court's disposition of each claim, and how each claim was resolved (i.e., order, judgment, stipulation), and the date of disposition of each claim. Attach a copy of each disposition.**
1) breach of contract; 2) breach of implied covenant of good faith and fair dealing; 3) breach of fiduciary duties; 4) slander/defamation; 5) civil conspiracy; 6) declaratory judgment; 7) injunctive relief; 8) punitive damages; and 9) appointment of receiver.
Each claim was resolved by judgment confirming the arbitration award on June 8, 2007.

23. Attach copies of the last-filed version of all complaints, counterclaims, and/or cross-claims filed in the district court.

24. Did the judgment or order appealed from adjudicate ALL the claims alleged below and the rights and liabilities of ALL the parties to the action below:

Yes......No.....

25. If you answered "No" to the immediately previous question, complete the following: N/A

(a) Specify the claims remaining pending below:

(b) Specify the parties remaining below:

(c) Did the district court certify the judgment or order appealed from as a final judgment pursuant to NRCP 54(b):

Yes.....No..... If "Yes," attach a copy of the certification or order, including any notice of entry and proof of service.

(d) Did the district court make an express determination, pursuant to NRCP 54(b), that there is no just reason for delay and an express direction for the entry of judgment:

Yes.....No.....

26. If you answered "No" to any part of question 25, explain the basis for seeking appellate review (e.g., order is independently appealable under NRAP 3A(b)): N/A

VERIFICATION

I declare under penalty of perjury that I have read this docketing statement, that the information provided in this docketing statement is true and complete to the best of my knowledge, information and belief, and that I have attached all required documents to this docketing statement.

Gholamreza Zandian Jazi
Name of ~~opponent~~ cross-appellant

August 24, 2007

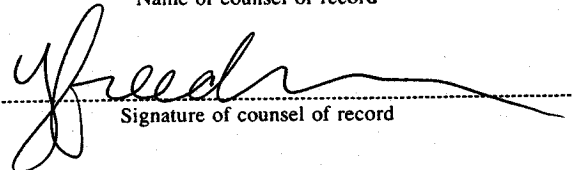
Date

Nevada, County of Clark

State and county where signed

Yvette R. Freedman, Esq.

Name of counsel of record



Signature of counsel of record

CERTIFICATE OF SERVICE

I certify that on the 24th day of August, 2007, I served a copy of this completed docketing statement upon all counsel of record:

By personally serving it upon him/her; or

By mailing it by first class mail with sufficient postage prepaid to the following address(es):

Steven L. Day, Esq.
James R. Nance, Esq.
COHEN, JOHNSON & DAY
1060 Wigwam Parkway
Henderson, NV 89074
Attorneys for Appellants/Cross-Respondents

Robert F. Saint-Aubin
53 Chassis
Monarch Beach, CA 92629
Settlement Judge

Dated this 24th day of August, 2007.


Signature

INDEX TO ATTACHED DOCUMENTS

	<u>Q: #</u>	<u>Document</u>	<u>Date Filed</u>
1.	15	Notice of Entry of Judgment Confirming Arbitration Award	06/08/07
2.	15	Notice of Entry of Order	08/14/07
3.	17	Motion to Amend or Alter Judgment Pursuant to NRCP 59(e), or in the Alternative, Motion for a New Trial Pursuant to NRCP 59(a)	06/15/07
4.	17(b)&(c)	Notice of Entry of Order	07/23/07
5.	23	Defendants' Ray Koroghli and Fariborz Sadri's Answer and Counterclaim	12/08/05
6.	23	Reply to Counterclaim of Wnedover Project, LLC and Counterclaim Against Wendover Project, LLC	05/09/06
7.	23	Amended Complaint as to Elias Abrishami and Global Funding Group, LLC	06/15/07
8.	23	Answer to Second Amended Complaint and Counterclaim for Dissolution	06/20/07

EXHIBIT 1

ATT /S AT LAW
830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

1 NOEI
2 JOHN PETER LEE, LTD.
3 JOHN PETER LEE, ESQ.
4 Nevada Bar No. 001768
5 MICHAEL A. REYNOLDS, ESQ.
6 Nevada Bar No. 008631
7 830 Las Vegas Boulevard South
8 Las Vegas, Nevada 89101
9 (702) 382-4044 Fax: (702) 383-9950
10 Attorneys for Plaintiff/Counterdefendant

FILED

JUN 8 4 27 PM '07

Clark
CLERK OF THE COURT

DISTRICT COURT
CLARK COUNTY, NEVADA

9 GHOLAMREZA ZANDIAN JAZI,

10 Plaintiff,

11 v.

12 RAY KOROGHLI, individually, FARIBORZ FRED
13 SADRI, individually, and as Trustee of the Star
14 Living Trust, WENDOVER PROJECT, LLC, a
15 Nevada limited liability company; BIG SPRING
16 RANCH, LLC, a Nevada limited liability company,
17 and NEVADA LAND AND WATER
18 RESOURCES, LLC, a Nevada limited liability
19 company,

20 Defendants.

21 RAY KOROGHLI, individually and FARIBORZ
22 FRED SADRI, individually,

23 Counterclaimants,

24 v.

25 GHOLAMREZ ZANDIAN JAZI,

26 Counterdefendant.

27 WENDOVER PROJECT, LLC,

28 Counterclaimant,

29 v.

30 GHOLAMREZ ZANDIAN JAZI,

31 Counterdefendant.

CASE NO.: A511131
DEPT. NO.: XI

NOTICE OF ENTRY OF
JUDGMENT CONFIRMING
ARBITRATION AWARD

DATE: 6-5-07
TIME: 9:00 a.m.

Wendover Project
6/8/07
WFZ1685

1 GHOLAMREZ ZANDIAN JAZI,

2 Counterclaimant,

3 v.

4 WENDOVER PROJECT, LLC,

5 Counterdefendant,

6 1334 022860-ILR

7 PLEASE TAKE NOTICE that an JUDGMENT CONFIRMING ARBITRATION was filed
8 in the above matter on the 8th day of June, 2007. A copy of said JUDGMENT is attached hereto.

9 DATED this 8th day of June, 2007.

10 JOHN PETER LEE, LTD.

11 BY: 

12 JOHN PETER LEE, ESQ.

13 Nevada Bar No. 001768

14 MICHAEL A. REYNOLDS, ESQ.

15 Nevada Bar No. 008631

16 830 Las Vegas Boulevard South

17 Las Vegas, Nevada 89101

18 Ph: (702) 382-4044/Fax: (702) 383-9950

19 Attorneys for Plaintiff/Counterdefendant

20 Gholamreza Zandian Jazi

ALL S AT LAW
830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

RECEIPT OF COPY

RECEIPT OF COPY of the foregoing NOTICE OF ENTRY OF JUDGMENT
CONFIRMING ARBITRATION AWARD is hereby acknowledged this 8 day of June, 2007.

JAMS, The Resolution Experts

By:

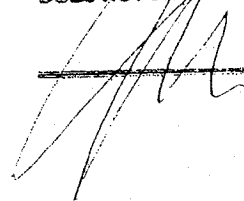
Floyd A. Hale, Esq.
2300 West Sahara Avenue #900
Las Vegas, Nevada 89102

John M. Netzorg, Esq.
2810 West Charleston Boulevard #81
Las Vegas, Nevada 89102
Attorneys for Defendants

830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

AFFIRMATION
Pursuant to NRS 239B.030

The undersigned does hereby affirm that the preceding
NOE / JUDGMENT
filed in District Court case number 2511131
DOES NOT contain the social security number of any person.


Date 6/8/07

1 JUDGE
JOHN PETER LEE, LTD.
2 JOHN PETER LEE, ESQ.
Nevada Bar No. 001768
3 MICHAEL A. REYNOLDS, ESQ.
Nevada Bar No. 008631
4 830 Las Vegas Boulevard South
Las Vegas, Nevada 89101
5 (702) 382-4044 Fax: (702) 383-9950
Attorneys for Plaintiff/Counterdefendant
6

FILED
JUN 9 10 50 AM '07
CR. CLERK
CLERK OF THE COURT

7 DISTRICT COURT

8 CLARK COUNTY, NEVADA

9 GHOLAMREZA ZANDIAN JAZI,
10 Plaintiff,

CASE NO.: A511131
DEPT. NO.: XI

11 v.

12 RAY KOROGHLI, individually, FARIBORZ FRED
SADRI, individually, and as Trustee of the Star
13 Living Trust, WENDOVER PROJECT, LLC, a
Nevada limited liability company; BIG SPRING
14 RANCH, LLC, a Nevada limited liability company,
and NEVADA LAND AND WATER
15 RESOURCES, LLC, a Nevada limited liability
company,
16 Defendants.

**JUDGMENT CONFIRMING
ARBITRATION AWARD**

18 RAY KOROGHLI, individually and FARIBORZ
FRED SADRI, individually,
19 Counterclaimants,

DATE: 6-5-07
TIME: 9:00 a.m.

20 v.

21 GHOLAMREZA ZANDIAN JAZI,
22 Counterdefendant.

24 WENDOVER PROJECT, LLC,
25 Counterclaimant,

26 v.

27 GHOLAMREZA ZANDIAN JAZI,
28 Counterdefendant.

LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

1 GHOLAMREZ ZANDIAN JAZI,
2 Counterclaimant,
3 v.
4 WENDOVER PROJECT, LLC,
5 Counterdefendant,

6 1334 022860-JLR

7 PLEASE TAKE NOTICE that an JUDGMENT CONFIRMING ARBITRATION was filed
8 in the above matter on the 8th day of June, 2007. A copy of said JUDGMENT is attached hereto.

9 DATED this 8th day of June, 2007.

10 JOHN PETER LEE, LTD.

11
12 BY: 

13 JOHN PETER LEE, ESQ.
14 Nevada Bar No. 001768
15 MICHAEL A. REYNOLDS, ESQ.
16 Nevada Bar No. 008631
17 830 Las Vegas Boulevard South
18 Las Vegas, Nevada 89101
19 Ph: (702) 382-4044/Fax: (702) 383-9950
20 Attorneys for Plaintiff/Counterdefendant
21 Gholamreza Zandian Jazi
22
23
24
25
26
27
28

830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

RECEIPT OF COPY

RECEIPT OF COPY of the foregoing NOTICE OF ENTRY OF JUDGMENT
CONFIRMING ARBITRATION AWARD is hereby acknowledged this ____ day of June, 2007.

JAMS, The Resolution Experts

By

Floyd A. Hale, Esq.
2300 West Sahara Avenue #900
Las Vegas, Nevada 89102

John M. Netzorg, Esq.
2810 West Charleston Boulevard #81
Las Vegas, Nevada 89102
Attorneys for Defendants

830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

AFFIRMATION

Pursuant to NRS 239B.030

The undersigned does hereby affirm that the preceding

NOE / JUDGMENT

filed in District Court case number 251131

DOES NOT contain the social security number of any person.

Date 6/8/07

ATTORNEY AT LAW
830 LAS VEGAS, LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

1 JUDGE
JOHN PETER LEE, LTD.
2 JOHN PETER LEE, ESQ.
Nevada Bar No. 001768
3 MICHAEL A. REYNOLDS, ESQ.
Nevada Bar No. 008631
4 830 Las Vegas Boulevard South
Las Vegas, Nevada 89101
5 (702) 382-4044 Fax: (702) 383-9950
Attorneys for Plaintiff/Counterdefendant
6

7 DISTRICT COURT
8 CLARK COUNTY, NEVADA

9 GHOLAMREZA ZANDIAN JAZI,)
10 Plaintiff,)
11 v.)
12 RAY KOROGHLI, individually, FARIBORZ FRED)
SADRI, individually, and as Trustee of the Star)
13 Living Trust, WENDOVER PROJECT, LLC, a)
Nevada limited liability company; BIG SPRING)
14 RANCH, LLC, a Nevada limited liability company,)
and NEVADA LAND AND WATER)
15 RESOURCES, LLC, a Nevada limited liability)
company,)
16 Defendants.

CASE NO.: A511131
DEPT. NO.: XI

JUDGMENT CONFIRMING
ARBITRATION AWARD

18 RAY KOROGHLI, individually and FARIBORZ)
FRED SADRI, individually,)
19 Counterclaimants,)
20

DATE: 6-5-07
TIME: 9:00 a.m.

21 v.)
22 GHOLAMREZA ZANDIAN JAZI,)
Counterdefendant.)
23

24 WENDOVER PROJECT, LLC,)
25 Counterclaimant,)

26 v.)
27 GHOLAMREZA ZANDIAN JAZI,)
28 Counterdefendant.)

1 GHOLAMREZA ZANDIAN JAZI,

2 Counterclaimant,

3 v.

4 WENDOVER PROJECT, LLC,

5 Counterdefendant.

6 1334.022869-JLR

7 ZANDIAN'S MOTION FOR CONFIRMATION AND ENTRY OF JUDGMENT ON
8 ARBITRATION AWARD and the Defendants' COUNTERMOTION TO VACATE
9 ARBITRATION AWARD having come before this Court on Tuesday, June 5, 2007, the Honorable
10 Elizabeth Gonzalez presiding, and the Court being fully apprised in the premises and good cause
11 appearing, it is hereby

12 ORDERED that Plaintiff's MOTION FOR CONFIRMATION AND ENTRY OF
13 JUDGMENT ON ARBITRATION AWARD is granted, and Defendants' COUNTERMOTION TO
14 VACATE ARBITRATION AWARD is denied.

15 IT IS FURTHER ORDERED that this Court confirms the Arbitration Awards made and
16 entered by Floyd A. Hale, Esq., and enters judgment on the Arbitration Awards as follows:

17 IT IS ORDERED, ADJUDGED AND DECREED that all of the relief granted by the
18 aforesaid Arbitrator in his Arbitration Decision dated the 20th day of September, 2006, a copy of
19 which is attached hereto as Exhibit "1" is granted by this Court.

20 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that the Arbitrator's Decision
21 Denying Defendants' Motion to Change Award dated the 11th day of October, 2006, a copy of which
22 is attached hereto as Exhibit "2" is granted by this Court.

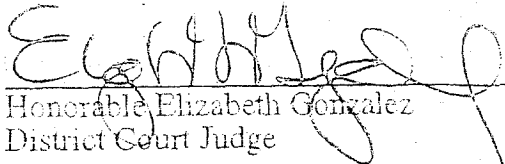
23 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that all relief granted in the
24 Implementation Award dated the 29th day of November, 2006, a copy of which is attached hereto
25 as Exhibit "3" is granted by this Court.

26 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that the Arbitrator's Report
27 and Recommendation to District Court dated the 28th day of February, 2007, a copy of which is
28 attached hereto as Exhibit "4" is granted by this Court.

AT LAW
830 LAS VEGAS, JLEVARO SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 381-9950

1 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that this Court retains
2 jurisdiction to implement this Judgment.

3 Dated this 7 day of June, 2007

4 
5 Honorable Elizabeth Gonzalez
6 District Court Judge

7 SUBMITTED BY:

8 JOHN PETER LEE, LTD.

9
10 BY: 

11 JOHN PETER LEE, ESQ.
12 Nevada Bar No. 001768
13 MICHAEL A. REYNOLDS, ESQ.
14 Nevada Bar No. 008631
15 830 Las Vegas Boulevard South
16 Las Vegas, Nevada 89101
17 Ph: (702) 382-4044/Fax: (702) 383-9950
18 Attorneys for Plaintiff/Counterdefendant
19
20
21
22
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24
25
26
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28

ALL
830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

RECEIVED
SEP 22 2006
JOHN PETER LEE, LTD.

1 ARE
2 FLOYD A. HALE, ESQ.
3 Nevada Bar No. 1873
4 JAMS
5 2300 W Sahara, #900
6 Las Vegas, NV 89102
7 Ph: (702) 457-5267
8 Fax: (702) 437-5267
9 Arbitrator

DISTRICT COURT

CLARK COUNTY, NEVADA

10 GHOLAMREZA ZANDLIAN JAZI,)
11)
12 Plaintiff,)
13 vs.)
14 RAY KOROGHLI, individually,)
15 FABIRORZ FRED SADRI, individually,)
16 and as Trustee of the Star Living Trust,)
17 WENDOVER PROJECT, LLC, a Nevada)
18 limited liability company; BIG SPRING)
19 RANCH, LLC, a Nevada limited liability)
20 company, and NEVADA LAND AND)
21 WATER RESOURCES, LLC, a Nevada)
22 limited liability company,)
23 Defendants.)

Case No. A511131
Dept No XII

ARBITRATION DECISION

24 Arbitration Hearings in this matter were conducted for two full days. The parties
25 submitted voluminous exhibits, depositions and briefs to the Arbitrator. Having reviewed the
26 documentation submitted and having heard the testimony and representations of the parties, the
27 following Arbitration Decision is entered:

- 28 1. The entire interest in the Pah Rah, LLC, property will be transferred to Gholamreza

DA 89102
LAS VEGAS
PHONE (702) 457-5...
WWW.HALE@FLOYDAHALE.COM

1 Zandian Jazi, free and clear of all encumbrances, including the promissory note secured by Deed
2 of Trust issued for the benefit of Fariborz Fred Sadri; any obligation owed to Jeff Codega, related
3 to work that was performed as to the Pah Rah real estate will be the obligation of Gholamreza
4 Zandian Jazi;

5
6 2. The 320 acres referenced in the briefs and this lawsuit will be transferred free and clear
7 to Gholamreza Zandian Jazi without any obligation to the other litigants or parties to this
8 Arbitration or to any other party who may profess to have an interest in the 320 acres that are
9 bound by this lawsuit and Arbitration,

10
11 3. Fariborz Fred Sadri and Ray Koroghli will, within 30 days from the service of this
12 Arbitration Decision, pay Gholamreza Zandian Jazi \$250,000.00 in return for Gholamreza
13 Zandian Jazi waiving any claims or any rights as to the Big Springs Ranch, LLC or any of its
14 assets;

15
16 4. That Gholamreza Zandian Jazi will transfer any interest in the Wendover project, LLC,
17 including all assets and real estate to Fariborz Fred Sadri and Ray Koroghli;

18
19 5. All of the entities and properties that are the subject of this Arbitration and lawsuit,
20 including Pah Rah, LLC, the owners of the 300 acres referenced above, the Big Springs Ranch,
21 LLC, and the Wendover purchase or Wendover Project, LLC, referenced in this lawsuit and
22 Arbitration waive any claims to reimbursement or participation in any consulting fees previously
23 paid to Gholamreza Zandian Jazi from the seller of the real estate to those entities;

24
25 6. That the parties, through counsel, will prepare all necessary documents to effect the
26 transfers of the real estate assets and LLC entities and the parties to this lawsuit and Arbitration
27 will execute all necessary documents to effect this Arbitration Order, including a mutual Release
28 to be executed by all parties.

7. That each party pay their own fees and costs incurred herein.

DATED this 20th day of September, 2006.

By: 

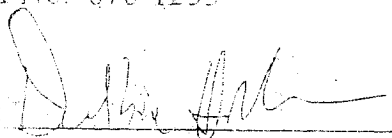
FLOYD HALE, Arbitrator
2300 West Sahara Avenue, #900
Las Vegas, NV 89102

CERTIFICATE OF FACSIMILE AND MAIL

I hereby certify that on the 21 day of September, 2006, I faxed and mailed a true and correct copy of the foregoing addressed to:

John Peter Lee, Esq.
830 Las Vegas Boulevard South
Las Vegas, NV 89101
Attorneys for Plaintiffs
Fax No. 383-9950

John Netzorg, Esq.
2810 West Charleston Blvd. #H-81
Las Vegas, NV 89102
Attorneys for Defendants
Fax No. 878-1255

By: 
Employee of Jams

FLOYD HALE
FAX: 702-433-1515
EMAIL: fhaile@floydhaile.com

1 ARB
2 FLOYD A. HALE, ESQ.
3 Nevada Bar No. 1873
4 JAMS
5 2300 W Sahara, #900
6 Las Vegas, NV 89102
7 Ph: (702) 457-5267
8 Fax: (702) 437-5267
9 Arbitrator

10 DISTRICT COURT

11 CLARK COUNTY, NEVADA

12 GHOLAMREZA ZANDIAN JAZI,)

Case No. A511131

13 Plaintiff,)

Dept No. XII

14 vs.)

15 RAY KOROGHILI, individually,)
16 FABIRORZ FRED SADRI, individually,)
17 and as Trustee of the Star Living Trust,)
18 WENDOVER PROJECT, LLC, a Nevada)
19 limited liability company; BIG SPRING)
20 RANCH, LLC, a Nevada limited liability)
21 company, and NEVADA LAND AND)
22 WATER RESOURCES, LLC, a Nevada)
23 limited liability company,)

24 Defendants.)

25 ARBITRATION DECISION

26 On October 11, 2006, the Arbitrator received the Defendant's **MOTION TO CHANGE**
27 **AWARD BY ARBITRATOR PURSUANT TO NRS 38.237**. The Motion requests that
28 Zandian Jazi: Execute documents necessary to have the property transferred as required by the
Arbitration Decision; issue guarantees that he has not made transfers to third parties; assign shares
of shipyard stock; warrant and verify that he is in a position to execute documents required by the

Case No. 06-6650
FILED
JAN 09 2006
CLERK OF DISTRICT COURT
CLARK COUNTY, NEVADA
PHONE (702) 457-5265


1 Arbitration Decision and verify other factual issues that were the subject of the Arbitration
2 Agreement.

3
4 The Motion goes well beyond the Arbitration Decision asking to reopen evidentiary
5 matters which are unnecessary at this time. Furthermore, paragraph 6 of the Arbitration Decision
6 indicates as follows.

7 6. That the parties, through counsel, will prepare all necessary
8 documents to effect the transfers of the real estate assets and LLC
9 entities and the parties to this lawsuit and Arbitration will execute all
10 necessary documents to effect this Arbitration Order, including a
mutual Release to be executed by all parties.

11 The Defendant's MOTION TO CHANGE AWARD BY ARBITRATOR PURSUANT
12 TO NRS 38.237 is denied.

13 DATED this 11th day of October, 2006.

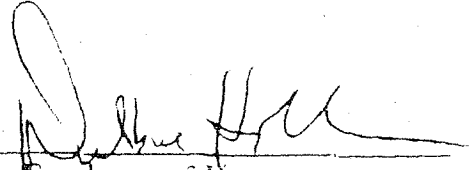
14
15
16 By: 
17 FLOYD A. HALE
18 2300 W. Sahara, #900
19 Las Vegas, NV 89102
20 Arbitrator

21 CERTIFICATE OF FACSIMILE

22 I hereby certify that on the 11th day of October, 2006, I faxed and mailed a true and
23 correct copy of the foregoing addressed to:

24 John Peter Lec, Esq.
25 830 Las Vegas Boulevard South
26 Las Vegas, NV 89101
27 Attorneys for Plaintiffs
28 Fax No. 383-9950

John Netzorg, Esq.
2810 West Charleston Blvd. #H-81
Las Vegas, NV 89102
Attorneys for Defendants
Fax No. 878-1255

26
27 By: 
28 Employee of Jams

PHONE (702) 457-6287 FAX (702) 457-6287

1 AWD
JOHN PETER LEE, LTD.
2 JOHN PETER LEE, ESQ.
Nevada Bar No. 001768
3 MICHAEL A. REYNOLDS, ESQ.
Nevada Bar No. 008631
4 830 Las Vegas Boulevard South
Las Vegas, Nevada 89101
5 (702) 382-4044 Fax: (702) 383-9950
Attorneys for Plaintiff/Counterdefendant
6 GHOLAMREZA ZANDIAN JAZI

RECEIVED
NOV 30 2006
JOHN PETER LEE, LTD.

7 DISTRICT COURT
8 CLARK COUNTY, NEVADA

9 GHOLAMREZA ZANDIAN JAZI,

CASE NO. AS11131
DEPT. NO. XIII

10 Plaintiff,

11 v.
12 RAY KOROGLI, individually, FARIBORZ FRED
SADRI, individually, and as Trustee of the Star
13 Living Trust, WENDOVER PROJECT, LLC, a
Nevada limited liability company, BIG SPRING
14 RANCH, LLC, a Nevada limited liability company,
and NEVADA LAND AND WATER
15 RESOURCES, LLC, a Nevada limited liability
company,

BEFORE ARBITRATOR
FLOYD A. HALE

16 Defendants.

IMPLEMENTATION AWARD

17
18 RAY KOROGLI, individually and FARIBORZ
FRED SADRI, individually,

19 Counterclaimants,

20 v.
21 GHOLAMREZA ZANDIAN JAZI,

22 Counterdefendant.

23
24 WENDOVER PROJECT, LLC,

25 Counterclaimant,

26 v.
27 GHOLAMREZA ZANDIAN JAZI,

28 Counterdefendant.

350 LAS VEGAS BLVD. SUITE
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4923
Telecopier (702) 383-9917

1 GHOLAMREZA ZANDIAN JAZI,

2 Counterclaimant,

3
4 WENDOVER PROJECT, LLC,

5 Counterdefendant.

6 1334.022860-cv

7 **IMPLEMENTATION AWARD**

8 On September 20, 2006, an Arbitration Decision was issued in this dispute. Plaintiff
9 GHOLAMREZA ZANDIAN JAZI filed his Motion to Enforce Arbitration Decision on September
10 25, 2006. On October 24, 2006, Plaintiff filed his Motion to Implement Arbitration Award. On
11 October 26, 2006, Plaintiff filed his Amendment to Motion to Implement Arbitration Award and
12 Request for Expedited Hearing. On October 31, 2006, Defendants Sadra and Koroghli filed their
13 Opposition to Motion to Implement Arbitration Award. Plaintiff filed his Reply Re: Motion to
14 Implement Arbitration Award on November 2, 2006.

15 After considering the papers filed by both parties including draft transfer documents;

16 **THE FOLLOWING IMPLEMENTATION AWARD IS ENTERED:**

- 17 1. Defendants shall pay to John Peter Lee, Ltd, the sum of \$250,000 within five (5)
18 days.
- 19 2. Defendants are to execute and deliver to Plaintiff's Counsel within ten days of this
20 Award a Quitclaim Deed of the 320 acre parcel provided as Exhibit "1" by Plaintiff
21 on the 2nd day of November, 2006.
- 22 3. Defendants are to execute and deliver to Plaintiff's counsel within ten days of this
23 Award the Grant, Bargain and Sale Deed of the 320 acre parcel provided by Plaintiff
24 as Exhibit "2" on the 2nd of November, 2006.
- 25 4. Defendants are to execute and deliver to Plaintiff's counsel within ten days of this
26 Award the Quitclaim Deed of the 320 acre parcel provided by Plaintiff as Exhibit "3"
27 on November 2, 2006.
- 28 5. Defendants are to execute and deliver to Plaintiff's counsel within ten days of this

830 LAS VEGAS
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4064
Telecopier (702) 383-9953
L.V. SOUTH

830 LAS VEGAS, NV, SOUTH
LAS VEGAS, NV, VADA, 89 (01
Telephone (702) 382-4041
Telecopier (702) 383-9993

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- Award the Grant, Bargain and Sale Deed of the Pah-Rah parcel provided by Plaintiff as Exhibit "4" on November 2, 2006.
- 6. Mr. Sadri is to execute and deliver to Plaintiff's counsel within ten days of this Award the Request for Full Reconveyance concerning the \$333,000 Note provided by Plaintiff as Exhibit "5" on November 2, 2006.
- 7. Mr. Zandian is to execute and deliver to Defendants' counsel within ten days of this Award the Quitclaim Deed of the Wendover parcel provided by Plaintiff as Exhibit "6" on November 2, 2006.
- 8. Mr. Zandian is to execute and deliver to Defendants' counsel within ten days of this Award the Assignment of Interest in Wendover Project, LLC, provided by Plaintiff as Exhibit "7" on November 2, 2006.
- 9. Mr. Zandian is to execute and deliver to Defendants' counsel within ten days of this Award the Quitclaim Deed of the Big Spring Ranch parcel provided by Plaintiff as Exhibit "8" on November 2, 2006.
- 10. Mr. Zandian is to execute and deliver to Defendant's counsel within ten days of this Award the Assignment of Interest in Big Spring Ranch, LLC, provided by Plaintiff as Exhibit "9" on November 2, 2006.
- 11. Mr. Zandian is to execute and deliver to Defendants' counsel within ten days of this Award the Assignment of Interest in Nevada Land and Water Resources, LLC, provided by Plaintiff as Exhibit "10" on November 11, 2006.
- 12. Mr. Zandian is to record and deliver to Defendants' counsel within ten days of this Award the four (4) Releases of Lis Pendens provided by Plaintiff as Exhibit "11" on November 2, 2006.
- 13. Mr. Zandian is to execute, file and deliver to Defendants' counsel within ten days of this Award the Certificate of Resignation concerning Wendover Project, LLC, provided by Plaintiff as Exhibit "12" on November 2, 2006.
- 14. Mr. Zandian is to execute, file and deliver to Defendants' counsel within ten days of this Award the Certificate of Resignation concerning Nevada Land and Water

CLARK
830 LAS VEGAS BLVD. SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

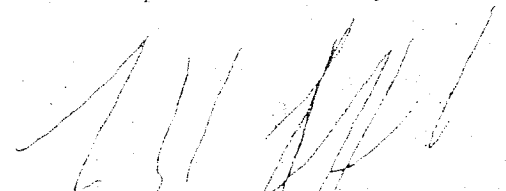
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Resources, LLC, provided as Exhibit "13" on November 2, 2006.

15. Mr. Zandian is to execute, file and deliver to Defendants' counsel within ten (10) days of this Award the Certificate of Resignation concerning Big Spring Ranch, LLC provided by Plaintiff as Exhibit "14" on November 2, 2006

16. All parties are to sign the Mutual Release of Claims provided by Plaintiff as Exhibit "16" on November 2, 2006, and deliver a Counterpart to the other party's counsel within ten (10) days from this Award.

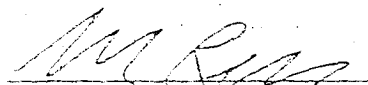
Dated this 29th day of November, 2006.



FLOYD A. HALE, ARBITRATOR

Respectfully submitted

JOHN PETER LEE, LTD


JOHN PETER LEE, ESQ.

Nevada Bar No. 001768
MICHAEL A. REYNOLDS, ESQ.
Nevada Bar No. 008631
830 Las Vegas Boulevard South
Las Vegas, Nevada 89101
(702) 382-4044 Fax: (702) 383-9950
Attorneys for Plaintiff/Counterdefendant

CERTIFICATE OF FACSIMILE AND MAILING

I hereby certify that on the 29th day of November 2006, I faxed and mailed a true and correct copy of the foregoing Implementation Award addressed to:

John Peter Lee, Esq.
830 Las Vegas Boulevard South
Las Vegas, NV 89101
Attorneys for Plaintiffs
Fax No. 383-9950

John Netzorg, Esq.
2810 West Charleston Blvd #H-81
Las Vegas, NV 89102
Attorneys for Defendants
Fax No. 878-1255

By: 

Employee of Jams

1 APB
2 FLOYD A. HALE, ESQ.
3 Nevada Bar No. 1873
4 JAMS
5 2300 W. Sahara, #900
6 Las Vegas, NV 89102
7 Ph: (702) 457-5267
8 Fax: (702) 457-5267
9 Arbitrator

RECEIVED
MAR 02 2007

JOHN PETER LEE, LTD.

7 DISTRICT COURT

8 CLARK COUNTY, NEVADA

9
10 GHOLAMREZA ZANDIAN JAZI,) Case No. A511131
11) Dept. No. XII
12 Plaintiff,)
13 vs.)
14 RAY KOROGHLI, individually,)
15 FABIRORZ FRED SADRI, individually,)
16 and as Trustee of the Star Living Trust,)
17 WENDOVER PROJECT, LLC, a Nevada)
18 limited liability company; BIG SPRING)
19 RANCH, LLC, a Nevada limited liability)
20 company, and NEVADA LAND AND)
21 WATER RESOURCES, LLC, a Nevada)
22 limited liability company,)
23 Defendants.)

21 ARBITRATOR REPORT AND RECOMMENDATION TO
22 DISTRICT COURT

23 This matter was submitted to Arbitration and Arbitration Hearings were conducted for two
24 days, as well as the submission of voluminous exhibits, depositions and briefs. During the
25 Arbitration proceeding, the parties agreed to meet with the Arbitrator in an effort to resolve the
26 dispute. With agreement of counsel, the parties met directly with the Arbitrator and an agreement
27 for a final conclusion of this matter was read into the record, being recorded by a court reporter.
28

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LAS VEGAS, NV 89102
PHONE (702) 457-5267 FAX (702) 457-5267
EMAIL: fha@floydahale.com

1 The undersigned then issued an Arbitration Decision based upon the evidence submitted as well
2 as the agreement of the parties.

3
4 On January 11, 2007, counsel for the parties conducted a hearing before this Court
5 regarding confirmation of the Arbitration Award. Counsel for the parties could not reach an
6 agreement as to what documents needed to be signed to effect the Arbitration Decision. For that
7 reason, the matter was referred back to the Arbitrator for further proceedings. The actual
8 reference, contained in page 25, line 6-14 of the January 11, 2007, transcript is as follows:
9

10 THE COURT: I'm going to resolve your problem. Its real easy. I am
11 going to refer the matter back to Floyd Hale for further proceedings,
12 consistent with the 9/8/06 transcript. Those will include getting the
13 mechanism for the spouses of the parties to sign the documents, getting
14 a mechanism for the waiver of the release of the rights of first refusal
15 that exist, entering into the settlement agreement the parties entered
16 into. If he is unable to reach an agreement among the parties, then I
17 will have the final word.

18 The District Court has already indicated that wives of the principals will need to sign
19 documents. The following report and recommendation will reference the parties to the
20 Arbitration with the understanding that the District Court has already indicated that wives for
21 those parties will be required to sign all necessary documents.

22 IT IS REPORTED AND RECOMMENDED to the Court that the following documents
23 will need to be executed by the parties and their wives:

24 4,400 acres of real estate, owned by Poh Rah, LLC. The only members of the Poh Rah,
25 LLC are the parties to this action: Zandian Jazi, Ray Koroghli and Fred Sadri. These parties will
26 be required to sign a Grant Bargain Sale Deed to transfer the 4,400 acres of real estate to Zandian
27 Jazi. Fred Sadri will need to execute a full reconveyance of the Deed of Trust and release the
28 Promissory Note which was secured by the Deed of Trust as to this property. The parties will also

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2300 W. S
LAS VEGAS, NEVADA 89102
PHONE (702) 437-5257 EMAIL: fha@floydahale.com

1 have to sign a waiver of any right of first refusal to this property.

2
3 320 acres owned by Big Springs Ranch, LLC. The only members of the Big Springs
4 Ranch LLC, are the parties to this action and Mr. Abrishami. If Mr. Zandian Jazi can obtain the
5 signature of Mr. Abrishami on a Deed to transfer this property, then the parties to this action must
6 all execute a Grant Bargain Sale Deed transferring this real estate to Zandian Jazi. If Mr. Jandian
7 Jazi is unable to obtain the signature of Mr. Abrishami, then Mr. Sadri and Mr. Koroghli are
8 required to sign a Quit Claim Deed from Big Springs Ranch, LLC to Zandian Jazi to sign waivers
9 of rights of first refusal.
10

11 \$250,000.00 Payment to Zandian Jazi: There has been a dispute as to what entity is
12 responsible for making this payment. During the Arbitration Proceedings, as well as during prior
13 meetings with the parties, it was represented to the Arbitrator that Mr. Sadri and Mr. Koroghli
14 would make this payment. It is Recommended that either Mr. Sadri or Mr. Koroghli, or both, are
15 individually responsible for this payment. Sadri and Koroghli may, however, execute the
16 payment check or draft in whatever representative capacity that they believe is the most
17 appropriate.
18

19 Transfer of Wendover Project, LLC Interest: Zandian Jazi has agreed to waive or transfer
20 any interest that he has, if any, in the Wendover Project, LLC. Mr. Netzorg has argued that it is
21 incumbent upon Mr. Zandian Jazi to obtain signatures on waivers of rights of first refusal from
22 all members of the LLC. This was not part of the settlement agreement and the District Court
23 should be aware that the Defendants contested that Zandian Jazi even owned rights in the
24 Wendover Project, LLC at the time of the arbitration.
25
26

27 It is the Report and Recommendation of the Arbitrator that Zandian Jazi sign a transfer
28 of all interest that he owns in the Wendover Project, LLC directly to "Wendover Project, LLC."

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SPE
2300 W. SAG
LAS VEGAS, NV 89102
PHONE: (702) 457-5257 FAX: ths@hoydavis.com

1 Zandian Jazi must also sign a waiver of any right of first refusal that he has as to that LLC.

2
3 The remaining managing members of the Wendover Project LLC are responsible for
4 determining the appropriate allocation of the Zandian Jazi interest. If they believe that it is
5 necessary to obtain waivers of rights of first refusal to make that allocation of interest, then it is
6 their responsibility to do so. Before distributing Mr. Zandian Jazi's interest, the managing
7 members of the LLC should either distribute that interest in accordance with the operating
8 agreements or, alternatively, obtain whatever signatures that the managing members determine
9 are necessary to make a different distribution or allocation of that interest. It would seem unfair
10 to place this burden on the transferring party who is merely transferring his interest to the entire
11 Wendover Project, LLC.
12

13 Big Springs Ranch, LLC: As with the Wendover Project, LLC, Mr. Zandian Jazi will be
14 required to execute a transfer of interest and waiver of any interest of the Big Springs Ranch,
15 LLC, directly to "Big Springs Ranch, LLC." He must also execute a waiver of right of first
16 refusal that he would have under that LLC. As stated with the Wendover Project, LLC, it is the
17 duty of the managing members of the Big Springs Ranch, LLC, to make an appropriate
18 distribution or allocation of this interest. The remaining managing members of the Big Springs
19 Ranch, LLC must either transfer the property as required by the operating agreement or obtain
20 whatever waivers of rights of first refusal that are necessary to make a transfer which they believe
21 are necessary.
22
23

24 CONCLUSION:

25
26 Mr. Netzorg has contested the requirement that the receiving LLC entities are required to
27 obtain waivers of rights of first refusal. Actually, waivers are not necessary if the receiving
28 interest is transferred pursuant to the operating agreement. If the managing members want to

505
2000 W. Sycamore
LAS VEGAS, NEVADA 89102
PHONE (702) 457-5267 Email: info@bhsnydak.com

obtain waivers of rights of first refusal to make a different distribution, they are certainly free to do so. That should not be the burden of Mr. Zandian Jazi

Mr. Netzorg has also asked for numerous documents regarding a purported transfer of Mr. Zandian Jazi's shipyard stock. There was absolutely no evidence that any entity related to these proceedings acknowledged receipt of that stock or issued any credit related to receipt of that stock. Although that stock was discussed during the Arbitration proceedings, there was no competent evidence regarding that stock being relevant to the Arbitration proceedings.

RESPECTFULLY SUBMITTED this 28th day of February, 2007

By:

FLOYD A. HALE
2300 W. Sahara, #900
Las Vegas, NV 89102
Arbitrator

CERTIFICATE OF FACSIMILE AND MAIL

I hereby certify that on the 28th day of February, 2007, I faxed and mailed a true and correct copy of the foregoing addressed to:

John Peter Lee, Esq.
830 Las Vegas Boulevard South
Las Vegas, NV 89101
Attorneys for Plaintiffs
Fax No. 383-9950

John Netzorg, Esq.
2810 West Charleston Blvd. #H-81
Las Vegas, NV 89102
Attorneys for Defendants
Fax No. 878-1255

AFFIRMATION

Pursuant to NRS 233B.030

The undersigned does hereby affirm that the preceding

filed in District Court case number A511131

DOES NOT contain the social security number of any person.

Date 6/8/07

By:

Employee of Jams

2300 W. Sahara, #900
Las Vegas, NV 89102
Floyd A. Hale
Phone: (702) 437-5167
Email: fahale@fahale.com

RECEIPT OF COPY

RECEIPT OF COPY of the foregoing NOTICE OF ENTRY OF JUDGMENT CONFIRMING ARBITRATION AWARD is hereby acknowledged this 9th day of June, 2007

JAMS, The Resolution Experts

By: Floyd A. Hale, Esq.
Floyd A. Hale, Esq.
2300 West Sahara Avenue #900
Las Vegas, Nevada 89102

John M. Netzorg, Esq.
John M. Netzorg, Esq.
2810 West Charleston Boulevard #81
Las Vegas, Nevada 89102
Attorneys for Defendants

830 LAS VEGAS SOUTH
SUITE 200
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

AFFIRMATION
Pursuant to NRS 239B.030

The undersigned does hereby affirm that the preceding
NOE / JUDGMENT
filed in District Court case number 251131
DOES NOT contain the social security number of any person.

[Signature] Date 6/8/07

EXHIBIT 2

COHEN, JOHNSON & DAY
1060 Wigwam Parkway
Henderson, NV 89074
(702) 309-3333

1 **NOTC**
2 STEVEN L. DAY, ESQ.
3 Nevada Bar No. 3708
4 COHEN, JOHNSON & DAY
5 1060 Wigwam Parkway
6 Henderson, NV 89074
7 (702) 309-3333

8 Attorneys for Defendants

9 **DISTRICT COURT**

10 **CLARK COUNTY, NEVADA**

11 GHOLAMREZA ZANDIAN JAZI,)

12 Plaintiff,)

13 vs.)

14)
15 RAY KOROGHLI, individually, FARIBORZ)
16 FRED SADRI, individually and as Trustee of)
17 the Star Living Trust, WENDOVER PROJECT,)
18 LLC, a Nevada limited liability company; BIG)
19 SPRING RANCH, LLC, a Nevada limited)
20 liability company, and NEVADA LAND AND)
21 WATER RESOURCES, LLC, a Nevada)
22 limited liability company,)

23 Defendants.)

CASE NO. A511131
DEPT. NO. XI

24 **NOTICE OF ENTRY OF ORDER**

25 TO: ALL PARTIES; and

26 TO: THEIR COUNSEL OF RECORD.

1 PLEASE TAKE NOTICE that an Order was entered in the above-entitled action
2 on the 13th day of August, 2007, a copy of which is attached hereto.

3 DATED this 14th day of August, 2007.

4 COHEN, JOHNSON & DAY

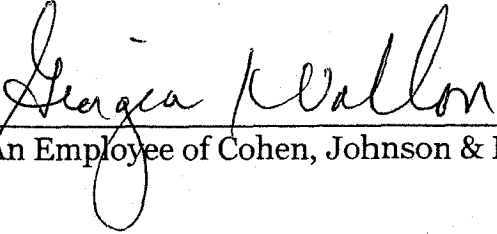
5
6
7 By 

8 STEVEN L. DAY, ESQ.
9 Nevada Bar No. 3708
10 1060 Wigwam Parkway
11 Henderson, NV 89074
12 Attorneys for Defendants

13 **CERTIFICATE OF MAILING**


14 I HEREBY CERTIFY that on the 14th day of August, 2007, I served a copy of the
15 foregoing NOTICE OF ENTRY OF ORDER, by causing a copy of the same to be
16 deposited in the United States mail, postage prepaid, addressed as follows:

17 John Peter Lee, Esq.
18 JOHN PETER LEE, LTD.
19 830 Las Vegas Blvd. South
20 Las Vegas, NV 89101
21 Attorneys for Plaintiff/Counterdefendant

22 
23
24
25
26
27
28 An Employee of Cohen, Johnson & Day

COHEN, JOHNSON & DAY
1060 Wigwam Parkway
Henderson, NV 89074
(702) 309-3333

1 **ORD**
2 STEVEN L. DAY, ESQ.
3 Nevada Bar No. 3708
4 COHEN, JOHNSON & DAY
5 1060 Wigwam Parkway
6 Henderson, NV 89074
7 (702) 309-3333
8
9 Attorneys for Defendants

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CLERK OF COURT

DISTRICT COURT
CLARK COUNTY, NEVADA

10 GHOLAMREZA ZANDIAN JAZI,)
11 Plaintiff,)
12 vs.)
13 RAY KOROGHLI, individually, FAIRBORZ)
14 FRED SADRI, individually and as Trustee of)
15 the Star Living Trust, WENDOVER PROJECT,)
16 LLC, a Nevada limited liability company; BIG)
17 SPRING RANCH, LLC, a Nevada limited)
18 liability company, and NEVADA LAND AND)
19 WATER RESOURCES, LLC, a Nevada)
20 limited liability company,)
21 Defendants.)

CASE NO. A511131
DEPT. NO. XI

ORDER

21 This matter having come on for hearing on the 7th day of August, 2007, on
22 DEFENDANTS' MOTION FOR STAY OF PROCEEDINGS TO ENFORCE JUDGMENT
23 AND ALTERNATIVELY TO SET SUPERSEDEAS BOND; ORDER SHORTENING TIME,
24 Steven L. Day, Esq. of the law firm of Cohen, Johnson & Day, appearing on behalf of
25 Defendants, and Yvette R. Freedman, Esq., of the law firm of John Peter Lee, Ltd.,
26 appearing on behalf of Plaintiffs, and the court having heard oral argument and after
27
28

1 having examined the records and documents on file in the above-entitled matter and being
2 fully advised in the premises;

3 IT IS HEREBY ORDERED that DEFENDANTS' MOTION FOR STAY OF
4 PROCEEDINGS TO ENFORCE JUDGMENT AND ALTERNATIVELY TO SET
5 SUPERSEDEAS BOND, shall be, and the same is hereby GRANTED.
6

7 IT IS FURTHER HEREBY ORDERED that Defendants must post a bond in the
8 amount of Two Hundred Fifty Thousand Dollars (\$250,000.00)

9 DATED this 9 day of Aug, 2007.

10 **ELIZABETH GONZALEZ**

11 _____
12 DISTRICT COURT JUDGE

13 Submitted By:

14 COHEN, JOHNSON & DAY

15
16 By _____

17 *Steven L. Day*
18 STEVEN L. DAY, ESQ.
19 Nevada Bar No. 3708
20 1060 Wigwam Parkway
21 Henderson, NV 89074
22 Attorneys for Defendants
23
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EXHIBIT 3

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JOHN PETER LEE, LTD.

CP Lee
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JOHN M. NETZORG, ESQ.
Nevada Bar No. 1335
2810 West Charleston Boulevard, #H-81
Las Vegas, Nevada 89102
(702) 878-3400
Attorney for Defendants

**DISTRICT COURT
CLARK COUNTY, NEVADA**

GHOLAMREZA ZANDIAN JAZI,

Plaintiff,

vs.

RAY KOROGHLI, individually, FARIBORZ
FRED SADRI, individually and as Trustee of the
the Star Living Trust, WENDOVER PROJECT,
LLC, a Nevada limited liability company; BIG
SPRING RANCH, LLC, a Nevada limited liability
company, and NEVADA LAND AND WATER
RESOURCES, LLC, a Nevada limited liability
company

Defendants

)
)
) CASE NO. A 511131
) DEPT. NO. XI
)
)
)
) Date of Hearing:
) Time of Hearing:
)
) **MOTION TO AMEND OR ALTER**
) **JUDGMENT PURSUANT TO NRCP**
) **59(e), OR IN THE ALTERNATIVE,**
) **MOTION FOR A NEW TRIAL**
) **PURSUANT TO NRCP 59(a)**

Settlement was reached in this case after arbitration proceedings were commenced. With the agreement of the parties, the arbitrator acted as mediator and once an agreement was reached, placed the settlement on the record. The mediator signed a mediation decision on September 20, 2006 and a subsequent implementation award on November 29, 2006 manifestly disregarding the law and the intention of the parties. On December 18, 2006, the Defendants filed a motion to vacate the arbitration award and to modify and correct the award because it ignored the settlement reached and purported to be an award when in fact it was a settlement. (Exhibit "1" attached hereto). The peculiar procedures for the mediator and former arbitrator are detailed in

Duplicate

JOHN M. NETZORG
2810 W. CHARLESTON BLVD., SUITE H-81
LAS VEGAS, NEVADA 89102
(702) 878-3400

1 the December 18, 2006 motion. Essentially, Mr. Sadri and Mr. Koroghli were to exchange real
2 property interests for Plaintiff's LLC membership interests and pay Plaintiff \$250,000 in cash.

3 Part and parcel of the settlement was a release of all claims, a global settlement and the
4 delivery to the parties, respectively, of the interests to be exchanged free and clear of third party
5 claims.

6 On January 11, 2007, the Court entertained arguments and denied both the Plaintiff's
7 motion to confirm and the Defendants' motion to vacate noting that this was a settlement and the
8 issues were enforcement of the settlement.
9

10 The award was not remanded to Mr. Hale nor was this an arbitration proceeding. It was
11 an enforcement of the settlement. This is an important distinction because the Nevada Supreme
12 Court has ruled that the court has no authority to remand an arbitration award for modification
13 nor does the Uniform Arbitration Act contemplate such a procedure. The court's sole remedy
14 would have been to vacate the award and order a new arbitration if, in fact, this were an
15 arbitration award. After further proceedings, the mediator issued an "Arbitrator Report and
16 Recommendation to District Court", a procedure unrecognized by NRS Chapter 38. The
17 "Report" makes no pretense of being a modified arbitration award.
18

19 The Plaintiff then bunched four of the prior orders together and filed a motion for
20 confirmation requesting the court to confirm (1) the original September 20, 2006 award, (2) the
21 October 11, 2006 modification, (3) the November 29, 2006 "Implementation Award" and finally,
22 (4) the February 28, 2007 Report and Recommendation, even though the four documents did not
23 reflect the settlement and were completely inconsistent. By way of example, the September 20,
24 2006, October 11, 2006 and November 29, 2006 Orders all provide that Koroghli and Sadri are
25 to transfer their individual real property interests to the Plaintiff in exchange for the Plaintiff's
26
27
28

1 transfer of his LLC interests to Sadri and Koroghli, individually. The dispute was whether the
2 Plaintiff had to transfer his interests free and clear of third party claims. The Judgment entered
3 by this Court, however, includes the requirement that deeds and assignments be issued from
4 Plaintiff to Koroghli and Sadri of Plaintiff's LLC interests and, simultaneously, the February 28,
5 2007 Recommendation requires that those same interests be transferred from the Plaintiff to third
6 parties (the LLCs) who are providing no consideration. This is absurd and is intentionally
7 designed to deprive Sadri and Koroghli of the benefit of their bargain.
8

9 Originally, Sadri and Koroghli had complained that the Plaintiff was not transferring his
10 interests as required by the settlement with his wife's signature and free and clear of third party
11 claims. Rather than addressing those issues, the mediator changed the agreement in its entirety
12 and provided that the promissors (Sadri and Koroghli), who were paying the consideration, did
13 not receive the benefit of their bargain but rather that the bargained for benefit would be
14 transferred to third parties. This purportedly resolved the right of first refusal issues of which
15 Sadri and Koroghli had complained. The mediator simply gave those interests to third parties for
16 no consideration leaving Sadri and Koroghli with nothing.
17

18 Under Nevada law, a right of first refusal is recognized and becomes vested at the time a
19 transfer is offered and agreed to by the transferor. In this case the transferor (seller) is the
20 Plaintiff, Mr. Jazi:
21

22 A right of first refusal is sometimes said to be a right to elect
23 to take specified property at the same price and on the same
24 terms and conditions as those contained in a good-faith offer
25 by a third person if the owner manifests as willingness to
26 accept the offer, once the owner manifests such willingness,
27 the right of first refusal, heretofore an executory right, ripens
28 into an option.

Eagle Thrifty Drugs & Market, Inc. v. Incline Village, Inc., 89 Nev. 595, 578, 517 P.2d 786, 788 (1973).

1 The Arbitrator's Recommendation intentionally ignores the parties' transcript and settlement and,
2 through undue means, is denying the Defendants the material terms and consideration of their
3 bargain.

4 The Arbitrator's Recommendation provides that the Plaintiff must sign a waiver of his
5 own right of first refusal, a nonsensical recommendation under the Eagle Thrifty Drugs & Market
6 case since it is not the Plaintiff who has a right of first refusal, it is the non-selling members of
7 the LLCs who have the right of first refusal. By reason of the settlement, these rights of first
8 refusal are now options to purchase the Plaintiff's interests. The Judgment mandates the
9 Defendants are to take subject to options to purchase, which is anything but free and clear title.
10

11 The Recommendation states that it is "the duty of the managing members" of the two
12 LLCs "to make an appropriate distribution and allocation of (the Plaintiff's) interests." This
13 statement is supported neither by Nevada law nor the Operating Agreements. First, Nevada law
14 prohibits the resignation of a member before dissolution of the LLC unless that withdrawal is
15 permitted under the operating agreement:
16

17 Except as otherwise provided in Chapter 463 of NRS, other
18 applicable law, the articles of organization or the operating
19 agreement, a member may not resign or withdraw as a
20 member from the limited-liability company before the
dissolution and winding up of the company. *NRS 86.331(1)*.

21 The LLC operating agreements are unambiguous and do not permit the transfer of a member's
22 interest unless the selling member complies with Paragraph 7.5 and provides both notice and an
23 offer to "the other members."
24

25 Right of first refusal. In addition to the other limitations and
26 restrictions set forth herein, no member may sell all or any
27 portion of his interest unless such member (**the "selling**
member") has first (i) given written notice to the other
28 members and the Company of his intention to sell all or a

JOHN M. NETZORG
2810 W. CHARLES BLVD., SUITE H-81
LAS VEGAS, NV 89102
(702) 878-3400

1 portion of such interest (that which is intended to be sold as
2 hereinafter called the "subject interest") and (ii) offer to sell
3 the subject interest to the other members at a price no greater,
4 and on terms and conditions no less favorable to the
5 purchaser than specified in a bona fide written offer received
6 by the selling member from a third party.

7 Nevada law prohibits an assignment unless there is compliance with the operating agreement's
8 terms, which in this case mandates that the selling member, not the managing members, give
9 notice and offer the subject interest to other members. These rights of first refusal are, at this
10 point in time, options held by the other members and constitute clouds and encumbrances on the
11 Plaintiff's title by third parties of which, the Defendants individually, were to receive free and
12 clear. (See Operating Agreement attached hereto as Exhibit "2").

13 Since the award requires payment on five days to one party, payment on thirty days to
14 another party, the transfer of interests to the Defendants and the simultaneous transfer of those
15 same interests without consideration to third parties, it is internally dysfunctional and meets the
16 arbitrary and capricious standards articulated by the Supreme Court in Clark County Education
17 Association v. Clark County School District, 112 Nev. 337, 131 P.3rd 5 (2006).

18 This court has previously recognized both statutory and
19 common-law grounds to be applied by a court reviewing an
20 award resulting from private binding arbitration. (FN 2). The
21 statutory grounds are contained in the Uniform Arbitration
22 Act, specifically *NRS 38.241(1)*, and they are not implicated
23 as a basis for relief in this appeal. (FN 3). There are two
24 common-law grounds recognized in Nevada under which a
25 court may review private binding arbitration awards; (1)
26 whether the award is arbitrary, capricious or unsupported by
27 the agreement; and (2) whether the arbitrator manifestly
28 disregarded the law. (FN 4). Initially we take this
opportunity to clarify that while the latter standard insures
that the arbitrator recognizes applicable law, the former
standard insures that the arbitrator does not disregard the
facts or terms of the arbitration agreement.

In determining a question under an arbitration agreement, an

1 arbitrator enjoys a broad discretion, but that discretion is not
2 without limits. It is confined to interpreting and applying the
3 agreement and his award need not be enforced if it is
4 arbitrary, capricious, or unsupported by the agreement. But,
5 “[j]udicial inquiry under the manifest-disregard-of-the-law
6 standard is extremely limited.”

7 Id. 122 Nev. at _____, 131 P.3rd at 8.

8 There has been both arbitrary and capricious treatment of the Defendants and a refusal to
9 recognize applicable law.

10 This Court had no authority or jurisdiction to remand an arbitration award under *NRS*
11 *38.237*. The mediator did not treat the referral as a remand to modify the award. No award was
12 modified. The settlement transcript was the matter to be considered. As a matter of law, the
13 Court, even if it had shown any inclination to do so, could not have remanded the award to an
14 arbitrator:

15 HPN contends that, absent one of the statutory grounds
16 enumerated in *NRS 38.237*, the district court lacks authority
17 to remand the matter to an arbitrator. HPN asserts that the
18 remand in this case does not fall within the statutory
19 guidelines and was improper. We agree.

20 However, a matter should not be remanded if it is merely to
21 have the arbitrators explain their award. Remands that allow
22 arbitrators to re-examine their decision on the merits are not
23 permitted under the statute or at common law. Neither HPN
24 nor Rainbow ever contended that the award was ambiguous.
25 HPN only argued that the arbitrator’s statement regarding a
26 “higher mentoring burden” demonstrated that the arbitrator
27 had either converted the provider agreement into a
28 partnership, thus exceeding the arbitrator’s authority, or that
the statements evidenced a manifest disregard of the law. In
either case, HPN asserts that the appropriate remedy would
be to vacate the award. We therefore conclude that he
district court erred in remanding the matter to the arbitrator
with instructions to re-examine his decision in light of the
district court’s conclusion that the contract did not impose
any mentoring burden upon HPN.

Health Plan of Nevada, Inc., *supra*, 120 Nev. at 696-697, 100 P.2d 172, 177 (2004) “(FN 14. We
note that the proper remedy, even if HPN’s allegations were correct, is not just to vacate the

award, but also to remand the matter for a new arbitration hearing. NRS 38.241(3).”

NRCPC 59 provides for new trials pursuant to subparagraph (a) and for alternation and amendments of judgments pursuant to subparagraph (e) as follows:

Rule 59. New trial; amendment of judgments.

(a) Grounds. A new trial may be granted to all or any of the parties and on all or part of the issues for any of the following causes or grounds materially affecting the substantial rights of an aggrieved party: (1) irregularity in the proceedings of the court, jury, master, or adverse party, or any order of the court, or master or the abuse of discretion by which either party was prevented from having a fair trial; (2) misconduct of the jury or prevailing party; (3) accident or surprise which ordinary prudence could not have guarded against; (4) newly discovered evidence material for the party making the motion which the party could not, with reasonable diligence, have discovered and produced at the trial; . . . (7) error in law occurring at the trial and objected to by the party making the motion. On a motion for a new trial in an action tried without a jury, the court may open the judgment if one has been entered, take additional testimony, amend findings of fact and conclusions of law or make new findings and conclusions, and direct the entry of a new judgment.

(b) Time for motion. A motion for a new trial shall be filed no later than ten days after service of the written notice of the entry of judgment.

(e) Motion to Alter or Amend the Judgment. The motion to alter or amend the judgment shall be filed no later than ten days after service of written notice of entry of judgment.

At the heart of the controversy is the failure to treat the settlement on the record as a settlement and the effort to convert the parties’ settlement to an arbitration award which plainly ignores the Defendants’ concerns. The efforts to treat this as an arbitration instead of a settlement has created a Pandora’s box of procedural irregularities and deficiencies. The procedural irregularities are so substantial as to deny the Defendants not only the material consideration for which they bargained but their basic rights and entitlements which included:

JOHN M. NETZORG
2810 W. CHARL. BLVD., SUITE H-81
LAS VEGAS, NEVADA 89102
(702) 878-3400

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1. the transfer of the Plaintiff's interests to Sadri and Koroghli, not to LLCs which were not providing the consideration.
2. the transfer of the Plaintiff's LLC membership interests free and clear of third party claims;
3. warranties of title by the Plaintiff;
4. an allocation of the purchase price which would permit the Plaintiff to give notice to the third party members not parties to the action and otherwise comply with Section 7 of the respective LLC operating agreements;
5. provide a release from all claims and a global resolution.

An escrow needs to be established for the transfer of the interests. The consideration being tendered by the Plaintiff for the real property is limited liability company interests.

Since the memberships are the consideration for the real property, they likewise should be transferred through escrow. Accordingly, the Plaintiff needs to provide the following:

Wendover Project

1. Consent from LLC members to transfer and management termination;
2. French Bankruptcy Order abandoning or disclaiming interest in Shipyard Stock and/or Wendover Project, LLC membership interests;
3. Non-foreign affidavit from Mr. Zandian, a non-citizen;
4. Execution of Defendants' Assignment Agreement by parties and spouses, a copy of which is attached hereto as Exhibit "3";
5. IRS Compliance.

Nevada Land and Water Resources, LLC

1. Consent from LLC members to transfer and management termination;

JOHN M. NETZORG
2810 W. CHARL BLVD., SUITE H-81
LAS VEGAS, NEVADA 89102
(702) 878-3400

2. Non-foreign affidavit from Mr. Zandian, a non-citizen;
3. Execution of Defendants' Assignment Agreement by parties and spouses;
4. IRS Compliance.

Big Spring Ranch, LLC

1. Transfer of 320 acres from Big Springs Ranch, LLC to Mr. Zandian by Deed executed by all four (4) members;
2. Consent to transfer of 320 acres by all four (4) members of Big Springs Ranch, LLC;
3. Consent from LLC members to transfer and management termination;
4. Execution of Defendants' Assignment Agreement by parties and spouses, a copy of which is attached hereto as Exhibit "4";
5. IRS Compliance.

Pah Rah Property

1. Transfer of property from Defendants to Plaintiff;
2. IRS Compliance.

Miscellaneous

1. Payment of \$250,000.00 from Defendants to Plaintiff made payable to Mr. Lee at Mr. Lee's request;
2. Mutual Release by and between the parties and wives;
3. IRS Compliance.

The record reflects that this was a settlement enforcement, not an arbitration:

Defense counsel: "So the defendants were denied under the statutes, *NRS 38*, basically what amounts to their day in court and there's no pretense that this was a complete, full and fair

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hearing, nor did the parties intend that it be such. They settled it, they put the settlement on the record. . . ." (1/11/07 transcript, p.24, l. 2)

Plaintiff's counsel: Your Honor, I have a suggestion, okay. Because what I keep hearing is settlement, settlement, settlement. We agree there was a settlement. But the settlement terms were - - the terms - - essential terms were put in recorded by a - - on a transcript by the court reporter. So we have the essential terms, okay.

Court: You do. . . .And you're missing some of the things in the documents you have as to those essential terms. . . .

Court: I'm referring it back to Mr. Hale, since I would typically in a case where a settlement was reached and there was a mediator or arbitrator involved, refer it to that individual for some additional work with you to try and resolve those disputed issues, since they were there at the time you reached the settlement. Hopefully I have transcript that helps me. If you are unable to reach an accommodation after speaking to Mr. Hale, then I will reach an accommodation, because I have a transcript and I'll make a decision. (Pg. 26, l.)

January 11, 2007 Transcript attached hereto as Exhibit "5".

CONCLUSION.

The Defendants are entitled to either have the settlement enforced pursuant to the September 8, 2006 transcript or to have the arbitration award vacated. The efforts to convert the settlement into an arbitration award make a pretense and sham out of the procedure. The Defendants never presented witnesses nor had their day in court before an arbitrator. After the Plaintiff's direct testimony and partial cross-examination, after a lengthy mediation, the settlement was placed on the record.

In lieu of enforcing the settlement as the Court directed on January 11, 2007, the referral of the settlement to the mediator has now been treated as a remand to an arbitrator which is prohibited both by statute and the Health Plan decision. The mediator's Recommendation is

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treated as an amended award when on its face it does not purport to be one. The procedures are completely at odds with NRS Chapter 38 and Nevada Supreme Court precedent and have resulted in the most bizarre consequences including the Defendants' loss of the benefit of their bargain and the imposition upon the Defendants of the obligation to fight third parties to clear the Plaintiff's title.

As previously mentioned in prior pleadings, Mr. Abrishami who owns a substantial portion of Big Spring Ranch, LLC, and together with his investors own a large portion of Wendover Project, LLC, has already made a demand that he receive his windfall, to wit, a percentage of the Plaintiff's 25% Big Spring Ranch interest for which Mr. Abrishami proposes to pay nothing. (Exhibit "6"). Accordingly, the Plaintiff has already breached his warranty of clear title and Mr. Abrishami the option holder in Big Spring Ranch has already exercised it. Rather than a global resolution and release of all claims, the Defendants are already entwined in additional legal controversies regarding the Plaintiff's interests. The mediator suggests that it would be "unfair" to the Plaintiff to have to comply with Nevada law and the operating agreement by obtaining waivers of rights of first refusal. Where is the conceivable fairness to the Defendants who are paying in the seven figures for new lawsuits.

The process does not meet the statutory requirements for an arbitration. The results are arbitrary and capricious and violate the Nevada Supreme Court's common law standards as articulated. The Defendants have been denied the material consideration for their settlement, the very essence of the agreement.

By attempting to cram this square peg into a round hole, the court has exceeded its authority and jurisdiction. If this is to be treated as an arbitration award, then the sole remedy was to vacate that award and order a new arbitration.

1 Accordingly, the judgment should be vacated and a new arbitration ordered or, the
2 judgment should be amended to provide that the Plaintiff must transfer the LLC interests free and
3 clear of third party claims including waivers of rights of first refusal of the other members of the
4 Big Spring Ranch and Wendover Project, LLCs who are now option holders, according to
5 Nevada law, that the wives be ordered to sign the documents, that a complete release be executed
6 reciprocally, that the Plaintiff execute appropriate IRS forms for non-citizens for the withholding
7 of taxes, and that either the Plaintiff comply with the settlement or that the judgment and orders
8 be vacated and the matter set for arbitration before a new and impartial arbitrator.
9

10 Dated this 15th day of June, 2007.

11 **John M. Netzorg**

12
13 JOHN M. NETZORG, ESQ.
14 State Bar No. 1335
15 2810 W. Charleston Boulevard, #H-81
16 Las Vegas, Nevada 89102
17 Attorney for Defendants

18 **NOTICE OF MOTION**

19 TO: PLAINTIFF

20 and

21
22 TO: John Peter Lee, Esq., his counsel of record

23 **PLEASE TAKE NOTICE** that the Defendants will bring the above and foregoing
24 MOTION TO AMEND OR ALTER JUDGMENT, etc. on for hearing on the 17 day of
25 JULY, 2007 at ~~the hour of~~ **CHAMBERS** _____ a.m. in Department XI of the Eighth Judicial District
26
27
28

Court, or as soon thereafter as counsel may be heard.

Dated this 15th day of June 2007.

John M. Netzorg

JOHN M. NETZORG, ESQ.
State Bar No. 1335
2810 W. Charleston Blvd.
Suite 81
Las Vegas, Nevada 89102
Attorney for Defendants

LOW OFFICES OF
JOHN M. NETZORG
2810 W. CHARLES BLVD., SUITE H-81
LAS VEGAS, NEVADA 89102
(702) 878-3400

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EXHIBIT 4

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Clerk
CLERK OF THE COURT

1 NEOJ
 JOHN PETER LEE, LTD.
 2 JOHN PETER LEE, ESQ.
 Nevada Bar No. 001768
 3 MICHAEL A. REYNOLDS, ESQ.
 Nevada Bar No. 008631
 4 830 Las Vegas Boulevard South
 Las Vegas, Nevada 89101
 5 (702) 382-4044 Fax: (702) 383-9950
 Attorneys for Plaintiff/Counterdefendant
 6 GHOLAMREZA ZANDIAN JAZI

DISTRICT COURT

CLARK COUNTY, NEVADA

10 GHOLAMREZA ZANDIAN JAZI,
 11 Plaintiff,

CASE NO.: A511131
 DEPT. NO.: XI

12 v.

13 RAY KOROGHLI, individually, FARIBORZ FRED
 14 SADRI, individually, and as Trustee of the Star
 Living Trust, WENDOVER PROJECT, LLC, a
 15 Nevada limited liability company; BIG SPRING
 RANCH, LLC, a Nevada limited liability company,
 16 and NEVADA LAND AND WATER
 RESOURCES, LLC, a Nevada limited liability
 company,

NOTICE OF ENTRY OF ORDER

17 Defendants.

19 RAY KOROGHLI, individually and FARIBORZ
 20 FRED SADRI, individually,

21 Counterclaimants,

22 v.

23 GHOLAMREZA ZANDIAN JAZI,
 24 Counterdefendant.

25 WENDOVER PROJECT, LLC,
 26 Counterclaimant,

27 v.

28 GHOLAMREZA ZANDIAN JAZI,
 Counterdefendant.

JOHN PETER LEE, LTD.
 ATTORNEYS AT LAW
 830 LAS VEGAS BLVD. SOUTH
 LAS VEGAS, NEVADA 89101
 Telephone (702) 382-4044
 Telecopier (702) 383-9950

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 JUL 23 2007

CLERK OF THE COURT

1 GHOLAMREZA ZANDIAN JAZI,)
2 Counterclaimant,)
3 v.)
4 WENDOVER PROJECT, LLC,)
5 Counterdefendant.)

6 1334.022860-sy

7 **NOTICE OF ENTRY OF ORDER**

8 PLEASE TAKE NOTICE the Order On Post-Judgment Motions which is attached hereto was
9 entered on July 20, 2007.

10 Dated this 20 day of July, 2007.

11 JOHN PETER LEE, LTD.

12 BY: *Michael A. Reynolds*
13 JOHN PETER LEE, ESQ.
14 Nevada Bar No. 001768
15 MICHAEL A. REYNOLDS, ESQ.
16 Nevada Bar No. 008631
17 830 Las Vegas Boulevard South
18 Las Vegas, Nevada 89101
19 Ph: (702) 382-4044/Fax: (702) 383-9950
20 email: info@johnpeterlee.com

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25
26
27
28
JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BLVD. SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

CERTIFICATE OF MAILING

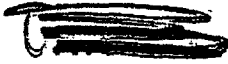
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2 HEREBY CERTIFY that on the 30th day of July, 2007, I served a copy of the foregoing
3 NOTICE OF ENTRY OF ORDER ON POST-JUDGMENT MOTIONS in the above captioned
4 matter by enclosing it in a sealed envelope upon which first class postage was fully prepaid
5 addressed to:

6
7 John M. Netzorg, Esq.
8 2810 West Charleston Blvd., #H-81
9 Las Vegas, Nevada 89102

Steven L. Day
Cohen, Johnson & Day
1060 West Wigman Pkwy
Henderson, Nevada 89074

10
11 
12 An employee of JOHN PETER LEE, LTD.

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JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BLVD. SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950



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[Signature]
CLERK OF THE COURT

1 **ORDER**
 2 JOHN PETER LEE, LTD.
 3 JOHN PETER LEE, ESQ.
 Nevada Bar No. 001768
 4 MICHAEL A. REYNOLDS, ESQ.
 Nevada Bar No. 008631
 5 830 Las Vegas Boulevard South
 Las Vegas, Nevada 89101
 (702) 382-4044 Fax: (702) 383-9950
 Attorneys for Plaintiff/Counterdefendant
 6 GHOLAMREZA ZANDIAN JAZI

7
 8 **DISTRICT COURT**
 9 **CLARK COUNTY, NEVADA**

10 GHOLAMREZA ZANDIAN JAZI,)
 11)
 Plaintiff,)
 12)
 v.)
 13 RAY KOROGHLI, individually, FARIBORZ FRED)
 SADRI, individually, and as Trustee of the Star)
 14 Living Trust, WENDOVER PROJECT, LLC, a)
 Nevada limited liability company; BIG SPRING)
 15 RANCH, LLC, a Nevada limited liability company,)
 and NEVADA LAND AND WATER)
 16 RESOURCES, LLC, a Nevada limited liability)
 company,)
 17)
 Defendants.)

CASE NO.: A511131
 DEPT. NO.: XI

**ORDER ON POST-JUDGMENT
 MOTIONS**

18 _____)
 19 RAY KOROGHLI, individually and FARIBORZ)
 FRED SADRI, individually,)
 20)
 Counterclaimants,)
 21)

22 v.)
 23 GHOLAMREZA ZANDIAN JAZI,)
 24)
 Counterdefendant.)

25 WENDOVER PROJECT, LLC,)
 26)
 Counterclaimant,)
 27)

27 v.)
 28 GHOLAMREZA ZANDIAN JAZI,)
)
 Counterdefendant.)

JOHN PETER LEE, LTD.
 ATTORNEYS AT LAW
 830 LAS VEGAS BLVD. SOUTH
 LAS VEGAS, NEVADA 89101
 Telephone (702) 382-4044
 Telecopier (702) 383-9950

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BLVD. SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

1 _____)
2 GHOLAMREZA ZANDIAN JAZI,)
3 Counterclaimant,)
4 v.)
5 WENDOVER PROJECT, LLC,)
6 Counterdefendant.)

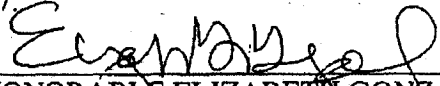
7 1334.022860-sy

8 **ORDER ON POST-JUDGMENT MOTIONS**

9 Defendants' Motion for Re-hearing and Motion to Amend or Alter Judgment Pursuant to
10 NRCP 59 (e), or in the Alternative, Motion for New Trial Pursuant to NRCP 59 (a) came before this
11 Court for hearing on July 17, 2007. Michael A. Reynolds, Esq., and Yvette R. Freedman, Esq., of
12 the law firm of John Peter Lee, Ltd., appeared on behalf of Plaintiff, Gholamreza Zandian Jazi, and
13 Steven L. Day, Esq., of Cohen, Johnson and Day, appeared on behalf of all Defendants.

14 The Court having considered the pleadings on file and the arguments of counsel,
15 IT IS HEREBY ORDERED that Defendants' Motions are denied.

16 Dated this 19 day of July, 2007.

17  *6
18 HONORABLE ELIZABETH GONZALEZ
19 DISTRICT COURT JUDGE, DEPARTMENT 11

20 RESPECTFULLY SUBMITTED BY:

21 JOHN PETER LEE, LTD.


22
23 BY: 
24 JOHN PETER LEE, ESQ.
25 Nevada Bar No. 001768
26 MICHAEL A. REYNOLDS, ESQ.
27 Nevada Bar No. 008631
28 830 Las Vegas Boulevard South
Las Vegas, Nevada 89101
(702) 382-4044 Fax: (702) 383-9950
Attorneys for Plaintiff/Counterdefendant
GHOLAMREZA ZANDIAN JAZI

EXHIBIT 5

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Shirley B. Longoria
CLERK

1 ANS
 2 JOHN M. NETZORG, ESQ.
 3 Nevada Bar No. 1335
 4 2810 West Charleston Boulevard, #H-81
 5 Las Vegas, Nevada 89102
 6 (702) 878-3400
 7 Attorney for RAY KOROGHLI, individually
 8 FARIBORZ FRED SADRI, individually and as Trustee
 9 of the STAR LIVING TRUST

7 DISTRICT COURT
 8 CLARK COUNTY, NEVADA

9 GHOLAMREZA ZANDIAN JAZI,)

10 Plaintiff,)

11 vs.)

12 RAY KOROGHLI, individually, FARIBORZ)
 13 FRED SADRI, individually and as Trustee of the)
 14 the Star Living Trust, WENDOVER PROJECT,)
 15 LLC, a Nevada limited liability company; BIG)
 16 SPRING RANCH, LLC, a Nevada limited liability)
 17 company, and NEVADA LAND AND WATER)
 18 RESOURCES, LLC, a Nevada limited liability)
 19 company)

17 Defendants)

) CASE NO. A 511131
) DEPT. NO. XIII

) **DEFENDANTS' RAY**
) **KOROGHLI AND FARIBORZ**
) **SADRI'S ANSWER AND**
) **COUNTERCLAIM**

19 Date of Hearing: n/a
 20 Time of Hearing: n/a

21 COME NOW, Defendants Ray Koroghli and Fariborz Fred Sadri, by and through their
 22 counsel, John M. Netzorg, Esq., and for their Answer to Plaintiff's First Amended Complaint,
 23 state as follows:

24 1. Answering Paragraph 1, Answering Defendants are without sufficient
 25 knowledge or information upon which to base a belief as to the truth of the allegations contained
 26 in Paragraph 1, and upon said ground deny each and every allegation contained therein.
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WFZ1736

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LAW OFFICES OF
JOHN M. NETZORG
 2810 W. CHARLESTON BLVD., SUITE H-81
 LAS VEGAS, NEVADA 89102
 (702) 878-3400

COUNTY CLERK

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2. Answering Defendants admit the allegations contained in Paragraph 2.
3. Answering Defendants admit the allegations contained in Paragraph 3.
4. Answering Paragraph 4, Answering Defendants are without sufficient knowledge or information upon which to base a belief as to the truth of the allegations contained in Paragraph 4, and upon said ground deny each and every allegation contained therein.

- 5. Answering Defendants deny the allegations contained in Paragraph 5.
- 6. Answering Defendants deny the allegations contained in Paragraph 6.
- 7. Answering Defendants deny the allegations contained in Paragraph 7.
- 8. Answering Defendants deny the allegations contained in Paragraph 8.
- 9. Answering Defendants deny the allegations contained in Paragraph 9.
- 10. Answering Defendants deny the allegations contained in Paragraph 10.
- 11. Answering Defendants deny the allegations contained in Paragraph 11.
- 12. Answering Defendants deny the allegations contained in Paragraph 12.

Attorney's Fee

Answering Defendants deny this allegation.

COUNTERCLAIM

COME NOW, Counterclaimants, RAY KOROGHLI and FARIBORZ FRED SADRI and for their counterclaims against the Counterdefendant GHOLAMREZ ZANDIAN JAZI, allege as follows:

- 1. Counterclaimant RAY KOROGHLI (hereinafter "Ray") is a member and manager of the three named LLCs.
- 2. Counterclaimant FARIBORZ FRED SADRI (hereinafter "Fred") is a member and manager of the three named LLCs.

1 3. Counterdefendant GHOLAMREZA ZANDIAN JAZI aka Zandian and Zandian
2 Jazi (hereinafter "Zandian") is believed to live in California.

3 4. Zandian was introduced to Fred by Fred's uncle who indicated Zandian was a
4 prominent business man, was down on his luck, and needed some assistance.

5 5. Zandian and his family befriended Fred.

6 6. Zandian represented to Fred and Ray that he had substantial holdings in Europe
7 and in Iran.

8 7. Zandian further represented that he had a personal relationship with Vidler Water
9 Company, an affiliate of Pico Holdings, Inc., the purchasers of the Union Pacific land holdings in
10 northern Nevada and water rights appurtenant thereto.

11 8. Zandian represented that by reason of his relationships with Vidler, its CEO, John
12 R. Hart, and other officers, that he was in a position to acquire substantial land holdings in
13 Nevada for a fraction of their value.

14 9. Based on these representations, the parties undertook a number of investments.

15 10. The parties' initial investment was Nevada Land and Water Resources, LLC.

16 11. This transaction closed in the summer of 2003.

17 12. Each of the partners was to be responsible for one-third of the million dollar
18 investment in this 4400-acre parcel in Pah Rah, Washoe County, Nevada.

19 13. Zandian represented that he had a shipping company in Europe as well as houses
20 in Paris, Nice, and Iran and was temporarily without funds.

21 14. Fred advanced 100% of Zandian's investment in the form of a purchase money
22 note and deed of trust.

23 15. Later that year, in December, the parties closed on two other transactions, one of
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1 which the Big Springs Ranch Project, a 37,000 acre parcel and 20,000 acre feet of water located
2 25 miles from Wendover.

3 16. As with the prior project, Fred and Ray put up \$900,000.00 apiece and Zandian
4 nothing.

5 17. The third investment was the Wendover Project, LLC.

6 18. When Zandian introduced the Wendover Project to his partners, he represented
7 that this 6400 acre Vidler holding, west of Wendover, Nevada, could be acquired for
8 \$15,000,000.00, or approximately one-third of its \$50,000,000.00 value.
9

10 19. Zandian, claiming to own a shipping yard in Europe, was to contribute his
11 \$3,000,000.00 in stock in the facility and the partners would share equally.

12 20. Fred and Ray organized the financing and brought in several new investors to
13 invest to reduce the loan amount.

14 21. The operating agreements disclosed what the managing partners were to receive.

15 22. The original purchase included a substantial purchase money deed of trust.

16 23. When debt service was necessary, Fred and Ray made the payments.

17 24. When the note and deed of trust matured, Fred hypothecated his other properties
18 in order to save the Wendover Project from foreclosure.
19

20 25. Subsequently, several investors were brought to Wendover to view the
21 project and introduced to City officials.
22

23 26. In response to inquiries as to the value of the land, the City officials indicated that
24 it was \$200.00 to \$400.00 an acre.

25 27. As a result of Zandian's failure to contribute anything, questions as to the accuracy
26 of his representations and his refusal to assist in the financing, Fred and Ray became concerned
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1 and flew to California to meet with John Hart, the CEO of Vidler Water Company and Pico
2 Holdings, the sellers of the land.

3 28. Fred and Ray were advised by Mr. Hart that the stock tendered by Zandian was
4 worthless.

5 29. On further demand, Fred and Ray were provided with documentation that
6 Zandian had received undisclosed commissions on all transactions from his principal, the seller.

7 30. Zandian represented that Fred and Ray would be partners in a 2,000 acre parcel in
8 Dayton, Nevada.

9 31. Without Fred and Ray's knowledge, Zandian proceeded with the acquisition of
10 this and other properties excluding Fred and Ray, but using investors introduced to him by them
11 to close the transactions.

12 32. Zandian proceeded to form LLCs including Gold Canyon Development, LLC,
13 High-Tech Development, LLC, Lion Park Development, LLC, Churchill Park Development,
14 LLC and Sparks Village, LLC during 2004 and additional LLCs during 2005 including Dayton
15 Plaza, LLC and Misfits Development, LLC.

16 33. As a result of learning that not only had Zandian tendered no consideration for his
17 interests, but that he had received undisclosed and improper commissions from the sellers on
18 each of the land transactions, the agreements were rescinded.

19 34. Nevada Land and Water, LLC, the first transaction, was never conveyed to the
20 LLC, but rather, Zandian refused and the interests were held as tenants-in-common.

21 35. Zandian has neither tendered nor paid one penny on the note and deed of trust
22 which was on the eve of foreclosure in December 2005.

23 36. As a result of having tendered worthless stock for the acquisition of the Wendover
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1 Project, and actually having received hundreds of thousands of dollars in secret compensation,
2 his rescinded interest was transferred to the other investors pro rata.

3 **FIRST COUNTERCLAIM FOR RELIEF**

4 **(Rescission)**

5 37. Counterclaimants repeat and reallege each and every allegation set forth above in
6 Paragraphs 1 through 36 as though fully set forth at length herein.

7 38. The Counterdefendant misrepresented the terms and conditions of the
8 investments.

9 39. The Counterdefendant has taken over half a million dollars in undisclosed
10 commissions and profits while simultaneously representing their value and Counterclaimants'
11 intentions.

12 40. Had Counterclaimants been aware of the true facts, they never would have entered
13 into the transactions.

14 41. By reason of the misrepresentations, breach of fiduciary duties, and receipt of
15 undisclosed commissions and compensation, the Counterclaimants and investment entities are
16 entitled to rescission.

17 42. By reason of a failure of consideration, the Counterclaimants and investment
18 entities are entitled to rescission.

19 43. By reason of Counterdefendant's intentional misrepresentations and omissions of
20 material fact, the Counterclaimants are entitled to rescission.

21 **SECOND COUNTERCLAIM FOR RELIEF**

22 **(Derivative Claims by the LLCs and by Counterclaimants)**

23 44. Counterclaimants repeat and reallege each and every allegation set forth in
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1 Paragraphs 1 through 43 above as though fully set forth at length herein.

2 45. Counterdefendant was the fiduciary of the investors and was under a duty to
3 disclose all compensation received.

4 46. By negotiating commissions, not only was this conduct in violation of Nevada real
5 estate law, but it worked a fraud against the Counterclaimants in that Counterdefendant received
6 undisclosed commissions and profits.

7 47. The Counterdefendant had fiduciary duties and statutory duties to disclose all
8 compensation and agency relationships.

9 48. Even though Counterdefendant was not a Nevada licensee, he was nonetheless
10 required to comply with Nevada Agency Disclosure Statutes and the other real estate licensee
11 requirements.

12 49. Counterdefendant has not contributed one penny towards the principal amounts,
13 interest, property taxes, water rights, engineering or anything.

14 50. In receiving hundreds of thousands of dollars in undisclosed commissions, the
15 Counterdefendant has enriched himself at his fiduciaries' and the Counterclaimants' expense.

16 51. In so acting, the Counterdefendant has caused the Counterclaimants damages in
17 an amount in excess of \$10,000.00.

18 52. In doing the acts set forth, the Counterdefendant has acted willfully, maliciously,
19 and with the intent to injure the Counterclaimants such that the Counterclaimants are entitled to
20 punitive and exemplary damages in an amount in excess of \$10,000.00.

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24 **THIRD COUNTERCLAIM FOR RELIEF**

25 **(Breach of Fiduciary Duties)**

26 53. Counterclaimants repeat and reallege each and every allegation set forth in
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1 Paragraphs 1 through 51 above as though fully set forth at length herein.

2 54. Counterdefendant, as a partner, co-member, co-manager, undisclosed agent, and
3 purported friend owed duties of disclosure to the Counterclaimants.

4 55. The standard for disclosure in Nevada is that each partner knows everything the
5 other partner knows.

6 56. In negotiating secret commissions, misrepresenting assets, misrepresenting values,
7 and in the other conduct complained of above, the Counterdefendant breached his fiduciary
8 duties causing the Counterclaimants damages in an amount in excess of \$10,000.00.

9 57. In so acting In doing the acts set forth, the Counterdefendant has acted willfully,
10 maliciously, and with the intent to injure the Counterclaimants such that the Counterclaimants
11 are entitled to punitive and exemplary damages in an amount in excess of \$10,000.00.

12 **FOURTH COUNTERCLAIM FOR RELIEF**

13 **(Derivative Claims)**

14 58. Counterclaimants repeat and reallege each and every allegation contained in
15 Paragraphs 1 through 56 above as though fully set forth at length herein.

16 59. Independently, and in the alternative, Counterclaimants make claim on behalf of
17 the LLCs for recovery of the undisclosed commissions and profits and for rescission of
18 Counterdefendant's membership interests.

19 60. Accordingly, the entities request an accounting and a judicial declaration that by
20 reason of the misrepresentations, failure of consideration, breach of fiduciary duties and
21 otherwise, that the membership interests claimed by Counterdefendant be declared null and void
22 and rescinded and that the parties be restored to their status quo ante.

23 61. Derivatively and additionally, Counterclaimants request that all undisclosed
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1 commissions and compensation received by Counterdefendant be disgorged together with the
2 rescission.

3 **FIFTH COUNTERCLAIM FOR RELIEF**

4 **(Constructive Trust)**

5 62. Counterclaimants repeat and reallege each and every allegation contained in
6 Paragraphs 1 through 60 above as though fully set forth at length herein.

7 63. Counterclaimants were advised that there were four Vidler properties being
8 pursued.

9 64. Counterdefendant acquired one of the four properties, without the
10 Counterclaimants' knowledge or consent, for his own account.

11 65. In acquiring the Dayton property, after advising the Counterclaimants that they
12 would receive it, the Counterdefendant acquired the property utilizing funds apparently provided
13 by one of the Counterclaimants' original investors.

14 66. In breaching his fiduciary duties, converting this company opportunity, and
15 defrauding his co-investors, Counterdefendant has damaged the Counterclaimants in an amount
16 in excess of \$10,000.00.

17 67. The conduct of Counterdefendant is such that a constructive trust need be imposed
18 upon the asset so that it may be retained for the benefit of the defrauded Counterclaimants.

19 **SIXTH COUNTERCLAIM FOR RELIEF**

20 **(Negligence)**

21 68. Counterclaimants repeat and reallege each and every allegation contained in
22 Paragraphs 1 through 66 above as though fully set forth herein.

23 69. Counterdefendant, in his dealings with Counterclaimants, owed them duties of
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1 good faith and to conduct himself in a manner which would not adversely impact the
2 Counterclaimants' interests.

3 70. Counterdefendant owed both a contractual duty of good faith and by reason of the
4 fiduciary relationships, a tort duty of good faith as well.

5 71. In breaching his duties to the Counterclaimants, the Counterdefendant has caused
6 the Counterclaimants damages in an amount in excess of \$10,000.00 for negligence damages.

7
8 **SEVENTH COUNTERCLAIM FOR RELIEF**

9 72. Counterclaimants repeat and reallege each and every allegation contained in
10 Paragraphs 1 through 70 above as though fully set forth at length herein.

11 73. In no event should this Counterclaim nor any provision of this pleading ever be
12 interpreted as an action on the Star Living Trust note and deed of trust which are secured by the
13 Nevada Land and Water Company interest of Counterdefendant.

14 74. The Star Living Trust has elected to proceed with non-judicial disclosure of that
15 note and obligation.

16 75. Other than the note and deed of trust discussed herein, Counterdefendant has
17 breached his obligations under the LLC agreements and in so doing, has caused
18 Counterclaimants and the LLCs damages in an amount in excess of \$10,000.00.
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20

21 **EIGHTH CLAIM FOR RELIEF**

22 **(Declaratory Relief)**

23 76. Counterclaimants repeat and reallege each and every allegation contained in
24 Paragraphs 1 through 74 above as though fully set at length herein.

25 77. Disputes have arisen between the parties as to their mutual rights and
26 entitlements.
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78. As outlined above, Counterclaimants have rescinded, legally or equitably, Counterdefendant's interests in the Wendover Project, LLC and the Big Springs, LLC.

79. Furthermore, Counterclaimants claim an interest in the fourth Vidler property located in Dayton.

80. The Counterclaimants do not seek the dissolution and winding up of the LLCs, but rather seek the rescission of Counterdefendant's interests.

81. It is otherwise necessary for the Court to adjudicate the parties' rights and entitlements.

82. Accordingly, Counterclaimants request a declaration from this Court determining the rights and entitlements of the parties in each of the investments.

NINTH CLAIM FOR RELIEF

(For Attorney's Fees and Special Damages)

83. Counterclaimants repeat and reallege each and every allegation contained in Paragraphs 1 through 82 above as though fully set forth at length herein.

84. By reason of Counterdefendant's activities, it has been necessary to retain attorneys.

85. In seeking the disgorgement of the profits, rescission and the other equitable relief requested herein, Counterclaimants are incurring attorney's fees due to Counterdefendant's conduct.

86. In so acting, Counterdefendant has caused Counterclaimants' damages in an amount in excess of \$10,000.00.

WHEREFORE, Counterclaimants pray for relief as follows:

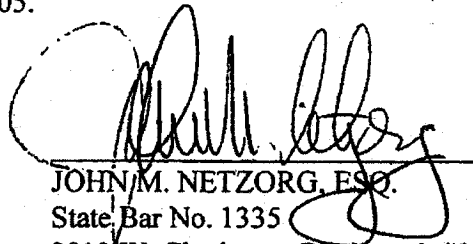
1. That Plaintiff take nothing by way of his Complaint;

LAW OFFICES OF
JOHN M. NETZORG
2810 W. CHARLESTON BLVD., SUITE H-81
LAS VEGAS, NEVADA 89102
(702) 878-3400

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2. For rescission of Counterdefendant's interests;
3. For disgorgement by Counterdefendant of all undisclosed commissions and profits;
4. For an accounting of all proceeds received by Counterdefendant;
5. For general damages in an amount in excess of \$10,000.00;
6. For punitive damages in an amount in excess of \$10,000.00;
7. For the imposition of a constructive trust on the Dayton property and any other misappropriated opportunities or ventures;
8. For declaratory relief;
9. For such further relief as the court deems just and proper, including attorney's fees, costs, and interest.

Dated this 6th day of December 2005.


JOHN M. NETZORG, ESQ.
State Bar No. 1335
2810 W. Charleston Boulevard, #81
Las Vegas, Nevada 89102
Attorney for KOROGHLI/SADRI

RECEIPT OF COPY

RECEIPT OF COPY of the foregoing Answer and Counterclaim is acknowledged this

6 day of December 2005.



JOHN PETER LEE, ESQ.
JOHN PETER LEE, LTD.

Nevada Bar No. 1768
830 Las Vegas Boulevard South
Las Vegas, Nevada 89101
Attorney for Plaintiff/Counterdefendant

LAW OFFICES OF
JOHN M. NETZORG
2810 W. CHARLESTON BLVD., SUITE H-81
LAS VEGAS, NEVADA 89102
(702) 678-3400

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EXHIBIT 6

ORIGINAL

FILED

MAY 9 3 51 PM '06

Shirley A. Reynolds
CLERK

1 RPLY
2 JOHN PETER LEE, LTD.
3 JOHN PETER LEE, ESQ.
4 Nevada Bar No. 001768
5 830 Las Vegas Boulevard South
6 Las Vegas, Nevada 89101
7 (702) 382-4044 Fax: (702) 383-9950
8 Attorneys for Plaintiff/Counterdefendant

DISTRICT COURT
CLARK COUNTY, NEVADA

9 GHOLAMREZA ZANDIAN JAZI,)

10 Plaintiff,)

11 v.)

12 RAY KOROGHLI, individually, FARIBORZ FRED)
13 SADRI, individually, and as Trustee of the Star)
14 Living Trust, WENDOVER PROJECT, LLC, a)
15 Nevada limited liability company; BIG SPRING)
16 RANCH, LLC, a Nevada limited liability company,)
17 and NEVADA LAND AND WATER)
18 RESOURCES, LLC, a Nevada limited liability)
19 company,)

20 Defendants.)

21 RAY KOROGHLI, individually and FARIBORZ)
22 FRED SADRI, individually,)

23 Counterclaimants,)

24 v.)

25 GHOLAMREZ ZANDIAN JAZI,)

26 Counterdefendant.)

27 WENDOVER PROJECT, LLC,)

28 Counterclaimant,)

29 v.)

30 GHOLAMREZ ZANDIAN JAZI,)

31 Counterdefendant.)

CASE NO.: A511131
DEPT. NO.: XIII

REPLY TO COUNTERCLAIM
OF WENDOVER PROJECT, LLC
AND COUNTERCLAIM
AGAINST WENDOVER
PROJECT, LLC

DATE: N/A
TIME: N/A

RECEIVED

MAY 09 2006

COUNTY CLERK

JOHN PETER LEE, LTD.

ATTORNEYS AT LAW

830 LAS VEGAS BOULEVARD SOUTH

LAS VEGAS, NEVADA 89101

Telephone (702) 382-4044

Telecopier (702) 383-9950

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

1 GHOLAMREZ ZANDIAN JAZI,)
2 Counterclaimant,)
3 v.)
4 WENDOVER PROJECT, LLC,)
5 Counterdefendant,)

6 1334.022860-JLR

7 COMES NOW the Plaintiff and Counterdefendant, Gholamreza Zandian Jazi ("Zandian"),
8 by and through his counsel, John Peter Lee, Ltd., and for and a Reply the Counterclaim of Wendover
9 Project, LLC, alleges as follows:

10 **FIRST DEFENSE**

- 11 1. The Counterclaim fails to state facts upon which relief can be granted.

12 **SECOND DEFENSE**

13 2. The Counterclaim is not responsive to the assertions made in the Complaint, but
14 rather makes irrelevant assertions against the Plaintiff/Counterdefendant, which are not and cannot
15 be the subject of any contractual matters existing between him and the answering
16 Defendant/Counterclaimant Wendover Project, LLC.

17 **THIRD DEFENSE**

18 3. Plaintiff/Counterdefendant admits that he is a resident of the State of California, but
19 denies all the remaining allegations of the Counterclaim as being totally irrelevant, immaterial and
20 not binding upon the Plaintiff/Counterdefendant.

21 4. Specifically this Counterdefendant denies that as a matter of fact the agreements
22 referred to in the Counterclaim were "rescinded" and denies further that the LLC had the authority
23 to transfer the "rescinded interest" of the Plaintiff/Counterdefendant to the other investors pro rata
24 and that, if such was accomplished, it was accomplished in violation of the Operating Agreement
25 and the Articles of formation of the LLC and was contrary to the laws of the State of Nevada and
26 accordingly the action of the LLC, if in fact undertaken, is without force and authority and are
27 evidence of the wrongdoing of the individual Defendants.

28 ...

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

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DEFENSE TO THE FIRST COUNTERCLAIM FOR RELIEF

5. Plaintiff/Counterdefendant repeats the allegations set forth in Paragraphs 1 through 3 above made in response to the provisions of Paragraph 11.

6. Plaintiff/Counterdefendant denies the allegations of Paragraphs 12, 13, 14, 15, 16 and 17 of the First Counterclaim for Relief.

DEFENSE TO THE SECOND COUNTERCLAIM FOR RELIEF

7. Plaintiff/Counterdefendant repeats the allegations set forth in Paragraphs 1 through 6 above made in response to the provisions of Paragraph 18.

8. Plaintiff/Counterdefendant denies the allegations of Paragraphs 19, 20, 21, 22, 23, 24, 25 and 26 of the Second Counterclaim for Relief.

DEFENSE TO THE THIRD COUNTERCLAIM FOR RELIEF

9. Plaintiff/Counterdefendant repeats the allegations set forth in Paragraphs 1 through 8 above made in response to the provisions of Paragraph 27.

10. Plaintiff/Counterdefendant denies the allegations of Paragraphs 28, 29 and 30 of the Third Counterclaim for Relief.

DEFENSE TO THE FOURTH COUNTERCLAIM FOR RELIEF

11. Plaintiff/Counterdefendant repeats the allegations set forth in Paragraphs 1 through 10 above made in response to the provisions of Paragraph 31.

12. Plaintiff/Counterdefendant denies the allegations of Paragraphs 32, 33 and 34 of the Fourth Counterclaim for Relief.

DEFENSE TO THE FIFTH COUNTERCLAIM FOR RELIEF

13. Plaintiff/Counterdefendant repeats the allegations set forth in Paragraphs 1 through 12 above made in response to the provisions of Paragraph 35.

14. Plaintiff/Counterdefendant denies the allegations of Paragraphs 36, 37 and 38 of the Fifth Counterclaim for Relief.

DEFENSE TO THE SIXTH COUNTERCLAIM FOR RELIEF

15. Plaintiff/Counterdefendant repeats the allegations set forth in Paragraphs 1 through 14 above made in response to the provisions of Paragraph 39.

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

1 16. Plaintiff/Counterdefendant denies the allegations of Paragraphs 40, 40 {sic}, 41, 42,
2 43 and 44 of the Sixth Counterclaim for Relief.

3 **DEFENSE TO THE SEVENTH COUNTERCLAIM FOR RELIEF**

4 17. Plaintiff/Counterdefendant repeats the allegations set forth in Paragraphs 1 through
5 16 above made in response to the provisions of Paragraph 45.

6 18. Plaintiff/Counterdefendant denies the allegations of Paragraphs 46, 47 and 48 of the
7 Seventh Counterclaim for Relief.

8 **ATTORNEYS FEES**

9 The Plaintiff/Counterdefendant is entitled to his fees and costs in connection with this case,
10 incurred prior to and subsequent to the filing of the Counterclaim in this action.

11 WHEREFORE, the Plaintiff/Counterdefendant prays that the Defendant/Counterclaimant
12 Wendover Project, LLC be allowed no relief whatsoever and that the Plaintiff/Counterdefendant be
13 entitled to and granted the relief requested by him in his Complaint, together with his attorneys fees
14 and costs.

15 **COUNTERCLAIM TO THE COUNTERCLAIM**
16 **OF WENDOVER PROJECT, LLC**

17 COMES NOW the Plaintiff/Counterdefendant/Counterclaimant Gholamreza Zandian Jazi
18 for an as a Counterclaim against Wendover Project, LLC asserts as follows:

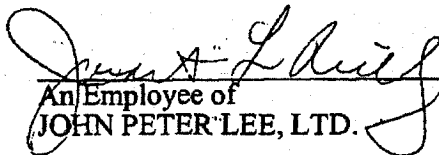
19 1. The Plaintiff/Counterdefendant/Counterclaimant holds a valid, existing and Member
20 and Manager's right in Wendover Project, LLC, a Nevada limited liability company.

21 2. The Defendant/Counterclaimant Wendover Project, LLC has assertedly through the
22 other Managers and Members attempted to harm, injure and terminate the
23 Plaintiff/Counterdefendant/Counterclaimant and terminate his rights as a Member and as a Manager
24 of Wendover Project, LLC, all of which was done improperly without authority and in contravention
25 of the Plaintiff/Counterdefendant/Counterclaimant's rights all to his damage in a sum not as yet
26 determined because the Defendants, and each of them, have failed and refused to account to the
27 Plaintiff/Counterdefendant/Counterclaimant for monies, cash and other assets received during the
28

1 CERTIFICATE OF MAILING

2 I HEREBY CERTIFY that I am an employee of John Peter Lee, Ltd. and that on the 9th day
3 of May, 2006, pursuant to the amendment of the Eighth Judicial District Court Rule 7.26, I served
4 by enclosing it in a sealed envelope upon which first class postage was fully prepaid, a copy of the
5 foregoing REPLY TO COUNTERCLAIM OF WENDOVER PROJECT, LLC AND
6 COUNTERCLAIM AGAINST WENDOVER PROJECT, LLC in the above captioned matter to the
7 following:

8 John M. Netzorg, Esq.
9 2810 West Charleston Boulevard, #81
10 Las Vegas, Nevada 89102
11 Attorneys for Defendants,
12 Ray Koroghli, Fariborz Fred Sadri

13 
14 An Employee of
15 JOHN PETER LEE, LTD.

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JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

EXHIBIT 7

1 ANAC
JOHN PETER LEE, LTD.
2 JOHN PETER LEE, ESQ.
Nevada Bar No. 001768
3 MICHAEL A. REYNOLDS, ESQ.
Nevada Bar No. 008631
4 830 Las Vegas Boulevard South
Las Vegas, Nevada 89101-6723
5 Ph: (702) 382-4044 Fax: (702) 383-9950
e-mail: info@johnpeterlee.com
6 Attorneys for Plaintiffs

Clark
CLERK OF THE COURT

JUN 15 4 13 PM '07

FILED

7
8 DISTRICT COURT
9 CLARK COUNTY, NEVADA

10 GHOLAMREZA ZANDIAN JAZI; GOLD
11 CANYON DEVELOPMENT, LLC., a
Nevada Limited Liability Company,

CASE NO.: A541078
DEPT. NO.: 11

BUSINESS COURT REQUESTED

12 Plaintiffs,

13 vs.

**EXEMPTION FROM
ARBITRATION
(ACTION IN EQUITY SEEKING
INJUNCTIVE RELIEF)**

14
15 NEVADA LAND and RESOURCE COMPANY
16 LLC., a Nevada Limited Liability Company;
ELIAS ABRISHAMI; GLOBAL FUNDING
17 GROUP, LLC a California Limited Liability
Company; and DOES 1-100, inclusive,

18 Defendants.

19
20 1334.022860 sy

**AMENDED COMPLAINT AS TO ELIAS ABRISHAMI AND
GLOBAL FUNDING GROUP, LLC**

21
22 COME NOW the Plaintiffs, Gholamreza Zandian Jazi ("Zandian") and Gold Canyon
23 Development, LLC, a Nevada Limited Liability Company ("Gold Canyon") by and through their
24 counsel, John Peter Lee, Ltd., and as and for their Amended Complaint as to Elias Abrishami and
25 Global Funding, LLC, and each of them, allege as follows:

26 **FIRST CAUSE OF ACTION**

27 **(Breach of Contract Against Nevada Land and Resource Company and does I-100)**

- 28
1. Plaintiff Zandian is an individual and a resident of the State of California.
 2. Plaintiff Gold Canyon is a Nevada Limited Liability Company.

JOHN PETER LEE, LTD.
ATTORNEY AT LAW
830 LAS VEGAS BLVD. SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Teletypewriter (702) 383-9950

1 a foreclosure sale for May 22, 2007, and then continued the sale.

2 14. The Plaintiffs have no adequate remedy at law for the harm which will be done by
3 Defendants selling the property at a foreclosure sale as the Plaintiffs will lose entitlement to the
4 property because Defendant has wrongfully failed to apply the aforementioned credit toward the
5 balance due on the note.

6 15. Plaintiffs will suffer irreparable harm, damage and injury unless the foreclosure and
7 conduct of the Defendants above described and complained of are enjoined.

8 16. Plaintiffs seek a Temporary Restraining Order and Preliminary Injunction enjoining
9 Defendants from foreclosure of the subject property.

10 **THIRD CAUSE OF ACTION**

11 **(Breach of Contract Against Defendant Elias Abrishami)**

12 17. Defendant Elias Abrishami ("Abrishami") is a member of Gold Canyon
13 Development, LLC.

14 18. Zandian, Abrishami, and Abrishami's son, Rafi Abrishami, each as managing
15 members, formed Gold Canyon Development LLC pursuant to a written Operating Agreement dated
16 November 10, 2004. The purpose of the LLC was to purchase the raw land in Lyon and Storey
17 counties described in Exhibit "1." Zandian and Abrishami were to equally split any profits from this
18 investment.

19 19. Zandian located the property and negotiated its price. The parties agreed that
20 Abrishami would provide all funds for the purchase of the property and would make all payments
21 on the purchase note as they came due.

22 20. Abrishami has breached the agreement with Zandian by refusing to make payments
23 on the note as they come due. The property is in foreclosure and Zandian will lose his interest in the
24 property by reason of Abrishami's breach.

25 21. Abrishami has also encumbered the property without the consent of Zandian and has
26 failed to account for the funds borrowed.

27 22. Plaintiffs have been damaged in a sum in excess of \$10,000 and have been required
28 to retain the services of John Peter Lee, Ltd., and are entitled to fees for said services.

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGA, LVD. SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

FOURTH CAUSE OF ACTION

(Conspiracy Against Defendants Abrishami, Global Funding and NLRC)

23. Plaintiffs repeat and reallege each and every allegation contained in paragraphs 1 through 22, as though fully set forth herein.

24. Defendants Abrishami, Global Funding and NLRC have acted in concert in an attempt to accomplish an unlawful objective for the purpose of harming Plaintiffs.

25. Defendants' actions include conspiring with one another to exclude Zandian from his interest in the property by letting the property go to foreclosure sale, thus attempting to remove Zandian as a title holder to the property; and negotiating directly with each other for the purpose of selling NLRC's note directly to Abrishami and Global Funding to deprive Zandian of any interest in the property.

26. Plaintiffs have been damaged as a result of Defendants' conspiracy in a sum in excess of \$10,000 and have been required to retain the services of John Peter Lee, Ltd., and are entitled to fees for said services.

WHEREFORE, Plaintiffs pray for judgment as follows:

1. That a Temporary Restraining Order be issued restraining Defendants Nevada Land and Resource Company, Global Funding and their agents, servants, and employees from conducting the foreclosure sale threatened by the Defendants as alleged in this Complaint until a hearing is had on the Plaintiffs' application for a Preliminary Injunction;

2. For a Preliminary Injunction enjoining Defendants, Nevada Land and Resource Company, Global Funding and their agents, servants and employees from conducting the foreclosure sale referenced in this Complaint during the pendency of this action, and that on the final hearing, the Defendants, their servants, agents and employees be permanently enjoined from foreclosing on the property pursuant to the Deed of Trust described herein;

///

///

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///

JOHN PETER LEE, LTD.
ATTORNF AT LAW
830 LAS VEGA LVD. SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BLVD. SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

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3. That Plaintiffs have judgment against each of the Defendants in a sum in excess of \$10,000;

4. That Plaintiffs be awarded their costs, expenses, attorneys fees and such other and further relief as is just and proper.

Dated this 15 day of June, 2007.

JOHN PETER LEE, LTD.



JOHN PETER LEE, ESQ.
Nevada Bar No. 001768
MICHAEL A. REYNOLDS, ESQ.
Nevada Bar No. 008631
830 Las Vegas Boulevard South
Las Vegas, Nevada 89101-6723
Ph: (702) 382-4044 Fax: (702) 383-9950
e-mail: info@johnpeterlee.com
Attorneys for Plaintiffs

EXHIBIT 1

ATTC
830 LAS VEGAS
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

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EXHIBIT A

PARCEL ONE

Section 23, Township 16 North, Range 21 East, M.D.M., North 1/2 of Northwest 1/4 of Southwest 1/4 of Northwest 1/4; and West 1/2 of Southwest 1/4.

NOTE (NRS 111.312): The above metes and bounds description appeared previously in that certain instrument, recorded in the Office of the County recorder of Lyon County, Nevada, on January 8, 1990, as Document No. 130231, of Official Records.

PARCEL TWO

Section 1, Township 17 North, Range 22 East:
All that portion of section lying within the boundaries of Lyon County.

PARCEL THREE

Section 31, Township 18 North, Range 23 East:
All that portion of section lying within the boundaries of Lyon County

PARCEL FOUR

Section 19, Township 17 North, Range 24 East:
All that portion of section lying within the boundaries of Lyon County.
Assessor's Parcel Numbers are: 016-151-14; 015-311-07; 015-021-01 and 015-551-01.

AFFIRMATION
Pursuant to NRS 239B.030
The undersigned does hereby affirm that the preceding
NOTICE LIS OGDEN'S
filed in District Court case number NEV
DOES NOT contain the social security number of any person.
[Signature] Date 5/11/07

JOHN PETER & TD.

ATTORNEY AT LAW
830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

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EXHIBIT A

PARCEL ONE

That portion of Section 31, Township 18 North, Range 23 East, M.D.B. & M., that lies within the boundaries of Storey, County, State of Nevada.

PARCEL TWO

That portion of Section 1, Township 17 North, Range 22 East, M.D.B. & M., that lies within the boundaries of Storey County, State of Nevada

Assessor's Parcel Numbers: 04-291-02 and 04-181-02

AFFIRMATION

Pursuant to NRS 239B.030

The undersigned does hereby affirm that the preceding

NILS PEDERSEN

Filed in District Court case number NEW

DOES NOT contain the social security number of any person.

[Signature] Date 5/4/07

EXHIBIT 2

A. P. No. 016-151-14, 015-311-07,
015-021-01, 015-551-01
No. 5848-FCL

When recorded mail to:

WESTERN TITLE COMPANY, INC.
P.O. Box 3058
Reno, Nevada 89505

NOTICE OF TRUSTEE'S SALE

WHEREAS, NEVADA LAND AND RESOURCE COMPANY, LLC, a Nevada limited liability company, is the owner and holder of that certain obligation secured by Deed of Trust dated November 23, 2004, executed by GOLD CANYON DEVELOPMENT, LLC, a Nevada limited liability company, Trustor, to WESTERN TITLE COMPANY, INC., a Nevada corporation, Trustee for NEVADA LAND AND RESOURCE COMPANY, LLC, a Nevada limited liability company, Beneficiary, which Deed of Trust was recorded November 29, 2004, as Document No. 336828, Official Records, Lyon County, Nevada; and

WHEREAS, the above-described note is further secured by that certain Deed of Trust recorded November 29, 2004, as Document No. 099315, Official Records, Storey County, Nevada; and

WHEREAS, the Promissory Note secured by the above-described Deed of Trust was amended and restated as evidenced by that certain Amended and Restated Promissory Note dated January 25, 2006, and executed by GOLD CANYON DEVELOPMENT, LLC, as Maker and NEVADA LAND AND RESOURCE COMPANY, LLC, as Holder; and

WHEREAS, default has been made by said Trustor in the payment of the debt evidenced by the Promissory Note for which said Deed of Trust is security, and the said NEVADA LAND AND RESOURCE COMPANY, LLC, did cause Notice of Default and Election To Sell under said Deed of Trust to be recorded January 10, 2007, as Document No. 398595, Official Records, Lyon County, Nevada; and

WHEREAS, NEVADA LAND AND RESOURCE COMPANY, LLC, has made demand upon said Trustee that said Trustee proceed to sell the land and premises described in said Deed of Trust;

WESTERN TITLE

NOW, THEREFORE, pursuant to said demand, and in accordance with the terms and under the authority of said Deed of Trust, said WESTERN TITLE COMPANY, INC., as such Trustee, does hereby give notice that on the 15th day of May, 2007, at the hour of 11:00 o'clock A.M. on said day, at the steps of the Lyon County Courthouse, 31 S. Main Street, Yerington, Nevada, said Trustee will sell at public auction to the highest bidder, for current lawful money of the United States of America, all that certain real property situate in the County of Lyon, State of Nevada, that is described as follows:

PARCEL 1:

Section 23, Township 16 North, Range 21 East, M.D.M., North 1/2 of Northwest 1/4 of Southwest 1/4 of Northwest 1/4; and West 1/2 of Southwest 1/4.

NOTE (NRS 111.312): The above metes and bounds description appeared previously in that certain instrument, recorded in the office of the County Recorder of Lyon County, Nevada, on January 8, 1990, as Document No. 130231, of Official Records.

PARCEL 2:

Section 1, Township 17 North, Range 22 East:

All that portion of section lying within the boundaries of Lyon County.

PARCEL 3:

Section 31, Township 18 North, Range 23 East:

All that portion of section lying within the boundaries of Lyon County.

PARCEL 4:

Section 19, Township 17 North, Range 24 East:

All that portion of section lying within the boundaries of Lyon County.

TOGETHER WITH the improvements thereon and all and singular the tenements, hereditaments and appurtenances thereunto belonging or appertaining, and the reversion and reversions, remainder and remainders, rents, issues and profits thereof.

The Assessor's Parcel Numbers are: 016-151-14, 015-311-07, 015-021-01 and 015-551-01.

The current outstanding principal balance is approximately \$962,701.60, which is owed together with interest, late charges, advances, interest on advances, foreclosure fees and costs, and other expenses or costs not herein disclosed.

The opening bid amount may be more or less than the outstanding principal balance as indicated.

The undersigned disclaims any liability for the accuracy of the above-described address, APN, or principal balance. Verification of such information can be requested during normal business hours at the office of the Trustee, whose address is: 241 Ridge Street, Reno, Nevada 89501, Telephone No. (775) 7176.

This property is sold as-is. Beneficiary is unable to validate the condition, defects or disclosure issues of said property and Buyer shall waive the disclosure requirements under NRS 113.130 by purchasing at this sale.

DATED: 4-16, 2007.

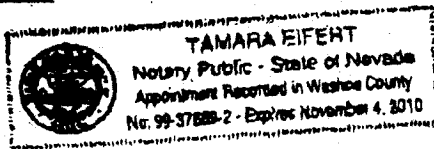
WESTERN TITLE COMPANY, INC.

By: [Signature]
JOY M. TAGHIOF
FORECLOSURE OFFICER
Its: _____

STATE OF NEVADA)
) ss
COUNTY OF WASHOE)

This instrument was acknowledged before me on 4-16, 2007, by JOY M. TAGHIOF, as FORECLOSURE OFFICER of WESTERN TITLE COMPANY, INC.

[Signature]
Notary Public



A. P. No. 04-291-02 & 04-181-02
No. 5849-FCL

When recorded mail to:

WESTERN TITLE COMPANY, INC.
P.O. Box 8050
Reno, Nevada 89505

NOTICE OF TRUSTEE'S SALE

WHEREAS, NEVADA LAND AND RESOURCE COMPANY, LLC, a Nevada limited liability company, is the owner and holder of that certain obligation secured by Deed of Trust dated November 23, 2004, executed by GOLD CANYON DEVELOPMENT, LLC, a Nevada limited liability company, Trustor, to WESTERN TITLE COMPANY, INC., a Nevada corporation, Trustee for NEVADA LAND AND RESOURCE COMPANY, LLC, a Nevada limited liability company, Beneficiary, which Deed of Trust was recorded November 29, 2004, as Document No. 099315, Official Records, Storey County, Nevada; and

WHEREAS, the above-described note is further secured by that certain Deed of Trust recorded November 29, 2004, as Document No. 336828, Official Records, Lyon County, Nevada; and

WHEREAS, the Promissory Note secured by the above-described Deed of Trust was amended and restated as evidenced by that certain Amended and Restated Promissory Note dated January 25, 2006, and executed by GOLD CANYON DEVELOPMENT, LLC, as Maker and NEVADA LAND AND RESOURCE COMPANY, LLC, as Holder; and

WHEREAS, default has been made by said Trustor in the payment of the debt evidenced by the Promissory Note for which said Deed of Trust is security, and the said NEVADA LAND AND RESOURCE COMPANY, LLC, did cause Notice of Default and Election To Sell under said Deed of Trust to be recorded January 10, 2007, as Document No. 105738, Official Records, Storey County, Nevada; and

WHEREAS, NEVADA LAND AND RESOURCE COMPANY, LLC, has made demand upon said Trustee that said Trustee proceed to sell the land and premises described in said Deed of Trust;

NOW, THEREFORE, pursuant to said demand, and in accordance with the terms and under the authority of said Deed of Trust,

LAW OFFICES OF JUDITH A. OTTO, LTD. • 1610 MONTCLAIR AVENUE, SUITE B • RENO, NEVADA 89509

said WESTERN TITLE COMPANY, INC., as such Trustee, does hereby give notice that on the 15th day of May, 2007, at the hour of 11:00 o'clock A.M. on said day, at the steps of the Virginia City Courthouse, 26 South B Street, Virginia City, Nevada, said Trustee will sell at public auction to the highest bidder, for current lawful money of the United States of America, all that certain real property situate in the County of Storey, State of Nevada, that is described as follows:

PARCEL ONE:

That portion of Section 31, Township 18 North, Range 23 East, M.D.B.&M., that lies within the boundaries of Storey County, State of Nevada.

PARCEL TWO:

That portion of Section 1, Township 17 North, Range 22 East, M.D.B.&M., that lies within the boundaries of Storey County, State of Nevada.

TOGETHER WITH the improvements thereon and all and singular the tenements, hereditaments and appurtenances thereunto belonging or appertaining, and the reversion and reversions, remainder and remainders, rents, issues and profits thereof.

The Assessor's Parcel Numbers are: 04-291-02 & 04-181-02.

The current outstanding principal balance is approximately \$240,675.40, which is owed together with interest, late charges, advances, interest on advances, foreclosure fees and costs, and other expenses or costs not herein disclosed.

The opening bid amount may be more or less than the outstanding principal balance as indicated.

The undersigned disclaims any liability for the accuracy of the above-described address, APN, or principal balance. Verification of such information can be requested during normal business hours at the office of the Trustee, whose address is: 241 Ridge Street, Reno, Nevada 89501, Telephone No. (775) 7176.

This property is sold as-is. Beneficiary is unable to validate the condition, defects or disclosure issues of said

Lyon /Storey Purchase

Due At Closing	1,072,000
Additional advance opaid at closing as interest	-8966.89
Net Total at closing	1,063,033
Interest until December 31,2004	6523.52
Total due december 31,2004	1,069,557
interest until March 25,2005	17230.12
Total March 25,2005	1,086,787
Interest and principal paid March,25,2005	-132,236.56
Total due March 25,2005	954,550
Interest until January 25,2006	55,833.30
Total due January 25,2006	1,010,383
Interest and principal paid January 25,2006	-190,057
Net due January 25,2006	820,326
Interest until April 1,2006 @ 8%	11,686.35
Total due April 1,2006	832,013
interest and principal paid April 1,2006	-17,144
Total due April 1,2006	814,869
Interest until December 31,2006	48,936.40
Total payable December 31,2006	863,805

EXHIBIT 8

Hale Lane Peek De on and Howard
3930 Howard Hughes Parkway, Fourth Floor
Las Vegas, Nevada 89169

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ANS
J. Stephen Peek, Esq.
Nevada Bar No. 1758
Patricia C. Halstead, Esquire
Nevada Bar No. 6668
Hale Lane Peek Dennison and Howard
3930 Howard Hughes Parkway, Fourth Floor
Las Vegas, Nevada 89169
Phone: (702) 222-2500
Facsimile: (702) 365-6940

RECEIVED
JUN 21 2007
JOHN PETER LEE, LTD.

Attorneys for Defendant Elias Abrishami

**DISTRICT COURT
CLARK COUNTY, NEVADA**

GHOLAMREZA ZANDIAN JAZI, GOLD
CANYON DEVELOPMENT, LLC, a Nevada
Limited Liability Company,

Case No.: A541078
Dept. No.: XI

Plaintiff,

**ANSWER TO SECOND AMENDED
COMPLAINT AND COUNTERCLAIM
FOR DISSOLUTION**

vs.

NEVADA LAND AND RESOURCE
COMPANY, LLC, a Nevada Limited Liability
Company; ELIAS ABRISHAMI; and DOES 1-
100, inclusive,

Defendants.

Defendant Elias Abrishami ("Defendant") hereby responds to Plaintiffs' Gholamreza Zandian Jazi's and Gold Canyon Development, LLC's (collectively "Plaintiffs") First Amended Complaint, filed May 18, 2007, as follows:

FIRST CAUSE OF ACTION

(Breach of Contract Against Nevada Land Resources Company and Does 1-100)

1. Defendant admits the allegations in paragraph 1 of Plaintiffs' First Amended Complaint.
2. Defendant admits the allegations in paragraph 2 of Plaintiffs' First Amended Complaint.
3. Defendant admits the allegations in paragraph 3 of Plaintiffs' First Amended

1 Complaint.

2 4. Defendant denies the allegations in paragraph 4 of Plaintiff's Complaint.

3 5. In response to paragraph 5 of Plaintiffs' First Amended Complaint, Defendant
4 admits that Zandian is a member of Gold Canyon Development, LLC ("Gold Canyon") but
5 denies the remainder of the allegations.

6 6. In response to paragraph 6 of Plaintiffs' First Amended Complaint, Defendant
7 states that the allegations therein are not directed at him and, therefore, is without information
8 and belief as to their truth or falsity and denies the same.

9 7. Defendant admits the allegations in paragraph 7 of Plaintiffs' First Amended
10 Complaint

11 8. In response to paragraph 8 of Plaintiffs' First Amended Complaint, Defendant
12 states that the allegations therein are not directed at him and, therefore, Defendant provides no
13 response to the same.

14 9. In response to paragraph 9 of Plaintiffs' First Amended Complaint, Defendant
15 states that the allegations therein are not directed at him and, therefore, is without information
16 and belief as to their truth or falsity and denies the same.

17 SECOND CAUSE OF ACTION

18 (TRO and Injunction Against Nevada Land Resources Company and Does 1-100)

19 10. In response to paragraph 10 of Plaintiffs' First Amended Complaint, Defendant
20 restates its responses to paragraphs 1 through 9 as though fully set forth herein.

21 11. In response to paragraph 11 of Plaintiffs' First Amended Complaint, Defendant
22 states that the allegations therein are not directed at him and, therefore, is without information
23 and belief as to their truth or falsity and denies the same.

24 12. In response to paragraph 12 of Plaintiffs' First Amended Complaint, Defendant
25 states that the allegations therein are not directed at him and, therefore, is without information
26 and belief as to their truth or falsity and denies the same.

27 13. In response to paragraph 13 of Plaintiffs' First Amended Complaint, Defendant
28 states that the allegations therein are not directed at him and, therefore, is without information

1 and belief as to their truth or falsity and denies the same.

2 14. In response to paragraph 14 of Plaintiffs' First Amended Complaint, Defendant
3 states that the allegations therein are not directed at him and, therefore, is without information
4 and belief as to their truth or falsity and denies the same.

5 15. In response to paragraph 15 of Plaintiffs' First Amended Complaint, Defendant
6 states that the allegations therein are not directed at him and, therefore, is without information
7 and belief as to their truth or falsity and denies the same.

8 THIRD CAUSE OF ACTION

9 (Breach of Contract Against Defendant Elias Arbrishami)

10 16. In response to paragraph 16 of Plaintiffs' First Amended Complaint, Defendant
11 restates its responses to paragraphs 1 through 15 as though fully set forth herein.

12 17. Defendant admits the allegations regarding formation of Gold Canyon and denies
13 the remaining allegations in paragraph 17 of Plaintiffs' First Amended Complaint.

14 18. Defendant denies the allegations in paragraph 18 of Plaintiffs' First Amended
15 Complaint.

16 19. Defendant denies the allegations in paragraph 19 of Plaintiffs' First Amended
17 Complaint.

18 20. Defendant denies the allegations in paragraph 20 of Plaintiffs' First Amended
19 Complaint.

20 21. Defendant denies the allegations in paragraph 21 of Plaintiffs' First Amended
21 Complaint.

22 FOURTH CAUSE OF ACTION

23 (Conspiracy Against Defendants Elias Arbrishami and NLRC)

24 22. In response to paragraph 22 of Plaintiffs' First Amended Complaint, Defendant
25 restates its responses to paragraphs 1 through 21 as though fully set forth herein.

26 23. Defendant denies the allegations in paragraph 23 of Plaintiffs' First Amended
27 Complaint.

28 24. Defendant denies the allegations in paragraph 24 of Plaintiffs' First Amended

1 Complaint.

2 25. Defendant denies the allegations in paragraph 25 of Plaintiffs' First Amended
3 Complaint.

4 **AFFIRMATIVE DEFENSES**

5 As and for a separate defense, Defendant alleges the following affirmative defenses:

6 1. Plaintiffs have failed to state a claim against Defendant upon which relief may be
7 granted.

8 2. The doctrine of unclean hands prevents recovery by Plaintiffs.

9 3. The actions, if any, on behalf of Defendant as alleged in Plaintiffs' First Amended
10 Complaint, were reasonably necessary to protect Defendant's legitimate property interest.

11 4. Defendant alleges that at all times relevant hereto, the alleged agreement entered
12 into between the Plaintiff and Defendant would be unenforceable and in violation of the statute of
13 frauds and, therefore, void.

14 5. Plaintiffs' claims are precluded by reason of Plaintiffs' failure to disclose material
15 facts in connection with the transaction which is the subject of Plaintiffs' First Amended
16 Complaint.

17 6. Plaintiffs have failed to mitigate any alleged damages and/or losses claimed to be
18 been suffered.

19 7. Defendant believed at all times that his actions were lawful, necessary and
20 justified.

21 8. The allegations in Plaintiffs' First Amended Complaint are unenforceable due to
22 lack of mutuality.

23 9. The acts alleged to have been wrongfully done by Defendant were in fact,
24 accomplished by authority of license given to Defendant by Plaintiffs.

25 10. Plaintiffs are estopped from pursuing any claim against Defendant.

26 11. Any alleged contract fails for lack of consideration.

27 12. Plaintiffs have failed to plead with sufficient specificity to provide adequate
28 notice to Defendant of Plaintiffs' claims.

- 1 13. Plaintiffs have waived any right of recovery, if any, from Defendant.
- 2 14. Plaintiffs' claims are subject to arbitration.
- 3 15. Plaintiffs are precluded from asserting their claims by reason of substantial and
4 material breach, excusing Defendant's performance, if any.
- 5 16. Plaintiff has no right to bring a derivative action on behalf of Nevada Land and
6 Resource Company, LLC.
- 7 17. There was no consideration for the contract that Plaintiffs claim to have been
8 breached.
- 9 18. Pursuant to the provisions of Rule 11 of the Rules of Civil Procedure, at the time
10 of the filing of Defendant's Response, all possible affirmative defenses may not have alleged
11 inasmuch as insufficient facts and other relevant information may not have been available after
12 reasonable inquiry, and therefore, Defendant reserves the right to amend this Response to allege
13 affirmative defenses if subsequent investigation warrants the same.

14 COUNTERCLAIM

15 Counterclaimant, Elias Abrishami ("Counterclaimant"), avers and alleges against
16 Counterdefendant Gholamreza Zandian Jazi ("Counterdefendant") as follows:

- 17 1. Counterclaimant is a California resident.
- 18 2. Counterdefendant is a California resident.
- 19 3. Gold Canyon Development, LLC ("Gold Canyon") is a Nevada limited liability
20 company, the members of which include Counterclaimant, Counterdefendant, and
21 Counterclaimant's son, Rafi Abrishami, each of which also serve as the managing members.

22 FIRST CLAIM FOR RELIEF

23 (Dissolution of Gold Canyon Development LLC)

- 24 4. Counterclaimant realleges each and every allegation set forth in paragraphs 1
25 through 3 as though fully set forth herein.
- 26 5. As a member of Gold Canyon, Counterclaimant has standing to seek its
27 dissolution, which Counterclaimant seeks in accordance with NRS 86.495.
- 28 6. Dissolution of Gold Canyon is necessary due to the inability of its membership to

Hale Lane Peek Dennison and Howard
3930 Howard Hughes Parkway, Fourth Floor
Las Vegas, Nevada 89169

1 effectively manage and operate it as evidenced by the above-captioned lawsuit, as a result of
2 which it is not reasonably practicable to carry on the business of the company in conformity with
3 the articles of organization or operating agreement.

4 7. Counterclaimant seeks a decree of dissolution of Gold Canyon Development LLC
5 and a distribution of any proceeds in accordance with sections 8.4 through 8.6 of Golden Canyon
6 Development, LLC's Operating Agreement.

7 WHEREFORE, Defendant/Counterclaimant Elias Abrishami demands judgment as follows:

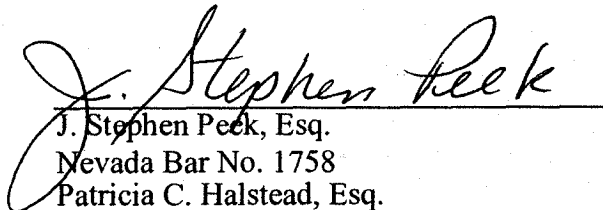
8 1. That Plaintiffs take nothing by way of their First Amended Complaint and that
9 such be dismissed with prejudice;

10 2. For dissolution of Gold Canyon Development, LLC and distribution of its assets
11 in accordance with its Operating Agreement;

12 3. For fees and costs; and

13 4. For such other relief as the court deems just and proper.

14 DATED this 20th day of June, 2007.

15
16 
17 J. Stephen Peek, Esq.
18 Nevada Bar No. 1758
19 Patricia C. Halstead, Esq.
20 Nevada Bar No. 6668
21 Hale Lane Peek Dennison and Howard
22 3930 Howard Hughes Pkwy, Fourth Floor
23 Las Vegas, Nevada 89169

24 *Attorneys for Defendant Elias Abrishami*

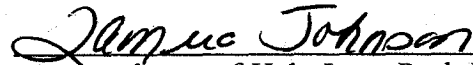
Hale Lane Peek De on and Howard
3930 Howard Hughes Parkway, Fourth Floor
Las Vegas, Nevada 89169

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on the 20TH day of June, 2007, a true and correct copy of
**ANSWER TO SECOND AMENDED COMPLAINT AND COUNTERCLAIM FOR
DISSOLUTION** was served by placing a copy of the foregoing document in the U.S. Mail,
postage prepaid, with a courtesy copy of the same also sent via facsimile, addressed to the
following recipient:

John Peter Lee, Esq.
John Peter Lee, Ltd.
830 Las Vegas Blvd. South
Las Vegas, Nevada, 89101-6723

Facsimile: (702) 383-9950



An employee of Hale Lane Peek Dennison and
Howard

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HALE LANE

ATTORNEYS AT LAW

3930 Howard Hughes Parkway | Fourth Floor | Las Vegas, Nevada 89169
Telephone (702) 222-2500 | Facsimile (702) 365-6940
www.halelane.com

RECEIVED
JUN 20 2007

JOHN PETER LEE, LTD.

FACSIMILE TRANSMITTAL SHEET

FROM: J. Stephen Peek

DATE: June 20, 2007

FILE NO.: 21899-0001

NO. OF PAGES W/COVER: 8

RE: Abrishami/Zandian

SEND TO (NAME/COMPANY)

FACSIMILE NO.

TELEPHONE NO.

John Peter Lee

(702) 383-9950

MESSAGE:

RETURN TO: Tammy Johnson

Answer to Second Amended Complaint and Counterclaim for Dissolution.

HALE LANE PEEK DENNISON AND HOWARD

CONFIDENTIALITY NOTICE: The information contained in this facsimile message is intended only for the use of the individual or entity named above. If the reader of this message is not the intended recipient, or as the employee or agent responsible for delivering it to the intended recipient, you are hereby notified that any dissemination, distribution or copying of this communication is strictly prohibited. If you have received this message in error, please immediately notify us by telephone and return the original message to us at the above address via the u.s. postal service. We will gladly reimburse your telephone and postage expenses. Thank you.

IN THE SUPREME COURT OF THE STATE OF NEVADA

RAY KOROGHLI, INDIVIDUALLY; FARIBORZ FRED SADRI, INDIVIDUALLY AND AS TRUSTEE OF THE STAR LIVING TRUST; WENDOVER PROJECT, LLC, A NEVADA LIMITED LIABILITY COMPANY; BIG SPRING RANCH, LLC, A NEVADA LIMITED LIABILITY COMPANY; AND NEVADA LAND AND WATER RESOURCES, LLC, A NEVADA LIMITED LIABILITY COMPANY,
Appellants,
vs.
GHOLAMREZA ZANDIAN JAZI,
Respondent.

No. 49924

FILED

SEP 10 2007

JANETTE M. BLOOM
CLERK OF SUPREME COURT
BY Alvarado
DEPUTY CLERK

SETTLEMENT CONFERENCE PROGRAM
EARLY CASE ASSESSMENT REPORT

After conducting a premediation conference with counsel pursuant to NRAP 16(b), I make the following recommendation to the court regarding this appeal:

/x/ This case is appropriate for mediation and a settlement conference will be scheduled or has been scheduled as follows: Tuesday 9-18-07
in Mr. Lee's office at 9:00 am

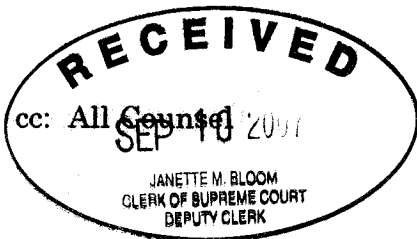
/ / This case is not appropriate for mediation and should be removed from the settlement conference program because,

/ / There is a potential jurisdictional defect.

/ / The parties have presented good cause showing that this appeal is not appropriate for mediation and should proceed to briefing.

/ / Other _____

/ / The premediation conference has not been conducted or is continued because,



Robert F. Saint-Aubin
Settlement Judge
ROBERT F. SAINT-AUBIN
SEPTEMBER 3, 2007

WEZ1781
07-19872

JOHN PETER LEE, LTD.

ATTORNEYS AT LAW

830 LAS VEGAS BOULEVARD SOUTH

LAS VEGAS, NEVADA 89101

TELEPHONE (702) 382-4044

FACSIMILE (702) 383-9950

E-MAIL: info@johnpeterlee.com

September 18, 2007

FILED

SEP 24 2007

Clerk
Supreme Court of Nevada
201 South Carson Street, #201
Carson City, Nevada 89701-4702

JAMETTE M. BLOOM
CLERK OF SUPREME COURT
BY W. Wasado
DEPUTY CLERK

Re: Koroghli, et al. v. Jazi
Supreme Court No.: 49924
District Court No.: A511131

Dear Sir/Madam:

We have attended mediation of the appeal of Jazi and Koroghli, et al. Robert F. Saint-Aubin appeared as the Mediator. The mediation lasted a good part of the day, and was unsuccessful. There will be a separate report filed with you by Mr. Saint-Aubin.

We ask that the Motion to Dismiss filed in these proceedings by the Respondent be considered by the Court, since mediation will not be effectuated.

Yours truly,

JOHN PETER LEE, LTD.

John Peter Lee, Esq.

JPL/jlr

cc: Client

1334.022860

RECEIVED
SEP 24 2007

JAMETTE M. BLOOM
CLERK OF SUPREME COURT

07-31036 WEZ1782

IN THE SUPREME COURT OF THE STATE OF NEVADA

RAY KOROGHLI, INDIVIDUALLY; FARIBORZ FRED SADRI, INDIVIDUALLY AND AS TRUSTEE OF THE STAR LIVING TRUST; WENDOVER PROJECT, LLC, A NEVADA LIMITED LIABILITY COMPANY; BIG SPRING RANCH, LLC, A NEVADA LIMITED LIABILITY COMPANY; AND NEVADA LAND AND WATER RESOURCES, LLC, A NEVADA LIMITED LIABILITY COMPANY,
Appellants,
vs.
GHOLAMREZA ZANDIAN JAZI,
Respondent.

No. 49924

FILED

OCT 09 2007

JANETTE M. BLOOM
CLERK OF SUPREME COURT
BY A. Alvarado
DEPUTY CLERK

SETTLEMENT CONFERENCE STATUS REPORT

A settlement conference was held in this matter on SEPTEMBER 18, 2007, 200 .

I file the following report of the proceedings:

/ / The parties have agreed to a settlement of this matter.

/ / The parties were unable to agree to a settlement of this matter.

/ / The settlement conference is continued as follows:

Date: _____ Time: _____ Location: _____

/ / Other: _____

Comments: _____

[Signature]
Settlement Judge

- The settlement judge shall file this report with the Supreme Court within 10 days from the date of any settlement conference. See NRAP 16(e)(3).
- A final status report is due within 180 days from assignment date. See NRAP 16(f)(1).
- For cases involving child custody, visitation, relocation or guardianship, a final status report is due within 120 days from the assignment date. See NRAP 16(f)(1).

RECEIVED
OCT 09 2007
JANETTE M. BLOOM
CLERK OF SUPREME COURT
DEPUTY CLERK

AT THE TIME OF FILING, THE CLERK'S OFFICE WILL MAIL THIS REPORT AND ANY ATTACHMENTS TO ALL COUNSEL AND TO THE SETTLEMENT JUDGE.

ORIGINAL

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IN THE SUPREME COURT OF THE STATE OF NEVADA

RAY KOROGHLI, individually, FARIBORZ FRED))
SADRI, individually, and as Trustee of the Star)
Living Trust, WENDOVER PROJECT, LLC, a)
Nevada limited liability company; BIG SPRING)
RANCH, LLC, a Nevada limited liability company,)
and NEVADA LAND AND WATER)
RESOURCES, LLC, a Nevada limited liability)
company,)

Supreme Court No.: 49924

District Court No.: A 511131

FILED

NOV 08 2007

JANETTE M. BLOOM
CLERK OF SUPREME COURT
BY S. Young
DEPUTY CLERK

Appellants,

vs.

GHOLAMREZA ZANDIAN JAZI,

Respondent.

1334.023317-JLR

REQUEST FOR WITHDRAWAL OF
MOTION TO DISMISS APPEAL

JOHN PETER LEE, LTD.
John Peter Lee, Esq.
Nevada Bar No. 001768
Yvette R. Freedman, Esq.
Nevada Bar No. 009898
830 Las Vegas Boulevard South
Las Vegas, Nevada 89101
(702) 382-4044
Attorneys for Respondent,
Gholamreza Zandian Jazi

RECEIVED
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DEPUTY CLERK

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

JOHN PETER LEE, LTD.

ATTORNEYS AT LAW

830 LAS VEGAS BOULEVARD SOUTH

LAS VEGAS, NEVADA 89101

Telephone (702) 382-4044

Telecopier (702) 383-9950

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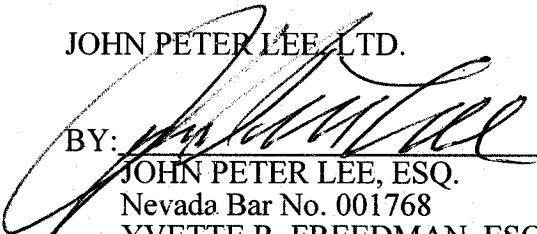
COMES NOW Respondent GHOLAMREZA ZANDIAN JAZI, by and through his counsel, John Peter Lee, Ltd., and respectfully requests that the Court permit him to withdraw his MOTION TO DISMISS.

Respondent filed his MOTION TO DISMISS on August 6, 2007. On August 14, 2007 Respondent's counsel received Appellants' OPPOSITION TO MOTION TO DISMISS. On August 20, 2007 Respondent's MOTION FOR LEAVE TO FILE A REPLY IN SUPPORT OF MOTION TO DISMISS was filed with the Court; the Court also received the REPLY. The Court has not acted on Respondent's MOTION TO DISMISS.

It is respectfully requested that Respondent be allowed to withdraw his MOTION TO DISMISS without prejudice and subject to later renewal.

Dated this 7th day of November, 2007.

JOHN PETER LEE, LTD.

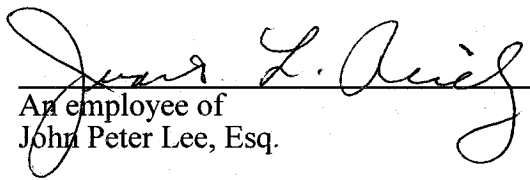
BY: 
JOHN PETER LEE, ESQ.
Nevada Bar No. 001768
YVETTE R. FREEDMAN, ESQ.
Nevada Bar No. 009898
830 Las Vegas Boulevard South
Las Vegas, Nevada 89101
(702) 382-4044/ Fax (702) 383-9950
e-mail: info@johnpeterlee.com
Attorneys for Respondent

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CERTIFICATE OF MAILING

I HEREBY CERTIFY that on the 7th day of November, 2007, I served a copy of the above and foregoing REQUEST FOR WITHDRAWAL OF MOTION TO DISMISS APPEAL upon the appropriate parties hereto, by enclosing it in a sealed envelope, deposited in the United States mail, upon which first class postage was fully prepaid addressed to:

Steven L. Day, Esq.
Cohen, Johnson & Day
1060 West Wigwam Parkway
Henderson, Nevada 89074


An employee of
John Peter Lee, Esq.

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

IN THE SUPREME COURT OF THE STATE OF NEVADA

RAY KOROGHLI, INDIVIDUALLY; FARIBORZ FRED SADRI, INDIVIDUALLY AND AS TRUSTEE OF THE STAR LIVING TRUST; WENDOVER PROJECT, LLC, A NEVADA LIMITED LIABILITY COMPANY; BIG SPRING RANCH, LLC, A NEVADA LIMITED LIABILITY COMPANY; AND NEVADA LAND AND WATER RESOURCES, LLC, A NEVADA LIMITED LIABILITY COMPANY,
Appellants,

vs.

GHOLAMREZA ZANDIAN JAZI,
Respondent.

No. 49924

FILED

DEC 03 2007

JANETTE M. BLOOM
CLERK OF SUPREME COURT
BY [Signature]
DEPUTY CLERK

SETTLEMENT CONFERENCE STATUS REPORT

A settlement conference was held in this matter on _____, 200__.

I file the following report of the proceedings:

// The parties have agreed to a settlement of this matter.

// The parties were unable to agree to a settlement of this matter.

// The settlement conference is continued as follows:

Date: _____ Time: _____ Location: _____

~~/X~~ Other:

THE PARTIES HAVE ADVISED THAT A SETTLEMENT IS IMMINENT AND
Comments: _____

ASKED THAT I REENTER THE FRAY.

[Signature]
Settlement Judge

- The settlement judge shall file this report with the Supreme Court within 10 days from the date of any settlement conference. See NRAP 16(e)(3).
- A final status report is due within 180 days from assignment date. See NRAP 16(f)(1).
- For cases involving child custody, visitation, relocation or guardianship, a final status report is due within 120 days from the assignment date. See NRAP 16(f)(1).

AT THE TIME OF FILING, THE CLERK'S OFFICE WILL MAIL THIS REPORT AND
ATTACHMENTS TO ALL COUNSEL AND TO THE SETTLEMENT JUDGE.

RECEIVED
DEC 03 2007
JANETTE M. BLOOM
CLERK OF SUPREME COURT
DEPUTY CLERK

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IN THE SUPREME COURT OF THE STATE OF NEVADA

RAY KOROGHLI, individually, FARIBORZ FRED)
SADRI, individually, and as Trustee of the Star)
Living Trust, WENDOVER PROJECT, LLC, a)
Nevada limited liability company; BIG SPRING)
RANCH, LLC, a Nevada limited liability company,)
and NEVADA LAND AND WATER)
RESOURCES, LLC, a Nevada limited liability)
company,)

Supreme Court No.: 49924

District Court No.: A 511131

Appellants,

vs.

GHOLAMREZA ZANDIAN JAZI,

Respondent.

FILED

DEC 20 2007

JANETTE M. BLOOM
CLERK OF SUPREME COURT
BY S. Young
DEPUTY CLERK

1334.023317-JLR

**MOTION FOR CONSIDERATION OF
MOTION TO DISMISS APPEAL**

JOHN PETER LEE, LTD.
John Peter Lee, Esq.
Nevada Bar No. 001768
Yvette R. Freedman, Esq.
Nevada Bar No. 009898
830 Las Vegas Boulevard South
Las Vegas, Nevada 89101
(702) 382-4044
Attorneys for Respondent,
Gholamreza Zandian Jazi

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DEPUTY CLERK

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

1 COMES NOW Respondent GHOLAMREZA ZANDIAN JAZI, by and through his counsel,
2 John Peter Lee, Ltd., and respectfully moves the Court to consider his Motion to Dismiss Appeal
3 filed herein on the 6th day of August, 2007 , a copy of which is attached without exhibits as Exhibit
4 "A."

5 This Motion is based upon all of the papers before this Court and upon the further fact that
6 settlement negotiations were undertaken, and which have not proved fruitful, all as hereinafter
7 asserted.

8 **STATEMENT OF THE STATUS OF THE APPEAL**

9 On the 27th day of July, 2007, a Notice of Appeal was filed in these proceedings by the
10 Appellants. Thereafter, the appeal was assigned to the Settlement Conference Program, and Robert
11 Saint-Aubin, Esq. was appointed as the Settlement Judge to resolve the issues presented in this case.

12 The Settlement Judge was appointed on the 13th day of August, 2007, and since that time
13 many attempts, with the help of the Settlement Judge, were made to settle the case, but all have
14 failed.

15 On the 6th day of August, 2007 Respondent filed his Motion to Dismiss Appeal; the
16 Appellants responded, and the matter is now ripe for this court's decision. However, the continued
17 involvement of the Settlement Judge, who believed he could resolve the issues, caused a delay in the
18 processing of this appeal. The Settlement Judge was extremely cooperative in attempting a
19 settlement. However, because settlement negotiations were ongoing, the Respondent requested that
20 consideration of his Motion to Dismiss be withdraw without prejudice. A copy of that paper is
21 attached as Exhibit "B."

22 It appears that settlement negotiations are now stymied, and that no further progress will be
23 made. Respondent has advised the Settlement Judge and opposing counsel that the Respondent
24 intends to proceed with his case. See Exhibits "C" and "D" attached hereto.

25 ...
26 ...
27 ...
28 ...

JOHN PETER LEE, LTD.

ATTORNEYS AT LAW

830 LAS VEGAS BOULEVARD SOUTH

LAS VEGAS, NEVADA 89101

Telephone (702) 382-4044

Telecopier (702) 383-9950

CONCLUSION

1
2 Based upon the foregoing, the Respondent respectfully requests that this Court rule on his
3 Motion to Dismiss, and that in all other respects the handling of the case proceed as required by law.

4 Dated this 19th day of December, 2007.

5 JOHN PETER LEE, LTD.

6
7 BY: 

8 JOHN PETER LEE, ESQ.

Nevada Bar No. 001768

9 YVETTE R. FREEDMAN, ESQ.

Nevada Bar No. 009898

830 Las Vegas Boulevard South

Las Vegas, Nevada 89101

(702) 382-4044/ Fax (702) 383-9950

e-mail: info@johnpeterlee.com

Attorneys for Respondent

JOHN PETER LEE, LTD.

ATTORNEYS AT LAW

830 LAS VEGAS BOULEVARD SOUTH

LAS VEGAS, NEVADA 89101

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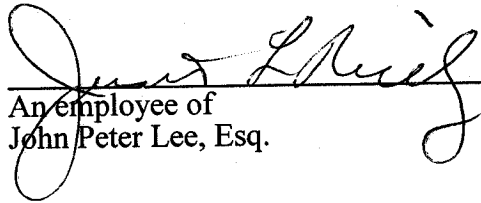
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Cohen, Johnson & Day
1060 West Wigwam Parkway
Henderson, Nevada 89074


An employee of
John Peter Lee, Esq.

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
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IN THE SUPREME COURT OF THE STATE OF NEVADA

RAY KOROGHLI, individually, FARIBORZ FRED)
SADRI, individually, and as Trustee of the Star)
Living Trust, WENDOVER PROJECT, LLC, a)
Nevada limited liability company; BIG SPRING)
RANCH, LLC, a Nevada limited liability company,)
and NEVADA LAND AND WATER)
RESOURCES, LLC, a Nevada limited liability)
company,)

Appellants,

vs.

GHOLAMREZA ZANDIAN JAZI,

Respondent.

1334.022860-JLR

Supreme Court No.: 49924
District Court No.: A 511131

FILED

AUG 06 2007

JANETTE M. BLOOM
CLERK OF SUPREME COURT
BY _____
DEPUTY CLERK

MOTION TO DISMISS APPEAL

JOHN PETER LEE, LTD.
John Peter Lee, Esq.
Nevada Bar No. 001768
Michael A. Reynolds, Esq.
Nevada Bar No. 008631
Yvette R. Freedman, Esq.
Nevada Bar No. 009898
830 Las Vegas Boulevard South
Las Vegas, Nevada 89101
(702) 382-4044
Attorneys for Respondent,
Gholamreza Zandian Jazi

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JOHN PETER LEE, LTD.
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830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

1 COMES NOW Respondent GHOLAMREZA ZANDIAN JAZI, by and through his counsel,
2 John Peter Lee, Ltd., and files this Motion to Dismiss the Appeal of Appellants RAY KOROGHLI,
3 individually, FARIBORZ FRED SADRI, individually, and as Trustee of the Star Living Trust,
4 WENDOVER PROJECT, LLC, a Nevada limited liability company; BIG SPRING RANCH, LLC,
5 a Nevada limited liability company, and NEVADA LAND AND WATER RESOURCES, LLC, a
6 Nevada limited liability company.

7 This Motion is based on the following points and authorities, all papers on file herein, the
8 record on appeal, and any oral argument to be presented if permitted by the Court.

9 **MEMORANDUM OF**
10 **POINTS AND AUTHORITIES**

11 **INTRODUCTION**

12 The Court should dismiss Appellants' appeal because: (1) the Appellants stipulated in writing
13 that "the arbitration shall be binding with no right to appeal"; (2) the Notice of Appeal erroneously
14 identifies entities or individuals that were never parties to this case at any time; and (3) Appellants
15 failed to file a Cost Bond as required by NRAP 7.

16 **STATEMENT OF FACTS**

17 Respondent, GHOLAMREZA ZANDIAN JAZI and Appellants RAY KOROGHLI and
18 FRED SADRI became involved in various disagreements over their LLC interests. As a result,
19 Zandian filed a lawsuit in the Eighth District Court on October 5, 2005 with a First Amended
20 Complaint on November 8, 2005. Both Respondent and Appellants filed Motions in the District
21 Court before entering into a written stipulation whereby the dispute was submitted to Binding
22 Arbitration before Floyd Hale, Esq. The written Stipulation was filed with the Court on November
23 28, 2005 and stated that "**the arbitration shall be binding with no right to appeal.**" Exhibit 1,
24 Emphasis added).

25 Arbitrator Hale conducted the arbitration which ultimately resulted in a mutually agreed upon
26 arbitration award. Accordingly, the dispute was resolved by Arbitrator Hale's September 20, 2006
27 Arbitration Decision. Exhibit 2. Nevertheless, Appellants immediately filed its first post-arbitration
28 motion challenging the mutually agreed upon arbitration agreement despite their November 2005

1 written stipulation filed in District Court agreeing that arbitration was binding with no right to
2 appeal.

3 The District Court heard Appellants' first post-arbitration motion challenging the arbitration
4 award and referred the matter back to Arbitrator Hale. Exhibit 3. Thereafter, Arbitrator Hale filed
5 his March 26, 2007 Arbitration Report and Recommendation to District Court. Exhibit 4.

6 Appellants responded with their second post-arbitration motion challenging the mutually
7 agreed upon arbitration award. The District Court considered Appellants' second post-arbitration
8 motions and entered Judgment Confirming Arbitration Award. Exhibit 5.

9 On June 15, 2007, Appellants responded with their third post-arbitration motion challenging
10 the mutually agreed upon arbitration award. Once again, the District Court considered Appellants'
11 third post-arbitration award and denied it. Exhibit 6.

12 LEGAL ARGUMENT

13 I. The Appellants' Stipulated In Writing That The Arbitration Shall Be Binding With No 14 Right To Appeal.

15 The Appellants' Notice of Appeal should be dismissed because the parties agreed that the
16 arbitration is "binding with no right to appeal." The Appellants' Appeal is in breach of the parties'
17 Stipulation to arbitrate. The Appellants clearly agreed in a written Stipulation that "the arbitration
18 shall be binding with no right to appeal" and now violate their agreement upon which the
19 Respondent reasonably relied. Appellants participated fully in arbitration proceedings before Floyd
20 Hale and even unsuccessfully requested a modification from Hale. Exhibit 7. Appellants' Appeal
21 is barred because it disregards the "binding" nature of the Arbitration.

22 The parties' stipulation for binding arbitration without appeal was freely entered into without
23 grounds for revocation and is valid under Nevada law. The same rules of construction and
24 interpretation apply to arbitration agreements as apply to contracts generally. See, e.g. Platt v.
25 Anderson 6 Cal. 4th 307, 802 P.2d 158 (1993). The plain language of the Stipulation and Award is
26 unambiguous. The Award is binding with no right to appeal. Accordingly, the Notice of Appeal
27 must be dismissed.

28

JOHN PETER LEE, LTD.
ATTORNEY AT LAW
830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
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1 Further, the written Stipulation properly limits judicial review by stating that “the arbitration
2 shall be binding with no right to appeal.” In Aerojet-Gen. Corp. v. Am. Arbitration Ass’n, 478 F.2d
3 248, 251 (9th Circuit 1973) the Ninth Circuit Court of Appeals held that parties to an arbitration
4 agreement may eliminate judicial review by the courts. This is true as long as the intention to do so
5 is clear and unequivocal. Here, the parties’ Stipulation clearly states that “the arbitration shall be
6 binding with no right to appeal.”

7 Also, NRS 38.219 provides that the instant Stipulation is valid, enforceable and generally
8 irrevocable. NRS 38.219, “Validity of Agreement to Arbitrate,” states in part that:

9 1. An Agreement contained in a record to submit to
10 Arbitration any existing or subsequent controversy
11 arising between the parties to the Agreement is valid,
12 enforceable and irrevocable except upon a ground that
13 exist at law or in equity for the revocation of the
14 contract.

13 Moreover, the District Court re-visited the arbitration award three times, confirmed it three
14 times and denied Appellants’ three post-arbitration motions. Therefore, the Court should dismiss
15 Appellants’ Notice of Appeal.

16 **II. Appellants’ Notice Of Appeal Is Deficient On Its Face.**

17 Appellants filed the Notice of Appeal which is deficient on its face. First, Appellants have
18 filed a case appeal statement which incorrectly listed the following parties: Theresa Davis, Tracy
19 Roberts, and Ellison Lores as Plaintiffs. Richard A. Snowden, d/b/a Tally Ho and King Arthur
20 Enterprises, Inc., d/b/a Rick’s Tally Ho as Defendants. None of these entities or individuals were
21 never parties to this case at any time.

22 Second, Appellants have not filed a Cost Bond as required by NRAP 7. NRAP 7 provides:

23 unless an appellant is exempted by law, or has filed a
24 supersedeas bond or other undertaking which includes
25 security for the payment of costs on appeal, in civil cases
26 a bond for costs on appeal or equivalent security shall be
27 filed by the appellant in the district court with the notice
28 of appeal . . .

JOHN PETER LEE, LTD.

ATTORNEYS AT LAW

830 LAS VEGAS BOULEVARD SOUTH

LAS VEGAS, NEVADA 89101

Telephone (702) 382-4044

Telecopier (702) 383-9950

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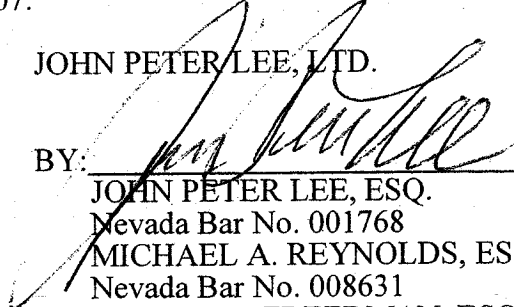
Here, Appellants have not filed a Cost Bond and are not exempted by law. Therefore, the Notice of Appeal is deficient and the Appellants' appeal should be dismissed.

CONCLUSION

Based on the foregoing, Respondent Zandian respectfully request that this Court dismiss the Appeal.

Dated this 3rd day of August, 2007.

JOHN PETER LEE, LTD.

BY: 

JOHN PETER LEE, ESQ.
Nevada Bar No. 001768
MICHAEL A. REYNOLDS, ESQ.,
Nevada Bar No. 008631
YVETTE R. FREEDMAN, ESQ.
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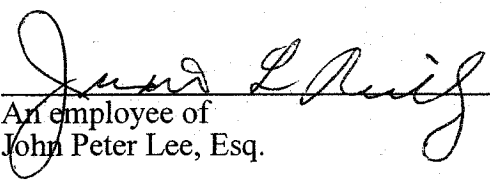
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LAS VEGAS, NEVADA 89101
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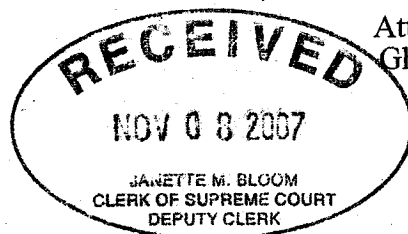
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8 on Respondent's MOTION TO DISMISS.

9 It is respectfully requested that Respondent be allowed to withdraw his MOTION TO
10 DISMISS without prejudice and subject to later renewal.

11 Dated this 7th day of November, 2007.

12 JOHN PETER LEE LTD.

13 BY: 

14 JOHN PETER LEE, ESQ.
15 Nevada Bar No. 001768
16 YVETTE R. FREEDMAN, ESQ.
17 Nevada Bar No. 009898
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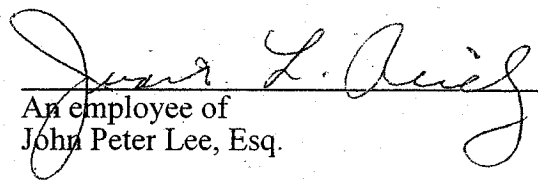
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An employee of
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ATTORNEYS AT LAW

830 LAS VEGAS BOULEVARD SOUTH

LAS VEGAS, NEVADA 89101

TELEPHONE (702) 382-4044

FACSIMILE (702) 383-9950

E-MAIL: info@johnpeterlee.com

December 17, 2007

Robert F. Saint-Aubin, Esq.
53 Cassis
Monarch Beach, California 92629

FAX 949-496-5075

Re: Zandian v. Sadri, Koroghli, et al.

Dear Mr. Saint-Aubin:

Negotiations have ceased. I gave Steve Day until Friday, December 14, 2007, to advise me whether his clients intended to resolved the matter, or go forward with the appeal; a copy of my letter is attached. I have heard nothing from him, and have written to him advising that I was going to suggest to you that any further involvement by you will probably be futile.

I have also asked the Supreme Court to consider our Motion to Dismiss.

Yours truly,

JOHN PETER LEE, LTD.

John Peter Lee, Esq.

JPL/jlr
Enclosure
cc: Client
1334.023352

WFZ1804

JOHN PETER LEE, LTD.

ATTORNEYS AT LAW

830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
TELEPHONE (702) 382-4044
FACSIMILE (702) 383-9950
E-MAIL: info@johnpeterlee.com

December 17, 2007

Steven L. Day, Esq.
Cohen, Johnson & Day
1060 West Wigwam Parkway
Henderson, Nevada 89074

FAX 309-1085

Re: Zandian v. Sadri & Koroghli

Dear Mr. Day:

I asked that you contact us by last Friday by letter dated December 12, 2007, a copy of which is attached. We have heard nothing from you. We assume that your clients are not going to resolve this matter and accordingly I have written to Robert Saint-Aubin, the Settlement Judge, that negotiations were stymied, and have also asked the Court to consider our Motion to dismiss your appeal.

Yours truly,

JOHN PETER LEE, LTD.



John Peter Lee, Esq.

JPL/jlr
Enclosure
cc: Client
1334.023352

WFZ1806

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IN THE SUPREME COURT OF THE STATE OF NEVADA

RAY KOROGLI, individually, FARIBORZ FRED)
SADRI, individually, and as Trustee of the Star)
Living Trust, WENDOVER PROJECT ,LLC, a)
Nevada limited liability company; BIG SPRING)
RANCH, LLC, a Nevada limited liability company,)
and NEVADA LAND AND WATER RESOURCES,)
LLC, a Nevada limited liability company,)
Appellants,)
vs.)
GHOLAMREZA ZANDIAN JAZI,)
Respondent.)

SUPREME COURT NO.
49924
District Court No. A511131

FILED

JAN 02 2008

TRACIE K. LINDEMAN
CLERK OF SUPREME COURT
BY S. Young
DEPUTY CLERK

APPELLANTS' RESPONSE TO RESPONDENT'S MOTION
FOR CONSIDERATION OF MOTION TO DISMISS APPEAL

COHEN, JOHNSON & DAY
Steven L. Day, Esq.
Nevada Bar No. 3708
1060 Wigwam Parkway
Henderson, NV 89074
(702) 309-3333

Attorneys for Appellants

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TRACIE K. LINDEMAN
CLERK OF SUPREME COURT
DEPUTY CLERK

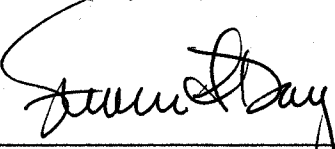
COHEN, JOHNSON & DAY
1060 Wigwam Parkway
Henderson, NV 89074
(702) 309-3333

1 COMES NOW Appellants, by and through their counsel, Cohen, Johnson & Day,
2 and responds to Respondent's Motion for Consideration of Motion to Dismiss Appeal by
3 attaching a copy of Appellants previously filed Opposition to Respondent's Motion to
4 Dismiss as Exhibit "1".

5 DATED this 28th day of December, 2007.

6 COHEN, JOHNSON & DAY

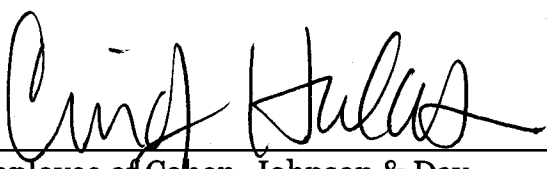
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8
9 By _____


10 STEVEN L. DAY, ESQ.
11 Nevada Bar No. 3708
12 1060 Wigwam Parkway
13 Henderson, NV 89074
14 (702) 309-3333/Fax (702) 309-1085
15 Attorneys for Appellants

16 **CERTIFICATE OF MAILING**

17 I HEREBY CERTIFY that on the 27 day of December, 2007, I served a copy of
18 the foregoing APPELLANTS' RESPONSE TO RESPONDENT'S MOTION
19 FOR CONSIDERATION OF MOTION TO DISMISS APPEAL, by causing a copy of the
20 same to be deposited in the United States mail, postage prepaid, addressed as follows:

21 John Peter Lee, Esq.
22 JOHN PETER LEE, LTD.
23 830 Las Vegas Blvd. South
24 Las Vegas, NV 89101
25 Attorneys for Respondent

26
27
28 

An Employee of Cohen, Johnson & Day

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IN THE SUPREME COURT OF THE STATE OF NEVADA

COHEN, JOHNSON & DAY
1060 Wigwam Parkway
Henderson, NV 89074
(702) 309-3333

RAY KOROGHLI, individually, FARIBORZ FRED)
SADRI, individually, and as Trustee of the Star)
Living Trust, WENDOVER PROJECT, LLC, a Nevada)
limited liability company; BIG SPRING RANCH,)
LLC, a Nevada limited liability company, and)
NEVADA LAND AND WATER RESOURCES, LLC)
a Nevada limited liability company,)

Appellants,)

vs.)

GHOLAMREZA ZANDIAN JAZI,)

Respondent.)

Supreme Court No. 49924
District Court No. A511131

OPPOSITION TO MOTION TO DISMISS

STEVEN L. DAY, ESQ.
Nevada Bar No. 3708
JAMES R. NANCE, ESQ.
Nevada Bar No. 9878
COHEN, JOHNSON & DAY
1060 Wigwam Parkway
Henderson, NV 89074
(702) 309-3333
Attorneys for Defendants/Appellants

1 Hale's good efforts, he was able to get the parties to agree to settle the case though may of
2 the material terms and conditions of the settlement still needed to be worked out. At no
3 point during the September 8, 2006, proceeding or any time thereafter did the parties
4 attempt to complete the arbitration.

5 The general terms of the settlement agreement were memorialized at the
6 conclusion of the mediation which included the Defendants transferring their interests in
7 certain property in Nevada to the Plaintiff along with \$250,000.00, in cash in exchange
8 for the Plaintiff transferring his interest in two Nevada LLC's to Defendants Koroghli and
9 Sadri. However, there were additional items that needed to be addressed and agreed to by
10 the settling parties which included how the general terms of the settlement agreement
11 were going to be implemented and in what form title would pass. Instead of continuing to
12 work with the parties toward reaching an agreement as to how the transactions would take
13 place, Mr. Hale put his arbitrator hat back on and rendered an "Arbitration Award" in
14 spite of the fact that **the case was not arbitrated** and the parties, including the
15 Defendants, did not put on their case.¹ It was clearly not the Defendants' expectation
16 when agreeing to mediation that any agreement to settle would be consummated in an
17 arbitration award. There was still a lot to be done with respect to the intent of the parties
18 to settle and without the parties agreeing to how the transaction was to take place and how
19 title was to be conveyed to the various real estate and partnership interests, there was no
20 settlement. For example, LLC interests were to be transferred by Jazi to Koroghli and
21 Sadri and there was nothing included in the proposed agreement to settle which addressed
22
23
24

25
26 ¹The Plaintiff presented only one witness before the parties agreed to mediate the case.
27 Plaintiff's counsel had not even concluded the examination of this witness and Defense
28 counsel had conducted no cross-examination of the witness when the parties decided to try
to settle the case.

1 how the parties were going to deal with the other LLC member's rights of first refusal.
2 Again, these material terms and conditions still needed to be worked out before a final
3 settlement could be reached. As a side note, once Mr. Hale and the parties decided that
4 the case would be mediated and the case was in fact mediated, Mr. Hale could no longer be
5 the arbitrator in the case.
6

7 The fact that we were dealing with an agreement to settle and not an arbitration
8 award was not lost on the Court during the January 11, 2007, hearing on Plaintiff's Motion
9 for Confirmation and Entry of Judgment on Arbitration Award. The Court further
10 understood the need for the parties to reconvene and work out additional details relating
11 to the agreement to settle when the matter was remanded back to mediator Floyd Hale.

12 MS. FIC: Your Honor, I have a suggestion, okay. Because what I
13 keep hearing is settlement, settlement, settlement. We
14 agree there was a settlement. I did say settlement,
15 okay. But the settlement terms were – on the transcript
by the court reporter. So we have the essential terms,
okay.

16 THE COURT: You do.

17 MS. FIC: What I'm hearing is –

18 THE COURT: **And you're missing some of the things in the**
19 **documents you have as to those essential terms.**

20 MS. FIC: Okay. And that's – okay, Your Honor, so fine. So if we have
21 the essential terms, if we've got disputes with this, why don't
22 we – okay. I don't want to do a new arbitrator, because that's
going to be costs to both parties. It's not going to be efficient.
Arbitrator Hale was agreed to –

23 THE COURT: I'm going to solve your problem. It's really easy. I'm going to
24 refer the matter back to Floyd Hale for further proceedings,
25 consistent with the 9/8/06 transcript. Those will include
26 **getting the mechanism for the spouses of the parties**
to sign documents, getting a mechanism for the
27 **waiver of the release of the rights of first refusal that**
28

1 exist, entering into the settlement agreement the
2 parties entered into. If he is unable to reach an agreement
3 amount the parties, then I will have the final word. I –

4 MS. FIC: Because, Your Honor –

5 THE COURT: Wait, wait, wait. I'm not done.

6 MS. FIC: Okay. Sorry, Your Honor.

7 THE COURT: Okay. I recommend – this is not an order – that an
8 escrow be opened for the transfers of the real property.
9 If you are merely transfer interests in an LLC, which has
10 different tax consequences to both of your clients, I
11 don't think it's necessary for an escrow to be opened.
12 But if you're transferring real property, which is what it
13 currently looks like to me you were trying to do based
14 upon the settlement, then an escrow needs to be
15 opened.

16 I'm referring it back to Mr. Hale, since I would typically
17 in a case where a settlement was reached and there was
18 a mediator or arbitrator involved refer it to that
19 individual for some additional work with you to try and
20 resolve those disputed issues, since they were there at
21 the time you reached the settlement. Hopefully I have a
22 transcript that helps me. If you are unable to reach an
23 accommodation after speaking to Mr. Hale, then I will
24 reach an accommodation, because I have a transcript
25 and I'll make a decision. And it won't be one that
26 anybody's tax benefits are in favor of, because there's no
27 indication in the transcript that you're going to work
28 together to minimize tax consequences to each other,
which sometimes I see in settlement agreements. And I
didn't see that in this one.

21 MS. FIC: Yeah. Cause the only concern was I didn't want to have like
22 maybe one wife not sign, because there's a lot of – you know,
23 one wife not signing upset the whole thing.

24 THE COURT: The wives have to sign. That was part of the deal
25 you guys cut. You cut a deal the wives are going to sign.
26 The wive's have got to sign.

27 (See January 11, 2007, hearing transcript, pp. 24-26, attached hereto as Exhibit "3,"
28 emphasis added.)

1 The District Court understood that there were additional matters that needed to be
2 addressed and worked out to effectuate the final settlement of the matter and remanded
3 the case back to Mr. Hale to work out those details.

4 THE COURT: How are you going to – wait now. This is just really
5 common sense.

6 MS. FIC: Okay.

7 THE COURT: How are you going to transfer an interest in real
8 property which may be owned by both of the people and
9 the wife has a claim, especially in places where it is
10 voidable if you do not have the spouse sign? How are
11 you going to transfer that property free and clear?

12 MS. FIC: Because the husbands – I mean, there's NRS statutes –

13 THE COURT: Okay. I'm going to send you back to Mr. Hale, and the
14 wives need to sign. Spouses need to sign, and
15 the people who have the first right of refusal
16 need to waive.

17 MS. FIC: So we'll come back to you if one of the wives refuse.
18 That's the only thing. I just don't want to –

19 THE COURT: You're going to come back to me if you are
20 unable to reach an agreement, if you need me to
21 confirm an order. You are also going to come back to
22 me if there is any problem in the implementation of the
23 agreement.

24 But you reached a settlement, it was put on the record.
25 You've got to have a settlement agreement. I
26 know that Mr. Hale drafted an arbitration award,
27 because he conducted a portion of the arbitration. And
28 I don't really have a problem with that, but we need to
have the documentation consistent with the discussions
that were – that occurred on September 8th, 2006,
which are a part of the actual record the court reporter
made, at which time both parties stipulated in front of
the arbitrator that they had agreed to go to as part of the
extrajudicial proceedings, which in my mind makes it an
enforceable settlement. Okay.

(See Exhibit "3," pp. 27-28, emphasis added.)

1 The case was remanded back to Mr. Hale, but instead of the parties working out the
2 details of a settlement with Mr. Hale as this Court instructed them to do, Mr. Hale again
3 put on his arbitrator hat and issued an Arbitrator Report and Recommendation to District
4 Court for a case that was not arbitrated. In his Report and Recommendation, Mr.
5 Hale continues to refer to the agreement to settle as an "Arbitration Award." From Mr.
6 Hale's Report and Recommendation, this case ultimately morphed into a Judgment
7 Confirming Arbitration Award in a case that was never arbitrated. (See Judgment
8 Confirming Arbitration Award attached hereto as Exhibit "4.")
9

10 ARGUMENT

11 A. Defendants/Appellants are appealing from a judgment granted relative 12 to an agreement to settle.

13 As Plaintiff/Respondent represents, the parties agreed to submit the matter to
14 binding arbitration with no right of appeal. Plaintiff/Respondent submits that because
15 the parties stipulated that there would be no right of appeal, Defendants/Appellants'
16 appeal should be dismissed. However, Defendants/Appellants contend that the case was
17 never arbitrated and, therefore, the language within the stipulation prohibiting an appeal
18 does not apply. The parties simply agreed to settle the case. The arbitration was not
19 completed and there should have never been an arbitration award or an ensuing judgment
20 on an arbitration award. Defendants/Appellants are appealing the Judgment on an
21 agreement to settle.
22

23 B. Common-law grounds exist for this Court to review a private 24 arbitration award.

25 This Court has held that common-law grounds are available for a court to review
26 the results of a private arbitration:

27 In this appeal, we clarify the common-law grounds available
28 for a court to review a private arbitration award. We have

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previously recognized that a private arbitration award may be reviewed under two common-law grounds:

- (1) the award is arbitrary, capricious, or unsupported by the arbitration agreement; or
- (2) the arbitrator manifestly disregarded the law.

See Clark County Education Association v. Clark County School District, 122 Nev. 337, 339, 131 P.3d 5, 7 (2006)

As Defendants/Appellants will argue and ultimately brief in their appellate brief, it is their position that the arbitrator's findings and his issuance of an arbitration award were not consistent with the fact that the case was not arbitrated. Because the case was not arbitrated, the judgment on the arbitration award should not have been entered. Defendants/Appellants will further argue that the arbitrator (mediator in this case), consciously disregarded the fact that an arbitration award is not proper in a case that was merely mediated, not arbitrated. Defendants/Appellants respectfully request the opportunity to submit to the Court a brief on these issues.

C. Defendants/Appellants notice of appeal is not deficient and Defendants/Appellants have filed a Cost Bond pursuant to NRAP 7.

Attached to this Opposition as Exhibit "5" is the Amended Case Appeal Statement. The Notice of Filing Cost Bond was filed in the District Court on July 31, 2007. (See Notice of Posting Cost Bond attached hereto as Exhibit "6.")

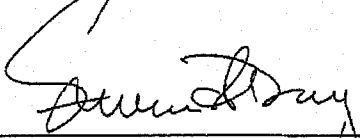
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CONCLUSION

Based on the foregoing, Defendants/Appellants respectfully request an order denying Respondent's Motion to Dismiss.

DATED this 13th day of August, 2007.

COHEN, JOHNSON & DAY

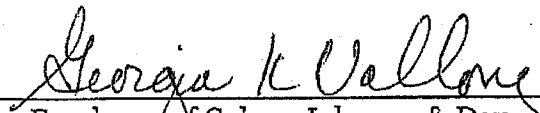
By 

STEVEN L. DAY, ESQ.
Nevada Bar No. 3708
1060 Wigwam Parkway
Henderson, NV 89074
Attorneys for Appellants

CERTIFICATE OF MAILING

I HEREBY CERTIFY that on the 13th day of August, 2007, I served a copy of the foregoing OPPOSITION TO MOTION TO DISMISS, by causing a copy of the same to be deposited in the United States mail, postage prepaid, addressed as follows:

John Peter Lee, Esq.
JOHN PETER LEE, LTD.
830 Las Vegas Blvd. South
Las Vegas, NV 89101
Attorneys for Respondent


An Employee of Cohen, Johnson & Day

ORIGINAL

Shirley B. Panagiaris

Nov 8 3 11 PM '05

FILED

1 ACOM
2 JOHN PETER LEE, LTD.
3 JOHN PETER LEE, ESQ.
4 Nevada Bar No. 001768
5 MICHAEL A. REYNOLDS, ESQ.
6 Nevada Bar No.008631
7 830 Las Vegas Boulevard South
8 Las Vegas, Nevada 89101
9 (702) 382-4044 Fax: (702) 383-9950
10 Attorneys for Plaintiff

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BLVD. SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

DISTRICT COURT

CLARK COUNTY, NEVADA

10 GHOLAMREZA ZANDIAN JAZI,
11 Plaintiff,

CASE NO.: A511131
DEPT. NO.: XIII

12 v.

EXEMPTION FROM
ARBITRATION
(ACTION IN EQUITY SEEKING
INJUNCTIVE RELIEF)

13 RAY KOROGHLI, individually, FARIBORZ FRED
14 SADRI, individually, and as Trustee of the Star
15 Living Trust, WENDOVER PROJECT, LLC, a
16 Nevada limited liability company; BIG SPRING
17 RANCH, LLC, a Nevada limited liability company,
18 and NEVADA LAND AND WATER
19 RESOURCES, LLC, a Nevada limited liability
20 company,

Defendants.

DATE: N/A
TIME: N/A

1334.022860-maf

FIRST AMENDED COMPLAINT

21 COMES NOW the Plaintiff, Gholamreza Zandian Jazi ("Zandian") by and through his
22 counsel, John Peter Lee, Ltd. and as and for a First Amended Complaint against the Defendants, and
23 each of them, alleges as follows:

- 24 1. Zandian is a resident of the State of California.
- 25 2. Defendant Ray Koroghli ("Koroghli") is a resident of the State of Nevada.
- 26 3. Defendant Fariborz Fred Sadri ("Sadri") is a resident of the State of Nevada and is

27 also the Trustee of the Star Living Trust.
28

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COUNTY

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BLVD. SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

1 4. Wendover Project, LLC, Big Spring Ranch, LLC and Nevada Land and Water
2 Resources, LLC are named as Defendants in these proceedings so that total and complete relief can
3 be given to Zandian.

4 5. Zandian and the individual Defendants entered into a Joint Venture Agreement within
5 the past three years which created a fiduciary relationship between them, and which provided that
6 Zandian would look for and find unimproved Nevada real estate and negotiate a price below market
7 value. Zandian and the individual Defendants agreed to form Nevada Limited Liability Companies
8 to buy the land with the agreement that all would contribute either time, money, effort or knowledge
9 in that acquisition and that each of them would be a Managing Member and all would share in the
10 management decisions and in the acquisition, development, sale and division of profits from the sale
11 of those properties.

12 6. Zandian complied with the oral and written agreements and found three (3) parcels
13 of unimproved real property in the State of Nevada ranging from 320 to 35,000 acres for each parcel,
14 and negotiated a below market purchase price from \$95,000 to \$12 million for each parcel. He
15 additionally caused transfer of the unimproved real property into three (3) separate entities here
16 named as Defendants, and he likewise did all of the other acts required of him in conformity with
17 the agreements referred to above. The legal descriptions of the properties are attached hereto as
18 composite Exhibit "A."

19 7. Zandian received an interest in each of the entities, and became a Member and a Co-
20 Manager with the individual Defendants in each of those entities.

21 8. Each of the individual Defendants breached the oral and written agreements,
22 including the Operating Agreement for each entity, and likewise breached the implied covenant of
23 good faith and fair dealing and violated his fiduciary duties as co-partner and joint venturer with
24 Zandian and as Manager and Member of each entity and then proceeded to slander and defame
25 Zandian with accusations of acts constituting felonious conduct against the laws of the United States.

26 9. The individual Defendants acting together, and in consort, wrongfully, secretly and
27 with intent to cause harm to Zandian and in conscious disregard of his rights and converted to
28 themselves his rights and benefits in the entities and further intimidated him by their defamatory

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BLVD. SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

1 statements, which was designed to discourage him from pursuing his rights described in this
2 Complaint, and specifically the Defendants did the following acts:

3 (a) The individual Defendants redrafted the Operating Agreements of the entities
4 without Zandian's knowledge and consent and thereby eliminated provisions which thereby reduced
5 and diminished his rights to co-manage the entities.

6 (b) The individual Defendants sold land in Wendover, Nevada held by Wendover
7 Project, LLC for a sum in excess of \$5 million without Zandian's prior knowledge, authority or
8 consent being sought or obtained from Zandian in violation of their oral and written agreements.
9 Additionally, the individual Defendants disposed of the sale proceeds, but failed to divide the profits
10 with Zandian or pay him \$100,000 due him by agreement.

11 (c) The individual Defendants published letters and E-mails containing
12 defamatory statements about Zandian falsely accusing him of engaging in acts constituting felonies
13 and further enlisting their attorney Craig K. Perry, Esq. to disseminate those statements, none of
14 which are privileged. The statements made as described were additionally circulated to friends,
15 relatives and business associates and thereby caused Zandian harm and embarrassment. (See, letters
16 attached as Exhibit "B").

17 (d) The individual Defendants refused to allow or permit Zandian and his counsel
18 access to the books and records which they had in the entities despite written demand conveyed to
19 them by virtue of Exhibit "C" attached to this Complaint.

20 (e) Zandian and Defendants Koroghli and Sadri purchased 4,485 acres in Washoe
21 County described in Exhibit "D" attached hereto, for \$1,000,000.00 and each owns an undivided
22 1/3 interest in the Property.

23 Pursuant to NRS 39.010 Plaintiff seeks an Order from this Court that the
24 Property be partitioned or sold and the proceeds distributed according to the interests of the parties.

25 Zandian gave a Deed of Trust in the amount of \$333,996.56 to Sadri as
26 Trustee of the Star Living Trust for his share of purchase price. Defendants agreed with Zandian that
27 the Note would be not be due until proceeds from the sale of this and other properties was
28 distributed.

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BLVD. SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

1 Defendants are in breach of this agreement by attempting to foreclose on said
2 Deed of Trust prematurely.

3 (f) Zandian and Sadri agreed that Zandian would be paid 25% of all amounts over
4 \$6,000,000.00 received from the sale of certain property in Clark County, owned by Sadri. Sadri
5 denies that he is obligated to pay any amount to Zandian.

6 A dispute and controversy has arisen between the parties concerning their
7 respective rights. Plaintiff requests a judicial determination concerning the parties' rights with
8 respect to this dispute and a declaratory judgment that Plaintiff is entitled to receive 25% of all
9 amounts over \$6,000,000.00 received from the sale of said property by Sadri.

10 10. Zandian's remedy at law is inadequate to compensate him for the damages which will
11 result from the improper foreclosure of his real property interest, and Zandian is entitled to an
12 injunction to prevent the sale and to further prevent further defamatory statements which have been
13 made and are ongoing and which would otherwise require a multiplicity of suits to compensate him.

14 11. Zandian suffers and will continue to suffer monetary loss in amount in excess of
15 \$10,000 and also is entitled to punitive damages because of the actions of the individual Defendants
16 which were done intentionally with conscious disregard of his rights and benefits.

17 12. Pursuant to NRS 32.010 Zandian is likewise entitled to the appointment of a Receiver
18 for each of the Defendant entities which is necessary to prevent the individual Defendants from
19 mismanaging the affairs of the entities and from secreting cash income and hiding the books and
20 records which by law and the Operating Agreements of the entities were required to be produced to
21 Zandian and his counsel on demand.

22 **ATTORNEYS' FEE**

23 In order to bring this action, Zandian has been required to retain the services of John Peter
24 Lee, Ltd. and is entitled to a fee for the services so rendered by his attorneys.

25 WHEREFORE, Zandian prays for judgment against the Defendants and each of them as
26 follows:

- 27 1. For actual damages of more than \$10,000;
28 2. For punitive damages over \$10,000;

Exhibit "B"
Big Springs Ranch Property

County	APN #	Twn	Rng	Sec	Allquet Part	Acreage
Elko	009-530-001	34N	66E	01	All except 0.23 Ac conv to WPR Co.	640.37
Elko	009-530-001	34N	66E	03	All	643.64
Elko	009-530-001	34N	66E	04	Lots 3 and 4, S/2 NW/4, SW/4 (W/2)	319.92
Elko	009-530-001	34N	66E	06	All	638.12
Elko	009-530-001	34N	66E	09	All	640.00
Elko	009-530-001	34N	66E	11	All	640.00
Elko	009-530-001	34N	66E	15	All	640.00
Elko	009-540-001	35N	66E	01	All	686.40
Elko	009-540-001	36N	66E	02	Lots 3 and 4, S/2 NW/4, SW/4 (W/2)	331.44
Elko	009-540-001	35N	66E	03	All	665.12
Elko	009-540-001	35N	66E	09	All	640.00
Elko	009-540-001	35N	66E	10	E/2 E/2	160.00
Elko	009-540-001	35N	66E	11	All	640.00
Elko	009-540-001	35N	66E	13	All	640.00
Elko	009-540-001	35N	66E	14	W/2 W/2	160.00
Elko	009-540-001	35N	66E	15	All	640.00
Elko	009-540-001	35N	66E	21	All	640.00
Elko	009-540-001	36N	66E	22	NE/4, SE/4 NW/4, N/2 SE/4, SW/4 SE/4, SE/4 SW/4	360.00
Elko	009-540-001	36N	66E	23	All	640.00
Elko	009-540-001	35N	66E	25	All	640.00
Elko	009-540-001	35N	66E	27	All	640.00
Elko	009-540-001	35N	66E	28	SE/4, SE/4 NE/4	200.00
Elko	009-540-001	35N	66E	33	All	640.00
Elko	009-540-001	35N	66E	34	W/2	320.00
Elko	009-540-001	36N	66E	35	All	640.00
Elko	009-550-001	36N	66E	01	All	642.24
Elko	009-550-001	36N	66E	11	All less 70.23 in L-80 RW	589.77
Elko	009-550-001	36N	66E	13	All	640.00
Elko	009-550-001	36N	66E	15	All	640.00
Elko	009-550-001	36N	66E	21	E/2	320.00
Elko	009-550-001	36N	66E	22	W/2 NW/4, S/2	400.00
Elko	009-550-001	36N	66E	23	All	640.00
Elko	009-550-001	36N	66E	26	All	640.00
Elko	009-550-001	36N	66E	28	W/2 W/2	160.00
Elko	009-550-001	36N	66E	27	All	640.00
Elko	009-550-001	36N	66E	28	E/2 E/2, W/2 SE/4 less 4.50 Ac to Easement in SE/4 SW/4, SW/4 SE/4	235.50
Elko	009-550-001	36N	66E	33	All	640.00
Elko	009-550-001	36N	66E	34	All	640.00
Elko	009-550-001	36N	66E	35	All	640.00
Elko	009-560-004	37N	66E	25	All less 15.22 Ac S/2 R/2 30 RW	624.78
Elko	009-580-004	37N	66E	27	SE/4 SE/4	40.00
Elko	009-580-004	37N	66E	35	All	625.34
Elko	009-570-011	38N	66E	23	Pin 200 south of the CPRR centerline	588.06
Elko	009-570-011	38N	66E	25	Pin 200 south of the CPRR centerline except 6.44 Ac in R/2 for Wye tract	591.44
Elko	010-090-001	34N	67E	01	All	638.80
Elko	010-090-001	34N	67E	03	All	638.04
Elko	010-090-001	34N	67E	05	All	638.08
Elko	010-090-001	34N	67E	07	S/2 and pin of W/2 east of No. Nevada Railroad Co.; 0.23 Ac conv to WPR Co.; and 12.79 Ac conv to Nevada Northern Railroad Co.	366.98
Elko	010-090-001	34N	67E	09	All	640.00
Elko	010-090-001	34N	67E	11	All	640.00
Elko	010-090-001	34N	67E	13	All	640.00
Elko	010-090-001	34N	67E	15	All	640.00
Elko	010-090-001	34N	67E	17	All	640.00
Elko	010-090-001	34N	67E	19	NE/4, E/2 NW/4, Lots 1 and 2 (N/2) except 4.60 Ac conv to Nevada Northern Railroad Co.	306.35
Elko	010-090-001	34N	67E	21	N/2	320.00
Elko	010-090-001	34N	67E	22	All	640.00
Elko	010-090-001	34N	67E	23	N/2	320.00
Elko	010-090-003	34N	67E	07	Pin of the E/2 W/2 west of the NNRR RW	48.98
Elko	010-110-001	36N	67E	07	All except 12.70 Ac conv to Northern Nevada Railroad Co.	618.98
Elko	010-110-001	36N	67E	19	All except 12.08 Ac conv to Northern Nevada Railroad Co. except pin conv to State of NV for Hwy	808.15
Elko	010-110-001	36N	67E	31	All except 12.14 Ac conv to Northern Nevada Railroad Co.	627.26
Elko	010-120-001	37N	67E	01	Pin 200 south of the CPRR centerline less 12.78 Ac to SR-30 RW	589.64
Elko	010-120-001	37N	67E	05	Pin 200 south of the CPRR centerline	604.57
Elko	010-120-001	37N	67E	09	NW/4, S/2 less 6.70 Ac conv to Northern Nevada Railroad Co. and 16.16 Ac to SR-30 RW	458.20
Elko	010-120-001	37N	67E	11	Pin 200 south of the CPRR centerline less 11.07 Ac to SR-30 RW	611.42
Elko	010-120-001	37N	67E	17	All less 16.33 Ac to SR-30 RW	623.67
Elko	010-120-001	37N	67E	19	All	628.68
Elko	010-130-001	38N	67E	31	Pin 200 south of the CPRR centerline	594.40
Elko	010-320-001	35N	66E	07	All except 21.29 Ac conv to Western Pacific Railroad Co. less 45.33 to I-80 RW	614.35
Elko	010-320-001	35N	66E	17	All north of the WPRR centerline, and all south of the WPRR centerline less 6.89 Ac to I-80 RW	521.88

Total Acreage (Approximate): 37,539.77

EXHIBIT 'B'

Those certain water rights which are appurtenant to certain real property located in Elko County, Nevada designated as follows:

CERTIFICATED WATER RIGHTS

Number 20489
Number 27877

PERMITTED WATER RIGHTS

Number 53018
Number 53019
Number 58144*
Number 58145
Number 58146
Number 58147

Only that portion of Application Number 58144 equaling 820.80 acre feet will transferred to the Buyer, the balance of the Application will be retained on the Big Springs Ranch for use in accordance with the ranch operation.

Exhibit "A"
Big Springs Ranch Water Rights

Application #	Certificate #
Certificated Water Rights:	
4552	509
4558	512
4559	513
4562	516
5422	979
13469	3990
13471	3992
20858	6044
22372	6652
38988	11364
38992	14807
38993	14200
38998	14201
39429	11366
40810	11367
40811	11368
40812	11369
53021	15420
62703	15545
Permitted Water Rights:	
53020	-
58142	-
58143	-
58144	-
58148	-

Application #	Certificate #
Vested Water Rights:	
V03233	-
V03300	-
V03301	-
V03302	-
V03303	-
V03305	-
V04692	-
V05318	-
Pending Water Rights Applications:	
52307	-
52308	-
Other Water Rights:	
2210	440
18310	5831
25350	-
28587	-
35898	-
38996	-
38999	-
39111	-
39112	-
39428	-
46188	-

(Handwritten initials) R.K.

EXHIBIT "B"
Big Springs Ranch Grazing Permit

- Allotment 04306 - Big Springs

Pah-Rah
Property



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EXHIBIT "A"

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

PARCEL A:
A.P.N. 079-150-09

The Northeast ¼ and the South ½ of the Northwest ¼ and the South ½ in
Section 33, Township 21 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar
and other valuable minerals as reserved by the United States of America or the
State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores
within or underlying the property, including, without limitation, oil, natural gas
and hydrocarbon substances, geothermal steam, brines and minerals in solution,
and sand gravel and aggregates, and products derived therefrom, together with
any rights of ingress and egress in, upon or over the property and to make such
use of the property and the surface thereof as is necessary or useful in
connection therewith, as reserved in the Deed recorded January 09, 1990 in
Book 3019, Page 756 as Document No. 1373452 of Official Records.

PARCEL B:
A.P.N. 079-150-10

Section 31, Township 21 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar
and other valuable minerals as reserved by the United States of America or the
State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores
within or underlying the property, including, without limitation, oil, natural gas
and hydrocarbon substances, geothermal steam, brines and minerals in solution,
and sand gravel and aggregates, and products derived therefrom, together with



any rights of ingress and egress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded February 22, 1991 in Book 3216, Page 526 as Document No. 1461483 of Official Records.

PARCEL C:
A.P.N. 079-150-13

The Northeast $\frac{1}{4}$; South $\frac{1}{2}$ of the Northwest $\frac{1}{4}$; South $\frac{1}{2}$ of Section 27,
Township 21 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with any rights of ingress and egress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded January 09, 1990 in Book 3019, Page 756 as Document No. 1373452 of Official Records.

PARCEL D:
A.P.N. 084-040-02

Section 5, Township 20 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with any rights of ingress and egress in, upon or over the property and to make such



use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded February 22, 1991 in Book 3216, Page 526 as Document No. 1461483 of Official Records.

PARCEL E:
A.P.N. 084-040-04

Section 3, Township 20 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with any rights of ingress and egress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded January 03, 1992 in Book 3391, Page 840 as Document No. 1534872 of Official Records.

PARCEL F:
A.P.N. 084-040-06

Section 1, Township 20 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with any rights of ingress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection



therewith, as reserved in the Deed recorded January 03, 1992 in Book 3391, Page 840 as Document No. 1534872 of Official Records.

PARCEL G:
A.P.N. 084-040-10

The North $\frac{1}{2}$ and the North $\frac{1}{2}$ of the Northwest $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ and the Southwest $\frac{1}{4}$ of the Northwest $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ and the North $\frac{1}{2}$ of the Northeast $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ and the North $\frac{1}{2}$ of the Northwest $\frac{1}{4}$ of the Southeast $\frac{1}{4}$, all in Section 11, Township 20 North, Range 23 East, M.D.B.&M.

ALSO EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with any rights of ingress and egress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded January 03, 1992 in Book 3391, Page 840 as Document No. 1534872 of Official Records.

PARCEL H:
A.P.N. 084-130-07

The Northwest $\frac{1}{4}$ and the North $\frac{1}{2}$ of the Southwest $\frac{1}{4}$ and Government Lot 1 in the Southwest $\frac{1}{4}$ of Section 15, Township 20 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with



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any rights of ingress and egress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded January 03, 1992 in Book 3391, Page 840 as Document No. 1534872 of Official Records.

PARCEL I:
A.P.N. 084-140-17

The Northeast $\frac{1}{4}$ of Section 15, Township 20 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with any rights of ingress and egress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded January 03, 1992 in Book 3391, Page 840 as Document No. 1534872 of Official Records.

Order No.: 03011167

*Wendover property***LEGAL DESCRIPTION**

The land referred to herein is situated in the State of Nevada,
County of ELKO COUNTY, described as follows:

PARCEL 1:

TOWNSHIP 32 NORTH, RANGE 69 EAST, M.D.B.&M.

Section 1: Lots 1, 2 and 3; S1/2N1/2; S1/2;

Section 2: S1/2N1/2; S1/2;

TOWNSHIP 33 NORTH, RANGE 69 EAST, M.D.B.&M.

Section 1: S1/2;

Section 12: All;

Section 25: All;

Section 35: N1/2; N1/2S1/2;

Section 36: N1/2; N1/2SW1/4; SE1/4; SE1/4SW1/4;

TOWNSHIP 32 NORTH, RANGE 70 EAST, M.D.B.&M.

Section 6: Lots 4, 6, 7, 10, 12 and 13; SW1/4NW1/4;

TOWNSHIP 33 NORTH, RANGE 70 EAST, M.D.B.&M.

Section 8: Lots 2, 3, 4, 5, 6, 9 and 11;

Section 9: SE1/4SE1/4; N1/2SW1/4SW1/4SE1/4; E1/2SW1/4SE1/4;

Section 10: Lot 4;

Section 15: Lots 12, 13, 15, 18, 20, 23, 24, 25, 26,

28, 29 and 30; NE1/4SW1/4SE1/4NW1/4;

E1/2SE1/4SE1/4NW1/4; NW1/4SE1/4SE1/4NW1/4;

Section 16: N1/2NE1/4NE1/4NE1/4;

Section 17: S1/2S1/2;

Section 19: All;

Section 20: Lots 2, 3, 6 and 11; NW1/4NE1/4; N1/2SW1/4NE1/4;

SE1/4SW1/4NE1/4; N1/2SW1/4SW1/4NE1/4; NW1/4;

N1/2SW1/4; SW1/4SW1/4;

Section 21: Lot 2;

Section 29: Lots 3, 5 and 8; NW1/4NW1/4;

Section 30: Lots 2 and 3; NE1/4; W1/2; W1/2SE1/4;

Section 31: Lots 2, 4, 5, 8, 10 and 11; NW1/4; W1/2SW1/4;

EXCEPTING FROM Sections 9, 10 and 16, Parcels 1, 2, 3 and 4 as
shown on Parcel Map for Big Springs Land & Resource Co., filed
in the Office of the Elko County Recorder on July 16, 2002 as
Continued on next page

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Order No. 03011167

File Number 485646.

PARCEL 2:

Parcel 1, 2 and 4 as shown on that certain Parcel Map for Big Springs Land & Resource Co. filed in the office of the County Recorder of Elko County, State of Nevada, on July 16, 2002, as File No. 485646, being a portion of Sections 9, 10 and 16, Township 33 North, Range 70 East, M.D.B.&M..

EXCEPTING FROM Parcels 1 and 2 all the oil and gas and geothermal resources in the lands so patented as reserved by the UNITED STATES OF AMERICA in Patent recorded May 26, 1999 in Book 1100, Page 615, Official Records, Elko County, Nevada.

FURTHER EXCEPTING FROM Parcels 1 and 2 those portions lying within the railroad right-of-ways.

PARCEL 3:

TOWNSHIP 33 NORTH, RANGE 70 EAST, M.D.B.&M.

Section 20: Lots 8 and 9; S1/2SW1/4SW1/4NE1/4;
Section 29: Lot 2;

EXCEPTING THEREFROM all the oil and gas and geothermal resources in the lands so patented as reserved by the UNITED STATES OF AMERICA in Patent recorded August 15, 2003 in Book 3, Page 45700, Official Records, Elko County, Nevada.

LEGAL DESCRIPTION

The land referred to herein is situated in the State of Nevada, County of ELKO COUNTY, described as follows:

PARCEL 1:

TOWNSHIP 34 NORTH, RANGE 67 EAST, M.D.B.&M.

Section 1: All;
Section 3: All;
Section 9: All;
Section 11: All;
Section 13: All;
Section 15: All;
Section 17: All;
Section 19: Lots 1 and 2; E1/2NW1/4; NE1/4;

EXCEPTING THEREFROM all that portion of said land as conveyed to Nevada Northern Railway Company in Deed recorded February 7, 1906 in Book 28, Page 617, Deed Records, Elko County, Nevada.

Section 21: N1/2;
Section 22: All;
Section 23: N1/2;

EXCEPTING FROM Section 22, TOWNSHIP 34 NORTH, RANGE 67 EAST, M.D.B.&M., all the coal and other valuable minerals in the lands so granted as reserved by The United States of America in Patent recorded June 28, 1946 in Book 8, Page 413, Patent Records, Elko County, Nevada.

FURTHER EXCEPTING FROM all of Parcel 1 all right, title and interest to coal, oil, gas and other minerals of every kind and nature whatsoever, lying in and under said land, as reserved by Russell Wilkins, et ux, et al, in Deed recorded December 10, 1946 in Book 55, Page 63, Deed Records, Elko, Nevada.

FURTHER EXCEPTING FROM Section 22, TOWNSHIP 34 NORTH, RANGE 67 EAST, M.D.B.&M., an undivided 1/2 interest in and to all gas, oil, petroleum, minerals and/or mineral rights, lying in and under said land, as reserved by Theodore E. Smith and Pearl Smith, his wife, in Deed recorded August 15, 1958 in Book 74, Page 181, Deed Records, Elko County.

PARCEL 2:

Continued on next page

TOWNSHIP 35 NORTH, RANGE 66 EAST, M.D.B.&M.

Section 1: All;
Section 3: All;
Section 9: All;
Section 11: All;
Section 13: All;
Section 15: All;
Section 21: All;
Section 23: All;
Section 25: All;
Section 27: S1/2;
Section 33: All;
Section 35: All;

EXCEPTING THEREFROM Parcel 2 all petroleum, oil, natural gas, and products derived therefrom, lying in and under said land or that may be produced therefrom, as reserved by Southern Pacific Land Company in Deed recorded August 1, 1949 in Book 57, Page 126, Deed Records, Elko County, Nevada.

PARCEL 3:

TOWNSHIP 35 NORTH, RANGE 68 EAST, M.D.B.&M.

Section 7: All;

EXCEPTING THEREFROM all that portion of said land as conveyed to Western Pacific Railway Company in Deed recorded February 19, 1909 in Book 31, Page 71, Deed Records, Elko County, Nevada.

Section 17: All that portion lying northerly of a line parallel with and one hundred (100) feet northerly of the center center line of Western Pacific Railway Company's railroad known as Arnold "L-1" or "3%" line and all that portion lying southerly of a line parallel with and one hundred (100) feet southerly of the center line of Western Pacific Railway Company's railroad known as "R-2" or "4%" line, which railroad rights of way were conveyed to Western Pacific Railway Company by Deed No. 126-F, dated November 27, 1908, and recorded February 19, 1909 in Book 31, Page 71, and Deed No. 188-F, dated June 30, 1910, and recorded September 10, 1910 in Book 32, Page 319, Deed Records, Elko County, Nevada.

Continued on next page

EXCEPTING FROM Parcel 3 all that portion of said land as conveyed to the State of Nevada, acting by and through its Department of Highways in Deed recorded September 7, 1973 in Book 184, Page 44 and recorded June 24, 1976 in Book 230, Page 377, Official Records, Elko County, Nevada, portions of which have been relinquished by Resolution Relinquishing portion of Highway Right of Way recorded October 11, 1985 in Book 504, Page 308, Official Records, Elko County, Nevada.

FURTHER EXCEPTING FROM Parcel 3 all right, title and interest to coal, oil, gas and other minerals of every kind and nature whatsoever, lying in and under said land, as reserved by Russell Wilkins, et ux, et al, in Deed recorded December 10, 1946 in Book 55, Page 63, Deed Records, Elko County, Nevada.

PARCEL 4:

TOWNSHIP 38 NORTH, RANGE 67 EAST, M.D.B.&M.

Section 31: All that portion lying southwesterly of a line two hundred (200) feet southwesterly and parallel with the center line of Central Pacific Railway Company's railroad as now constructed ;

EXCEPTING FROM Parcel 4 all right, title and interest to coal, oil, gas and other minerals of every kind and nature whatsoever, lying in and under said land, as reserved by Russell Wilkins, et ux, et al, in Deed recorded December 10, 1946 in Book 55, Page 63, Deed Records, Elko County, Nevada.

PARCEL 5:

TOWNSHIP 36 NORTH, RANGE 67 EAST, M.D.B.&M.

Section 7: All;
Section 19: All;
Section 31: All;

EXCEPTING FROM Parcel 5 all that portion of said land as conveyed to Nevada Northern Railway Company in Deed recorded February 7, 1906 in Book 28, Page 617, Deed Records, Elko County, Nevada.

FURTHER EXCEPTING FROM Section 19 all that portion of said land as conveyed to the State of Nevada, acting by and through its
Continued on next page

Department of Highways, in Deed recorded September 7, 1973 in Book 184, Page 44, Official Records, Elko County, Nevada, portions of which have been relinquished by Resolution Relinquishing Portion of Highway Right-of-Way recorded October 11, 1985 in Book 504, Page 308, Official Records, Elko County, Nevada.

FURTHER EXCEPTING FROM Parcel 5 all right, title and interest to coal, oil, gas and other minerals of every kind and nature whatsoever, lying in and under said land, as reserved by Russell Wilkins, et ux, et al, in Deed recorded December 10, 1946 in Book 55, Page 63, Deed Records, Elko County, Nevada.

PARCEL 6:

TOWNSHIP 37 NORTH, RANGE 67 EAST, M.D.B.&M.

Section 1: That portion lying southeasterly of a line two hundred (200) feet southeasterly and parallel with the center line of Central Pacific Railway Company's railroad, as now constructed;

Section 5: That portion lying southwesterly of a line two hundred (200) feet southwesterly and parallel with the center line of Central Pacific Railway Company's railroad, as now constructed;

Section 9: NW1/4; S1/2;

EXCEPTING FROM Section 9 all that portion of said land as conveyed to Nevada Northern Railway Company in Deed recorded February 7, 1906 in Book 28, Page 617 and recorded November 15, 1912 in Book 34, Page 130, Deed Records, Elko County, Nevada.

Section 11: That part lying southeasterly of a line two hundred (200) feet southeasterly and parallel with the center line of Central Pacific Railway Company's railroad as now constructed;

Section 17: All;

Section 19: All;

EXCEPTING FROM Parcel 6 all right, title and interest to coal, oil, gas and other minerals of every kind and nature whatsoever, lying in and under said land, as reserved by Russell Wilkins, et ux, et al, in Deed recorded December 10, 1946 in Book 55, Page 63, Deed Records, Elko County, Nevada.

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PARCEL 7:

TOWNSHIP 37 NORTH, RANGE 66 EAST, M.D.B.&M.

Section 25: All;
Section 27: SE1/4SE1/4;
Section 35: All;

TOWNSHIP 38 NORTH, RANGE 66 EAST, M.D.B.&M.

Section 23: That portion southwesterly of a line parallel with and two hundred (200) feet distant southwesterly of center line of Central Pacific Railway Company's railroad as now constructed;
Section 25: That part southwesterly of a line parallel with and two hundred (200) feet distant southwesterly of center line of Central Pacific Railway Company's railroad as now constructed;

EXCEPTING FROM Section 25 a parcel of land in the north half of said Section 25, containing 6.44 acres for Central Pacific Railway Company's Wye track.

FURTHER EXCEPTING FROM Parcel 7 all petroleum, oil, natural gas, and products derived therefrom, lying in and under said land or that may be produced therefrom, as reserved by Southern Pacific Land Company in Deed recorded August 1, 1949 in Book 57, Page 126, Deed Records, Elko County, Nevada.

PARCEL 8:

TOWNSHIP 34 NORTH, RANGE 66 EAST, M.D.B.&M.

Section 3: All;
Section 5: All;
Section 9: All;
Section 15: All;

TOWNSHIP 36 NORTH, RANGE 66 EAST, M.D.B.&M.

Section 1: All;
Section 11: All;

EXCEPTING FROM Section 11 all that portion of said land condemned to the State of Nevada by Final Order of Condemnation recorded

Continued on next page

Order No. 0301278

August 22, 1973 in Book 182, Page 625, Official Records, Elko County, Nevada.

Section 13: All;

EXCEPTING FROM Section 13 all that portion of said land as conveyed to the State of Nevada, acting by and through its Department of Highways, in Deed recorded September 7, 1973 in Book 184, Page 44, Official Records, Elko County, Nevada.

Section 15: All;

Section 23: All;

Section 25: All;

EXCEPTING FROM Parcel 8 all petroleum, oil, natural gas and products derived therefrom, lying in and under said land or that may be produced therefrom, as reserved by Southern Pacific Land Company in Deed recorded August 1, 1949 in Book 57, Page 126, Deed Records, Elko County, Nevada.

PARCEL 9:

TOWNSHIP 36 NORTH, RANGE 66 EAST, M.D.B.&M.

Section 35: All;

EXCEPTING FROM Parcel 9 all petroleum, oil, natural gas, and products derived therefrom, as reserved by Southern Pacific Land Company in Deed recorded August 1, 1949 in Book 57, Page 126, Deed Records, Elko County, Nevada.

PARCEL 10:

TOWNSHIP 34 NORTH, RANGE 66 EAST, M.D.B.&M.

Section 4: Lots 3 and 4; S1/2NW1/4; SW1/4;

EXCEPTING THEREFROM all minerals, mineral rights, gas, oil, coal and other hydrocarbons, in, under or upon said property or that may in any way be produced therefrom as reserved by W.J. Thomas and Grace L. Thomas, his wife, in Deed recorded January 23, 1959 in Book 75, Page 376, Deed Records, Elko County, Nevada.

PARCEL 11:

Continued on next page

TOWNSHIP 35 NORTH, RANGE 66 EAST, M.D.B.&M.

Section 2: Lots 3 and 4; S1/2NW1/4; SW1/4;
Section 10: E1/2E1/2;
Section 14: W1/2W1/2;
Section 22: NE1/4; SE1/4NW1/4; N1/2SE1/4; SW1/4SE1/4; SE1/4SW1/4;
Section 27: N1/2;
Section 28: SE1/4; SE1/4NE1/4;

EXCEPTING FROM Parcel 11 all right, title and interest to coal, oil, gas and other minerals of every kind and nature whatsoever, lying in and under said land, as reserved by Russell Wilkins, et ux, et al, in Deed Recorded December 10, 1946 in Book 55, Page 63, Deed Records, Elko County, Nevada.

PARCEL 12:

TOWNSHIP 36 NORTH, RANGE 66 EAST, M.D.B.&M.

Section 21: E1/2;
Section 22: W1/2NW1/4; S1/2;
Section 26: W1/2W1/2;
Section 27: All;
Section 28: E1/2E1/2; W1/2SE1/4;

EXCEPTING AND RESERVING THEREFROM the following described land:

Beginning at a point from which the Southwest Corner of Section 28, TOWNSHIP 36 NORTH, RANGE 66 EAST, M.D.B.&M., bears South 84°52' West, 2,519.9 feet distant;

THENCE North 25°20' East, 486.81 feet;

THENCE South 64°40' East, 303.07 feet;

THENCE South 25°21' West, 140.51 feet;

THENCE South 64°40' East, 140.00 feet;

THENCE South 25°20' West, 346.30 feet;

THENCE North 64°40' West, 443.07 feet;

Section 33: All;
Section 34: All;

Continued on next page

EXCEPTING FROM Parcel 12 all right, title and interest to coal, oil, gas and other minerals of every kind and nature whatsoever, lying in and under said land, as reserved by Russell Wilkins, et ux, et al, in Deed recorded December 10, 1946 in Book 55, Page 63, Deed Records, Elko County, Nevada.

PARCEL 13:

TOWNSHIP 35 NORTH, RANGE 66 EAST, M.D.B.&M.

Section 34: W1/2;

EXCEPTING FROM Section 13 all minerals, mineral rights, gas, oil, coal and other hydrocarbons, in, under or upon said property or that may in any way be produced therefrom as reserved by W.J. Thomas and Grace L. Thomas, his wife, in Deed recorded January 23, 1959 in Book 75, Page 376, Deed Records, Elko County, Nevada.

PARCEL 14:

TOWNSHIP 34 NORTH, RANGE 67 EAST, M.D.B.&M.

Section 5: All;

Section 7: All;

EXCEPTING THEREFROM all that portion of said land as conveyed to Nevada Northern Railway Company, in Deed recorded February 7, 1906 in Book 28, Page 617, Deed Records, Elko County, Nevada.

FURTHER EXCEPTING THEREFROM all that portion of said land as conveyed to Western Pacific Railway Company in Deed recorded February 19, 1909 in Book 31, Page 71, Deed Records, Elko County, Nevada.

FURTHER EXCEPTING THEREFROM that portion of the W1/2W1/2 lying west of the Nevada Northern Railroad as conveyed to Gordon Griswold and Kitty Griswold, his wife, in Deed recorded August 14, 1946 in Book 54, Page 354, Deed Records, Elko County, Nevada.

FURTHER EXCEPTING FROM all of Parcel 14 all right, title and interest to coal, oil, gas and other minerals of every kind and nature whatsoever, lying in and under said land, as reserved by Russell Wilkins, et ux, et al, in Deed recorded December 10,

Continued on next page

Order No. 0301278

1946 in Book 55, Page 63, Deed Records, Elko, Nevada.

PARCEL 15:

TOWNSHIP 34 NORTH, RANGE 66 EAST, M.D.B.&M.

Section 1: All;

EXCEPTING THEREFROM all that portion of said land as conveyed to Western Pacific Railway Company in Deed recorded February 19, 1909 in Book 31, Page 71, Deed Records, Elko County, Nevada.

Section 11: ALL;

EXCEPTING FROM Parcel 15 all petroleum, oil, natural gas and products derived therefrom, lying in and under said land or that may be produced therefrom, as reserved by Southern Pacific Land Company in Deed recorded August 1, 1949 in Book 57, Page 126, Deed Records, Elko County, Nevada.

FURTHER EXCEPTING FROM all of the above described land those portion lying within the railroad right-of-way.



CRAIG K. PERRY & ASSOCIATES

September 1, 2005

RESENT VIA FAX:9/7/05

John Peter Lee
John Peter Lee, Ltd.
830 Las Vegas Boulevard South
Las Vegas, NV 89101

RECEIVED
SEP - 8 2005
JOHN PETER LEE, LTD.

RE: Wendover Project, LLC
Your Client: Gholamreza Zandian Jazi

Dear Mr. Lee:

Yesterday morning, Mr. Sadri faxed me over a copy of your letter dated August 25, 2005. I have been asked to respond on behalf of Wendover Project, LLC, and the managing members, Ray Koroghli and Faribouz "Fred" Sadri, Trustee, Star Living Trust (hereafter referred to as "Mr. Sadri").

Mr. Sadri and Mr. Koroghli have indicated to me that under normal circumstances a reasonable request for inspection of company records by a managing member in good standing would be accommodated. That situation is non-existent here.

Mr. Sadri and Mr. Koroghli have explained to me their latest findings concerning Mr. Jazi, and how he has abused sensitive company information, has made intentional misrepresentations while acting as if he represents the company, has not acted in the best interests of the company, and has failed to provide any of the promised consideration needed to become a functional, managing member of Wendover Project LLC. Since Messrs. Sadri and Koroghli seriously doubt that your client will come clean with you, they have asked me to prepare a list of his relevant wrongful acts. They tell me they are learning more about other wrongful acts with each passing day.

You should know also know that Mr. Jazi has admitted to them many of his faults and wrongdoings that they have uncovered, and has apologized--asking for more chances. These issues have been the topic of many discussions between them. Issues that serve as the basis for their denial of his view of company records are set forth below:

1. Illegal Presence in the United States: Wanted by Office of Homeland Security and INS. Messrs. Sadri and Koroghli have learned that as early as 1993, Mr. Jazi was indicted on charges of attempting export a controlled commodity, conspiracy, and making a false statement to the Commerce Department. See attached article from archives of the LA Times. Mr. Jazi disappeared rather than face the charges and go to trial. He allegedly fled the country, and returned only recently, illegally, without proper INS authorization. Mr. Jazi's illegal presence has been reported to both the INS in conjunction with the Department of Homeland Security. Other information obtained states he may have received jail time for other criminal misconduct. They expect him to be picked up and face deportation any day.

900 South Fourth Street
Las Vegas, Nevada 89101
702.228.4777 Telephone 702.384.5386 Fax

WFZ1847

John Peter Lee
Sept. 1, 2005
Page Two

Neither Messrs. Sadri nor Koroghli were aware of Mr. Jazi's criminal background at the time they became associated with him. He told them he was here legally and had a "Green Card."

You can imagine their shock and concern, as well as the ill will it has generated for the company when this information was recently discovered by Wendover officials (i.e., City Manager, Chris Melville was the first to find this out). The city has acted with greater caution and manifested heightened concern about this project on the remaining issues, such as water rights. The company's goodwill, and the reputations of Sadri and Koroghli, has been tarnished by their association with him.

The members of the LLC relied upon Mr. Jazi's false representations about his immigration status and non-criminal background in associating with him. Mr. Jazi continues to misrepresent himself and hides his true background to others, including the members and managing members of Wendover Project LLC, as well as to others he contacts without permission, misrepresenting himself as acting on behalf of Wendover Project LLC. He continues to use any sensitive Wendover Project LLC information he can to perpetuate his lies, luring away and misleading important investors, leads, and contacts.

2. Lack Of Consideration; Bogus Consideration. Mr. Jazi was going to contribute \$1 million towards the purchase of the land by selling foreign properties he allegedly owned. When it came time for him to pay, he failed to contribute any money towards making any of the payments. His involvement in Wendover Project LLC and status as a managing member was pre-conditioned upon his agreement to split the payment of costs and purchase of the property as consideration.

Mr. Zandian was supposed to have also provided \$3 million worth of consideration (i.e., stock ownership in one of his corporations) to John Hart towards the payment of the property. It turns out that the stock he transferred to Steve Hart was worthless, therefore bogus consideration. To date, Mr. Jazi has not put in a single into Wendover Project LLC. All he has ever given in this regard are hollow promises.

3. Unlawful Receipt of Real Estate Commission. Once Wendover Project bought the property from Pico Holding, Mr. Jazi received an illegal kickback commission of \$600,000 from the sellers. Attached are the checks. Mr. Jazi's receipt of this commission is regulated by and in violation of Nevada state law regarding the payment of such commissions; it diverted investor funds away from the LLC and inflated the purchase price; Mr. Jazi broke the law, breached his fiduciary duties, and put his own interests ahead of the company. The Nevada Department of Commerce has informed Mr. Sadri that the actions of Mr. Jazi are constitute serious violations of law and he faces violation charges. Messrs. Sadri and Koroghli are in possession of copies of the checks demonstrating the illegal commission he received, and they are attached for your reference.

John Peter Lee
Sept. 1, 2005
Page Three

Mr. Jazi, as a fraudulent inducement to rush the members of Wendover Project LLC into action, told them there was another buyer who was willing to pay \$25 million for the land being sold by Pico Holding. This turned out to be false information that induced the investors to act quickly and agree to a higher price that greatly benefitted Mr. Jazi.

3. Misuse of Company and Investor Information. Mr. Jazi has repeatedly used the name of Wendover Project LLC and the names of Messrs. Sadri and Koroghli with others, and has disclosed their sensitive financial information and misrepresented to other parties his authority to act on behalf of Wendover Project LLC. His attempts to obtain access to corporate information at this time is a subterfuge acquire more company information that he can use to harm the company and its members.

Next, Mr. Jazi took it upon himself to set up a second mailing address in violation of the one stated in the Operating Agreement, on behalf of Wendover Project LLC, without the permission or consent of Messrs. Sadri or Koroghli, and thereby received and diverted valuable business and trade opportunities and communiques addressed to Wendover Project LLC which has harmed the LLC, and prevented this LLC from profiting or benefitting from the information he is receiving at that address. No one has given him permission to do this.

On another occasion, Mr. Jazi contacted a valuable LLC investor, Mr. Abrishami, and caused him to invest in one of Mr. Jazi's personal projects. The diversion of this capital came at a time when the company faced capital needs to pay down a loan that Mr. Abrishami's money could have facilitated with paying down. This is but one more example of Mr. Jazi not acting in the best interests of this LLC.

Mr. Jazi has used multiple social security numbers to fraudulently hide his identity in violation of federal law, and he will not be given additional opportunities to steal the identities of other members by looking at the company records.

Finally, Mr. Jazi's misuse of sensitive company and personal information of the managing members has resulted in Mr. Jazi improperly furthering his own interests, illegally or otherwise, at the expense of the company and its members. There is every reason to suspect he has not changed and will continue to operate in this manner.

4. Website For LLC Created Without Permission and Containing Material Misstatements. Mr. Jazi, without direction or approval, set up a website for the LLC. Mr. Jazi published on the website that the LLC owned 1.2 million acres of Nevada land, which is patently false. This misrepresentation was discovered by Pico Holding last year, and they understandably issued a cease and desist letter. In addition, he improperly listed on the website properties that were not even owned by the LLC—they were owned by Star Living Trust. This was done by him in an effort to attract other investors to himself on other projects. Apparently, his ploy was somewhat successful.

John Peter Lee
Sept. 1, 2005
Page Four

For these reasons and more, Messrs. Sadri and Koroghli will not provide Mr. Jazi with further means to cause further harm to Wendover Project LLC or to its operations. Based upon his prior misconduct, they believe this will continue to occur. They have a fiduciary duty to the other investors to protect them from Mr. Jazi's unwanted solicitations and misrepresentations.

Both Mr. Koroghli and Mr. Sadri have discussed all of these issues with your client in an effort to rectify the problems he has created for the company. So far, Mr. Jazi, while admitting and apologizing repeatedly for his misconduct, has not made any reparations or taken any corrective action.

Please advise your client that as a result of his failure to provide the agreed-upon consideration, and for his abuses adversely affecting the LLC, demand is made that he (1) cease and desist making any representations made concerning the LLC or its members, or in contacting them; (2) resign as a listed managing member of the LLC effective immediately, and (3) take nothing by way of ownership interest in this LLC. If he does this, the LLC will not seek any monetary recovery from him. Obviously, any efforts made by the any governmental agency or body will continue.

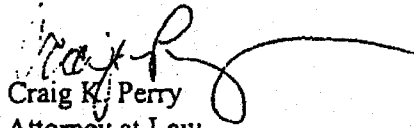
The Operating Agreement provides for formal disputes to be resolved through binding arbitration. If you and I cannot work through the present issues informally, which I hope we can, then I suggest we invoke the terms of the Operating Agreement and move forward with resolution of the presently outstanding issues through binding arbitration.

The things listed thus far are just the tip of iceberg regarding Mr. Janzi's misconduct. They are aware his attempts to sue Optima owners after he sold out, when he learned that they were close to receiving a settlement on a disputed infringement; they know he failed to appear for his deposition that was to be held a few days ago; we know he has used and continues to use various social security numbers; they know he has misrepresented the extent of his asset holdings to others; they know that he has defrauded many other people through sharp business practices over many years. He has, for example, tied up warehouse space of Ray Koroghli and others with shipping containers, at Koroghli's expense. All of this will be uncovered as it relates to this LLC and Mr. Janzi's pattern of conduct in defrauding people associates, investors, and those who believed he was and could be trusted as a friend.

Please feel free to call me any time—with the exception that I will be unavailable over the Labor Day weekend beginning Thursday, September 1, 2005 at noon until Tuesday morning, September 6, 2005.

Sincerely Yours,

CRAIG K. PERRY & ASSOCIATES


Craig K. Perry
Attorney at Law

WFZ1850

Leila,

This fax came in from Fred Sadri

----- Original Message -----

From: Matthew Bahrami

To: Robert Adams

Sent: Monday, July 11, 2005 4:40 PM

Subject: More of Zandian's fraud

Robert,

I just got a call from Fred Sadri, he is my ex-wife's cosine, Ali Faeghi's nephew. He is in legitimate land business in Las Vegas.

He told me that Zandian has defrauded him and some of his investors for over \$15 million dollars. Along with Faeghi who is in bed with Zandian. Zandian has also done many other fraudulent deals as well. He also had some information about the printing equipment, I guess Reza fucked that guy for a couple of Millions also.

They are getting a law suit ready against Zandian and he is in touch with Homeland Security, FBI and INS to find him.

He wanted to talk to you about this guy to see if you had any information that can help him nail Zandian, he wants all of us to join forces to nail this SOB.

I told him I wouldn't give him your phone number but I'll talk to you and have you call him and hear what he has to say. Thought you maybe interested to put Reza away once and for all.

His phone number is (702) 873-8170, please call him and just hear what he has to say, if you want to refer him to your attorneys, fine but at least just talk to him and hear what he says. Reza is a much bigger crook than you and I thought.

Thanks,
Matt.

Do You Yahoo!?

Tired of spam? Yahoo! Mail has the best spam protection around

<http://mail.yahoo.com>

TO: Who It May Concern:

Protect the National Security of the U.S. Government by denying the permanent residency to Reza Zandian

RE: Reza Zandian, Reza Zandian Jazi,
Gholamreza Zandian, or Gholamreza Zandian Jazi
(All is one person using in various transactions)
Social Security # 625-34-1563
Date of Birth January 15th 1952.

Reza Zandian has several Social Security numbers, the one mentioned above is one of them being used by this man.

Reza Zandian was born in Iran/Esfahan. He has attended several Anti Tax activities in Los Angeles, and Nevada. He has criminal records since 1993 with the US Dept. of Commerce. Charged with shipping the sophisticated computers to Iranian Government against the United States. Not to mention that Reza has close relationship with Rafsanjani's son, the head of the Islamic Republic of Iran.

Reza Zandian was arrested at Los Angeles Air Port by the Federal agents. He had criminal records with the United States Government for a long time, and was deported from United States. He moved to France for several years. In France he defrauded the Melli Bank of Iran in France and Iran. He had close relationship with Iranian regime and trusted by them, that he purchased weapons for the Iranian Government in the past.

He moved back to United States. The Immigration office denied his visa. Somehow he entered to US and was residing at Howard Johnson's Hotel on 1401 S. Las Vegas Blvd. 89104. He has a close relationship with the Hotel owner, Ali Fayeghi, and his son Sean S. Fayeghi. He has been doing real estate transactions, without obtaining the real estate license. He has been using false web sites to attract innocent people and taking their money to sell them land. Reza or Gholamreza Zandian has been using different names in the real estate transactions. He has been constantly moving from one place to another within the last two years. So people won't be able to find him, and in order to confuse the authorities.

The followings are some of the addresses that he has lived during the past two years or used as his mailing address:

FROM :

PHONE NO. :

Jun. 17 2002 02:22AM

2

-950 S. Seven Hill Dr. #1026 Henderson, Nevada 89052
-1401 N. Las Vegas Blvd. 89104 (Howard Johnson's Hotel)
-9550 W. Sahara Apt. 2148 Las Vegas, Nevada 89117
-731 Mall Ring Circle Henderson, Nevada 89014
-220 Sussex Pl. Carson City NV. 89703
-P.O.Box 81624 Las Vegas, NV 89180-1624
-8350 W. Sahara Ave. ste #150 Las Vegas NV 89117
-8 San Ramon Dr. 92612 Irvine Ca.
-Tower 8775, 4240 La Jolla Village Dr. Costa Verde Blvd.
92037 (across from the Marriot Hotel in La Jolla Beach
(on the 14th floor) Probably Apt. 1460, which might be the
current address.

Reza Zandian is married to Nilufar Foughani. At the present times they are living with his sister-in-law (Nilufar's sister, called Nastaran, in La Jolla)

Not to mention that Reza Zandian has been using more than 20 different phone numbers, while he carries 4-5 cell. phones in his pocket or his car. Most of time he uses the public phone for important calls. Some the phone numbers are as follow:

(775) 450-6833	(858) 344-2955
(858) 587-1414	(858) 625-2460
(949) 400-5614	
(702) 325-1849	

There are a lot more than this that we don't know the numbers

Reza Zandian shipped 20 containers from Paris or Germany, one of the shipyard companies to the United State/Long Beach, California. He claims that all containers were containing the printing equipment. But it seems like there is more to it. Zandian is trying to proof to IRS that he has lost over 2 million dollars in business related to the shipyard containers! The informations are false, and he is trying to avoid paying the Federal Tax and the State Tax. On 2003-2004 Reza collected close \$1.5 million dollars commissions from Pico Holdings, Inc. at 874 Prospect Street, ste. 301 La Jolla, Ca. 92037-4264. (You may call Richard or Max at 888-389-3222 for more information.

Reza Zandian did paid taxes on that amount. He has not filed for the income tax at all.

Reza Zandian has set up false California Companies by using the former Optima employ's social security number. This company was called "Optima Technology Company". Zandian some how sold the company and did not pay any capital gain and cheated the IRS again.

The followings are some of the L.L.c.'s that has been open by Reza Zandian:

WFZ1853

Sparks Village L.L.C (100 Acres commercial, Active date 12/15/04):

-Sean S. Fayeghi, 1401 S. Las Vegas Blvd. Las Vegas, NV 89104
-Ali Fayeghi, 3080 Tioga Way, Las Vegas, NV. 89117
-Reza Zandian, 8350 W. Sahara Ave. Las Vegas, NV. 89117

Churchill Park Development L.L.C (active date 9/22/04):

-Elias Abrishami
-Rafi Abrishami
-Reza Zandian, 220 Sussex Pl, Carson City, NV. 89703

1-5- Plaza L.L.C, (Active date 2/3/05)

-Sean S. Fayeghi
-Sima Behnamjou
-Ali Fayeghi
-Reza Zandian, 8350 W. Sahara Ave. ste 150, Las Vegas NV.
89117

Optima Technology Corporation: (Active date 10/11/04

-Reza Zandian 8 San Ramon Dr. Irvine, Ca. 92612

Gold Canyon Development: File date: 5/27/04

-Elias Abrishami
-Rafi Abrishami
-Reza Zandian, 9550 W. Sahara ave. ste. 1011 Las Vegas, Nv
89117

Lyon Park Development L.L.C: (Active Date 9/22/04

-Elias Abrishami
-Rafi Abriasami
-Reza Zandian, 220 Sussex Pl Carson City, NV. 89703

High Tech Development L.L.C: (Active Date 9/22/04

-Elias Abrishami
-Rafi Abrishami

-Reza Zandian

REMOVED PROJECT NUMBER (ACTIVE DATE 10/1/03)

-Gholamreza Zandian Jazi, 9550 W. Sahara Ave. 2148
Las Vegas, NV. 89117

Big Spring Ranch L.L.C (Active Date: 10/1/03)

-Gholamreza Zandi, P.O.Box 81624 Las Vegas, NV. 89180-1624

Nevada Land Water Resource L.L.C: (File date 5/13/03)

-Gholamreza Zandian Jazi, 9550 W. Sahara Ave. # 2148
Las Vegas, NV. 89117

Reza Zandian has been trying to obtain the Green card for his family and himself, issuing the Green Card to this man is a very bad news to the Middle Eastern community, specially Iranian in California and Nevada. If Homeland security or INS issue this man a permanent residency, it is like issuing a passport to Ben Laden. this man is capable of doing any thing for money. Two years ago he did not have a dime in his pocket, but all of a sudden he is talking of Million dollar deals! He has committed several frauds through the web sites by advertising real estate auctions. He has many victims in real estate transactions in Northern and Southern Nevada. He is providing false informatins to Immigration office. by opening false L.L.C's, to prove to Immigration that he has many investments in this country, while he did not even put one dime in any deal. He will do anything to obtain his green card.

Reza Zandian is very dangerous man, by investigating on him you will be really surprised. If you need more informations you may call Fred Sadri at (702) 873-8170.

Jun. 17 2002 02:24PM PT

PHONE NO. :

FROM :

WFZ1855

JOHN PETER LEE, LTD.

ATTORNEYS AT LAW

830 LAS VEGAS BOULEVARD SOUTH

LAS VEGAS, NEVADA 89101

TELEPHONE (702) 382-4044

FACSIMILE (702) 383-9950

E-MAIL: info@johnpeterlee.com

August 25, 2005

Mr. Fariborz Fred Sadri
Mr. Ray Koroghli
3055 Via Sarafina
Henderson, Nevada 89012

Re: Gholamreza Zandian Jazi

Gentlemen:

This office represents Gholamreza Zandian Jazi. He is a Managing Member of Wendover L.L.C. We have copies of Operating Agreements dated May 8, 2003 and December 26, 2003 naming each of you as a Managing Member, together with Mr. Zandian; providing that the principal place of business was at 4225 South Eastern Avenue, Las Vegas, Nevada 89119; that Managing Member Fariborz Fred Sadri's address is 2827 South Monte Cristo, Las Vegas, Nevada 89117 that the Resident Agent Ray Koroghli's address is 3055 Via Sarafina, Henderson, Nevada 89012; and that the principal place of business changed to the Via Sarafina address by the December Operating Agreement.

According to Paragraph 1.6 of each Agreement, Wendover is required to maintain books and records at its principal office. Accordingly, this letter is being delivered to you at each of the addresses which are shown in the Operating Agreements.

This letter makes demand upon you and each of you, at whatever address you are and wherever the books and records of Wendover L.L.C. are kept, to permit inspection and copying of the following records specifically identified in each of the Operating Agreements referred to in Paragraph 1.6, together with the company books as specified in Paragraph 4.2(a) designated as "books of account" and "books of account" as defined in Paragraph 5.6:

- (a) A current list of the full name and last known business address of each Managing Member and Member separately identifying all Members in alphabetical order.
- (b) A copy of the filed Articles of Organization and all amendments thereto, together with executed copies of any powers of attorney pursuant to which any document has been executed.

JOHN PETER LEE, LTD.

ATTORNEYS AT LAW

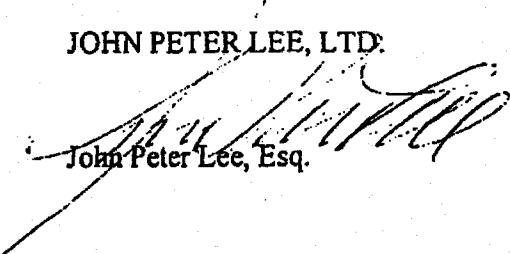
Mr. Fariborz Fred Sadri
Mr. Ray Koroghli
August 25, 2005
Page Two

- (c) Copies of the Company's federal income tax returns and reports, if any, for the three (3) most recent years.
- (d) Copies of any then effective Operating Agreement and of any financial statements for the Company for the three (3) most recent years.
- (e) A statement setting forth the Capital Contributions of each Member including:
 - (1) The amount of cash and description and statement of the agreed value of the other property or services contributed by each Member and which each Member has agreed to contribute.
 - (2) The items as to which or events on the happening of which any additional contributions agreed to be made by each Member are to be made.
 - (3) Any right of a Member to receive, or of a Managing Member to make, distributions to a Member (including Managing Members) which include the return of all or any part of the Member's contributions as set forth more fully in Article 3, paragraph 3.8.
 - (4) Any events upon the happening of which the Company is to be dissolved and its affairs wound up.

This request requires you to produce for inspection the aforementioned books and documents on the 2nd day of September, 2005 at the hour of 10:00 a.m. at the principal place of business of Wendover L.L.C. at 3055 Via Sarafina, Henderson, Nevada. At that time, our client, and a representative of this office, will review the records demanded and copy those documents which are necessary to support our client's rights.

Yours truly,

JOHN PETER LEE, LTD.


John Peter Lee, Esq.

JPL/jlr
cc: Client
1334.022860

WFZ1858





EXHIBIT "A"

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

PARCEL A:
A.P.N. 079-150-09

The Northeast $\frac{1}{4}$ and the South $\frac{1}{2}$ of the Northwest $\frac{1}{4}$ and the South $\frac{1}{2}$ in Section 33, Township 21 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with any rights of ingress and egress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded January 09, 1990 in Book 3019, Page 756 as Document No. 1373452 of Official Records.

PARCEL B:
A.P.N. 079-150-10

Section 31, Township 21 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with



any rights of ingress and egress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded February 22, 1991 in Book 3216, Page 526 as Document No. 1461483 of Official Records.

PARCEL C:
A.P.N. 079-150-13

The Northeast $\frac{1}{4}$; South $\frac{1}{2}$ of the Northwest $\frac{1}{4}$; South $\frac{1}{2}$ of Section 27,
Township 21 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with any rights of ingress and egress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded January 09, 1990 in Book 3019, Page 756 as Document No. 1373452 of Official Records.

PARCEL D:
A.P.N. 084-040-02

Section 5, Township 20 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with any rights of ingress and egress in, upon or over the property and to make such



use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded February 22, 1991 in Book 3216, Page 526 as Document No. 1461483 of Official Records.

PARCEL E:
A.P.N. 084-040-04

Section 3, Township 20 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with any rights of ingress and egress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded January 03, 1992 in Book 3391, Page 840 as Document No. 1534872 of Official Records.

PARCEL F:
A.P.N. 084-040-06

Section 1, Township 20 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with any rights of ingress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection



therewith, as reserved in the Deed recorded January 03, 1992 in Book 3391, Page 840 as Document No. 1534872 of Official Records.

PARCEL G:
A.P.N. 084-040-10

The North $\frac{1}{2}$ and the North $\frac{1}{2}$ of the Northwest $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ and the Southwest $\frac{1}{4}$ of the Northwest $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ and the North $\frac{1}{2}$ of the Northeast $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ and the North $\frac{1}{2}$ of the Northwest $\frac{1}{4}$ of the Southeast $\frac{1}{4}$, all in Section 14, Township 20 North, Range 23 East, M.D.B.&M.

ALSO EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with any rights of ingress and egress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded January 03, 1992 in Book 3391, Page 840 as Document No. 1534872 of Official Records.

PARCEL H:
A.P.N. 084-130-07

The Northwest $\frac{1}{4}$ and the North $\frac{1}{2}$ of the Southwest $\frac{1}{4}$ and Government Lot 1 in the Southwest $\frac{1}{4}$ of Section 15, Township 20 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with



any rights of ingress and egress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded January 03, 1992 in Book 3391, Page 840 as Document No. 1534872 of Official Records.

PARCEL I:
A.P.N. 084-140-17

The Northeast $\frac{1}{4}$ of Section 15, Township 20 North, Range 23 East, M.D.B.&M.

~~EXCEPTING THEREFROM~~ all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

~~FURTHER EXCEPTING~~ and reserving any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with any rights of ingress and egress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded January 03, 1992 in Book 3391, Page 840 as Document No. 1534872 of Official Records.

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ANS
JOHN M. NETZORG, ESQ.
Nevada Bar No. 1335
2810 West Charleston Boulevard, #H-81
Las Vegas, Nevada 89102
(702) 878-3400
Attorney for RAY KOROGHLI, individually
FARIBORZ FRED SADRI, individually and as Trustee
of the STAR LIVING TRUST

DISTRICT COURT
CLARK COUNTY, NEVADA

GHOLAMREZA ZANDIAN JAZI,

Plaintiff,

vs.

RAY KOROGHLI, individually, FARIBORZ
FRED SADRI, individually and as Trustee of the
the Star Living Trust, WENDOVER PROJECT,
LLC, a Nevada limited liability company; BIG
SPRING RANCH, LLC, a Nevada limited liability
company, and NEVADA LAND AND WATER
RESOURCES, LLC, a Nevada limited liability
company

Defendants

CASE NO. A 511131
DEPT. NO. XIII

DEFENDANTS' RAY
KOROGHLI AND FARIBORZ
SADRI'S ANSWER AND
COUNTERCLAIM

Date of Hearing: n/a
Time of Hearing: n/a

COME NOW, Defendants Ray Koroghli and Fariborz Fred Sadri, by and through their
counsel, John M. Netzorg, Esq., and for their Answer to Plaintiff's First Amended Complaint,
state as follows:

1. Answering Paragraph 1, Answering Defendants are without sufficient
knowledge or information upon which to base a belief as to the truth of the allegations contained
in Paragraph 1, and upon said ground deny each and every allegation contained therein.

CE101

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JOHN M. NETZORG
2810 W. CHARLESTON BLVD., SUITE H-81
LAS VEGAS, NEVADA 89102
(702) 878-3400

COUNTY CLERK

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2810 W. CHARLESTON BLVD., SUITE H-81
LAS VEGAS, NEVADA 89102
(702) 878-3400

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2. Answering Defendants admit the allegations contained in Paragraph 2.
3. Answering Defendants admit the allegations contained in Paragraph 3.
4. Answering Paragraph 4, Answering Defendants are without sufficient knowledge or information upon which to base a belief as to the truth of the allegations contained in Paragraph 4, and upon said ground deny each and every allegation contained therein.
5. Answering Defendants deny the allegations contained in Paragraph 5.
6. Answering Defendants deny the allegations contained in Paragraph 6.
7. Answering Defendants deny the allegations contained in Paragraph 7.
8. Answering Defendants deny the allegations contained in Paragraph 8.
9. Answering Defendants deny the allegations contained in Paragraph 9.
10. Answering Defendants deny the allegations contained in Paragraph 10.
11. Answering Defendants deny the allegations contained in Paragraph 11.
12. Answering Defendants deny the allegations contained in Paragraph 12.

Attorney's Fee

Answering Defendants deny this allegation.

COUNTERCLAIM

COME NOW, Counterclaimants, RAY KOROGHLI and FARIBORZ FRED SADRI and for their counterclaims against the Counterdefendant GHOLAMREZ ZANDIAN JAZI, allege as follows:

1. Counterclaimant RAY KOROGHLI (hereinafter "Ray") is a member and manager of the three named LLCs.
2. Counterclaimant FARIBORZ FRED SADRI (hereinafter "Fred") is a member and manager of the three named LLCs.

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3. Counterdefendant GHOLAMREZA ZANDIAN JAZI aka Zandian and Zandian Jazi (hereinafter "Zandian") is believed to live in California.

4. Zandian was introduced to Fred by Fred's uncle who indicated Zandian was a prominent business man, was down on his luck, and needed some assistance.

5. Zandian and his family befriended Fred.

6. Zandian represented to Fred and Ray that he had substantial holdings in Europe and in Iran.

7. Zandian further represented that he had a personal relationship with Vidler Water Company, an affiliate of Pico Holdings, Inc., the purchasers of the Union Pacific land holdings in northern Nevada and water rights appurtenant thereto.

8. Zandian represented that by reason of his relationships with Vidler, its CEO, John R. Hart, and other officers, that he was in a position to acquire substantial land holdings in Nevada for a fraction of their value.

9. Based on these representations, the parties undertook a number of investments.

10. The parties' initial investment was Nevada Land and Water Resources, LLC.

11. This transaction closed in the summer of 2003.

12. Each of the partners was to be responsible for one-third of the million dollar investment in this 4400-acre parcel in Pah Rah, Washoe County, Nevada.

13. Zandian represented that he had a shipping company in Europe as well as houses in Paris, Nice, and Iran and was temporarily without funds.

14. Fred advanced 100% of Zandian's investment in the form of a purchase money note and deed of trust.

15. Later that year, in December, the parties closed on two other transactions, one of

1 which the Big Springs Ranch Project, a 37,000 acre parcel and 20,000 acre feet of water located
2 25 miles from Wendover.

3 16. As with the prior project, Fred and Ray put up \$900,000.00 apiece and Zandian
4 nothing.

5 17. The third investment was the Wendover Project, LLC.

6 18. When Zandian introduced the Wendover Project to his partners, he represented
7 that this 6400 acre Vidler holding, west of Wendover, Nevada, could be acquired for
8 \$15,000,000.00, or approximately one-third of its \$50,000,000.00 value.
9

10 19. Zandian, claiming to own a shipping yard in Europe, was to contribute his
11 \$3,000,000.00 in stock in the facility and the partners would share equally.

12 20. Fred and Ray organized the financing and brought in several new investors to
13 invest to reduce the loan amount.

14 21. The operating agreements disclosed what the managing partners were to receive.

15 22. The original purchase included a substantial purchase money deed of trust.

16 23. When debt service was necessary, Fred and Ray made the payments.

17 24. When the note and deed of trust matured, Fred hypothecated his other properties
18 in order to save the Wendover Project from foreclosure.
19

20 25. Subsequently, several investors were brought to Wendover to view the
21 project and introduced to City officials.
22

23 26. In response to inquiries as to the value of the land, the City officials indicated that
24 it was \$200.00 to \$400.00 an acre.

25 27. As a result of Zandian's failure to contribute anything, questions as to the accuracy
26 of his representations and his refusal to assist in the financing, Fred and Ray became concerned
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1 and flew to California to meet with John Hart, the CEO of Vidler Water Company and Pico
2 Holdings, the sellers of the land.

3 28. Fred and Ray were advised by Mr. Hart that the stock tendered by Zandian was
4 worthless.

5 29. On further demand, Fred and Ray were provided with documentation that
6 Zandian had received undisclosed commissions on all transactions from his principal, the seller.

7 30. Zandian represented that Fred and Ray would be partners in a 2,000 acre parcel in
8 Dayton, Nevada.

9 31. Without Fred and Ray's knowledge, Zandian proceeded with the acquisition of
10 this and other properties excluding Fred and Ray, but using investors introduced to him by them
11 to close the transactions.

12 32. Zandian proceeded to form LLCs including Gold Canyon Development, LLC,
13 High-Tech Development, LLC, Lion Park Development, LLC, Churchill Park Development,
14 LLC and Sparks Village, LLC during 2004 and additional LLCs during 2005 including Dayton
15 Plaza, LLC and Misfits Development, LLC.

16 33. As a result of learning that not only had Zandian tendered no consideration for his
17 interests, but that he had received undisclosed and improper commissions from the sellers on
18 each of the land transactions, the agreements were rescinded.

19 34. Nevada Land and Water, LLC, the first transaction, was never conveyed to the
20 LLC, but rather, Zandian refused and the interests were held as tenants-in-common.

21 35. Zandian has neither tendered nor paid one penny on the note and deed of trust
22 which was on the eve of foreclosure in December 2005.

23 36. As a result of having tendered worthless stock for the acquisition of the Wendover
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1 Project, and actually having received hundreds of thousands of dollars in secret compensation,
2 his rescinded interest was transferred to the other investors pro rata.

3 **FIRST COUNTERCLAIM FOR RELIEF**

4 **(Rescission)**

5 37. Counterclaimants repeat and reallege each and every allegation set forth above in
6 Paragraphs 1 through 36 as though fully set forth at length herein.

7 38. The Counterdefendant misrepresented the terms and conditions of the
8 investments.

9 39. The Counterdefendant has taken over half a million dollars in undisclosed
10 commissions and profits while simultaneously representing their value and Counterclaimants'
11 intentions.

12 40. Had Counterclaimants been aware of the true facts, they never would have entered
13 into the transactions.

14 41. By reason of the misrepresentations, breach of fiduciary duties, and receipt of
15 undisclosed commissions and compensation, the Counterclaimants and investment entities are
16 entitled to rescission.

17 42. By reason of a failure of consideration, the Counterclaimants and investment
18 entities are entitled to rescission.

19 43. By reason of Counterdefendant's intentional misrepresentations and omissions of
20 material fact, the Counterclaimants are entitled to rescission.

21 **SECOND COUNTERCLAIM FOR RELIEF**

22 **(Derivative Claims by the LLCs and by Counterclaimants)**

23 44. Counterclaimants repeat and reallege each and every allegation set forth in
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Paragraphs 1 through 43 above as though fully set forth at length herein.

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45. Counterdefendant was the fiduciary of the investors and was under a duty to disclose all compensation received.

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46. By negotiating commissions, not only was this conduct in violation of Nevada real estate law, but it worked a fraud against the Counterclaimants in that Counterdefendant received undisclosed commissions and profits.

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47. The Counterdefendant had fiduciary duties and statutory duties to disclose all compensation and agency relationships.

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48. Even though Counterdefendant was not a Nevada licensee, he was nonetheless required to comply with Nevada Agency Disclosure Statutes and the other real estate licensee requirements.

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49. Counterdefendant has not contributed one penny towards the principal amounts, interest, property taxes, water rights, engineering or anything.

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50. In receiving hundreds of thousands of dollars in undisclosed commissions, the Counterdefendant has enriched himself at his fiduciaries' and the Counterclaimants' expense.

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51. In so acting, the Counterdefendant has caused the Counterclaimants damages in an amount in excess of \$10,000.00.

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52. In doing the acts set forth, the Counterdefendant has acted willfully, maliciously, and with the intent to injure the Counterclaimants such that the Counterclaimants are entitled to punitive and exemplary damages in an amount in excess of \$10,000.00.

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25
THIRD COUNTERCLAIM FOR RELIEF

26
(Breach of Fiduciary Duties)

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53. Counterclaimants repeat and reallege each and every allegation set forth in

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2810 W. CHARLESTON BLVD., SUITE H-81
LAS VEGAS, NEVADA 89102
(702) 878-3400

1 Paragraphs 1 through 51 above as though fully set forth at length herein.

2 54. Counterdefendant, as a partner, co-member, co-manager, undisclosed agent, and
3 purported friend owed duties of disclosure to the Counterclaimants.

4 55. The standard for disclosure in Nevada is that each partner knows everything the
5 other partner knows.

6 56. In negotiating secret commissions, misrepresenting assets, misrepresenting values,
7 and in the other conduct complained of above, the Counterdefendant breached his fiduciary
8 duties causing the Counterclaimants damages in an amount in excess of \$10,000.00.

9 57. In so acting In doing the acts set forth, the Counterdefendant has acted willfully,
10 maliciously, and with the intent to injure the Counterclaimants such that the Counterclaimants
11 are entitled to punitive and exemplary damages in an amount in excess of \$10,000.00.

12 **FOURTH COUNTERCLAIM FOR RELIEF**

13 **(Derivative Claims)**

14 58. Counterclaimants repeat and reallege each and every allegation contained in
15 Paragraphs 1 through 56 above as though fully set forth at length herein.

16 59. Independently, and in the alternative, Counterclaimants make claim on behalf of
17 the LLCs for recovery of the undisclosed commissions and profits and for rescission of
18 Counterdefendant's membership interests.

19 60. Accordingly, the entities request an accounting and a judicial declaration that by
20 reason of the misrepresentations, failure of consideration, breach of fiduciary duties and
21 otherwise, that the membership interests claimed by Counterdefendant be declared null and void
22 and rescinded and that the parties be restored to their status quo ante.

23 61. Derivatively and additionally, Counterclaimants request that all undisclosed
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1 commissions and compensation received by Counterdefendant be disgorged together with the
2 rescission.

3 **FIFTH COUNTERCLAIM FOR RELIEF**

4 **(Constructive Trust)**

5 62. Counterclaimants repeat and reallege each and every allegation contained in
6 Paragraphs 1 through 60 above as though fully set forth at length herein.

7 63. Counterclaimants were advised that there were four Vidler properties being
8 pursued.

9 64. Counterdefendant acquired one of the four properties, without the
10 Counterclaimants' knowledge or consent, for his own account.

11 65. In acquiring the Dayton property, after advising the Counterclaimants that they
12 would receive it, the Counterdefendant acquired the property utilizing funds apparently provided
13 by one of the Counterclaimants' original investors.

14 66. In breaching his fiduciary duties, converting this company opportunity, and
15 defrauding his co-investors, Counterdefendant has damaged the Counterclaimants in an amount
16 in excess of \$10,000.00.

17 67. The conduct of Counterdefendant is such that a constructive trust need be imposed
18 upon the asset so that it may be retained for the benefit of the defrauded Counterclaimants.

19 **SIXTH COUNTERCLAIM FOR RELIEF**

20 **(Negligence)**

21 68. Counterclaimants repeat and reallege each and every allegation contained in
22 Paragraphs 1 through 66 above as though fully set forth herein.

23 69. Counterdefendant, in his dealings with Counterclaimants, owed them duties of
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1 good faith and to conduct himself in a manner which would not adversely impact the
2 Counterclaimants' interests.

3 70. Counterdefendant owed both a contractual duty of good faith and by reason of the
4 fiduciary relationships, a tort duty of good faith as well.

5 71. In breaching his duties to the Counterclaimants, the Counterdefendant has caused
6 the Counterclaimants damages in an amount in excess of \$10,000.00 for negligence damages.

7 **SEVENTH COUNTERCLAIM FOR RELIEF**

8 72. Counterclaimants repeat and reallege each and every allegation contained in
9 Paragraphs 1 through 70 above as though fully set forth at length herein.

10 73. In no event should this Counterclaim nor any provision of this pleading ever be
11 interpreted as an action on the Star Living Trust note and deed of trust which are secured by the
12 Nevada Land and Water Company interest of Counterdefendant.

13 74. The Star Living Trust has elected to proceed with non-judicial disclosure of that
14 note and obligation.

15 75. Other than the note and deed of trust discussed herein, Counterdefendant has
16 breached his obligations under the LLC agreements and in so doing, has caused
17 Counterclaimants and the LLCs damages in an amount in excess of \$10,000.00.

18 **EIGHTH CLAIM FOR RELIEF**

19 **(Declaratory Relief)**

20 76. Counterclaimants repeat and reallege each and every allegation contained in
21 Paragraphs 1 through 74 above as though fully set at length herein.

22 77. Disputes have arisen between the parties as to their mutual rights and
23 entitlements.
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78. As outlined above, Counterclaimants have rescinded, legally or equitably, Counterdefendant's interests in the Wendover Project, LLC and the Big Springs, LLC.

79. Furthermore, Counterclaimants claim an interest in the fourth Vidler property located in Dayton.

80. The Counterclaimants do not seek the dissolution and winding up of the LLCs, but rather seek the rescission of Counterdefendant's interests.

81. It is otherwise necessary for the Court to adjudicate the parties' rights and entitlements.

82. Accordingly, Counterclaimants request a declaration from this Court determining the rights and entitlements of the parties in each of the investments.

NINTH CLAIM FOR RELIEF

(For Attorney's Fees and Special Damages)

83. Counterclaimants repeat and reallege each and every allegation contained in Paragraphs 1 through 82 above as though fully set forth at length herein.

84. By reason of Counterdefendant's activities, it has been necessary to retain attorneys.

85. In seeking the disgorgement of the profits, rescission and the other equitable relief requested herein, Counterclaimants are incurring attorney's fees due to Counterdefendant's conduct.

86. In so acting, Counterdefendant has caused Counterclaimants' damages in an amount in excess of \$10,000.00.

WHEREFORE, Counterclaimants pray for relief as follows:

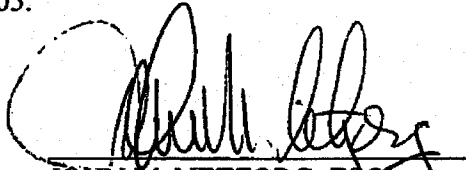
- 1. That Plaintiff take nothing by way of his Complaint;

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JOHN M. NETZORG
2810 W. CHARLESTON BLVD., SUITE H-81
LAS VEGAS, NEVADA 89102
(702) 878-3400

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2. For rescission of Counterdefendant's interests;
3. For disgorgement by Counterdefendant of all undisclosed commissions and profits;
4. For an accounting of all proceeds received by Counterdefendant;
5. For general damages in an amount in excess of \$10,000.00;
6. For punitive damages in an amount in excess of \$10,000.00;
7. For the imposition of a constructive trust on the Dayton property and any other misappropriated opportunities or ventures;
8. For declaratory relief;
9. For such further relief as the court deems just and proper, including attorney's fees, costs, and interest.

Dated this 6th day of December 2005.



JOHN M. NETZORG, ESQ.
State Bar No. 1335
2810 W. Charleston Boulevard, #81
Las Vegas, Nevada 89102
Attorney for KOROGHLI/SADRI

RECEIPT OF COPY

RECEIPT OF COPY of the foregoing Answer and Counterclaim is acknowledged this

6 day of December 2005.



JOHN PETER LEE, ESQ.
JOHN PETER LEE, LTD.
Nevada Bar No. 1768
830 Las Vegas Boulevard South
Las Vegas, Nevada 89101
Attorney for Plaintiff/Counterdefendant

LAW OFFICES OF
JOHN M. NETZORG
2810 W. CHARLESTON BLVD., SUITE H-81
LAS VEGAS, NEVADA 89102
(702) 878-3400

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ORIGINAL

DISTRICT COURT
CLARK COUNTY, NEVADA Jan 16 10 38 AM '07

GHOLAMREZA Z. JAZI, et al. .
Plaintiffs .
vs. .
RAY KOROGHLI, et al. .
Defendants .
.....

FILED
CASE NO. A-511131
DEPT. NO. XI
CLERK OF THE COURT

Transcript of
Proceedings

BEFORE THE HONORABLE ELIZABETH GONZALEZ, DISTRICT JUDGE

HEARING ON MOTIONS

THURSDAY, JANUARY 11, 2007

APPEARANCES:

FOR THE PLAINTIFFS: HOLLY FIC, ESQ.
MICHAEL A. REYNOLDS, ESQ.
FOR THE DEFENDANTS: JOHN M. NETZORG, ESQ.

COURT RECORDER: JILL HAWKINS
District Court
TRANSCRIPTION BY: FLORENCE HOYT
Las Vegas, Nevada 89146
(702) 221-0246

Proceedings recorded by audio-visual recording, transcript produced by transcription service.

1 formed the basis of the settlement removed.

2 So the defendants were denied under the statutes,
3 NRS 38, basically what amounts to their day in court. And
4 there's no pretense that this was a complete, full and fair
5 hearing, nor did the parties intend that it be such. They
6 settled it, they put the settlement on the record. The
7 plaintiffs are now disagreeing and started immediately, our
8 spouses won't sign, that'll be confusing. Well, we didn't get
9 the benefit -- had they notified us the day that we were
10 putting it on the record, it never would have happened.

11 And the other items I detailed in my opposition to
12 their motion and their reply. So thank you, Your Honor.

13 THE COURT: Okay.

14 MS. FIC: Your Honor, I have a suggestion, okay.
15 Because what I keep hearing is settlement, settlement,
16 settlement. We agree there was a settlement. I did say
17 settlement, okay. But the settlement terms were -- the terms
18 -- essential terms were put in -- recorded by a -- on the
19 transcript by the court reporter. So we have the essential
20 terms, okay.

21 THE COURT: You do.

22 MS. FIC: What I'm hearing is --

23 THE COURT: And you're missing some of the things in
24 the documents you have as to those essential terms.

25 MS. FIC: Okay. And that's -- okay, Your Honor, so

1 fine. So if we have the essential terms, if we've got
2 disputes with this, why don't we -- okay. I don't want to do
3 a new arbitrator, because that's going to be costs to both
4 parties. It's not going to be efficient. Arbitrator Hale was
5 agreed to --

6 THE COURT: I'm going to solve your problem. It's
7 really easy. I'm going to refer the matter back to Floyd Hale
8 for further proceedings, consistent with the 9/8/06
9 transcript. Those will include getting the mechanism for the
10 spouses of the parties to sign the documents, getting a
11 mechanism for the waiver of the release of the rights of first
12 refusal that exist, entering into the settlement agreement the
13 parties entered into. If he is unable to reach an agreement
14 among the parties, then I will have the final word. I --

15 MS. FIC: Because, Your Honor --

16 THE COURT: Wait, wait, wait. I'm not done.

17 MS. FIC: Okay. Sorry, Your Honor.

18 THE COURT: Okay. I recommend -- this is not an
19 order -- that an escrow be opened for the transfers of the
20 real property. If you are merely transfer interests in an
21 LLC, which has different tax consequences to both of your
22 clients, I don't think it's necessary for an escrow to be
23 opened. But if you're transferring real property, which is
24 what it currently looks like to me you were trying to do based
25 upon the settlement, then an escrow needs to be opened.

1 I'm referring it back to Mr. Hale, since I would
2 typically in a case where a settlement was reached and there
3 was a mediator or arbitrator involved refer it to that
4 individual for some additional work with you to try and
5 resolve those disputed issues, since they were there at the
6 time you reached the settlement. Hopefully I have a
7 transcript that helps me. If you are unable to reach an
8 accommodation after speaking to Mr. Hale, then I will reach an
9 accommodation, because I have a transcript, and I'll make a
10 decision. And it won't be one that anybody's tax benefits are
11 in favor of, because there's no indication in the transcript
12 that you're going to work together to minimize tax
13 consequences to each other, which sometimes I see in
14 settlement agreements. And I didn't see that in this one.

15 MS. FIC: Yeah. 'Cause the only concern was I
16 didn't want to have like maybe one wife not sign, because
17 there's a lot of -- you know, one wife not signing upset the
18 whole thing.

19 THE COURT: The wives have to sign. That was part
20 of the deal you guys cut. You cut a deal the wives are going
21 to sign. The wive's have got to sign.

22 MS. FIC: We --

23 THE COURT: That was part of the discussion on
24 September 8th during the --

25 MS. FIC: Floyd Hale said that, but then it was not

16

ORIGINAL

FILED

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Cliff Smith
CLERK OF THE COURT

1 JUDGE
JOHN PETER LEE, LTD.
2 JOHN PETER LEE, ESQ.
Nevada Bar No. 001768
3 MICHAEL A. REYNOLDS, ESQ.
Nevada Bar No. 008631
4 830 Las Vegas Boulevard South
Las Vegas, Nevada 89101
5 (702) 382-4044 Fax: (702) 383-9950
Attorneys for Plaintiff/Counterdefendant
6

DISTRICT COURT

CLARK COUNTY, NEVADA

9 GHOLAMREZA ZANDIAN JAZI,
10 Plaintiff,
11 v.
12 RAY KOROGHLI, individually, FARIBORZ FRED
SADRI, individually, and as Trustee of the Star
13 Living Trust, WENDOVER PROJECT, LLC, a
Nevada limited liability company; BIG SPRING
14 RANCH, LLC, a Nevada limited liability company,
and NEVADA LAND AND WATER
15 RESOURCES, LLC, a Nevada limited liability
company,
16 Defendants.

CASE NO.: A511131
DEPT. NO.: XI

**JUDGMENT CONFIRMING
ARBITRATION AWARD**

18 RAY KOROGHLI, individually and FARIBORZ
FRED SADRI, individually,
19 Counterclaimants,
20

DATE: 6-5-07
TIME: 9:00 a.m.

21 v.
22 GHOLAMREZA ZANDIAN JAZI,
Counterdefendant.
23

24 WENDOVER PROJECT, LLC,
25 Counterclaimant,
26

27 v.
GHOLAMREZA ZANDIAN JAZI,
28 Counterdefendant.

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

RECEIVED
JUN 08 2007
CLERK OF THE COURT

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

1 GHOLAMREZA ZANDIAN JAZI,)
2 Counterclaimant,)
3 v.)
4 WENDOVER PROJECT, LLC,)
5 Counterdefendant.)

6 1334.022860-JLR

7 ZANDIAN'S MOTION FOR CONFIRMATION AND ENTRY OF JUDGMENT ON
8 ARBITRATION AWARD and the Defendants' COUNTERMOTION TO VACATE
9 ARBITRATION AWARD having come before this Court on Tuesday, June 5, 2007, the Honorable
10 Elizabeth Gonzalez presiding, and the Court being fully apprised in the premises and good cause
11 appearing, it is hereby

12 ORDERED that Plaintiff's MOTION FOR CONFIRMATION AND ENTRY OF
13 JUDGMENT ON ARBITRATION AWARD is granted, and Defendants' COUNTERMOTION TO
14 VACATE ARBITRATION AWARD is denied.

15 IT IS FURTHER ORDERED that this Court confirms the Arbitration Awards made and
16 entered by Floyd A. Hale, Esq., and enters judgment on the Arbitration Awards as follows:

17 IT IS ORDERED, ADJUDGED AND DECREED that all of the relief granted by the
18 aforesaid Arbitrator in his Arbitration Decision dated the 20th day of September, 2006, a copy of
19 which is attached hereto as Exhibit "1" is granted by this Court.

20 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that the Arbitrator's Decision
21 Denying Defendants' Motion to Change Award dated the 11th day of October, 2006, a copy of which
22 is attached hereto as Exhibit "2" is granted by this Court.


23 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that all relief granted in the
24 Implementation Award dated the 29th day of November, 2006, a copy of which is attached hereto
25 as Exhibit "3" is granted by this Court.

26 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that the Arbitrator's Report
27 and Recommendation to District Court dated the 28th day of February, 2007, a copy of which is
28 attached hereto as Exhibit "4" is granted by this Court.

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IT IS FURTHER ORDERED, ADJUDGED AND DECREED that this Court retains jurisdiction to implement this Judgment.

Dated this 7 day of June, 2007.


Honorable Elizabeth Gonzalez
District Court Judge

SUBMITTED BY:

JOHN PETER LEE, LTD.

BY: 

JOHN PETER LEE, ESQ.
Nevada Bar No. 001768
MICHAEL A. REYNOLDS, ESQ.
Nevada Bar No. 008631
830 Las Vegas Boulevard South
Las Vegas, Nevada 89101
Ph: (702) 382-4044/Fax: (702) 383-9950
Attorneys for Plaintiff/Counterdefendant

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

RECEIVED
SEP 22 2006
JOHN PETER LEE, LTD.

1 ARB
2 FLOYD A. HALE, ESQ.
3 Nevada Bar No. 1873
4 JAMS
5 2300 W. Sahara, #900
6 Las Vegas, NV 89102
7 Ph: (702) 457-5267
8 Fax: (702) 437-5267
9 Arbitrator

DISTRICT COURT
CLARK COUNTY, NEVADA

10 GHOLAMREZA ZANDIAN JAZI,) Case No. A511131
11)) Dept. No. XII
12 Plaintiff,)
13 vs.)
14 RAY KOROGHLI, individually,)
15 FABIRORZ FRED SADRI, individually,)
16 and as Trustee of the Star Living Trust,)
17 WENDOVER PROJECT, LLC, a Nevada)
18 limited liability company; BIG SPRING)
19 RANCH, LLC, a Nevada limited liability)
20 company, and NEVADA LAND AND)
21 WATER RESOURCES, LLC, a Nevada)
22 limited liability company,)
23 Defendants.)

ARBITRATION DECISION

24 Arbitration Hearings in this matter were conducted for two full days. The parties
25 submitted voluminous exhibits, depositions and briefs to the Arbitrator. Having reviewed the
26 documentation submitted and having heard the testimony and representations of the parties, the
27 following Arbitration Decision is entered:

- 28 1. The entire interest in the Pah Rah, LLC, property will be transferred to Gholamreza

FLOYD A. HALE
SPECIAL MASTER
2300 W. SAHARA AVE., SUITE 900
LAS VEGAS, NEVADA 89102
PHONE (702) 457-5267 EMAIL fhaale@floydahale.com

FLOYD A. HALE
SPECIAL MASTER
2300 W. LAS VEGAS AVE. SUITE 900
LAS VEGAS, NEVADA 89102
PHONE (702) 457-5267 EMAIL fhaale@floydahale.com

1 Zandian Jazi, free and clear of all encumbrances, including the promissory note secured by Deed
2 of Trust issued for the benefit of Fariborz Fred Sadri; any obligation owed to Jeff Codega, related
3 to work that was performed as to the Pah Rah real estate will be the obligation of Gholamreza
4 Zandian Jazi;

5
6 2. The 320 acres referenced in the briefs and this lawsuit will be transferred free and clear
7 to Gholamreza Zandian Jazi without any obligation to the other litigants or parties to this
8 Arbitration or to any other party who may profess to have an interest in the 320 acres that are
9 bound by this lawsuit and Arbitration;

10
11 3. Fariborz Fred Sadri and Ray Koroghli will, within 30 days from the service of this
12 Arbitration Decision, pay Gholamreza Zandian Jazi \$250,000.00 in return for Gholamreza
13 Zandian Jazi waiving any claims or any rights as to the Big Springs Ranch, LLC or any of its
14 assets;

15
16 4. That Gholamreza Zandian Jazi will transfer any interest in the Wendover project, LLC,
17 including all assets and real estate to Fariborz Fred Sadri and Ray Koroghli;

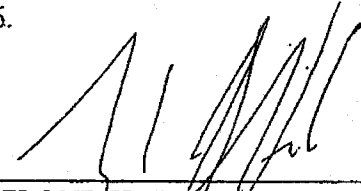
18
19 5. All of the entities and properties that are the subject of this Arbitration and lawsuit,
20 including Pah Rah, LLC, the owners of the 300 acres referenced above, the Big Springs Ranch,
21 LLC, and the Wendover purchase or Wendover Project, LLC, referenced in this lawsuit and
22 Arbitration waive any claims to reimbursement or participation in any consulting fees previously
23 paid to Gholamreza Zandian Jazi from the seller of the real estate to those entities;

24
25 6. That the parties, through counsel, will prepare all necessary documents to effect the
26 transfers of the real estate assets and LLC entities and the parties to this lawsuit and Arbitration
27 will execute all necessary documents to effect this Arbitration Order, including a mutual Release
28 to be executed by all parties.

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7. That each party pay their own fees and costs incurred herein.

DATED this 20th day of September, 2006.

By: 

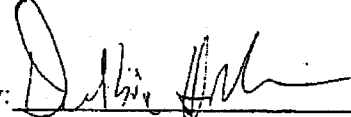
FLOYD HALE, Arbitrator
2300 West Sahara Avenue, #900
Las Vegas, NV 89102

CERTIFICATE OF FACSIMILE AND MAIL

I hereby certify that on the 21 day of September, 2006, I faxed and mailed a true and correct copy of the foregoing addressed to:

John Peter Lee, Esq.
830 Las Vegas Boulevard South
Las Vegas, NV 89101
Attorneys for Plaintiffs
Fax No. 383-9950

John Netzorg, Esq.
2810 West Charleston Blvd. #H-81
Las Vegas, NV 89102
Attorneys for Defendants
Fax No. 878-1255

By: 
Employee of Jams

FLOYD A. HALE
SPEC... MASTER
2300 W. S. AVE. SUITE 900
LAS VEG. NV 89102
PHONE (702) 457-5267 EMAIL fhale@floydahale.com

1 ARB
 2 FLOYD A. HALE, ESQ.
 Nevada Bar No. 1873
 3 JAMS
 2300 W. Sahara, #900
 4 Las Vegas, NV 89102
 5 Ph: (702) 457-5267
 Fax: (702) 437-5267
 6 Arbitrator

DISTRICT COURT

CLARK COUNTY, NEVADA

10	GHOLAMREZA ZANDIAN JAZI,	)	Case No. A511131
		)	Dept. No. XII
11	Plaintiff,)	
12	vs.)	
13	RAY KOROGHLI, individually,)	
14	FABIRORZ FRED SADRI, individually,)	
15	and as Trustee of the Star Living Trust,)	
16	WENDOVER PROJECT, LLC, a Nevada)	
	limited liability company; BIG SPRING)	
17	RANCH, LLC, a Nevada limited liability)	
	company, and NEVADA LAND AND)	
18	WATER RESOURCES, LLC, a Nevada)	
	limited liability company,)	
19)	
	Defendants.)	

ARBITRATION DECISION

21
 22 On October 11, 2006, the Arbitrator received the Defendant's **MOTION TO CHANGE**
 23
 24 **AWARD BY ARBITRATOR PURSUANT TO NRS 38.237.** The Motion requests that
 25 Zandian Jazi: Execute documents necessary to have the property transferred as required by the
 26 Arbitration Decision; issue guarantees that he has not made transfers to third parties; assign shares
 27 of shipyard stock; warrant and verify that he is in a position to execute documents required by the
 28

FLOYD A. HALE
 SPECIAL MASTER
 2300 W. SAHARA, SUITE 900
 LAS VEGAS, NV 89102
 PHONE (702) 457-5267 EMAIL fhaile@floydahale.com

1 Arbitration Decision and verify other factual issues that were the subject of the Arbitration
2 Agreement.

3
4 The Motion goes well beyond the Arbitration Decision asking to reopen evidentiary
5 matters which are unnecessary at this time. Furthermore, paragraph 6 of the Arbitration Decision
6 indicates as follows:

7
8 6. That the parties, through counsel, will prepare all necessary
9 documents to effect the transfers of the real estate assets and LLC
10 entities and the parties to this lawsuit and Arbitration will execute all
11 necessary documents to effect this Arbitration Order, including a
12 mutual Release to be executed by all parties.

13 The Defendant's MOTION TO CHANGE AWARD BY ARBITRATOR PURSUANT
14 TO NRS 38.237 is denied.

15 DATED this 11th day of October, 2006.

16 By: _____

17 FLOYD A. HALE
18 2300 W. Sahara, #900
19 Las Vegas, NV 89102
20 Arbitrator

21 CERTIFICATE OF FACSIMILE

22 I hereby certify that on the 11th day of October, 2006, I faxed and mailed a true and
23 correct copy of the foregoing addressed to:

24 John Peter Lec, Esq.
25 830 Las Vegas Boulevard South
26 Las Vegas, NV 89101
27 Attorneys for Plaintiffs
28 Fax No. 383-9950

John Netzorg, Esq.
2810 West Charleston Blvd. #H-81
Las Vegas, NV 89102
Attorneys for Defendants
Fax No. 878-1255

By: _____

Employee of James

FLOYD A. HALE
SPEC. MASTER
2300 W. SAHARA, SUITE 900
LAS VEGAS, NV 89102
PHONE (702) 457-5267 EMAIL fhaale@floydahale.com



JOHN PETER LEE, LTD.
ATTORNEY AT LAW
830 LAS VEGAS BLVD. SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9911

1 AWD
2 JOHN PETER LEE, LTD.
3 JOHN PETER LEE, ESQ.
4 Nevada Bar No. 001768
5 MICHAEL A. REYNOLDS, ESQ.
6 Nevada Bar No. 008631
7 830 Las Vegas Boulevard South
8 Las Vegas, Nevada 89101
9 (702) 382-4044 Fax: (702) 383-9950
10 Attorneys for Plaintiff/Counterdefendant
11 GHOLAMREZA ZANDIAN JAZI

RECEIVED
NOV 30 2006
JOHN PETER LEE, LTD.

12 DISTRICT COURT
13 CLARK COUNTY, NEVADA

14 GHOLAMREZA ZANDIAN JAZI,
15 Plaintiff,

CASE NO.: A511131
DEPT. NO.: XIII

16 v.

17 RAY KOROGHLI, individually, FARIBORZ FRED
18 SADRI, individually, and as Trustee of the Star
19 Living Trust, WENDOVER PROJECT, LLC, a
20 Nevada limited liability company; BIG SPRING
21 RANCH, LLC, a Nevada limited liability company,
22 and NEVADA LAND AND WATER
23 RESOURCES, LLC, a Nevada limited liability
24 company,

BEFORE ARBITRATOR
FLOYD A. HALE

25 Defendants.

IMPLEMENTATION AWARD

26 RAY KOROGHLI, individually and FARIBORZ
27 FRED SADRI, individually,
28 Counterclaimants,

29 v.

30 GHOLAMREZA ZANDIAN JAZI,
31 Counterdefendant.

32 WENDOVER PROJECT, LLC,
33 Counterclaimant,

34 v.

35 GHOLAMREZA ZANDIAN JAZI,
36 Counterdefendant.

JOHN PETER LEE, LTD.
ATTORNEY AT LAW
830 LAS VEGAS BLVD. SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4064
Telecopier (702) 383-9953

1 GHOLAMREZA ZANDIAN JAZI,)
2 Counterclaimant,)
3 v.)
4 WENDOVER PROJECT, LLC,)
5 Counterdefendant.)

6 1334.022860-sy

7 **IMPLEMENTATION AWARD**

8 On September 20, 2006, an Arbitration Decision was issued in this dispute. Plaintiff
9 GHOLAMREZA ZANDIAN JAZI filed his Motion to Enforce Arbitration Decision on September
10 25, 2006. On October 24, 2006, Plaintiff filed his Motion to Implement Arbitration Award. On
11 October 26, 2006, Plaintiff filed his Amendment to Motion to Implement Arbitration Award and
12 Request for Expedited Hearing. On October 31, 2006, Defendants Sadri and Koroghli filed their
13 Opposition to Motion to Implement Arbitration Award. Plaintiff filed his Reply Re: Motion to
14 Implement Arbitration Award on November 2, 2006.

15 After considering the papers filed by both parties including draft transfer documents;
16 **THE FOLLOWING IMPLEMENTATION AWARD IS ENTERED:**

- 17 1. Defendants shall pay to John Peter Lee, Ltd., the sum of \$250,000 within five (5)
18 days.
- 19 2. Defendants are to execute and deliver to Plaintiff's Counsel within ten days of this
20 Award a Quitclaim Deed of the 320 acre parcel provided as Exhibit "1" by Plaintiff
21 on the 2nd day of November, 2006.
- 22 3. Defendants are to execute and deliver to Plaintiff's counsel within ten days of this
23 Award the Grant, Bargain and Sale Deed of the 320 acre parcel provided by Plaintiff
24 as Exhibit "2" on the 2nd of November, 2006.
- 25 4. Defendants are to execute and deliver to Plaintiff's counsel within ten days of this
26 Award the Quitclaim Deed of the 320 acre parcel provided by Plaintiff as Exhibit "3"
27 on November 2, 2006.
- 28 5. Defendants are to execute and deliver to Plaintiff's counsel within ten days of this

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BLVD. SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9959

- 1 Award the Grant, Bargain and Sale Deed of the Pah-Rah parcel provided by Plaintiff
- 2 as Exhibit "4" on November 2, 2006.
- 3 6. Mr. Sadri is to execute and deliver to Plaintiff's counsel within ten days of this
- 4 Award the Request for Full Reconveyance concerning the \$333,000 Note provided
- 5 by Plaintiff as Exhibit "5" on November 2, 2006.
- 6 7. Mr. Zandian is to execute and deliver to Defendants' counsel within ten days of this
- 7 Award the Quitclaim Deed of the Wendover parcel provided by Plaintiff as Exhibit
- 8 "6" on November 2, 2006.
- 9 8. Mr. Zandian is to execute and deliver to Defendants' counsel within ten days of this
- 10 Award the Assignment of Interest in Wendover Project, LLC, provided by Plaintiff
- 11 as Exhibit "7" on November 2, 2006.
- 12 9. Mr. Zandian is to execute and deliver to Defendants' counsel within ten days of this
- 13 Award the Quitclaim Deed of the Big Spring Ranch parcel provided by Plaintiff as
- 14 Exhibit "8" on November 2, 2006.
- 15 10. Mr. Zandian is to execute and deliver to Defendant's counsel within ten days of this
- 16 Award the Assignment of Interest in Big Spring Ranch, LLC., provided by Plaintiff
- 17 as Exhibit "9" on November 2, 2006.
- 18 11. Mr. Zandian is to execute and deliver to Defendants' counsel within ten days of this
- 19 Award the Assignment of Interest in Nevada Land and Water Resources, LLC.,
- 20 provided by Plaintiff as Exhibit "10" on November 11, 2006.
- 21 12. Mr. Zandian is to record and deliver to Defendants' counsel within ten days of this
- 22 Award the four (4) Releases of Lis Pendens provided by Plaintiff as Exhibit "11" on
- 23 November 2, 2006.
- 24 13. Mr. Zandian is to execute, file and deliver to Defendants' counsel within ten days of
- 25 this Award the Certificate of Resignation concerning Wendover Project, LLC.,
- 26 provided by Plaintiff as Exhibit "12" on November 2, 2006.
- 27 14. Mr. Zandian is to execute, file and deliver to Defendants' counsel within ten days
- 28 of this Award the Certificate of Resignation concerning Nevada Land and Water

JOHN PETER LEE, LTD.
ATTORNEY AT LAW
830 LAS VEGAS BLVD. SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

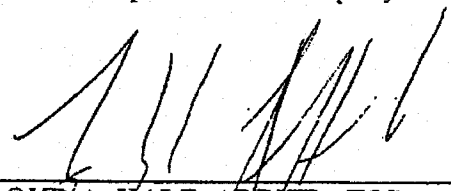
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Resources, LLC, provided as Exhibit "13" on November 2, 2006.

15. Mr. Zandian is to execute, file and deliver to Defendants' counsel within ten days of this Award the Certificate of Resignation concerning Big Spring Ranch, LLC., provided by Plaintiff as Exhibit "14" on November 2, 2006.

16. All parties are to sign the Mutual Release of Claims provided by Plaintiff as Exhibit "16" on November 2, 2006, and deliver a Counterpart to the other party's counsel within ten (10) from this Award.


Dated this 29th day of November, 2006.



FLOYD A. HALE, ARBITRATOR

Respectfully submitted

JOHN PETER LEE, LTD.



JOHN PETER LEE, ESQ.
Nevada Bar No. 001768
MICHAEL A. REYNOLDS, ESQ.
Nevada Bar No. 008631
830 Las Vegas Boulevard South
Las Vegas, Nevada 89101
(702) 382-4044 Fax: (702) 383-9950
Attorneys for Plaintiff/Counterdefendant

CERTIFICATE OF FACSIMILE AND MAILING

I hereby certify that on the 29th day of November 2006, I faxed and mailed a true and correct copy of the foregoing Implementation Award addressed to:

John Peter Lee, Esq.
830 Las Vegas Boulevard South
Las Vegas, NV 89101
Attorneys for Plaintiffs
Fax No. 383-9950

John Netzorg, Esq.
2810 West Charleston Blvd. #H-81
Las Vegas, NV 89102
Attorneys for Defendants
Fax No. 878-1255

By: 

Employee of Jams

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STAT
STEVEN L. DAY, ESQ.
Nevada Bar No. 3708
JAMES R. NANCE, ESQ.
Nevada Bar No. 9878
COHEN, JOHNSON & DAY
1060 Wigwam Parkway
Henderson, NV 89074
(702) 309-3333

FILED

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Cliff
CLERK OF THE COURT

Attorneys for Defendants

DISTRICT COURT
CLARK COUNTY, NEVADA

GHOLAMREZA ZANDIAN JAZI,)
)
Plaintiff,)
)
vs.)
)
RAY KOROGHLI, individually, FAIRBORZ)
FRED SADRI, individually and as Trustee of)
the Star Living Trust, WENDOVER PROJECT,)
LLC, a Nevada limited liability company; BIG)
SPRING RANCH, LLC, a Nevada limited)
liability company, and NEVADA LAND AND)
WATER RESOURCES, LLC, a Nevada)
limited liability company,)
)
Defendants.)

CASE NO. A511131
DEPT. NO. XI

AMENDED CASE APPEAL STATEMENT

1. Name of appellant filing this case appeal statement: Ray Koroghli, Fairborz Fred Sadri, Wendover Project, LLC, Big Spring Ranch, LLC and Nevada Land and Water Resources, LLC.

COHEN, JOHNSON & DAY
1060 Wigwam Parkway
Henderson, NV 89074
(702) 309-3333

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- 2. **District Court Judge:** Honorable Elizabeth Gonzalez

- 3. **All parties to the District Court proceedings are as follows:**
Gholamreza Zandian Jazi, Ray Koroghli, Fairborz Fred Sadri, Wendover Project, LLC, Big Spring Ranch, LLC and Nevada Land and Water Resources, LLC.

- 4. **All parties involved in this appeal are as follows:** Gholamreza Zandian Jazi as Plaintiff. Ray Koroghli, Fairborz Fred Sadri, individually and as trustee of the Star Living Trust, Wendover Project, LLC, Big Spring Ranch, LLC and Nevada Land and Water Resources, LLC, as Defendants.

- 5. **The following are all parties and their counsel involved in this appeal:**

John Peter Lee, Esq. JOHN PETER LEE, LTD. 830 Las Vegas Blvd. South Las Vegas, NV 89101 Attorneys for Plaintiff/ Counterdefendant	Steven L. Day, Esq. COHEN, JOHNSON & DAY 1060 Wigwam Parkway Henderson, NV 89074 Attorneys for Defendants/ Counterclaimants
--	--

- 6. **Appellants' counsel:** Appellants were represented by retained counsel in the district court.

- 7. **Appellants' counsel on appeal:** Appellants are represented by retained counsel on appeal.

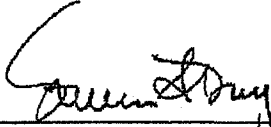
- 8. **Forma Pauperis:** Appellant was not granted leave to proceed into forma pauperis.

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9. Commencement of action in district court: October 5, 2005.
Complaint (Case No. A511131) filed against Defendants.

DATED this 31st day of July, 2007.

COHEN, JOHNSON & DAY

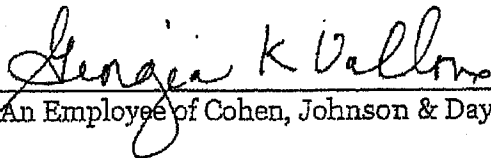
By 
STEVEN L. DAY, ESQ.
Nevada Bar No. 3708
JAMES R. NANCE, ESQ.
Nevada Bar No. 9878
1060 Wigwam Parkway
Henderson, NV 89074
Attorneys for Defendants

CERTIFICATE OF MAILING

I HEREBY CERTIFY that on the 31st day of July, 2007, I served a
copy of the foregoing AMENDED CASE APPEAL STATEMENT, by causing a copy of the
same to be deposited in the United States mail, postage prepaid, addressed as follows:

John Peter Lee, Esq.
JOHN PETER LEE, LTD.
830 Las Vegas Blvd. South
Las Vegas, NV 89101
Attorneys for Plaintiff/Counterdefendant

John M. Netzorg, Esq.
2810 W. Charleston Blvd., #H-81
Las Vegas, NV 89102
Attorney for Defendants


An Employee of Cohen, Johnson & Day

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NOTC
STEVEN L. DAY, ESQ.
Nevada Bar No. 3708
COHEN, JOHNSON & DAY
1060 Wigwam Parkway
Henderson, NV 89074
(702) 309-3333

Attorneys for Defendants

FILED
JUL 31 4 35 PM '07

[Signature]
CLERK OF THE COURT
DISTRICT COURT

CLARK COUNTY, NEVADA

GHOLAMREZA ZANDLIAN JAZI,)
)
Plaintiff,)
)
vs.)
)
RAY KOROGHLI, individually, FAIRBORZ)
FRED SADRI, individually and as Trustee of)
the Star Living Trust, WENDOVER PROJECT,)
LLC, a Nevada limited liability company; BIG)
SPRING RANCH, LLC, a Nevada limited)
liability company, and NEVADA LAND AND)
WATER RESOURCES, LLC, a Nevada)
limited liability company,)
)
Defendants.)

CASE NO. A511131
DEPT. NO. XI

**NOTICE OF POSTING
COST BOND**

TO ALL PARTIES AND THEIR ATTORNEYS OF RECORD:

PLEASE TAKE NOTICE that concurrently with the filing of the Notice of Appeal herein, Defendants are posting Two Hundred Fifty Dollars (\$250) pursuant to NRAP 7.

DATED this 31st day of July, 2007.

COHEN, JOHNSON & DAY

By *[Signature]*
STEVEN L. DAY, ESQ.
Nevada Bar No. 3708
1060 Wigwam Parkway
Henderson, NV 89074
Attorneys for Defendants

COHEN, JOHNSON & DAY
1060 Wigwam Parkway
Henderson, NV 89074
(702) 309-3333

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Cliff
CLERK OF THE COURT

1 NOTIC
2 STEVEN L. DAY, ESQ.
3 Nevada Bar No. 3708
4 COHEN, JOHNSON & DAY
5 1060 Wigwam Parkway
6 Henderson, NV 89074
7 (702) 309-3333

8 Attorneys for Defendants

DISTRICT COURT

CLARK COUNTY, NEVADA

8 GHOLAMREZA ZANDIAN JAZI,)
9 Plaintiff,)
10 vs.)
11 RAY KOROGHLI, individually, FARIBORZ)
12 FRED SADRI, individually and as Trustee of)
13 the Star Living Trust, WENDOVER PROJECT,)
14 SPRING RANCH, LLC, a Nevada limited)
15 liability company, and NEVADA LAND AND)
16 WATER RESOURCES, LLC, a Nevada)
17 limited liability company,)
18 Defendants.)

CASE NO. A511131
DEPT. NO. XI

NOTICE OF FILING OF SUPERSEDEAS BOND

18 TO: Plaintiff and his counsel of record.

19 PLEASE TAKE NOTICE that on the 9th day of August, 2007, Defendants filed their
20 supersedeas bond, a copy of which is attached hereto.

21 DATED this 9th day of August, 2007.

22 COHEN, JOHNSON & DAY

23
24 By *James R. James*
25 STEVEN L. DAY, ESQ.
26 Nevada Bar No. 3708
27 1060 Wigwam Parkway
28 Henderson, NV 89074
Attorneys for Defendants

COHEN, JOHNSON & DAY
1060 Wigwam Parkway
Henderson, NV 89074
(702) 309-3333

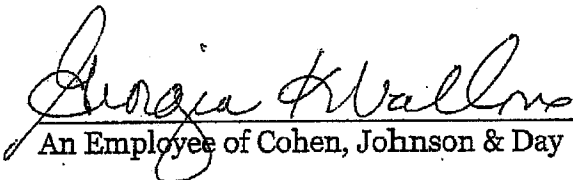
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CERTIFICATE OF MAILING

I HEREBY CERTIFY that on the 1st day of August, 2007, I served a copy of the foregoing NOTICE OF FILING SUPERSEDEAS BOND, by causing a copy of the same to be deposited in the United States mail, postage prepaid, addressed as follows:

John Peter Lee, Esq.
JOHN PETER LEE, LTD.
830 Las Vegas Blvd. South
Las Vegas, NV 89101
Attorneys for Plaintiff/Counterdefendant

John M. Netzorg, Esq.
2810 W. Charleston Blvd., #H-81
Las Vegas, NV 89102
Attorney for Defendants


An Employee of Cohen, Johnson & Day

American Contractors Indemnity Company



In the _____ District _____ Court
County of _____ Clark _____ State of _____ Nevada

FILED

AUG 9 10 56 AM '07

Cliff
CLERK OF THE COURT

Gholamreza Zandian Jazi,
Plaintiff,

vs.

Fariborz Fred Sadri
Defendant

Case No. _____ A511131

UNDERTAKING UNDER
RULE _____ NRAP #3A
American Contractors Indemnity Company
9841 Airport Blvd., 9th Floor
Los Angeles, CA 90045

WHEREAS, the above named _____ Fariborz Fred Sadri _____ desires to
give an undertaking for _____ Appeal _____ as provided in
Rule _____ NRAP #3A _____

NOW THEREFORE, the undersigned Surety, does hereby obligate itself, jointly and severally, to _____ Gholamreza Zandian Jazi _____
_____ under said
statutory obligations in the sum of _____ Two Hundred Fifty Thousand Dollars and 00/100*****
***** Dollars (\$ _____ 250,000.00*****).

IN WITNESS WHEREOF, The corporate seal and name of the said Surety Company is hereto affixed and attested by
_____ Patricia A. Gleeson _____ who declares under penalty of perjury that she is its duly authorized Attorney-in-Fact acting under an
unrevoked power of attorney on file with the Clerk of the County in which above entitled Court is located.

Executed at _____ Las Vegas _____, _____ NV _____ on _____ August 8, 2007 _____

AMERICAN CONTRACTORS INDEMNITY COMPANY

Patricia A. Gleeson
Attorney-in-Fact Patricia A. Gleeson

Bond No. _____ 1000755588 _____

Approved this _____ day of _____, _____

The premium charge for this bond is
\$ 3,000.00***** per annum.

_____ Judge

VOID VOID VOID VOID VO

American Contractors Indemnity Company

1841 Airport Blvd., 9th floor, Los Angeles, California 90044



POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS,

That American Contractors Indemnity Company of the State of California, a California corporation, does hereby appoint, Bernard Trujillo, Arthur W. Chandler, Gregory K. ... and Patricia A. Gleason of Las Vegas, Nevada its true and lawful Attorney(s)-in-Fact, with full authority to execute on its behalf bonds, undertakings, recognizances and other contracts of indemnity and writings obligatory in the nature thereof issued in the course of its business and to bind the Company thereby, in an Amount not to exceed \$*** 100,000.00. This Power of Attorney shall expire without further action on June 29, 2009.

This Power of Attorney is granted and is signed and sealed by facsimile under and by the authority of the following Resolution adopted by the Board of Directors of AMERICAN CONTRACTORS INDEMNITY COMPANY at a meeting duly called and held on the 6th day of December, 1990.

"RESOLVED that the Chief Executive Officer, President or any Vice President, Executive Vice President, Secretary or Assistant Secretary, shall have the power and authority

To appoint Attorney(s)-in-Fact and authorize them to execute on behalf of the Company, and attach the seal of the Company thereon, bonds and undertakings, contracts of indemnity and other writings obligatory in the nature thereof, and

To remove, annul, revoke, terminate and revoke the authority given.

RESOLVED FURTHER that the signatures of such officers and the seal of the Company may be affixed to any such Power of Attorney or certificate relating thereto by facsimile, and any such Power of Attorney or certificate bearing such facsimile signatures or facsimile seal shall be valid and binding upon the Company and any such power so executed and certified by facsimile signatures and facsimile seal shall be valid and binding upon the Company in the execution of any bond or undertaking to which it is attached.

IN WITNESS WHEREOF, American Contractors Indemnity Company has caused its seal to be affixed hereto and executed by its Executive Vice President on the 9th day of January, 2007.



AMERICAN CONTRACTORS INDEMNITY COMPANY

STATE OF CALIFORNIA
COUNTY OF LOS ANGELES

By: Adam S. Pessin
President, Executive Vice President

On this 9th day of January, 2007, before me, Steve Fedunak, a notary public, personally appeared Adam S. Pessin, Executive Vice President of American Contractors Indemnity Company, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) was subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNES my hand and official seal.

STEVE FEDUNAK
Notary Public, California
My Commission Expires June 29, 2009

Signature of Notary
My Commission expires June 29, 2009

I, Jeannie J. Kim, Corporate Secretary of American Contractors Indemnity Company, do hereby certify that the Power of Attorney and the resolution adopted by the Board of Directors of said Company as set forth above are true and correct transcriptions thereof and that neither the said Power of Attorney nor the resolution have been revoked and they are now in full force and effect.

IN WITNESS WHEREOF, I have hereunto set my hand this 8TH day of AUGUST, 2007.

Bond No. 00175538

Jeannie J. Kim, Corporate Secretary

Agency No. 9748

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AUG 16 3 43 PM '07

[Signature]
CLERK OF THE COURT

NOTC
STEVEN L. DAY, ESQ.
Nevada Bar No. 3708
COHEN, JOHNSON & DAY
1060 Wigwam Parkway
Henderson, NV 89074
(702) 309-3333

Attorneys for Defendants

DISTRICT COURT
CLARK COUNTY, NEVADA

COHEN, JOHNSON & DAY
1060 Wigwam Parkway
Henderson, NV 89074
(702) 309-3333

GHOLAMREZA ZANDIAN JAZI,)
)
Plaintiff,)
)
vs.)
)
RAY KOROGHLI, individually, FARIBORZ)
)
FRED SADRI, individually and as Trustee of)
the Star Living Trust, WENDOVER PROJECT,)
)
LLC, a Nevada limited liability company; BIG)
)
SPRING RANCH, LLC, a Nevada limited)
)
liability company, and NEVADA LAND AND)
)
WATER RESOURCES, LLC, a Nevada)
)
limited liability company,)
)
Defendants.)

CASE NO. A511131
DEPT. NO. XI

**NOTICE OF FILING OF RIDER
TO SUPERSEDEAS BOND**

**NOTICE OF FILING RIDER
TO SUPERSEDEAS BOND**

TO: ALL PARTIES; and
TO: THEIR COUNSEL OF RECORD

1 PLEASE TAKE NOTICE that on the 16th day of August, 2007, Defendants filed a
2 Surety Rider to the Supersedeas Bond listing all Defendants, a copy of which is attached
3 hereto.

4 DATED this 16th day of August, 2007.

5 COHEN, JOHNSON & DAY

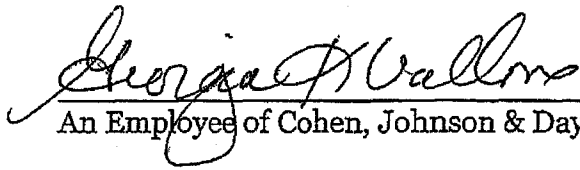
6
7 By 

8 STEVEN L. DAY, ESQ.
9 Nevada Bar No. 3708
10 1060 Wigwam Parkway
11 Henderson, NV 89074
12 Attorneys for Defendants

13 **CERTIFICATE OF MAILING**

14 I HEREBY CERTIFY that on the 16th day of August, 2007, I served a copy of the
15 foregoing NOTICE OF FILING RIDER TO SUPERSEDEAS BOND, by causing a copy of
16 the same to be deposited in the United States mail, postage prepaid, addressed as follows:

17 John Peter Lee, Esq.
18 JOHN PETER LEE, LTD.
19 830 Las Vegas Blvd. South
20 Las Vegas, NV 89101
21 Attorneys for Plaintiff/Counterdefendant

22 
23 An Employee of Cohen, Johnson & Day
24
25
26
27
28

American Contractors Indemnity Company

8751 N. 51st Ave., #121, Glendale, AZ 85302 Ph. (623) 931-3911 or (800) 605-1855 Fax: (623) 931-3910



Date: August 14, 2007

SURETY RIDER

OBLIGEE:

Gholamreza Zandian, Jazi
Las Vegas, NV

To be attached to and form a part of Supersedeas, No. 1000755588, Lic. No. N/A
Type of Bond

In favor of Gholamreza Zandian, Jazi

Obligee

On behalf of Fairborz Fred Sadri

Principal

For valuable consideration, receipt of which is acknowledged, surety hereby gives its consent to change:
Defendants

FROM: Fairborz Fred Sadri

TO: Ray Koroghli, individually, Fairborz Fred Sadri, individually and Trustee of the Star Living Trust,
Wendover Project LLC, a Nevada limited liability company; Big Spring Ranch, LLC, a Nevada limited liability company, and Nevada Land and Water Resources, LLC, a Nevada limited liability company.

To be effective 08/07/2007

Principal

Fairborz Fred Sadri, etal
2827 S. Monte Cristo
Las Vegas, NV 89117

AMERICAN CONTRACTORS INDEMNITY COMPANY.

Patricia A. Gleeson Attorney-in-Fact

Producer

McFadden Insurance Agency, Inc.
P.O. Box 30460
Las Vegas, NV 89117

WFZ1913

American Contractors Indemnity Company

9841 Airport Blvd., 9th Floor, Los Angeles, California 90045



POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS

That American Contractors Indemnity Company of the State of California, a California corporation, does hereby appoint,

Bernard Trujillo, Arthur W. Chandler, Gregory K. Pike, or Patricia A. Gleeson of Las Vegas, Nevada

its true and lawful Attorney(s)-in-Fact, with full authority to execute on its behalf bonds, undertakings, recognizances and other contracts of indemnity and writings obligatory in the nature thereof, issued in the course of its business and to bind the Company thereby, in an Amount not to exceed \$ *** 1,000,000.00 ***. This Power of Attorney shall expire without further action on June 29, 2009.

This Power of Attorney is granted and is signed and sealed by facsimile under and by the authority of the following Resolution adopted by the Board of Directors of AMERICAN CONTRACTORS INDEMNITY COMPANY at a meeting duly called and held on the 6th day of December, 1990.

"RESOLVED that the Chief Executive Officer, President or any Vice President, Executive Vice President, Secretary or Assistant Secretary, shall have the power and authority

To appoint Attorney(s)-in-Fact and to authorize them to execute on behalf of the Company, and attach the seal of the Company thereto, bonds and undertakings, contracts of indemnity and other writings obligatory in the nature thereof and,

To remove, at any time, any such Attorney-in-Fact and revoke the authority given.

RESOLVED FURTHER, that the signatures of such officers and the seal of the Company may be affixed to any such Power of Attorney or certificate relating thereto by facsimile, and any such Power of Attorney or certificate bearing such facsimile signatures or facsimile seal shall be valid and binding upon the Company and any such power so executed and certified by facsimile signatures and facsimile seal shall be valid and binding upon the Company in the nature of the specific bond or undertaking to which it is attached."

IN WITNESS WHEREOF, American Contractors Indemnity Company has caused its seal to be affixed hereto and executed by its Executive Vice President on the 9th day of January, 2007.

AMERICAN CONTRACTORS INDEMNITY COMPANY



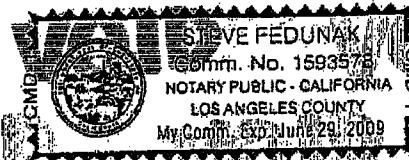
By: _____

Adam S. Pessin
Adam S. Pessin, Executive Vice President

STATE OF CALIFORNIA
COUNTY OF LOS ANGELES

On this 9th day of January, 2007, before me, Steve Fedunak, a notary public, personally appeared Adam S. Pessin, Executive Vice President of American Contractors Indemnity Company, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.



Signature of Notary
My Commission expires June 29, 2009

I, Jeannie J. Kim, Corporate Secretary of American Contractors Indemnity Company, do hereby certify that the Power of Attorney and the resolution adopted by the Board of Directors of said Company as set forth above, are true and correct transcripts thereof and that neither the said Power of Attorney nor the resolution have been revoked and they are now in full force and effect.

IN WITNESS WHEREOF, I have hereunto set my hand this 14TH day of AUGUST, 2007.

Bond No. 1000755588

Jeannie J. Kim
Jeannie J. Kim, Corporate Secretary

Agency No. 9748

IN THE SUPREME COURT OF THE STATE OF NEVADA

RAY KOROGHLI, INDIVIDUALLY; FARIBORZ FRED SADRI, INDIVIDUALLY AND AS TRUSTEE OF THE STAR LIVING TRUST; WENDOVER PROJECT, LLC, A NEVADA LIMITED LIABILITY COMPANY; BIG SPRING RANCH, LLC, A NEVADA LIMITED LIABILITY COMPANY; AND NEVADA LAND AND WATER RESOURCES, LLC, A NEVADA LIMITED LIABILITY COMPANY,
Appellants,
vs.
GHOLAMREZA ZANDIAN JAZI,
Respondent.

No. 49924

FILED

JAN 15 2008

TRACIE K. LINDEMAN
CLERK OF SUPREME COURT
BY Tracie K. Lindeman
DEPUTY CLERK

SETTLEMENT CONFERENCE STATUS REPORT

A settlement conference was held in this matter on CONTINUING TELEPHONE 200.

I file the following report of the proceedings:

/ / The parties have agreed to a settlement of this matter.

~~XX~~ The parties were unable to agree to a settlement of this matter.

/ / The settlement conference is continued as follows:

Date: _____ Time: _____ Location: _____

/ / Other:

Comments: UNFORTUNATELY THE PARTIES COULD NOT AGREE ON THE DETAILS TO RESOLVE THIS CONFLICT.

ROBERT F. SAINT-AUBIN

[Signature]
Settlement Judge

- The settlement judge shall file this report with the Supreme Court within 10 days from the date of any settlement conference. See NRAP 16(e)(3).
- A final status report is due within 180 days from assignment date. See NRAP 16(f)(1).
- For cases involving child custody, visitation, relocation or guardianship, a final status report is due within 120 days from the assignment date. See NRAP 16(f)(1).

AT THE TIME OF FILING, THE CLERK'S OFFICE WILL MAIL THIS REPORT AND ANY ATTACHMENTS TO ALL COUNSEL AND TO THE SETTLEMENT JUDGE.

08-000034915

IN THE SUPREME COURT OF THE STATE OF NEVADA

GHOLAMREZA ZANDIAN JAZI,
Appellant/Cross-
Respondent,

No. 49924

vs.

RAY KOROGHLI, INDIVIDUALLY;
FARIBORZ FRED SADRI,
INDIVIDUALLY AND AS TRUSTEE OF
THE STAR LIVING TRUST;
WENDOVER PROJECT, LLC, A
NEVADA LIMITED LIABILITY
COMPANY; BIG SPRING RANCH, LLC,
A NEVADA LIMITED LIABILITY
COMPANY; AND NEVADA LAND AND
WATER RESOURCES, LLC, A NEVADA
LIMITED LIABILITY COMPANY,
Respondents/Cross-
Appellants.

FILED

MAR 04 2008

TRACIE K. LINDEMAN
CLERK OF SUPREME COURT
BY 
DEPUTY CLERK

ORDER RE: CONCLUSION OF SETTLEMENT CONFERENCE
PROCEEDINGS AND MOTION TO DISMISS

Shortly after this appeal was docketed, appellant/cross-respondent (“appellant”) filed a motion to dismiss the cross-appeal of respondent/cross-appellant (“respondents”). Respondents filed an opposition to the motion and appellant filed a motion for leave to file a reply.¹

While this appeal was assigned to the court’s settlement conference program, the settlement judge initially filed a report indicating

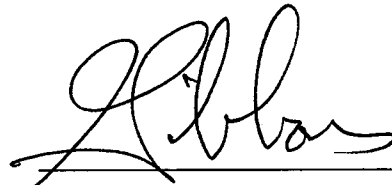
¹ Cause appearing, we grant appellant’s motion to file a reply. Accordingly, the clerk shall file the proposed reply submitted along with that motion.

that the parties were unable to agree to a settlement. However, before this court reinstated briefing or ruled on the motion to dismiss, appellant filed a "Request for Withdrawal of Motion to Dismiss." Shortly after that withdrawal was filed, the settlement judge filed an amended status report indicating that "the parties have advised that a settlement is imminent" and requested that he continue mediating the matter. In light of these developments, this court took no action on the motion to dismiss the appeal.

Now the settlement judge has filed another status report indicating that despite the renewed efforts at mediation, the parties were unable to agree to a settlement. Further, appellant has filed a "Motion for Consideration of Motion to Dismiss Appeal," requesting that since the parties were ultimately unable to agree to a settlement that this court now consider his motion to dismiss the cross-appeal of respondents. Cause appearing we grant the motion, and we will consider the motion to dismiss, respondents' response to that motion and appellant's reply.

In light of the report indicating the parties were unable to agree to a settlement, settlement proceedings are concluded and this appeal may proceed. The requesting of transcripts and briefing shall remain stayed, however, pending resolution of appellant's motion to dismiss the cross-appeal.

It is so ORDERED.

 _____, C.J.

cc: Robert F. Saint-Aubin, Settlement Judge
John Peter Lee Ltd.
Cohen, Johnson & Day

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IN THE SUPREME COURT OF THE STATE OF NEVADA

RAY KOROGHLI, individually, FARIBORZ FRED)
SADRI, individually, and as Trustee of the Star
Living Trust, WENDOVER PROJECT, LLC, a
Nevada limited liability company; BIG SPRING
RANCH, LLC, a Nevada limited liability company,
and NEVADA LAND AND WATER
RESOURCES, LLC, a Nevada limited liability
company,

Supreme Court No.: 49924

District Court No.: A 511131

Appellants,

vs.

GHOLAMREZA ZANDIAN JAZI,

Respondent.

FILED

MAR 04 2008

TRACIE K. LINDEMAN
CLERK OF SUPREME COURT
BY *[Signature]*
DEPUTY CLERK

1334.023317-JLR

REPLY TO OPPOSITION TO MOTION TO DISMISS APPEAL

JOHN PETER LEE, LTD.
John Peter Lee, Esq.
Nevada Bar No. 001768
Michael A. Reynolds, Esq.
Nevada Bar No. 008631
Yvette R. Freedman, Esq.
Nevada Bar No. 009898
830 Las Vegas Boulevard South
Las Vegas, Nevada 89101
(702) 382-4044
Attorneys for Respondent,
Gholamreza Zandian Jazi

RECEIVED
AUG 20 2007
JANETTE M. BLOOM
CLERK OF SUPREME COURT
DEPUTY CLERK

07-18302 WFZ1918

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

1 COMES NOW Respondent GHOLAMREZA ZANDIAN JAZI, by and through his counsel,
2 John Peter Lee, Ltd., and files this Reply to Opposition to Motion to Dismiss the Appeal of
3 Appellants RAY KOROGHLI, individually, FARIBORZ FRED SADRI, individually, and as Trustee
4 of the Star Living Trust, WENDOVER PROJECT, LLC, a Nevada limited liability company; BIG
5 SPRING RANCH, LLC, a Nevada limited liability company, and NEVADA LAND AND WATER
6 RESOURCES, LLC, a Nevada limited liability company.

7 This Reply is based upon NRS 38.231, the following points and authorities, all papers on file
8 herein, the record on appeal, and any oral argument to be presented if permitted by the Court.

9 **MEMORANDUM OF**
10 **POINTS AND AUTHORITIES**

11 **INTRODUCTION**

12 The Court should dismiss Appellants' appeal because: (1) throughout Arbitrator Hale's
13 recitation of his intention to file an arbitration decision, Appellants and their counsel were given
14 multiple opportunities to object or question the arbitrator concerning their late assertion that the
15 arbitration metamorphosed into a mediation, but instead they sat silent; and (2) a review of the
16 pleadings and transcripts reveal that both parties, the Arbitrator and the district court consistently
17 considered the proceedings to be an arbitration.

18 **ARGUMENT**

19 NRS 38.231 provides authority for Arbitrator Hale's Arbitration Award and Arbitration
20 Decision whereby he decided a request for a summary disposition of a claim or a particular issue
21 when all interested parties agreed. Specifically, NRS 38.231(2)(a) states:

22 An arbitrator may decide a request for summary
23 disposition of a claim or a particular issue:
(a) If all interested parties agree . . .

24 In the present case, all interested parties and their counsel attended the arbitration hearings and
25 agreed on the record that Arbitrator Hale should decide their request for summary disposition of
26 particular issues and the claims. With this statutory authority to issue an Arbitration Decision which
27 disposes of particular issues and claims, Arbitrator Hale's Decision and Award should be confirmed
28 and the instant appeal dismissed.

1 **I. The Arbitration Award Is Not A Settlement Agreement Because The Parties Agreed**
2 **To Retain Arbitrator Hale To Incorporate Agreed Upon Terms Into An Arbitration**
3 **Award Instead Of A Settlement Agreement.**

4 Appellants' representation that "the case was never arbitrated" is disingenuous. A review
5 of the pleadings and transcripts reveal that both parties, the Arbitrator and the Court consistently
6 considered the proceedings to be an arbitration. Appellants participated fully in arbitration
7 proceedings before Floyd Hale and even unsuccessfully moved for a change in the Hale Arbitration
8 Award. See Exhibit 1. Therefore, the Arbitration Award is not a settlement agreement and the
9 Parties never agreed to treat the Arbitration Award as a settlement agreement.

10 The parties stipulated that "the arbitration shall be binding with no right to appeal."
11 Arbitrator Hale conducted two full days of hearing allowing Appellant to cross-examine Respondent
12 Zandian. Appellants' present counsel did not attend the arbitration hearing and therefore, incorrectly
13 states that there was no cross-examination. Appellants' misrepresent the arbitration hearing in an
14 effort to minimize the proceedings to bolster their stance that somehow the dispute was not
15 arbitrated.

16 The Court should look beyond Appellants' argument and review the pleadings and
17 transcripts. From the transcript of the arbitration hearing, it is evidence that Arbitrator Hale resolved
18 the issues on the record with consent of all parties and their counsel. Arbitrator Hale stated for the
19 record:

20 Having heard two full days of testimony, having reviewed
21 all the exhibits, the depositions that were submitted, and
22 arguments of counsel, it appears to me that this resolution
23 of the case will be as follows: And counsel are free to
24 correct me. See Exhibit 2, 3:16. Reporter's Transcript of
25 Arbitration Proceedings.

26 During the arbitration hearing, the Arbitrator also stated for the record "so the resolution will
27 be as follows" and then proceeded to set out the terms of the Arbitration Decision. See Exhibit 2,
28 4:18. The Arbitrator concluded the arbitration hearing by stating on the record:

I thought what I would do is take the transcript and file
an arbitration decision, indicating that I heard evidence, that
I interviewed the parties, that my arbitration decision is
attached hereto as Exhibit A."

1 In reply to the above statement, neither Appellants or their counsel offered any objection.
2 Instead, Arbitrator Hale confirmed his intent to file an arbitration decision by stating “[i]n case there
3 is any questions is that all right?” Again, neither Appellants or their counsel offered any objection.
4 Arbitrator Hale further stated “[t]hat is why I was ordering a transcript.” See Exhibit 2, 12:3-7.
5 Throughout Arbitrator Hale’s recitation of his plans to file an arbitration decision, Appellants and
6 their counsel were given opportunities to object or question the arbitrator about the form of the
7 process, but instead they sat silent. See Exhibit 2, 12:3-7.

8 Shortly thereafter, the arbitrator followed through with his statements made during the
9 arbitration hearing and issued an Arbitration Decision. See Exhibit 3. Thereupon, appellants filed
10 a “Motion to Change Award by Arbitrator Pursuant to NRS 38.237” with Arbitrator Hale and Motion
11 to Vacate Arbitration Award, or in the alternative, Motion to Modify or Correct, thereby conceding
12 that Arbitrator Hale had the power and authority to act as an arbitrator. See Exhibits 4 and 5. It is
13 only upon retrospection fueled by Arbitrator Hale’s refusal to change the Arbitration Award, that
14 appellants now concoct the argument that the case was not arbitrated despite Appellants’ motion
15 which recognized Arbitrator Hale’s authority as arbitrator to change his Arbitration Award. The
16 parties always treated the proceedings as an arbitration before, during and after the hearing before
17 Arbitrator Hale.

18 Appellants rely extensively on the transcript of the January 11, 2007 hearing on Plaintiff’s
19 Motion for Confirmation. However, Appellants fail to attach the entire transcript to their
20 Opposition. Upon review of the entire transcript, it is clear that the while district court ordered the
21 parties to go back to Arbitrator Hale, as arbitrator; the court never divested Arbitrator Hale of his
22 authority to act as an arbitrator. See Exhibit 6.

23 Respondent’s counsel, Ms. Holly Fic, maintained that “Mr. Hale stated that he would file
24 an arbitration decision, to which none of the parties objected.” See Exhibit 6; 3:17-18. Even with
25 the representation that Arbitrator Hale would file an arbitration decision, the district court did not
26 order the Arbitrator Hale conduct some sort of mediation or craft a settlement agreement. Exhibit
27 7. The district court did not find offense to Arbitrator Hale filing an arbitration decision because all
28

1 parties, counsel, arbitrator and court understood that the case had been arbitrated. Instead, the court
2 stated:

3 I know that Mr. Hale drafted an arbitration award, because he
4 conducted a portion of the arbitration. And I don't really have a
5 problem with that . . . See Exhibit 6; 27:25, 28:2.

6 The Appellants' tactics have consistently amounted to attempts to disrupt, delay, re-negotiate,
7 and overturn a straightforward Arbitration Award. Notwithstanding Appellants tactics, the
8 Arbitrator Report and Recommendation to the District Court thoroughly addresses all the issues
9 resolved by the original Arbitration Award. Exhibit 8. The Court should dismiss Appellants' appeal
10 because it is only orchestrated to treat an Arbitration Award as a settlement agreement despite the
11 intent of the parties and its plain language.

11 **CONCLUSION**

12 Based on the foregoing, Respondent Zandian respectfully requests that this Court grant his
13 Motion to Dismiss the Appeal.

14 Dated this 17th day of August, 2007.

15 JOHN PETER LEE, LTD.

16 BY: 

17 JOHN PETER LEE, ESQ.

18 Nevada Bar No. 001768

19 MICHAEL A. REYNOLDS, ESQ.,

20 Nevada Bar No. 008631

21 YVETTE R. FREEDMAN, ESQ.

22 Nevada Bar No. 009898

23 830 Las Vegas Boulevard South

24 Las Vegas, Nevada 89101

25 (702) 382-4044/ Fax (702) 383-9950

26 e-mail: info@johnpeterlee.com

27 Attorneys for Respondent

1 ARB
2 FLOYD A. HALE, ESQ.
3 Nevada Bar No. 1873
4 JAMS
5 2300 W. Sahara, #900
6 Las Vegas, NV 89102
7 Ph: (702) 457-5267
8 Fax: (702) 437-5267
9 Arbitrator

10 DISTRICT COURT

11 CLARK COUNTY, NEVADA

12 GHOLAMREZA ZANDIAN JAZI,) Case No. A511131
13) Dept. No. XII
14 Plaintiff,)
15 vs.)
16 RAY KOROGHILL, individually,)
17 FABIRORZ FRED SADRI, individually,)
18 and as Trustee of the Star Living Trust,)
19 WENDOVER PROJECT, LLC, a Nevada)
20 limited liability company; BIG SPRING)
21 RANCH, LLC, a Nevada limited liability)
22 company, and NEVADA LAND AND)
23 WATER RESOURCES, LLC, a Nevada)
24 limited liability company,)
25 Defendants.)

26 ARBITRATION DECISION

27 On October 11, 2006, the Arbitrator received the Defendant's **MOTION TO CHANGE**
28 **AWARD BY ARBITRATOR PURSUANT TO NRS 38.237.** The Motion requests that
Zandian Jazi: Execute documents necessary to have the property transferred as required by the
Arbitration Decision; issue guarantees that he has not made transfers to third parties; assign shares
of shipyard stock; warrant and verify that he is in a position to execute documents required by the

FLOYD A. HALE
SPECIAL MASTER
2300 W. SAHARA, SUITE 900
LAS VEGAS, NEVADA 89102
PHONE (702) 457-5267 EMAIL f.ahale@floydahale.com

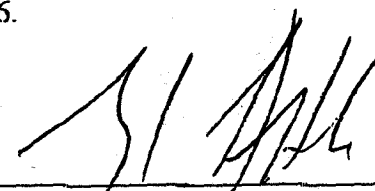
1 Arbitration Decision and verify other factual issues that were the subject of the Arbitration
2 Agreement.

3
4 The Motion goes well beyond the Arbitration Decision asking to reopen evidentiary
5 matters which are unnecessary at this time. Furthermore, paragraph 6 of the Arbitration Decision
6 indicatcs as follows:

7 6. That the parties, through counsel, will prepare all necessary
8 documents to effect the transfers of the real estate assets and LLC
9 entities and the parties to this lawsuit and Arbitration will execute all
10 necessary documents to effect this Arbitration Order, including a
mutual Release to be executed by all parties.

11 The Defendant's MOTION TO CHANGE AWARD BY ARBITRATOR PURSUANT
12 TO NRS 38.237 is denied.

13 DATED this 11th day of October, 2006.

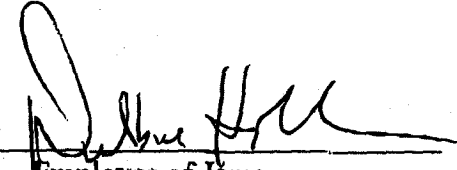
14
15
16 By: 
17 FLOYD A. HALE
18 2300 W. Sahara, #900
19 Las Vegas, NV 89102
20 Arbitrator

21 CERTIFICATE OF FACSIMILE

22 I hereby certify that on the 11th day of October, 2006, I faxed and mailed a true and
23 correct copy of the foregoing addressed to:

24 John Peter Lec, Esq.
25 830 Las Vegas Boulevard South
26 Las Vegas, NV 89101
27 Attorneys for Plaintiffs
28 Fax No. 383-9950

John Netzorg, Esq.
2810 West Charleston Blvd. #H-81
Las Vegas, NV 89102
Attorneys for Defendants
Fax No. 878-1255

29 By: 
Employee of Jams

FLOYD A. HALE
SPECIAL MASTER
2300 W. SAHARA, SUITE 900
LAS VEGAS, NEVADA 89102
PHONE (702) 457-5287 EMAIL: fhaale@floydahale.com

DISTRICT COURT

CLARK COUNTY, NEVADA

GHOLAMREZA ZANDIAN JAZI,)
)
Plaintiff,)

vs.)

RAY KOROGHLI, individually,)
FARIBORZ FRED SADRI,)
individually, and as Trustee)
of the Star Living Trust,)
WENDOVER PROJECT, LLC, a)
Nevada limited liability)
company; BIG SPRING RANCH,)
LLC, a Nevada limited)
liability company, and NEVADA)
LAND AND WATER RESOURCES, LLC,)
a Nevada limited liability)
company,)

Defendants.)

-----)
RAY KOROGHLI, individually)
and FARIBORZ FRED SADRI,)
individually,)

Counterclaimants,)

vs.)

GHOLAMREZA ZANDIAN JAZI,)
)
Counterdefendant.)
-----)

COPY

CASE NO. A511131
DEPT. NO. XIII

RECEIVED
SEP 12 2006

JOHN PETER LEE, LTD.

REPORTER'S TRANSCRIPT OF ARBITRATION PROCEEDINGS

BEFORE ARBITRATOR FLOYD A. HALE, ESQ.

Taken on Friday, September 8, 2006

At 2:48 o'clock p.m.

At 2300 W. Sahara, Ste. 900

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Las Vegas, Nevada

REPORTED BY: MARY DANE McCOY, CCR NO. 219

APPEARANCES:

For the Plaintiff/
Counterdefendant:

JOHN PETER LEE, ESQ.
&
MICHAEL A. REYNOLDS, ESQ.
John Peter Lee, Ltd.
830 Las Vegas Blvd. South
Las Vegas, Nevada 89101

For the Defendants:

JOHN M. NETZORG, ESQ.
2810 W. Charleston, Ste. H-81
Las Vegas, Nevada 89102

Also Present:

AMY CONNELL, PARALEGAL
GHOLAMREZA ZANDIAN JAZI
RAY KOROGHLI
FARIBORZ FRED SADRI

1 ARBITRATOR HALE: This is the time that was
2 set this morning for the continuation of the binding
3 arbitration related to the litigation initiated in
4 District Court for Clark County, Nevada, Case A511131,
5 Jazi versus Koroghli, et al. Would people please note
6 their appearance for the court reporter?

7 MR. LEE: John Peter Lee representing Mr.
8 Zandian who is present here today, Mr. Michael Reynolds
9 in association with me.

10 MR. NETZORG: John Netzorg with Ray Koroghli,
11 Fred Sadri individually and both as managing members of
12 the Nevada Land & Water Company, LLC; Big Springs
13 Ranch, LLC; and Wendover Project, LLC.

14 MR. LEE: Let the record further show that
15 Amy Connell is here as our paralegal.

16 ARBITRATOR HALE: Having heard two full days
17 of testimony, having reviewed all the exhibits, the
18 depositions that were submitted, and arguments of
19 counsel, it appears to me that the resolution of this
20 case will be as follows: And counsel are free to
21 correct me.

22 MR. NETZORG: This is pursuant to a
23 stipulation obviously, so we want to make sure there is
24 a universal and complete resolution of all issues --

25 MR. LEE: Let's let him get through this,

1 John.

2 ARBITRATOR HALE: This will completely
3 resolve all claims of the LLCs and the individuals that
4 are involved in this litigation.

5 The entire interest in the Pah Rah, LLC and
6 property will be transferred to Mr. Zandian free and
7 clear of all indebtedness, including the promissory
8 note secured by deed of trust issued for the benefit of
9 Mr. Sadri.

10 MR. NETZORG: With that there is the
11 outstanding obligation to Mr. Jeff Codega or
12 whatever --

13 MR. LEE: John, please do me a favor, let the
14 gentleman finish, let him finish and we will put our
15 comments --

16 ARBITRATOR HALE: Yeah, let me start all
17 over.

18 So the resolution will be as follows: The
19 Pah Rah property and LLC and all interest therein will
20 be transferred free and clear to Mr. Zandian, including
21 a waiver of any rights under the promissory note
22 secured by deed of trust or other security for the
23 benefit of Mr. Sadri. Any obligation to Mr. Jeff
24 Codega, C-O-D-E-G-A, related to work that he has
25 performed as to that specific real property will be the

1 obligation of Mr. Zandian. That is the first item.

2 Item 2: The 320 acres referenced in the
3 lawsuit and the briefs will be transferred free and
4 clear to Mr. Zandian without any obligation to the
5 other litigants or parties to this arbitration or
6 anyone else who may profess to have an interest in the
7 320 acres that are bound by this lawsuit.

8 No. 3: Mr. Sadri and Mr. Koroghli will,
9 within 30 days from today, pay Mr. Zandian \$250,000
10 cash in return for Mr. Zandian waiving any claims or
11 any rights to the Big Springs, LLC?

12 MR. KOROGHLI: Ranch, LLC.

13 ARBITRATOR HALE: Big Springs Ranch, LLC, or
14 the Wendover Project -- I had purchase -- Project.
15 That is the next item.

16 Finally all of the LLCs and properties that
17 are the subject of this arbitration lawsuit, including
18 Pah Rah, the 320 acres, the Big Springs Ranch, and the
19 Wendover Purchase or Project waive any claim to
20 reimbursement or participation in any consulting fees
21 paid to Mr. Zandian from the seller. The parties will
22 through counsel prepare any necessary documents to
23 effect the transfers of the LLCs and any underlying
24 real estate, and the parties and representatives of
25 these LLCs will execute all necessary documents to

1 effect this settlement and arbitration order.

2 Would counsel like to add anything to these
3 terms?

4 MR. LEE: We would like to have the check
5 payable to my office for 250,000.

6 ARBITRATOR HALE: All right. The settlement
7 check will be payable to John Peter Lee, Ltd.

8 Anything else?

9 MR. NETZORG: We would like a mutual release
10 executed by and between the parties.

11 ARBITRATOR HALE: I think that is part of the
12 documents that I referenced and I would agree.

13 MR. NETZORG: We need a warranty from the
14 parties that the properties and interest being
15 transferred haven't been previously transferred, that
16 the parties, in fact, do currently hold those
17 interests, and they are capable of transferring the
18 interests that are subject to this order free and clear
19 of claims by any third parties.

20 ARBITRATOR HALE: I'll allow the two of you
21 to work out that language. Obviously if you signed for
22 an LLC, you are representing and warranting that you
23 have that authority, but you can work that into the
24 settlement language and see if we have an agreement.

25 MR. NETZORG: In particular, we are dealing

1 with three married guys and we want to know they are
2 speaking for the community interest of their spouses on
3 each and every one of these transfers.

4 ARBITRATOR HALE: We may want spouses to
5 sign --

6 MR. LEE: We can work out the form of the
7 details, I'm not concerned about that, if necessary we
8 can get preliminary title reports. That is what I plan
9 on doing.

10 MR. NETZORG: Just to -- some of interests
11 aren't going to be reflected and the conveyance
12 of the membership interest in the LLCs is not of
13 record, so we need to have warranties in satisfaction
14 that there hasn't been a pledge of these interests
15 previously.

16 ARBITRATOR HALE: That is fine, that can be
17 in the settlement agreement.

18 Any issue regarding the sufficiency or the
19 necessity of settlement agreements or documentations
20 for transfer of property, I'm retaining my authority as
21 the arbitrator to resolve that issue.

22 MR. NETZORG: We would want to do an
23 allocation of the purchase price for the LLC interests
24 that correspond -- we may do an allocation of the
25 purchase price for the LLC interests.

1 MR. LEE: You can allocate anything you want
2 to.

3 MR. NETZORG: That is good, as long as you
4 understand.

5 MR. LEE: It is not my involvement. You can
6 allocate anything you want.

7 ARBITRATOR HALE: Mr. Netzorg, you will have
8 the right to do whatever accounting you wish on Big
9 Springs and Wendover and Mr. Lee and his client will
10 have the right to do whatever allocation they want on
11 the 320 acres and the Pah Rah property.

12 MR. NETZORG: I would ask that you retain
13 jurisdiction to enforce the settlement agreement.

14 ARBITRATOR HALE: I already took it.

15 MR. NETZORG: Okay.

16 MR. LEE: He just did it. That is crucial.

17 MR. NETZORG: The candy has been excellent
18 but I'm -- then there is, with the understanding that
19 those items, thank you very much and thank you for the
20 excellent job you have done.

21 ARBITRATOR HALE: I omitted something you two
22 didn't catch. The defamation claim is resolved by this
23 agreement.

24 MR. LEE: Everybody pays their own fees and
25 otherwise bears their own fees and costs.

1 ARBITRATOR HALE: Mr. Netzorg, you may have
2 missed that, I'm sorry, you were conversing with your
3 client. This agreement also includes a dismissal and
4 waiver of all claims of Mr. Zandian for defamation as
5 alleged in the documents that are the subject of this,
6 and each party is to pay their own fees and costs.

7 MR. NETZORG: Very good. Also, any third
8 party claims that may have arisen, apparently there was
9 some suggestion about litigation as a result of the
10 July 21, '05 transfer of the property from Wendover
11 Project, LLC to the Peppermill, just to make certain --

12 ARBITRATOR HALE: He waived all claims as to
13 the Wendover Property or Project.

14 MR. NETZORG: Very good.

15 MR. LEE: All claims except what is on the
16 record.

17 ARBITRATOR HALE: The payments he is entitled
18 to under the record on the transfer of the property and
19 rights under the record.

20 MR. KOROGHLI: Against the purchaser, against
21 the title company, we want to make sure that everybody
22 -- there is not going to be another lawsuit flying over
23 six months from now, a year from now from Mr. Zandian.

24 ARBITRATOR HALE: All claims related to all
25 LLCs and properties that are the subject of this

1 arbitration are completely resolved by this agreement.

2 MR. KOROGHLI: Thank you, sir.

3 MR. NETZORG: Thank you very much, I
4 appreciate it.

5 ARBITRATOR HALE: I do want to state for the
6 record I would like to have a copy of the transcript.

7 I would like to advise the parties that I
8 consider it an honor that you asked me to help attempt
9 to mediate this as opposed to arbitrate it. I think
10 you have all been very candid with me in a very
11 difficult, personal, gut-wrenching project. It was a
12 compliment to me that attorneys of this caliber asked
13 me to arbitrate it, but it is even more of a compliment
14 to me and an honor to try to mediate a case for three
15 people that know a lot more about these issues than I
16 do and I appreciate that.

17 And I have to tell you, as you know, I've
18 been here 31 years, I do three or four or five
19 arbitrations or mediations a week, I deal with
20 attorneys from all over the country, I'm a special
21 master on six hotel construction projects now and three
22 other high-rise projects and I deal with attorneys from
23 every state. You don't get attorneys of any higher
24 caliber than the two attorneys that are working on this
25 case. So I know it was hard fought, I know it was

1 probably expensive, and I know it was thorough and
2 probably difficult for all of you, but both sides are
3 very lucky to get these attorneys on this type of case,
4 because I have to tell you, unfortunately in the
5 overwhelming number of cases, there is usually some
6 weak link in the chain and we got two -- it was a
7 pleasure to watch them work and do their craft in this
8 case.

9 So if I can be of any further assistance,
10 I'll be glad to. I will resolve any disputes on the
11 written agreements if it is necessary, I doubt it with
12 these two attorneys, but with that, I think we can all
13 take the rest of our Friday afternoon off.

14 MR. LEE: Thank you, Mr. Hale, for taking it
15 on and doing such a fine job in getting it resolved.

16 MR. NETZORG: It was a very difficult case.
17 A lot of details. Mastered incredibly.

18 ARBITRATOR HALE: Thank you. We are done.

19 MR. LEE: There is going to be an order of
20 some kind to get filed, I would think?

21 ARBITRATOR HALE: I thought what I would do
22 is take the transcript and file an arbitration
23 decision, indicating that I heard evidence, that we
24 heard testimony, that I reviewed documents, that I
25 interviewed the parties, that my arbitration decision

1 is attached hereto as Exhibit A.

2 MR. LEE: Okay.

3 ARBITRATOR HALE: In case there is any
4 question. Is that all right?

5 MR. LEE: Very good.

6 ARBITRATOR HALE: That is why I was ordering
7 a transcript.

8 (Thereupon, the proceedings
9 concluded at 3:02 p.m.)

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1 ARB
2 FLOYD A. HALE, ESQ.
3 Nevada Bar No. 1873
4 JAMS
5 2300 W. Sahara, #900
6 Las Vegas, NV 89102
7 Ph: (702) 457-5267
8 Fax: (702) 437-5267
9 Arbitrator

7 DISTRICT COURT

8 CLARK COUNTY, NEVADA

9
10 GHOLAMREZA ZANDIAN JAZI,) Case No. A511131
11) Dept. No. XII
12 Plaintiff,)
13 vs.)
14 RAY KOROGHLI, individually,)
15 FABIRORZ FRED SADRI, individually,)
16 and as Trustee of the Star Living Trust,)
17 WENDOVER PROJECT, LLC, a Nevada)
18 limited liability company; BIG SPRING)
19 RANCH, LLC, a Nevada limited liability)
20 company, and NEVADA LAND AND)
21 WATER RESOURCES, LLC, a Nevada)
22 limited liability company,)
23 Defendants.)

21 ARBITRATION DECISION

22 Arbitration Hearings in this matter were conducted for two full days. The parties
23 submitted voluminous exhibits, depositions and briefs to the Arbitrator. Having reviewed the
24 documentation submitted and having heard the testimony and representations of the parties, the
25 following Arbitration Decision is entered:
26

- 27 1. The entire interest in the Pah Rah, LLC, property will be transferred to Gholamreza
28

FLOYD A. HALE
SPECIAL MASTER
2300 W. SAHARA, SUITE 900
LAS VEGAS, NEVADA 89102
PHONE (702) 457-5267
EMAIL f. hale@floydahale.com

1 Zandian Jazi, free and clear of all encumbrances, including the promissory note secured by Deed
2 of Trust issued for the benefit of Fariborz Fred Sadri; any obligation owed to Jeff Codega, related
3 to work that was performed as to the Pah Rah real estate will be the obligation of Gholamreza
4 Zandian Jazi;
5

6 2. The 320 acres referenced in the briefs and this lawsuit will be transferred free and clear
7 to Gholamreza Zandian Jazi without any obligation to the other litigants or parties to this
8 Arbitration or to any other party who may profess to have an interest in the 320 acres that are
9 bound by this lawsuit and Arbitration;
10

11 3. Fariborz Fred Sadri and Ray Koroghli will, within 30 days from the service of this
12 Arbitration Decision, pay Gholamreza Zandian Jazi \$250,000.00 in return for Gholamreza
13 Zandian Jazi waiving any claims or any rights as to the Big Springs Ranch, LLC or any of its
14 assets;
15

16 4. That Gholamreza Zandian Jazi will transfer any interest in the Wendover project, LLC,
17 including all assets and real estate to Fariborz Fred Sadri and Ray Koroghli;

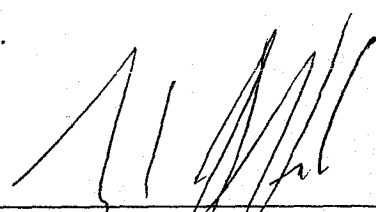
18 5. All of the entities and properties that are the subject of this Arbitration and lawsuit,
19 including Pah Rah, LLC, the owners of the 300 acres referenced above, the Big Springs Ranch,
20 LLC, and the Wendover purchase or Wendover Project, LLC, referenced in this lawsuit and
21 Arbitration waive any claims to reimbursement or participation in any consulting fees previously
22 paid to Gholamreza Zandian Jazi from the seller of the real estate to those entities;
23

24 6. That the parties, through counsel, will prepare all necessary documents to effect the
25 transfers of the real estate assets and LLC entities and the parties to this lawsuit and Arbitration
26 will execute all necessary documents to effect this Arbitration Order, including a mutual Release
27 to be executed by all parties.
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7. That each party pay their own fees and costs incurred herein.

DATED this 20th day of September, 2006.

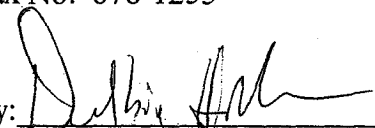
By: 
FLOYD HALE, Arbitrator
2300 West Sahara Avenue, #900
Las Vegas, NV 89102

CERTIFICATE OF FACSIMILE AND MAIL

I hereby certify that on the 21 day of September, 2006, I faxed and mailed a true and correct copy of the foregoing addressed to:

John Peter Lee, Esq.
830 Las Vegas Boulevard South
Las Vegas, NV 89101
Attorneys for Plaintiffs
Fax No. 383-9950

John Netzorg, Esq.
2810 West Charleston Blvd. #H-81
Las Vegas, NV 89102
Attorneys for Defendants
Fax No. 878-1255

By: 
Employee of Jams

FLOYD A. HALE
SPECIAL MASTER
2300 W. S
LAS VEG.
PHONE (702) 457-5267
VE. SUITE 900
VADA 89102
EMAIL fhale@floydahale.com

1 Arbitrator modify or correct the award to conform with the Arbitrator's oral pronouncements and
2 the intention of the parties. N.R.S. 38.237 provides that there may be a modification or
3 correction on a motion within twenty days of receipt of notice of the award.

4 **1. There was an express requirement of the settlement that Mr. Zandian's**
5 **wife sign the documents.**

6 The transcript of the settlement in this case, (Exhibit "A"), specifically provides that the wives
7 will sign. Nonetheless, Zandian has refused this requirement. (Exhibit "B"). Under no
8 circumstances will the Defendants proceed unless Zandian honors his commitments.

9 The seriousness of the matter is demonstrated by the Shipyard settlement, a matter which was
10 collaterally raised in this Arbitration. After Mr. Zandian settled with K. Damen, his partner in
11 the Dutch shipyards, and received \$2.1 million Dutch guilders, one year later Zandian rescinded
12 the settlement because his wife had not signed the document. (Exhibit "C"). On April 1, 1998,
13 Mr. Zandian's Dutch counsel announced to Shipyard K. Damen that Mr. Zandian was rescinding
14 their previous year's settlement agreement because:
15
16

17 Mr. Zandian considers the Settlement Agreement of 2 April
18 1997 null and void because his (former) wife did not sign the
19 agreement.

20 In this case, the wives' signatures were made a condition of the settlement because of Mr.
21 Zandian's established position that absent wives' signatures, settlement agreements are void and
22 rescindable.

23 The settlement agreement requires Mr. Zandian to deliver clear title to his interests in Wendover
24 Project, LLC and Big Springs Ranch, LLC. Zandian testified that his bankruptcy proceedings are
25 still being actively litigated in France and that his claims to stock ownership in the Shipyard K.
26 Damen, the very consideration he tendered, is the subject of the French litigation. Since he
27
28

1 purports to have given \$3,000,000.00 in stock from this bankruptcy court asset to Pico in
2 exchange for an interest in Wendover Project, LLC, he will need to provide an order from the
3 French Bankruptcy Court demonstrating he in fact owned the stock and that the French
4 Bankruptcy Court has no claim or interest in the Wendover Project, LLC interests which he is
5 transferring. The requirement would be the same if he were in bankruptcy in Nevada and was
6 seeking to exchange an asset subject to a Bankruptcy Court proceeding without Bankruptcy
7 Court approval.
8

9 **2. The Operating Agreements provide that Managing Members may name**
10 **beneficiaries who receive the Manager's interest automatically in the event**
11 **of the Managing Member's withdrawal, expulsion or removal.**

12 A predicate to the transfer of Zandian's interest in the Wendover Project, LLC and Big Springs
13 Ranch, LLC limited liability companies is the designation of the transferors as beneficiaries.
14 (Exhibit "D" attached hereto).

15 As written, the Arbitration award does not accomplish that which it purports to accomplish. Mr.
16 Zandian may not transfer his interests to the Defendants unless he has first designated them as
17 beneficiaries prior to his resignation or removal as Managing Member(s). Accordingly, the
18 award needs to be amended to name the Star Living Trust and Mr. Koroghli as beneficiaries of
19 Mr. Zandian (and his wife as is appropriate) for the automatic transfer of these interests to the
20 recipients on his subsequent removal as Managing Member.
21

22
23 **3. Mr. Zandian was to guarantee that he had not pledged or sold his membership**
24 **interests to a third party. Mr. Zandian must demonstrate that he has not sold,**
25 **transferred, hypothecated or assigned his interests by operation of law**
26 **or otherwise.**

27 The Defendants' real property ownership are matters of record. The documentation produced by
28 Mr. Zandian consistently reveals third party arrangements. Mr. Zandian claims additional

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ownership in Wendover Project, LLC and Big Springs Ranch, LLC by reason of off record transfers and oral agreements with third parties.

Mr. Zandian must identify with particularity both off record transfers from which he claims to have benefited as well as off record transfers and pledges he has made to third parties. Mr. Zandian testified that he had received a \$750,000.00 interest from a third party in Wendover Project, LLC and had received other off-record transfers of interests in Wendover Project, LLC. Mr. Zandian must identify each and every interest which he owns in the LLCs, either of record or otherwise and he must transfer, free and clear of any third party claims, these interests in consideration of the transfer by the Defendants of the real property interests and monies to be paid.

4. Mr. Zandian must include in his assignment of interests any, all and every interest he has in the 500 shares of Shipyard K. Damen stock which he purportedly transferred in consideration of a \$3,000,000.00 discount in the purchase price of the West Wendover land holdings received by Wendover Project, LLC from Pico Holdings.

Mr. Zandian has indicated, before and after the Arbitration hearings, that he intends to bring an action against Pico Holdings, its subsidiaries and its Executives, Western Title, the Peppermill and others based on transactions involving Wendover Project, LLC. All his right, title and interest in any proceeding, directly or indirectly related to Wendover Project, LLC and Big Springs Ranch, LLC must be assigned including any choses in action or entitlements to recovery from any claims.

Because there are real and personal property interests being exchanged, there must be escrow. All parties must demonstrate good title. The real property interests of the Star Living Trust and Ray Koroghli are easily ascertainable and insurable. On the other hand, the personal property interests of Mr. Zandian in the LLCs are subject to third party claims, all of which are generated

1 by Mr. Zandian's own testimony and documents presented. He must provide proof of title and
2 disclaimers of any interest by:

- 3 1. The French Bankruptcy Court (Liquidation Judiciaire)
- 4 2. Third Party Creditors
- 5 3. Judgment Lienholders (Al Makaaseb General Trading
6 Company); and
- 7 4. Any third parties to whom or from whom he purports
8 to have transferred interests voluntarily or
9 involuntarily by operation of law.

10 He must assign to the LLCs and the purchasers of his interests any, all and every ownership he
11 has directly or indirectly, including all benefit, choses in action, or any, all and every other thing
12 of value including but not limited to Items 1 through 4 above.

13 **5. Mr. Zandian must warrant and verify that he is in a position, legally, to
14 perform the actions required pursuant to the Settlement Agreement
15 including the following:**

16 (a) proof that his ownership interests are not affected
17 by his pending personal and corporate bankruptcy in
18 France;

19 (b) proof that he has not transferred his interests in
20 the LLCs;

21 (c) proof that his ex-wife does not have a claim to
22 the 500 shares of Shipyard K. Damen stock transferred by
23 Zandian to Pico Holdings as consideration for a
24 \$3,000,000.00 discount in the purchase price, ownership to
25 which has been asserted by Mr. Zandian's bankruptcy
26 counsel in Exhibit "A";

27 (d) a complete release of the Defendants, the LLCS,
28 all of their members, managers, agents, attorneys and assigns
from any, all and every claim, known or unknown, including
the real properties, LLCs, partnerships, joint ventures or
relationships of any kind arising from or related to the real
property acquisitions involved in this Arbitration;

6. Mr. Zandian must expressly disavow any interest in entitlements to:

(a) commissions resulting from the sale of water rights
to Pico Holdings;

1 (b) any interest in Star Living Trust's pending action
2 with J. Bingham and assurances that any claims made by Mr.
3 Zandian in this Arbitration were unsupported by any
4 evidence, documentary or otherwise, that would support his
5 claim, directly or indirectly in the proceeds of that litigation
6 or in the underlying real property. Mr. Zandian must further
7 acknowledge that the testimony provided regarding an
8 unwritten and un-witnessed representation that Zandian was
9 to receive an interest as the result of providing perjured
10 testimony was fabricated.
11

12 **7. The Settlement Agreement must unequivocally include provisions that no**
13 **consideration whatsoever was paid based on Mr. Zandian's scurrilous allegations**
14 **that he had an ownership interest in any Clark County real properties owned by the**
15 **Star Living Trust and Fred Sadri as Trustee, or that he was ever promised an**
16 **interest in these properties.**

17 **8. Mr. Zandian testified on August 25, 2006 "I have contributed \$80,000.00 and**
18 **I have received back that money, there was no protest whatever about this."**

19 Mr. Zandian indicated that he had the checks to prove his payment. Settlement was based on his
20 sworn testimony. In reliance on Mr. Zandian's representations that he had paid this \$80,000.00,
21 the Defendants were amenable to paying \$250,000.00 in cash. Despite a diligent search, the
22 Defendants have been unable to locate any evidence of a payment by Mr. Zandian. He must
23 produce evidence of payment of this \$80,000.00 or deduct that amount from the settlement.

24 **9. \$17,000.00.**

25 Mr. Zandian took \$17,000.00 from Big Springs Ranch, LLC. Likewise, he claims to have paid it
26 back. He must produce evidence of payment or credit amount from the settlement. Attached as
27 Exhibit "E" are copies of Bank of America documents pertaining to the \$17,000.00.

28 **10. Mr. Zandian is to receive title to Pah Rah and the 320 Acres.**

Mr. Zandian is to take title subject to his note and deed of trust. The Star Living Trust is to
forfeit all claims to the principal, or \$333,996.56. Mr. Zandian is responsible for all other costs,

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including foreclosure fees, trustee's fees, attorney's fees, interest and other similar expenses.

Attached as Exhibit "F" are copies of an amortization schedule and statement from First

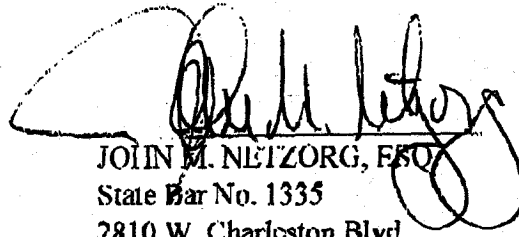
Centennial Title showing foreclosure fees and costs.

Conclusion,

Fred and Ray have the \$250,000.00 and are ready to close escrow as soon as Mr. Zandian demonstrates that the interests to be transferred by him are his to convey and that the transfers are in accordance with the requirements of the LLCs' Operating Agreements and he provides proof that he paid the \$97,000.00 referenced above.

Finally, a mutual release must be executed, releasing all claims known or unknown, whether relating to the property and defamation claims asserted or any claim which could have been raised.

Dated this 11th day of October 2006.



JOHN M. NEIZORG, ESQ.
State Bar No. 1335
2810 W. Charleston Blvd.
Suite 81
Las Vegas, Nevada 89102
Attorney for Defendants/
Counterclaimants

LAW OFFICES OF
JOHN M. NEIZORG
2810 W. CHARLESTON BLVD., SUITE H-81
LAS VEGAS, NEVADA 89102
(702) 878-3400

NOTICE OF MOTION

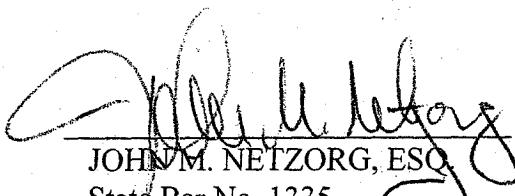
1
2 TO: PLAINTIFF

3 and

4
5 TO: John Peter Lee, Esq., his counsel of record

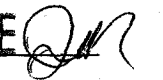
6 PLEASE TAKE NOTICE that the Defendants/Counterclaimants will bring the above
7 and foregoing MOTION TO CHANGE AWARD BY ARBITRATOR PURSUANT TO NRS
8 38.237 on for hearing on the ____ day of _____, 2006 at the hour of _____ a.m.
9 before the Arbitrator, Floyd Hale, Esq., or as soon thereafter as counsel may be heard.

10 Dated this 11th day of October 2006.

11
12
13 
14 JOHN M. NETZORG, ESQ.
15 State Bar No. 1335
16 2810 W. Charleston Blvd.
17 Suite 81
18 Las Vegas, Nevada 89102
19 Attorney for Defendants/
20 Counterclaimants

21
22
23 RECEIPT OF COPY

24 RECEIPT OF COPY OF the foregoing Motion to Change Award by Arbitrator Pursuant
25 to NRS 38.237 is acknowledged this 11 day of October 2006.

26 JOHN PETER LEE 
27 JOHN PETER LEE, ESQ.
28 JOHN PETER LEE, LTD.
Nevada Bar No. 1768
830 Las Vegas Boulevard South
Las Vegas, Nevada 89101
Attorney for Plaintiff/Counterdefendant

LAW OFFICES OF
JOHN M. NETZORG
2810 W. CHARLESTON , SUITE H-81
LAS VEGAS, NEVADA 89102
(702) 878-3400

1 DISTRICT COURT

2 CLARK COUNTY, NEVADA

3 GHOLAMREZA ZANDIAN JAZI,)

)

4 Plaintiff,)

)

5 vs.)

) CASE NO. A511131

) DEPT. NO. XIII

6 RAY KOROGHLI, individually,)

FARIBORZ FRED SADRI,)

7 individually, and as Trustee)

of the Star Living Trust,)

8 WENDOVER PROJECT, LLC, a)

Nevada limited liability)

9 company; BIG SPRING RANCH,)

LLC, a Nevada limited)

10 liability company, and NEVADA)

LAND AND WATER RESOURCES, LLC,))

11 a Nevada limited liability)

company,)

12)

Defendants.)

13 _____)

)

14 RAY KOROGHLI, individually)

and FARIBORZ FRED SADRI,)
 15 individually,)
)
 16 Counterclaimants,)
)
 17 vs.)
)
 18 GHOLAMREZA ZANDIAN JAZI,)
)
 19 Counterdefendant.)
 _____)

20

21 REPORTER'S TRANSCRIPT OF ARBITRATION PROCEEDINGS

22 BEFORE ARBITRATOR FLOYD A. HALE, ESQ.

23 Taken on Friday, September 8, 2006

24 At 2:48 o'clock p.m.

25 At 2300 W. Sahara, Ste. 900

Mary Dane McCoy (702)655-9900

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Las Vegas, Nevada

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1 ARBITRATOR HALE: This is the time that was
2 set this morning for the continuation of the binding
3 arbitration related to the litigation initiated in
4 District Court for Clark County, Nevada, Case A511131,
5 Jazi versus Koroghli, et al. would people please note

6 their appearance for the court reporter?

7 MR. LEE: John Peter Lee representing Mr.

8 Zandian who is present here today, Mr. Michael Reynolds

9 in association with me.

10 MR. NETZORG: John Netzorg with Ray Koroghli,

11 Fred Sadri individually and both as managing members of

12 the Nevada Land & Water Company, LLC; Big Springs

13 Ranch, LLC; and Wendover Project, LLC.

14 MR. LEE: Let the record further show that

15 Amy Connell is here as our paralegal.

16 ARBITRATOR HALE: Having heard two full days

17 of testimony, having reviewed all the exhibits, the

18 depositions that were submitted, and arguments of

19 counsel, it appears to me that the resolution of this

20 case will be as follows: And counsel are free to

21 correct me.

22 MR. NETZORG: This is pursuant to a
23 stipulation obviously, so we want to make sure there is
24 a universal and complete resolution of all issues --

25 MR. LEE: Let's let him get through this,

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1 John.

2 ARBITRATOR HALE: This will completely
3 resolve all claims of the LLCs and the individuals that
4 are involved in this litigation.

5 The entire interest in the Pah Rah, LLC and
6 property will be transferred to Mr. Zandian free and
7 clear of all indebtedness, including the promissory
8 note secured by deed of trust issued for the benefit of

9 Mr. Sadri.

10 MR. NETZORG: With that there is the
11 outstanding obligation to Mr. Jeff Codega or
12 whatever --

13 MR. LEE: John, please do me a favor, let the
14 gentleman finish, let him finish and we will put our
15 comments --

16 ARBITRATOR HALE: Yeah, let me start all
17 over.

18 So the resolution will be as follows: The
19 Pah Rah property and LLC and all interest therein will
20 be transferred free and clear to Mr. Zandian, including
21 a waiver of any rights under the promissory note
22 secured by deed of trust or other security for the
23 benefit of Mr. Sadri. Any obligation to Mr. Jeff
24 Codega, C-O-D-E-G-A, related to work that he has

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25 performed as to that specific real property will be the

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1 obligation of Mr. Zandian. That is the first item.

2 Item 2: The 320 acres referenced in the

3 lawsuit and the briefs will be transferred free and

4 clear to Mr. Zandian without any obligation to the

5 other litigants or parties to this arbitration or

6 anyone else who may profess to have an interest in the

7 320 acres that are bound by this lawsuit.

8 No. 3: Mr. Sadri and Mr. Koroghli will,

9 within 30 days from today, pay Mr. Zandian \$250,000

10 cash in return for Mr. Zandian waiving any claims or

11 any rights to the Big Springs, LLC?

12 MR. KOROGHLI: Ranch, LLC.

13 ARBITRATOR HALE: Big Springs Ranch, LLC, or
14 the Wendover Project -- I had purchase -- Project.
15 That is the next item.

16 Finally all of the LLCs and properties that
17 are the subject of this arbitration lawsuit, including
18 Pah Rah, the 320 acres, the Big Springs Ranch, and the
19 Wendover Purchase or Project waive any claim to
20 reimbursement or participation in any consulting fees
21 paid to Mr. Zandian from the seller. The parties will
22 through counsel prepare any necessary documents to
23 effect the transfers of the LLCs and any underlying
24 real estate, and the parties and representatives of
25 these LLCs will execute all necessary documents to

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1 effect this settlement and arbitration order.

2 would counsel like to add anything to these

3 terms?

4 MR. LEE: We would like to have the check

5 payable to my office for 250,000.

6 ARBITRATOR HALE: All right. The settlement

7 check will be payable to John Peter Lee, Ltd.

8 Anything else?

9 MR. NETZORG: We would like a mutual release

10 executed by and between the parties.

11 ARBITRATOR HALE: I think that is part of the

12 documents that I referenced and I would agree.

13 MR. NETZORG: We need a warranty from the

14 parties that the properties and interest being

15 transferred haven't been previously transferred, that

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16 the parties, in fact, do currently hold those
17 interests, and they are capable of transferring the
18 interests that are subject to this order free and clear
19 of claims by any third parties.

20 ARBITRATOR HALE: I'll allow the two of you
21 to work out that language. Obviously if you signed for
22 an LLC, you are representing and warranting that you
23 have that authority, but you can work that into the
24 settlement language and see if we have an agreement.

25 MR. NETZORG: In particular, we are dealing

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1 with three married guys and we want to know they are
2 speaking for the community interest of their spouses on
3 each and every one of these transfers.

4 ARBITRATOR HALE: We may want spouses to
5 sign --

6 MR. LEE: We can work out the form of the
7 details, I'm not concerned about that, if necessary we
8 can get preliminary title reports. That is what I plan
9 on doing.

10 MR. NETZORG: Just to -- some of interests
11 aren't going to be reflected and the conveyance
12 of the membership interest in the LLCs is not of
13 record, so we need to have warranties in satisfaction
14 that there hasn't been a pledge of these interests
15 previously.

16 ARBITRATOR HALE: That is fine, that can be
17 in the settlement agreement.

18 Any issue regarding the sufficiency or the
19 necessity of settlement agreements or documentations

20 for transfer of property, I'm retaining my authority as
21 the arbitrator to resolve that issue.

22 MR. NETZORG: We would want to do an
23 allocation of the purchase price for the LLC interests
24 that correspond -- we may do an allocation of the
25 purchase price for the LLC interests.

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1 MR. LEE: You can allocate anything you want
2 to.

3 MR. NETZORG: That is good, as long as you
4 understand.

5 MR. LEE: It is not my involvement. You can
6 allocate anything you want.

7 ARBITRATOR HALE: Mr. Netzorg, you will have
Page 13

8 the right to do whatever accounting you wish on Big
9 Springs and Wendover and Mr. Lee and his client will
10 have the right to do whatever allocation they want on
11 the 320 acres and the Pah Rah property.

12 MR. NETZORG: I would ask that you retain
13 jurisdiction to enforce the settlement agreement.

14 ARBITRATOR HALE: I already took it.

15 MR. NETZORG: Okay.

16 MR. LEE: He just did it. That is crucial.

17 MR. NETZORG: The candy has been excellent
18 but I'm -- then there is, with the understanding that
19 those items, thank you very much and thank you for the
20 excellent job you have done.

21 ARBITRATOR HALE: I omitted something you two
22 didn't catch. The defamation claim is resolved by this

23 agreement.

24 MR. LEE: Everybody pays their own fees and

25 otherwise bears their own fees and costs.

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1 ARBITRATOR HALE: Mr. Netzorg, you may have
2 missed that, I'm sorry, you were conversing with your
3 client. This agreement also includes a dismissal and
4 waiver of all claims of Mr. Zandian for defamation as
5 alleged in the documents that are the subject of this,
6 and each party is to pay their own fees and costs.

7 MR. NETZORG: Very good. Also, any third
8 party claims that may have arisen, apparently there was
9 some suggestion about litigation as a result of the
10 July 21, '05 transfer of the property from Wendover

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11 Project, LLC to the Peppermill, just to make certain --

12 ARBITRATOR HALE: He waived all claims as to
13 the Wendover Property or Project.

14 MR. NETZORG: Very good.

15 MR. LEE: All claims except what is on the
16 record.

17 ARBITRATOR HALE: The payments he is entitled
18 to under the record on the transfer of the property and
19 rights under the record.

20 MR. KOROGHLI: Against the purchaser, against
21 the title company, we want to make sure that everybody
22 -- there is not going to be another lawsuit flying over
23 six months from now, a year from now from Mr. Zandian.

24 ARBITRATOR HALE: All claims related to all
25 LLCs and properties that are the subject of this

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15 people that know a lot more about these issues than I
16 do and I appreciate that.

17 And I have to tell you, as you know, I've
18 been here 31 years, I do three or four or five
19 arbitrations or mediations a week, I deal with
20 attorneys from all over the country, I'm a special
21 master on six hotel construction projects now and three
22 other high-rise projects and I deal with attorneys from
23 every state. You don't get attorneys of any higher
24 caliber than the two attorneys that are working on this
25 case. So I know it was hard fought, I know it was

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1 probably expensive, and I know it was thorough and

2 probably difficult for all of you, but both sides are
3 very lucky to get these attorneys on this type of case,
4 because I have to tell you, unfortunately in the
5 overwhelming number of cases, there is usually some
6 weak link in the chain and we got two -- it was a
7 pleasure to watch them work and do their craft in this
8 case.

9 So if I can be of any further assistance,
10 I'll be glad to. I will resolve any disputes on the
11 written agreements if it is necessary, I doubt it with
12 these two attorneys, but with that, I think we can all
13 take the rest of our Friday afternoon off.

14 MR. LEE: Thank you, Mr. Hale, for taking it
15 on and doing such a fine job in getting it resolved.

16 MR. NETZORG: It was a very difficult case.
17 A lot of details. Mastered incredibly.

6 ARBITRATOR HALE: That is why I was ordering

7 a transcript.

8 (Thereupon, the proceedings

9 concluded at 3:02 p.m.)

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JOHN PETER LEE, LTD.

ATTORNEYS AT LAW

830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
TELEPHONE (702) 382-4044
FACSIMILE (702) 383-9950
E-MAIL: info@johnpeterlee.com

September 13, 2006

John M. Netzorg, Esq.
2810 West Charleston, #81
Las Vegas, Nevada 89102

FAX 878-1255

Re: Jazi v. Koroghli, et al.

Dear Mr. Netzorg:

I have your communication of this date and note that you have added wives into your mix. I can't imagine the purpose for doing so. There is no indication they were participants in any of the business transactions. Their inclusion would cause confusion and potential mischief.

Yours truly,

JOHN PETER LEE, LTD.

John Peter Lee, Esq.

JPL/jlr
cc: Client
1334.022860

WFZ1972

Attachment 2 to
letter dated 17.01.2001

LOEFF CLAEYS VERBEKE

BY COUNSEL

BY FAX 020-6331827
Van Arken Krijpe Damstra
P.O. Mr Ch. H. Rijk
Stationsweg 4
3211 JW DORDRECHT

Wants to
send by registered
mail
send by registered
mail
send by registered
mail
send by registered
mail

Netherlands, 1 April 1997
Re JO/iv - 962.0793
Ref. Zandbergen/Damen
From Mr J. Orlowans, advocate

Dear Mr Rijk,

As you may be aware I act on behalf of Mr G.R. Zandbergen just with regard to his interests in the Netherlands.

This letter is to inform you that Mr Zandbergen considers the documents as specified hereinafter null and void. Furthermore, to the extent necessary, these documents are herewith nullified. If these documents are not null and void, Mr Zandbergen herewith rescinds the hereinafter described documents.

On 2 April 1997 Mr Damen and Mr Zandbergen entered into a Settlement Agreement whereby it was agreed that on certain dates certain amounts would be transferred to the bank accounts of Mr Zandbergen in full and final settlement of the dispute(s) that had arisen between parties. It was further agreed that Mr Zandbergen would transfer 49 of his shares in Schepswaaf K. Damen B.V. to Mr K. Damen. On page 3 of the Settlement Agreement parties added by handwritten agreement that time was of the essence with regard to the scheduled payments.

As a result of the Settlement Agreement of 2 April 1997 parties entered into 1) the (notarial) Deed of Settlement of 7 May 1997, 2) the (notarial) Deed of Transfer of Shares of 7 May 1997, and 3) a handwritten Agreement of 7 May 1997 stating that 1) and 2) would be null and void if the payments as scheduled in the Settlement Agreement of 2 April 1997 are not fulfilled and paid in full (the "Documents").

This document is a copy of the original document. It is not a legal document. It is not a contract. It is not a deed. It is not a will. It is not a power of attorney. It is not a declaration. It is not a statement. It is not a certificate. It is not a receipt. It is not a check. It is not a bill. It is not a note. It is not a bond. It is not a security. It is not a loan. It is not a lease. It is not a license. It is not a permit. It is not a license. It is not a permit. It is not a license. It is not a permit.

LOEFF CLAYS VERBEEK

With regard to the issuance of 49 shares to Mr K. Darnan please note that by deed of issuance of 15 May 1987 49 shares with a nominal value of NLG 1,000.- each were issued to Mr Zandien. According to an excerpt from the Trade Registry dated 28 September 1987 Schoepwerf K. Darnan B.V. had an issued and paid up capital of NLG 99,000.- consisting of 99 shares with a nominal value of NLG 1,000.- each.

However, according to an excerpt from the Trade Registry dated 11 April 1996 (and 1 April 1998) Schoepwerf K. Darnan B.V. at the moment had (and has) an issued and paid up capital of NLG 2,500,000.- consisting of 2,500 shares of NLG 1,000.- each.

Apparently, 2,401 shares in Schoepwerf K. Darnan B.V. with a nominal value of NLG 1,000.- each were issued during the period that Mr Zandien was a shareholder. As a shareholder Mr Zandien has/had a right of preemption on 49% of the total capital increase, being 1,176 shares. Despite the right of preemption as laid down in article 2366a of the Dutch Civil Code these shares have never been issued/offered to Mr Zandien. Moreover, Mr Zandien has never been invited to a shareholders' meeting whereby the authorized capital as laid down in the articles of association was amended.

In this regard I would like to request you to submit the invitation and the minutes of the meeting of said shareholders' meeting, the Deed of issuance of 2,401 shares, the Deed of Acceptance of such by Mr K. Darnan and the shareholders' register. For the avoidance of doubt it is noted that the abovementioned observations are made without prejudice to any rights and/or defenses available to Mr Zandien.

Mr Zandien considers the Settlement Agreement of 2 April 1997 null and void because his (former) wife did not co-sign this agreement. Mrs Lella Gorchl never consented to nor witnessed the Settlement Agreement. The Settlement Agreement merely states that it is accepted by Mrs Lella Gorchl. Therefore, the (notaral) Deeds of 7 May 1997 are also null and void. Moreover, I understand that the civil law notary that executed the Deeds of 7 May 1997 has requested Mr Zandien to have his (former) wife co-sign the Deeds but failed to persist in such request.

To the extent that the referred documents are not null and void, Mr Zandien herewith nullifies the Documents on the basis of error in fact. Mr Zandien signed the Documents assuming that Schoepwerf K. Darnan B.V. was virtually bankrupt at the time. Mr Zandien assumed this on basis of the information made available to him by Mr K. Darnan.

However, after 7 May 1997 Mr Zandien found out that Schoepwerf K. Darnan B.V. (and affiliates) had received millions worth of confirmed orders prior to 7 May 1997.

LOEFF GLASSE VERBOD

moreover, a large German chemical company had deposited NLG 50.000.000,- in the bank account of Schoepwerf K. Daman B.V. as an advanced payment to such orders. Mr Zandien also found out that NCM - the largest creditor of Schoepwerf K. Daman B.V. (NLG 12.000.000,-) - had withdrawn all of its claims on Schoepwerf K. Daman B.V. and that Schoepwerf K. Daman B.V. was in negotiation with the Dutch Authorities with regard to the construction of a new "WPK" on its premises as a result whereof it would receive over NLG 10.000.000,- in compensation.

If the Documents are not null and void as a result of any of the circumstances mentioned, then Mr Zandien herewith rescinds the Documents on the basis of the violation by Mr K. Daman of the (handwritten) "time is of the essence"-clause as laid down in the Settlement Agreement of 4 April 1997 and 7 May 1997. The related amounts were not transferred before the end of April 1997 in accordance with the schedule. The amounts were not paid in full and not to the designated parties.

I am looking forward to your reply.

Yours sincerely,


Mr. J. Curiamans

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**OPERATING AGREEMENT
OF
BIG SPRING RANCH L.L.C**

THIS OPERATING AGREEMENT ("Agreement") is entered into this **1ST day of October, 2003** by and between the following as Managing Member and Members of **BIG SPRING RANCH A LIMITED LIABILITY COMPANY**:

<u>NAME</u>	<u>ADDRESS</u>
STAR LIVING TRUST (Fariborz Fred Sadri) (Managing Member)	2827 S. Monte Cristo Las Vegas NV 89117
RAY KOROGHLI (Managing Member)	3055 Via Sarafina Henderson, Nevada 89012
Gholamreza Zandian JAZI (Managing Member)	9550 W. Sahara Ave. Apt.# 2148 Las Vegas, NV 89117

1. ARTICLE

FORMATION AND PURPOSE OF LIMITED LIABILITY COMPANY

1.1 Formation of Limited Liability Company.

(a) The parties to this Agreement hereby agree to become members and to form a Limited Liability Company pursuant to the provisions of Chapter 86 of the Nevada Revised Statutes (N.R.S.) as adopted in Nevada for the purpose set forth hereinbelow.

(b) Except as expressly provided herein, the rights and obligations of the Members and the administration and termination of the Company as specified herein shall be construed in accordance with N.R.S. Chapter 86, et. seq.

1.2 Name of Company. The Company's business shall be conducted solely under the name of **BIG SPRING RANCH L.L.C** (the "Company").

1.3 Purpose and Scope of the Company.

(a) The Company is organized to engage in and do any lawful act concerning any and all lawful business, other than banking or insurance, for which a Company may be organized.

(b) Nothing herein contained shall be deemed in any way or manner to prohibit or restrict the right or freedom of any Member separately, as a separate entity apart from the Company, to conduct any business or activity

12/28/03

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(b) A Member shall be reimbursed by the Company for the reasonable out-of-pocket expenses incurred by such Member on behalf of the Company in connection with the Company's business and affairs upon presentation of proper receipts and invoices and approved by the Managing Member. However, no Member shall be entitled for reimbursement by the Company for meals, travel, transportation and entertainment.

ARTICLE 6

ROLE AND LIABILITY OF MEMBERS

6.1 Liability of Members. No Member shall have any personal liability whatsoever to the creditors of the Company for the debts of the Company or any losses beyond their Capital Contribution except as set forth in Article 3.

In accordance with Nevada law, a Member may, under certain circumstances, be required to return to the Company, for the benefit of Company creditors, amounts previously distributed to it as a return of capital. For purposes of this paragraph, the Members intend that no distribution to any Member of Net Cash From Operations or Net Cash From Sales or Refinancings shall be deemed a return or withdrawal of capital, even if such distribution represents, for federal income tax purposes or otherwise (in whole or in part), a return of capital, and that no Member shall be obligated to pay any such amount to or for the account of the Company or any creditor of the Company.

ARTICLE 7

SALE OR TRANSFER OF A LIMITED LIABILITY COMPANY INTEREST

7.1 Restriction on Transfer. No Member shall sell, exchange, assign, pledge, give, or otherwise transfer or encumber in any manner or by any means whatsoever, all or part of such Member's Interest in the Company, without obtaining the prior written consent of the Managing Member.

(a) Upon the Managing Member consent, each Member shall have an equal right of first refusal to purchase the transferring Member's interest in proportion to the purchasing Member's then percentage interest ownership in the Company subject to Paragraph 7.5. In the event some or all Members do not exercise their right of first refusal, the Managing Members are authorized to structure the transfer in the best interest of the Company.

(b) Upon the death, retirement, resignation, expulsion, bankruptcy or dissolution of a Member or upon the occurrence of any other event which terminates the continued Membership of a Member of the Company the Company shall immediately dissolve unless all remaining Members vote to continue the Company without dissolution. Beneficiaries of the Managing Members will be herein named, and equal percent to that of Managing Member of the Company will be automatically be transferred to beneficiaries of said Managing Member. (see Exhibit B)

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OPERATING AGREEMENT
OF
WENDOVER PROJECT L.L.C

THIS OPERATING AGREEMENT ("Agreement") is entered into this 26th day of December, 2003 by and between the following as Managing Member and Members of WENDOVER PROJECT A LIMITED LIABILITY COMPANY and supercedes and replaces any and all prior Operating Agreements for the company.

<u>NAME</u>	<u>ADDRESS</u>
STAR LIVING TRUST (Fariborz Fred Sadri) (Managing Member)	2827 S. Monte Cristo Las Vegas NV 89117
RAY KOROGHLI (Managing Member)	3055 Via Sarafina Henderson, Nevada 89012
Gholamreza zandian JAZI (Managing Member)	9550 W. Sahara Ave. Apt. #2148 Las Vegas NV 89117

1. ARTICLE

FORMATION AND PURPOSE OF LIMITED LIABILITY COMPANY

1.1 Formation of Limited Liability Company.

(a) The parties to this Agreement hereby agree to become members and to form a Limited Liability Company pursuant to the provisions of Chapter 86 of the Nevada Revised Statutes (N.R.S.) as adopted in Nevada for the purpose set forth hereinbelow.

(b) Except as expressly provided herein, the rights and obligations of the Members and the administration and termination of the Company as specified herein shall be construed in accordance with N.R.S. Chapter 86, et. seq.

1.2 Name of Company. The Company's business shall be conducted solely under the name of WENDOVER PROJECT L.L.C (the "Company").

1.3 Purpose and Scope of the Company.

(a) The Company is organized to engage in and do any lawful act concerning any and all lawful business, other than banking or insurance, for which a Company may be organized.

(b) Nothing herein contained shall be deemed in any way or manner to prohibit or restrict the right or freedom of any Member separately, as a

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② ~~Cont~~ R.K.

(b) A Member shall be reimbursed by the Company for the reasonable out-of-pocket expenses incurred by such Member on behalf of the Company in connection with the Company's business and affairs upon presentment of proper receipts and invoices and approved by the Managing Member. However, no Member shall be entitled for reimbursement by the Company for meals, travel, transportation and entertainment.

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(b) Upon the death, retirement, resignation, expulsion, bankruptcy or dissolution of a Member or upon the occurrence of any other event which terminates the continued Membership of a Member of the Company the Company shall immediately dissolve unless all remaining Members vote to continue the Company without dissolution. Beneficiaries of the Managing Members will be herein named, and equal percent to that of Managing Member of the Company will be automatically be transferred to beneficiaries of said Managing Member. (see Exhibit B)

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③ R.K.

WFZ1980

ATTENTION
Mr. Abrishami
Bank of America.

Checking / Savings Withdrawal - NV **DEBIT**

Name and Address
Pig Spring Ranch
3055 Solafusa
Henderson NV 89052
Telephone No. ()

Not Negotiable - Withdrawals are permitted only through Payment to the depositor

Date 4/6/04

Seventeen Thousand Dollars

Save time in line and help us avoid errors. The next time you make a withdrawal, please use your pre-printed withdrawal slips for your account.

[Handwritten Signature]
Customer Signature

Account Number

004968226867

Total Withdrawal

\$ 17000.00

⑆540880133⑆

004968226867⑈

⑆0001700000⑆

Mr. Zandian's signature

US DATE 04/06/04
P07 E C 044 NV

BANK OF AMERICA, N.A. LUG
⑆122447344 56259 91 P01
00000252563521 04/06/04

7750169973

From 00022 04/06/2004 11:03

Entity TRV CC 0008071 Tr 00005

Account 004968226867

R/TID 340880133

0110101 Check Sale

⑈ LND ⑈XXXXXXXXXXXXXXXXXXXX

\$17,000.00

12/05

FROM : Fred. F. Sadri

PHONE NO. : 702 8735171

Oct. 11 2006 11:39AM P5

MAR-06-2005 SUN 12:54 PM

SEP. 18. 2006 5:03PM

FIRST CENTENNIAL

FAX NO. 7028735171

NO. 32V

P. 05/08



FIRST CENTENNIAL TITLE COMPANY OF NEVADA

1025 ROBERTA LANE
SPARKS, NV 89431

PHONE: (775) 685-2121 • FAX: (775) 685-2140

September 18, 2006

Fred Sadri

Via fax: 702-873-5171

RE: Foreclosure No. 00145063 - LM1
Sadri / Zandian

Dear Mr. Sadri:

The foreclosure fees and costs to date are as follows:

Trustees Sale Guarantee	\$1182.00
Trustee's Fee	\$1500.00
Document Preparation	\$ 125.00
Posting Notices (Reno & Wadsworth)	\$ 60.00
Publication (1-run)	\$ 617.33
Recording Fees	\$ 78.00
Certified mail	\$ 44.20
TOTAL	\$3516.53
Less Deposit received	\$1500.00
BALANCE DUE	\$2016.53

Please remit the balance due payable to First Centennial Title Company. A Rescission of the Notice of Default will be recorded upon receipt of your written instructions to cancel the foreclosure and payment of remainder of foreclosure fees. If you have any questions, please call.

Sincerely,

Lucy McGuire
Lucy McGuire
Foreclosure Officer

PLUS ATTORNEY FEES OVER \$600.00

lm

Promissory Note Payable by Zandlen to Sadri

Compound Period: Annual

Nominal Annual Rate: 7.000 %
 Effective Annual Rate ...: 7.000 %
 Periodic Rate: 7.0000 %
 Daily Rate: 0.01918 %

CASH FLOW DATA

Event	Start Date	Amount	Number Period	End Date
1 Loan	07/31/2003	333,996.56	1	
2 Payment	10/15/2006	0.00	1	

AMORTIZATION SCHEDULE - Normal Amortization

Date	Payment	Interest	Principal	Balance
Loan 07/31/2003				333,996.56
2003 Totals	0.00	0.00	0.00	
1 10/15/2006	0.00	81,127.24	81,127.24-	415,123.80
2006 Totals	0.00	81,127.24	81,127.24-	
Grand Totals	0.00	81,127.24	81,127.24-	

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FILED

2006 DEC 18 P 4: 16

Shirley Stanger
CLERK

RECEIVED
DEC 19 2006

JOHN PETER LEE, LTD.

0001
JOHN M. NETZORG, ESQ.
Nevada Bar No. 1335
2810 West Charleston Boulevard, #H-81
Las Vegas, Nevada 89102
(702) 878-3400
Attorney for RAY KOROGHLI, individually
FARIBORZ FRED SADRI, individually and as Trustee
of the STAR LIVING TRUST

DISTRICT COURT
CLARK COUNTY, NEVADA

GHOLAMREZA ZANDIAN JAZI,

Plaintiff,

vs.

RAY KOROGHLI, individually,
FARIBORZ FRED SADRI, individually
and as Trustee of the Star Living Trust,
WENDOVER PROJECT, LLC, a
Nevada limited liability company; BIG
SPRING RANCH, LLC, a Nevada
limited liability company, and
NEVADA LAND AND WATER
RESOURCES, LLC, a Nevada limited
liability company,

Defendants.

CASE NO. A 511131
DEPT. NO. ~~XII~~ XI

MOTION TO VACATE
ARBITRATION AWARD; or, in
the alternative, MOTION TO
MODIFY OR CORRECT

Date of hearing:
Time of hearing:

DATE OF HEARING 1-23-07
Opposition DUE 12-29-06
Their REPLY DUE 1-16-07

1. Introduction

This case arises out of a dispute among real estate investors who purchased large tracts of land in Northern Nevada, totaling over 43,000 acres and \$16,000,000.00, title to most of which is held by Limited Liability Companies. Other investors and LLC members are involved in the two largest transactions and have rights in and to the LLCs and their real estate assets, but are not directly involved in this lawsuit. Briefly, Plaintiff Gholamreza Zandian Jazi ("Zandian") alleged that Defendants tried to unlawfully divest him of his interests, while Defendants Ray Koroghli

CC TO CLIENT:
INITIALS VEZ1986

JOHN M. NETZORG
2810 W. CHARLESTON BLVD., SUITE H-81
LAS VEGAS, NE 89102
(702) 878-3400

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1 ("Ray") and Fariborz Fred Sadri ("Fred") alleged that Zandian had paid for his interests with
2 bogus stock and has received \$600,000.00 in hidden commissions.

3 During the cross-examination of the first witness, Mr. Zandian, the parties agreed to let
4 the arbitrator attempt to mediate the dispute. Acting as mediator, Mr. Hale met many times
5 separately and many times jointly with the parties. The "Arbitration Decision" in this case that
6 the Defendants move now to vacate arose from this mediation. There have been no findings of
7 fact or conclusions of law. Only one witness was sworn, and even the cross-examination of this
8 witness was only partially completed. On September 8, 2006, the parties met with the arbitrator,
9 now acting as mediator, to place the broad outline of an agreement on the record. [Exhibit A] On
10 September 21, 2006, the arbitrator served his "Arbitration Decision." [Exhibit B]

11
12 This is not a case where a party objects to the arbitrator's interpretation or application of
13 the law after a decision and award on the merits following a trial. This case was not arbitrated.
14 It was mediated. After a tentative broad arrangement was placed on the record, the arbitrator
15 entered an "Arbitration Decision" and followed it up with an "Implementation Award" as though
16 the case had been fully tried, when, in fact, it had not been. The problem with this procedure is
17 that it is misleading, especially where the parties did not reach an agreement on essential terms
18 of a settlement. A further problem is that the settlement terms effectively dictated by the
19 arbitrator are in manifest disregard of the recorded intent of the parties to transfer the Plaintiff's
20 interests in the Big Springs Ranch and Wendover Project LLCs to the Defendants free and clear.
21 The land involved cost over \$16,000,000.00. The Decision requires the Defendants to deliver
22 millions of dollars in property in consideration for which they receive nothing. The procedures
23 and terms imposed deliver clouded title subject to third parties' rights of first refusal and end up
24 dissolving the LLCs altogether.
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1 Although the parties agreed to let the arbitrator attempt to mediate the case, in hindsight it
2 would appear to be the better practice to send the matter to an independent mediator so that the
3 arbitrator could pick up where he left off if the mediation failed. The question for this court is
4 whether it will put judicial approval upon the strange hybrid presented by this case where after
5 mediating a case the arbitrator files an "arbitration decision" that dictates terms of a settlement
6 that not only the parties did not agree on, but also deprives of the parties of any benefit
7 whatsoever.

8
9 Defendants move the court to vacate the "Arbitration Decision" of September 20, 2006,
10 and the "Implementation Award" of November 29, 2006, on the statutory and common law
11 grounds that they do not reflect the agreement of the parties, that the arbitrator exceeded his
12 authority in filling in terms that had not been agreed to by the parties and leaving out terms that
13 had been agreed to, and that the "Arbitration Decision" manifestly disregards the law and the
14 intent of the parties. In the alternative, the Defendants ask the court to modify or correct the
15 "Arbitration Decision" and the "Implementation Award" that followed it to a workable
16 implementation of the parties' settlement intent, if this can be done without mediating the case
17 by judicial decree.

18
19 **2. The statutory and common law standards for vacating an arbitration award**

20 "In Nevada, both '[c]ommon law grounds and statutory grounds exist for the review of
21 arbitration decisions.'" *Clark County Sch. Dist. v. Rolling Plains*, 117 Nev. 101, 103, 16P.3d
22 1079 (2001) (quoting *Graber v. Comstock Bank*, 111 Nev. 1421, 1426, 905 P.2d 1112, 1115
23 (1995)). Pursuant to NRS 38.241 (formerly 38.145), an arbitration decision can be reviewed and
24 vacated "for a variety of reasons, including instances in which the arbitrator has exceeded his
25 power or shown a propensity for misconduct." *Id.*
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1 Under the common law, an award may be reviewed and vacated for “manifest disregard
2 of the law,” defined as “error that is ‘obvious and capable of being readily and instantly
3 perceived by the average person qualified to serve as an arbitrator,’” or “a decision that is
4 ‘arbitrary, capricious, or unsupported by the agreement.’” *Id.* at 104, 16 P.3d at 1081. The district
5 court has the authority and obligation to review the arbitrator’s award and the transcripts and
6 exhibits before confirming the award. *Graber v. Comstock Bank*, 111 Nev. 1421, 1428, 905 P.2d
7 1112 (1995). Application by the district court of the manifest disregard standard is reviewed de
8 novo. *Rolling Plains*, 111 Nev. at 104, 16 P.3d at 1081 .

9
10 Here, before completion of the cross-examination of the first witness, the arbitrator
11 switched hats and attempted to mediate the case. Ultimately, the arbitrator transformed what the
12 arbitrator perceived to be an agreement of the parties into an arbitration decision. The transcript
13 shows that his “decision” manifestly disregards the agreement of the parties, assuming that there
14 was one, in multiple and critical respects, and is in excess of the arbitrator’s authority.

15
16 **3. The broad agreement sketched in the record**

17 On September 8, 2006, the parties placed a broad preliminary outline of a proposed
18 settlement on the record: (1) the Defendants would transfer to Zandian Gholamreza Jazi “the
19 entire interest in the Pah Rah, LLC and property, free and clear of all indebtedness” [Exh., A, p.
20 5, lines 5 to 25]; (2) the 320 acres will be transferred free and clear to Mr. Zandian [Exh. A., p. 6,
21 lines 2-7]; (3) the Defendants will pay Zandian \$250,000 within 30 days [Exh. A. p. 6, lines 8-
22 11] in return for Zandian’s waiver of any claim to Big Springs Ranch, LLC; (4) Zandian waives
23 any claim to Big Springs Ranch, LLC [Exh. A. p. 6, lines 8-11]; (5) Zandian gives up any claim
24 to the Wendover Project, LLC [Exh. A, p. 6, lines 13-14]; (6) the Defendants waive any claim to
25 consulting fees paid to Zandian by the seller [Exh. A., p. 6, lines 16-21]; and (7) the defamation
26 claims are waived and dismissed. [Exh. A, p. 10, lines 3-6]
27
28

1 The parties and the arbitrator then discussed, again in general terms, preparation of the
2 necessary documents. There were still numerous items to be worked out. Mr. Netzorg, for
3 example, stated that his clients would need a mutual release [Exh. A, p. 7, lines 9-10] and

4 a warranty from the parties that the properties and interest being transferred
5 haven't been previously transferred, that the parties, in fact, do currently hold
6 those interests, and they are capable of transferring the interests that are subject to
7 this order free and clear of claims by any third parties.

8 [Exh. A, p. 7, line 13 to p. 11, line 19]

9 The arbitrator then stated:

10 I'll allow the two of you to work out that language. Obviously if you signed for
11 an LLC, you are representing and warranting that you have that authority, but you
12 can work that into the settlement language and see if we have an agreement.

13 [Exh. A, p. 7, lines 20-24]

14 Mr. Netzorg then stated that his clients wanted the spouses to execute the documents to
15 take care of any community interest questions [Exh. A, p. 7, line 25 to p. 8, line 3], to which the
16 following ensued:

17 Arbitrator Hale: We may want spouses to sign –

18 Mr. Lee We can work out the form of the details, I'm not concerned about
19 that, if necessary we can get preliminary title reports. That is what I plan on
20 doing.

21 [Exh. A, p. 8, lines 4 to 9]

22 Because conveyance of LLC membership is not of record, Mr. Netzorg stated that they
23 should have "warranties in satisfaction that there hasn't been a pledge of these interests
24 previously." [Exh. A, p. 8, lines 10-15] Arbitrator Hale responded: "That is fine, that can be in
25 the settlement agreement." [Exh. A, p. 8, lines 16-17] The arbitrator then added: "Any issue
26 regarding the sufficiency or the necessity of settlement agreements or documentation for transfer
27 of property, I'm retaining my authority as the arbitrator to resolve that issue." [Exh. A, p. 8,
28 lines 18-21]

The arbitrator advised that he considered it an honor that the parties asked him "to help
attempt to mediate this as opposed to arbitrate it." [Exh. A, p. 11, lines 7-9]

1 Arbitrator Hale later stated: "I will resolve any disputes on the written agreements if it is
2 necessary, I doubt it with these two attorneys, but with that, I think we can all take the rest of the
3 Friday afternoon off." [Exh. A, p. 12, lines 10-13] In closing, Mr. Hale stated that he would
4 "file an arbitration decision, indicating that I heard evidence, that we heard testimony, that I
5 reviewed documents, that I interviewed the parties, that my arbitration decision is attached hereto
6 as Exhibit A." [Exh. A, p. 12, line 21 to p. 13, line 1]

7 **4. The "Arbitration Decision"**

8 The Arbitration Decision, dated September 20, 2006 [Exh. B], should be vacated because
9 it (1) recites that it was the result of a trial on the merits, when, in fact, it was based on a
10 purported agreement between the parties, (2) purports to be an arbitration decision, when, in fact,
11 it is only a mediator's memorandum of a purported agreement between the parties, (3) was
12 issued contrary to representations and assurances on the record that the parties still had essential
13 issues to work out between themselves, and (4) does not fairly reflect the purported agreement of
14 the parties, such as it was.

15 The introductory paragraph of the Arbitration Decision states:
16

17
18 Arbitration Hearings in this matter were conducted for two full days. The parties
19 submitted voluminous exhibits, depositions and briefs to the Arbitrator. Having
20 reviewed the documentation submitted and having heard the testimony and
21 representations of the parties, the following Arbitration Decision is submitted:

22 Hearings were, in fact, conducted for two full days and the parties did, in fact, submit
23 voluminous exhibits, depositions and briefs. Whether the arbitrator reviewed it all is unknown,
24 but the arbitrator definitely did not hear the testimony and representations of the parties. He
25 heard the direct examination and a part of the cross-examination of the Plaintiff, and no more.
26 This Decision purports that the case was tried and heard to its conclusion. It was not. This
27 Decision purports to have been based on "the testimony and representations of the parties." It
28 was not.

1 On September 8, 2006, after the parties placed their arrangement on the record, the
2 arbitrator stated that he would be glad to be of further assistance and "will resolve any disputes
3 on the written agreements if it is necessary....I think we can all take the rest of our Friday
4 afternoon off." [Exh. A, p. 12, lines 9-13] After the parties thanked him, Mr. Hale concluded
5 the proceedings: "Thank you. We are done." [Exh. A, p. 12, line 18] After conclusion of the
6 proceedings, the court reporter then caught the following discourse between the arbitrator and
7 Plaintiff's attorney:

8 Mr. Lee: There is going to be an order of some kind to get filed, I would think?

9 Arbitrator Hale: I thought what I would do is take the transcript and file an
10 arbitration decision, indicating that I heard evidence, that we heard testimony, that
11 I reviewed documents, that I interviewed the parties, that my arbitration decision
is attached hereto as Exhibit A.

12 Mr. Lee: Okay.

13 Arbitrator Hale: In case there is any question. Is that all right?

14 Mr. Lee: Very Good.

15 Unfortunately, the arbitration decision was filed prior to the critical moment of working
16 out the language for free and clear transfer of Zandian's LLC interests. ["I'll allow the two of
17 you to work out that language. Obviously if you signed for an LLC, you are representing and
18 warranting that you have that authority, but you can work that into the settlement language and
19 see if we have an agreement." (Exh. A, p. 7, lines 20-24)]

20 This is especially unfortunate because the "Arbitration Decision" and "Implementation
21 Award" that followed it will not result in free and clear transfer of Zandian's interests in the
22 LLCs. They will result, instead, in the dissolution of the LLCs, in the right of other investors to
23 exercise a right of first refusal, in possible claims by a bankruptcy court in France in control of
24 Zandian's assets, and in possible claims by Zandian's wife, or by Zandian himself, because the
25 Decision and Implementation Award do not require the wife's signature or written consent.
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27 These problems will be discussed in detail in sections 6 and 7 below. The point at this
28 stage is that the documents entitled "Arbitration Decision" and "Implementation Award" are

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invalid because they do not, in fact, constitute an arbitration decision, because they do not, as they purport, decide the case on the merits after “having heard the testimony and representations of the parties,” and because they were entered prematurely without allowing, as the record states, the parties to work out the details “and see if we have an agreement” as well as the language necessary to implement free and clear transfers.

It is one thing for the parties to place a settlement agreement on the record. It is another thing altogether for the judge or arbitrator to then issue a decision or judgment contrary to the agreement or that fills in essential terms in highly complex arrangements involving multiple LLCs, numerous investors, millions of dollars, and tens of thousands of acres of real property, that were, on the record, to be left to the parties to work out.

The procedure that was implemented here has one other critical flaw. After the arbitrator met separately with the parties, sometimes with, sometimes without, their attorneys, there could be no turning back. Although this was all done with the consent of the parties and their counsel, this arbitrator – now mediator – could no longer arbitrate the case should the mediation fail. Whatever the good intentions, this placed the parties in the unfortunate and inappropriate position of either reaching an agreement or starting all over again with another arbitrator.

The “Arbitration Decision” of September 20, 2006, should be vacated.

5. The Implementation Award

The Defendants filed a motion to amend the award of arbitration decision because, among other things, it did not require, as agreed, that Zandian’s wife sign the transfer documents, because it did not require assurances that Zandian’s interests would not be subject to his ongoing bankruptcy proceedings in France, and because it does not require Zandian to designate the Defendants as his LLC beneficiaries, to avoid other members’ right of first refusal under the

1 LLC formation documents. [Exhibit C] With no opposition or hearing, this motion was denied
2 sua sponte the same day, October 11, 2006, in a short order, also entitled "Arbitration Decision,"
3 that reminded the parties, per paragraph 6 of the Arbitration Decision, that they were still to

4 Prepare all necessary documents to effect the transfers of the real estate assets and
5 LLC entities and the parties to this lawsuit and Arbitration will execute all
6 necessary documents to effect this Arbitration Order, including a mutual Release
7 to be executed by all parties.

8 [Exhibit D, p. 2]

9 Two weeks later, on October 24, 2006, the Plaintiff filed a "Motion to Implement
10 Arbitration Award," asking the arbitrator to exercise its "jurisdiction to enforce the Award and
11 Decision." [Exhibit E] On October 31, 2006, the Defendants filed their Opposition and attached
12 two versions of a "Sale and Assignment of Interest Agreement," one for Wendover Project, LLC,
13 and the other for Big Springs Ranch, LLC, that would effect a transfer of Zandian's LLC
14 interests free and clear of rights of first refusal. [Exhibit F]

15 On November 2, 2006, the Plaintiff filed a Reply, attaching the Plaintiffs' preferred
16 documents of transfer, whereby Zandian would assign his interests in Wendover Project, LLC
17 and Nevada land and Water Resources, LLC [Exhibit G], which would not grant clear title, since
18 the operating agreements grant other members the right of first refusal.

19 While the parties were awaiting decision or a call to further discuss the matter, the
20 Plaintiff delivered, on October 28, 2006, to the Arbitrator a proposed "Implementation Award"
21 that would require the Defendants to execute the transfers exactly as submitted by the Plaintiff.
22 [Exhibit H] The Defendants immediately moved to strike this submittal [Exhibit I], but on the
23 very next day, October 29, 2006, the Arbitrator signed and entered the proposed Implementation
24 Award exactly as written by the Plaintiff on the Plaintiff's paper. [Exhibit J]
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1 These are the same documents that the Plaintiff had earlier submitted to the Defendants
2 as a take-it-or-leave-it ultimatum. On October 18, 2006, Plaintiff's counsel wrote to counsel for
3 the Defendants:

4 Please review the enclosed copies of documents designed to effectuate the
5 implementation of the Award of the Honorable Floyd Hale. We expect that we will obtain your
6 approval by Friday, October 20, 2006 at 5:00 p.m.

7 If we do not receive your confirmation, we will ask Arbitrator Hale to implant the Award
8 and assist us in obtaining the transfers required to accomplish the intent of his Award.
9 [Exhibit K]

10 This ultimatum was hardly in the good faith spirit of "working out settlement language to
11 see if we have an agreement." Plaintiff's counsel had sent a copy of these documents on
12 September 11, whereupon negotiations over disputed terms ensued. On October 20, 2006, the
13 Defendants submitted to the Plaintiff proposed Sale and Assignment of Interest Agreements, a
14 Mutual Release Agreement, and a list of deficiencies. [Exhibit L]

15 Since there has been no agreement on the settlement language, the "Arbitration Decision"
16 and "Implementation Award" were improvidently filed. The Arbitration Decision and the
17 Implementation Award are in excess of the arbitrator's authority and in manifest disregard of the
18 agreement of the parties and should be vacated.

19 **6. The Plaintiff's proposed settlement papers would result in a one-sided transfer whereby
20 the Plaintiff would receive free and clear title, but the Defendants could end up with little
21 or nothing.**

22 Although it is clear so far that there has been no meeting of the minds and no settlement
23 agreement, and that the "Arbitration Decision" and the "Implementation Award" should not have
24 been issued, the Defendants take this opportunity to demonstrate at least one reason why the
25 decision and award, based as they are on the Plaintiff's proposed transfer documents, do not
26 accord with the broad outline recited in the transcript and would result in a grave injustice.

27 Mr. Zandian may not transfer his interests to the Defendants unless he has first
28 designated them as beneficiaries prior to his resignation or removal as Managing Member.

1 Paragraph 7.1(a) of Big Springs Ranch, LLC's Operating Agreement dated October 1,
2 2003 [Exh. C1] contains the following restrictions on transfers:

3 Upon the Managing Members' consent, each member shall have an equal right of
4 first refusal to purchase the transferring member's interest in proportion to the
5 purchasing member's then percentage interest ownership in the company subject
6 to Paragraph 7.5.

7 Paragraph 7.5 provides:

8 Right of First Refusal. In addition to the other limitations and restrictions set
9 forth herein, no member may sell all or any portion of his interest unless such
10 member (the "Selling Member") has first (i) given written notice to the other
11 members and the company of his intention to sell all or a portion of such interest
12 (that which is intended to be sold is hereinafter called the "Subject Interest") and
13 (ii) offer to sell the Subject Interest to the other members at a price no greater, and
14 on terms and conditions no less favorable to the purchaser, than specified in a
15 bona fide written offer received by the Selling Member from a third party.

16 Paragraph 7.1(b) provides, in pertinent part:

17 Beneficiaries of the Managing Members will be herein named, an equal percent to
18 that of Managing Member of the Company will automatically be transferred to
19 beneficiaries of said Managing Member.

20 The language is identical for Wendover Project, LLC. [Exh. C2]

21 The Plaintiff's Assignments, adopted by the Arbitrator, transfer nothing to the
22 Defendants and deny them the benefit of the settlement.

23 Pursuant to the broad outline recited in the transcript, the parties were required to be
24 "capable of transferring the interests that are subject to this Order free and clear of claims by any
25 third parties." [Exh. A, p. 6, lines 13-19] A right of first refusal is such a claim. The proposed
26 transfer would be completely illusory since it is, as drafted, subject to the express rights of first
27 refusal provisions contained within the Operating Agreement.

28 The first item in Plaintiff's ultimatum, adopted verbatim by the "Implementation Award,"
is payment to Plaintiff's counsel within 5 days prior to any other conveyance. This is not a

1 minor detail. Under the Implementation Award, the Defendants would be required to pay out
2 \$250,000 without assurance that the rest of the process would take place.

3 The best – and only – way to handle such complex transactions would be to place the
4 money, the deeds, assignments and beneficiary designations into an escrow account. An escrow
5 transaction would also require certain federally mandated disclosures for IRS purposes [Exhibit
6 M,] pursuant to 26 U.S.C. § 1445, which the Defendants believe should not be allowed to be
7 avoided by the Plaintiff's ultimatum.

8 **7. The Decision and Award fail to address other essential terms of the settlement.**
9

10 The Arbitration Decision and Implementation Award also wholly fail to address essential
11 elements of the Defendants' settlement position. The Defendants were adamant that the wives
12 sign the documents because the Plaintiff had a history of disavowing a settlement because his
13 wife didn't sign. No mention of the requirement that the spouses sign is in any of the transfer
14 documents. [Exh. A, p. 7, line 25 to p. 8, lines 3-9] The seriousness of the matter is
15 demonstrated by the Shipyard settlement, a matter which comprised a substantial portion of the
16 arbitration before the mediation began. One year after Mr. Zandian settled with K. Damen, his
17 partner in the Dutch shipyards, and received \$2.1 million Dutch guilders, Zandian rescinded the
18 settlement because his wife had not signed the document. On April 1, 1998, Mr. Zandian's Dutch
19 counsel announced to Shipyard K. Damen that Mr. Zandian was rescinding their previous year's
20 settlement agreement because:
21

22 Mr. Zandian considers the Settlement Agreement of 2 April 1997 null and void
23 because his (former) wife did not sign the agreement.

24 The wife's signature is therefore a material aspect of this settlement. The Plaintiff fired
25 the first shot on September 13, 2006, only five days after the last appearance before the
26 Arbitrator, when he backed out of this part of the arrangement. [Exhibit N]
27
28

1 The settlement agreement requires Mr. Zandian to deliver clear title to his interests in
2 Wendover Project, LLC and Big Springs Ranch, LLC. Zandian testified during the arbitration
3 that his bankruptcy proceedings are still being actively litigated in France and that his claims to
4 stock ownership in the Shipyard K. Damen, the very consideration he tendered for his
5 participation in the transactions at issue in this case, are the subject of the ongoing French
6 bankruptcy litigation. Since Zandian purports to have given \$3,000,000.00 in stock from this
7 bankruptcy court asset to Pico Holdings, in exchange for an interest in Wendover Project, LLC,
8 he will need to provide an order from the French Bankruptcy Court demonstrating he in fact
9 owned the stock and that the French Bankruptcy Court has no claim or interest in the Wendover
10 Project, LLC interests which he is transferring. The requirement would be the same if he were in
11 bankruptcy in Nevada and was seeking to exchange an asset subject to a Bankruptcy Court
12 proceeding without Bankruptcy Court approval.

13
14 The Plaintiff's quitclaim deeds adopted by the Implementation Award are presented with
15 no legal descriptions. Internet printouts from the Washoe County assessor's office are no
16 substitute. It's hard to tell from these documents what the Defendants would be quitclaiming.
17
18 The documents are blank deeds that Plaintiff would receive outside of escrow with no
19 requirement that anything be delivered to the Defendants.

20 Last, but not least, there is no mention in either the Arbitration Decision or the
21 Implementation Award that the defamation claims are dismissed.

22
23 **8. Conclusion**

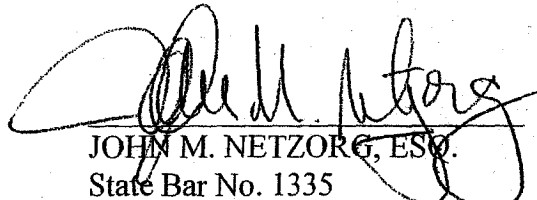
24 This court can do one of four things with this dispute. First, it could reject and vacate the
25 Arbitration Decision and Implementation Award on the ground that they were not the result of
26 arbitration on the merits as they purport to be. Second, it could reject and vacate the decision
27 and award on the ground that the parties did not reach essential terms of a settlement. Third, it
28

JOHN W. NETZORG
2810 W. CHARLESTON F. D., SUITE H-81
LAS VEGAS, NE 89102
(702) 878- JO

1 could reject and vacate the decision and award on the ground that they do not properly
2 incorporate essential terms of the proposed settlement agreement. Finally, it could attempt to
3 reform the decision and award to properly reflect essential settlement terms based on the outline
4 in the record and the terms and exigencies of the LLC Operating Agreements.

5 Because the fourth alternative would place the court itself in the position of a mediator,
6 the "Arbitration Decision" and "Implementation Award" should be vacated.

7 Dated this 18th day of December 2006.

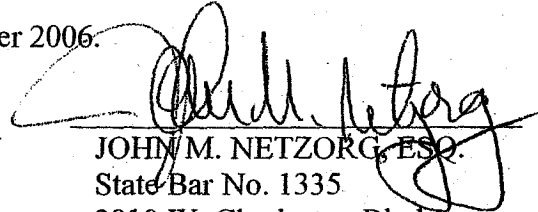
8
9
10 
11 JOHN M. NETZORG, ESQ.
12 State Bar No. 1335
13 2810 W. Charleston Boulevard, #81
14 Las Vegas, Nevada 89102
15 Attorney for Defendants

16 **NOTICE OF MOTION**

17 TO: PLAINTIFF
18 and
19 TO: John Peter Lee, Esq., his counsel of record

20 PLEASE TAKE NOTICE that the Defendants will bring the above and foregoing
21 Motion to Vacate Arbitration Award, or, in the Alternative, Motion to Modify or Correct on for
22 hearing on the 23 day of JANUARY, 2007 at the hour of Chambers a.m. in Department
23 XI
24 XIII of the above entitled Court, or as soon thereafter as counsel may be heard.

25 Dated this 18th day of December 2006.

26 
27 JOHN M. NETZORG, ESQ.
28 State Bar No. 1335
2810 W. Charleston Blvd.
Suite 81
Las Vegas, Nevada 89102
Attorney for Defendants

JOHN PETER LEE, LTD.

ATTORNEYS AT LAW
830 Las Vegas Boulevard South
Las Vegas, Nevada 89101
Telephone (702) 382-4044
Fax (702) 383-9950
E-Mail: info@johnpeterlee.com

MOTION TO
VACATE

Esq.

DATE: December 19,

FROM: John Peter Lee

If there is a problem with this transmission, please call us at (702) 382-4044

To: Reza Zandian
Fax No. 858-625-2460
Pages: 14
Our File No. Zandian, 1334.022860
Hard Copy to Follow: no

Message: Enclosed find copy of Motion to Vacate Arbitration Award or in the alternative Motion to Modify or Correct.

The information contained in this facsimile is confidential and may also be attorney-client privileged. The information is intended only for the use of the individual or entity to whom it is addressed and others who have been specifically authorized to receive it. If you are not the intended recipient, or the employee responsible to deliver it to the intended recipient, you are hereby notified that any use, dissemination, distribution or copying of this communication is strictly prohibited. If you have received this communication in error, please immediately notify us by telephone and return the original message to us at the address above by mail. Thank you.

WFZ2000

MEMORY TRANSMISSION REPORT

TIME : DEC-19-2006 13:10
TEL NUMBER : 7022564592
NAME : JOHN PETER LEE

FILE NUMBER : 486
DATE : DEC-19 13:08
TO : 18586252460
DOCUMENT PAGES : 015
START TIME : DEC-19 13:08
END TIME : DEC-19 13:10
SENT PAGES : 015
STATUS : OK

FILE NUMBER : 486 *** SUCCESSFUL TX NOTICE ***

JOHN PETER LEE, LTD.

ATTORNEYS AT LAW
830 Las Vegas Boulevard South
Las Vegas, Nevada 89101
Telephone (702) 382-4044
Fax (702) 383-9950
E-Mail: info@johnpeterlee.com

John Peter Lee, Esq.
Paul C. Ray, Esq.
Holly A. Fic, Esq.
Trevor J. Hatfield, Esq.
Michael A. Reynolds, Esq.

FACSIMILE TRANSMISSION

DATE: December 19, 2006
FROM: John Peter Lee, Esq.

If there is a problem with this transmission, please call Judy Reilly at (702) 382-4044

To: Reza Zandian
Fax No. 858-625-2460
Pages: 14
Our File No. Zandian, 1334.022860
Hard Copy to Follow: no

Message: Enclosed find copy of Motion to Vacate Arbitration Award or in the alternative Motion to Modify or Correct.

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COPY

DISTRICT COURT
CLARK COUNTY, NEVADA

* * * * *

JAN 16 10 39 AM '07

GHOLAMREZA Z. JAZI, et al. .
Plaintiffs .
vs. .
RAY KOROGHLI, et al. .
Defendants .
.....

FILED
CASE NO. A-511131
Chay SR

DEPT. NO. XI
CLERK OF THE COURT

Transcript of
Proceedings

BEFORE THE HONORABLE ELIZABETH GONZALEZ, DISTRICT JUDGE

HEARING ON MOTIONS

THURSDAY, JANUARY 11, 2007

RECEIVED
JAN 16 2007
JOHN PETER LEE, LTD.

APPEARANCES:

FOR THE PLAINTIFFS:

HOLLY FIC, ESQ.
MICHAEL A. REYNOLDS, ESQ.

FOR THE DEFENDANTS:

JOHN M. NETZORG, ESQ.

COURT RECORDER:

JILL HAWKINS
District Court

TRANSCRIPTION BY:

FLORENCE HOYT
Las Vegas, Nevada 89146
(702) 221-0246

Proceedings recorded by audio-visual recording, transcript
produced by transcription service.

CC TO CLIENT: *AL*
INITIALS: *1/12/07* WFZ2003

1 LAS VEGAS, NEVADA, THURSDAY, JANUARY 11, 2007, 10:23 A.M.

2 (Court was called to order)

3 THE COURT: Okay. A-511131, Jazi versus Koroghli.

4 (Pause in the proceedings)

5 MS. FIC: Holly Fic, Your Honor, for the plaintiff.

6 Bar Number 7699.

7 MR. REYNOLDS: And Mike Reynolds, also.

8 MR. NETZORG: Good morning, Your Honor. John

9 Netzorg on behalf of the defendants.

10 (Off-record colloquy - Court and Clerk)

11 THE COURT: Okay. Which motion do you want to do
12 first, the motion to vacate, or the motion to confirm the
13 arbitration award?

14 MS. FIC: Since our motion is first, Your Honor, I'd
15 like to argue first. And I promise I won't be that long. I
16 have an 11:00 o'clock, actually a settlement conference, to go
17 to.

18 THE COURT: You saw that the gentleman who was here
19 earlier kept saying he was going to be brief, and even though
20 he's not a lawyer, he talked for a really, really long time.

21 MS. FIC: I promise you I won't be --

22 (Off-record colloquy)

23 MS. FIC: Your Honor, hopefully, I mean, I consider
24 -- you know, we have our motion to confirm an entry of
25 judgment. We've got a simple premise here. We've got an

1 11/28, 2005, stipulation to arbitration. Not for mediation,
2 it's for arbitration. The defendants fully agreed to submit
3 to arbitration and that the arbitration shall be binding with
4 no right of appeal. It's Exhibit 2. And it shows that the
5 defendants actually, you know, participated in the language,
6 because they hand-wrote certain notes that they did or did not
7 agree to and initialled any changes. But they left the
8 provision that the arbitration shall be binding with no right
9 of appeal as unmarked, and therefore it stands. And it is our
10 stipulation for arbitration.

11 We also had an arbitration scheduling order. The
12 parties agreed -- specifically, defendants agreed to Mr. Hale
13 to arbitrate the matter, who, after having heard two full days
14 of testimony, having reviewed all the exhibits, the
15 depositions that were submitted, and arguments of counsel on
16 9/8/06, set forth the parties' stipulation on the record. And
17 he even stated that -- Mr. Hale stated that he would file an
18 arbitration decision, to which none of the parties objected.
19 He fully asked the parties if they would want to participate
20 in any changes. He asked on two occasions. He invited the
21 parties to add any additional terms, and they were set on the
22 record. The court reporter recorded the terms of the
23 agreement as if it was a stipulated judgment. The arbitrator
24 recorded these and memorialized the terms, and he even said,
25 this will completely resolve all claims of the LLCs and the

1 individuals that are involved in this litigation.

2 And consistent with the arbitrator's record of the
3 September 8th, 2006, resolution, Arbitrator Floyd Hale issued
4 the arbitration decision. So not only did the parties have
5 the terms recorded by a court reporter, but this was
6 formalized by a decision by the arbitrator called an
7 "Arbitration Decision."

8 So there's case law out there, Your Honor, that when
9 there's just even the attorneys doing -- who have
10 authorization to settle and they put it down in writing with
11 the court reporter, that's almost like EDCR 7.50, which
12 provides that stipulations should be in writing or entered in
13 the court minutes.

14 Here we had an arbitration which had gone on for
15 some time. It wasn't just a one-shot deal. Parties had given
16 opening testimony -- I mean opening statements, and testimony
17 was taken and everything like that. So here we have it.
18 We've got an agreement on the record with counsel present,
19 with the parties present, and a neutral third-party
20 arbitrator. The terms were recorded by a court reporter, like
21 EDCR 7.50, and then it was actually reduced to a writing in
22 the arbitration decision.

23 And so -- and, you know, and counsel were free to
24 add anything they want. And then we get it down to where
25 we're going to have it down -- put it down to writing, have

1 the parties sign these agreements, and they back out. We
2 prepared everything for them to sign it. And also, too, the
3 parties had gone back and forth with Arbitrator Hale, asking
4 to reopen these issues, asking -- and they were denied. And
5 we did a motion to implement the award, and that was granted
6 by the arbitrator.

7 So what we're seeking, Your Honor, today is to
8 confirm and enter this arbitration award and confirm the
9 decision of the arbitrator, because we don't want to keep
10 going back and forth. The terms were set forth, the parties
11 agreed to them, the parties were present, counsel was present,
12 and we had an arbitrator there. So we would submit that, Your
13 Honor, please confirm the arbitration decision and enter the
14 judgment so that the parties will sign the release agreements.

15 THE COURT: Mr. Netzorg.

16 MR. NETZORG: Thank you, Your Honor.

17 As we've argued in the briefs rather extensively,
18 this started out as an --

19 THE COURT: Very extensively. My son thought I had
20 more homework than he did last night.

21 MR. NETZORG: I know. And I appreciate it. I know
22 it's rather voluminous. It's very important, obviously, to
23 the client.

24 THE COURT: Okay. I understand. It's important to
25 everybody.

1 MR. NETZORG: And this started out as an
2 arbitration, and that is correct. And then there were a
3 couple items that weren't accurate. There were opening
4 arguments by counsel. The plaintiff gave his direct
5 examination, and then he was cross-examined on about one third
6 of the materials, at which point a mediation started. Counsel
7 argues that as a result of these proceedings that the parties
8 understand it was put on the record. And, Your Honor, this is
9 the only place where you see the defendants' participation.

10 But first and foremost, Your Honor, Arbitrator Hale
11 mentions that he was proud that the parties asked him to
12 mediate instead of arbitrate. He references that the terms
13 and conditions will be in the settlement agreement. We'll go
14 into these in more specifics in a second.

15 But, Your Honor, what has happened is there was a
16 settlement of this case, and the plaintiffs haven't performed
17 material terms and conditions, material terms and conditions
18 that appear in the recorded arbitration statement. And I'd
19 ask the Court -- it's just a few pages, and we might go
20 through that and review it, because it is critically
21 important. This is where the parties' understandings are
22 discussed. It's Exhibit A to our motion to vacate, which
23 makes it the easiest to locate, because it's Exhibit A. But
24 it's attached on numerous occasions. I'm sure the Court's had
25 a chance to review it. The pagination --

1 THE COURT: What page?

2 MR. NETZORG: Our motion to vacate, Exhibit A.

3 THE COURT: But what page on that?

4 MR. NETZORG: I would ask the Court to turn to
5 page 4 at the bottom. And my cross-references will be to the
6 pagination at the bottom of the exhibit, rather -- because for
7 some reason --

8 THE COURT: This is a rough transcript, so its page
9 numbers differ from that which is attached to the other
10 side's, plaintiffs' transcript.

11 MR. NETZORG: Oh. Very good. Very good.

12 THE COURT: I noticed that when I looked at them
13 last night.

14 MR. NETZORG: Well, thank you, Your Honor. Because
15 I -- it was most confusing to counsel, as well.

16 But as we review it, after -- and understand this
17 arbitration lasted for weeks, but that was because we went
18 over our allotted time and Arbitrator Hale had Fridays
19 available. So the fact it went on for weeks was not
20 indicative that the actual -- we were hearing testimony day
21 in, day out.

22 But Mr. Hale went on the record, and he announces
23 the case at page 4 and at page 5, and he says -- he says,
24 "Having heard two full days of testimony and the arguments of
25 counsel, it appears that the resolution of this case will be

1 as follows. And counsel are free to correct me."

2 And the intention was, Your Honor, that because this
3 was a settlement and we were putting it on the record, that
4 the people's intentions -- the parties intentions be added.
5 This wasn't a decision on the merits. It was exactly what it
6 was, a settlement, as if I were to come in here and say, Your
7 Honor, we've settled today, we want to put the terms and
8 conditions on the record.

9 What were those terms and conditions? Very first
10 thing -- page 5, Your Honor, of Exhibit A. Very first thing,
11 to make sure that there was no confusion. "This is pursuant
12 to a stipulation, obviously, so we want to make sure there is
13 a universal and complete resolution of all issues." That was
14 a material consideration.

15 THE COURT: That's you talking, as opposed to Mr.
16 Hale?

17 MR. NETZORG: That's me, talking, yes. That's the
18 very first thing after -- after -- just to make sure that that
19 was on the record, that there wasn't any confusion later and
20 that someone would try and deny us the benefits of why it was
21 that we were going to be tendering over \$5 million in
22 consideration. So this wasn't a situation where we had a car
23 accident and we were worried about the fender. This was a
24 real estate case that involves over 40,000 acres of land over
25 7 square miles of property located in four separate sections

1 that had been acquired at a price in excess of 16 million.

2 And did we not ask to have this recorded?

3 THE COURT: It's always recorded in here.

4 MR. NETZORG: Ah. Very wonderful.

5 THE COURT: Now you're going to get a bill for it.

6 MR. NETZORG: Thank you very much. I appreciate
7 that. Please send me your bill. I'm too old to be forgetting
8 that one. But thank the Court to deferring to business
9 litigants who --

10 Okay. So the defendants were looking for a
11 universal settlement. And the Supreme Court has held on
12 innumerable occasions that obviously a settlement and
13 resolution is a material consideration.

14 Mr. Hale then went on and discussed some portions of
15 it. He talks about Mr. Zandian [phonetic] at page 6, and he's
16 going to get the Pahrah [phonetic] property, and the Pahrah is
17 I believe 4400 -- 4600 acres, and I may be wrong, and he's to
18 receive it free and clear. Well, that was very important,
19 that he receive it free and clear, just as it was important to
20 the defendants that they receive his consideration free and
21 clear. So the Pahrah land -- this is in Fernley, Nevada, and
22 it is 4600 acres, but I may be mistaken, it's over a thousand.
23 At which point on page 7 at line 11 I mention that there's --
24 there's some engineering that hasn't been done.

25 And then Mr. Lee states -- and this is I take

1 umbrage with the position that's been argued that we didn't
2 present the arguments or didn't complain at the time. It
3 says, "John, please do me a favor --" "John" referring to me
4 at page 7 and line 13 at the top "-- let the gentleman finish.
5 Let him finish, and we will put our comments --" So he's
6 asking that we put the comments, I understood it, at the end.

7 So Mr. Hales starts all over and he talks about the
8 Pahrah property at page 7, line 20, is to be free and clear to
9 Mr. Zandian.

10 And then on page 8 he talks about 320 acres, also
11 located in Washoe County, and that's to be free and clear to
12 Mr. Zandian, because it was very important that it be free and
13 clear. "Mr. Sadri and Mr. Koroghli will within 30 days from
14 today pay Mr. Zandian \$250,000." There was nothing about
15 paying Mr. Lee \$250,000. That's what the parties had
16 negotiated. They were to pay Mr. Zandian \$250,000. There is
17 a change subsequently, but that money was money that wasn't
18 fees awarded to Mr. Lee. That was part of the consideration
19 we're talking. And this has serious importance to the
20 defendants because there are tax consequences of this
21 transaction, there are innumerable other parties involved,
22 there are other people that hold ownership interests, and
23 we're -- we address these at a later -- very shortly,
24 actually.

25 Then at page 9 Mr. Hale goes on and talks about, at

1 line 16, all the LLCs and properties that are subject to this
2 arbitration herein, including the Pahrah properties and the
3 Wendover project, waive any claim to reimbursement for
4 consulting fees.

5 And then he states, "The parties will through
6 counsel prepare any necessary documents to effect the
7 transfers of the LLCs and the underlying real estate." This
8 is page 9, lines 21 through 23. So it's understood that
9 there's going to be a preparation of further documents.

10 But going on at page 9 on the rough draft, our
11 Exhibit A, line 24, "And the parties and representatives of
12 these LLCs will execute all necessary documents to effect this
13 settlement and arbitration order." This settlement. This is
14 a settlement and the meeting of the minds. The defendants had
15 an understanding of what they were to get, and it's expressed
16 in this document.

17 Now, "Mr. Lee: We would like to have the check
18 payable to my office for \$250,000." He wants the check made
19 payable to his office. This is Mr. Zandian's \$250,000. He
20 wants it payable to his office. There's nothing about he's
21 supposed to get paid five days in advance, there's nothing
22 about that the defendants are under a unilateral obligation to
23 perform.

24 Then, "Mr. Hale: The settlement check will be
25 payable to John Peter Lee." This is a settlement. This is

1 what we understood. That's what everyone talked about,
2 settlement agreements and settlement.

3 Then finally, "Anything else?" Now, Mr. Lee had
4 requested that we put our items -- or withhold them to the
5 end, so at page 10, line 9, "We would like a mutual release
6 executed by and between the parties." And Mr. Hale agrees to
7 that.

8 Then below that we talk about -- page 10, line 13 --
9 "We need a warranty from the parties that the properties and
10 interests being transferred haven't been previously
11 transferred --" this is typical; you're not going to take some
12 interest not of record with no warranty "-- that the parties
13 in fact do currently hold these interests --" we want to know
14 that there hasn't been a conveyance, typical, it would be
15 boilerplate warranties "-- and that they are capable of
16 transferring the interests that are subject to this order free
17 and clear of claims by any third parties." This is at pages
18 10 and 11 of Exhibit A. Free and clear.

19 Well, Your Honor, we've provided the Court with
20 Exhibit C1, which is the rights of first refusal that the
21 plaintiff has assigned all of his LLC interest, he has given a
22 prior transfer to a limited number of members. In the Big
23 Springs Ranch, LLC, which is 35,000 acres, there's one other
24 member, Mr. Abershombie. With the Wendover Project, which is
25 approximately 67 acres located outside of Wendover, I think

1 there may be 13 other members of the LLC. He was under an
2 obligation to deliver this free and clear. He has never
3 tendered his property free and clear. Every tender has been
4 subject to rights of first refusal in third parties.

5 It is customary -- we went to West, we went to
6 business transactions and filled out a form assignment of an
7 LLC or limited partnership interest, and the form assignment
8 necessarily is the consent from the other parties that hold
9 rights of first refusal. There are two reasons. One, even
10 absent a right of first refusal, a transfer without the
11 consent would liquidate the limited partnership. Mr. Zandian
12 was receiving thousands of acres free and clear, and he was to
13 deliver the consideration free and clear. And he has not.

14 And so under the proposed -- you know, why they
15 would try and cram this thing down, why -- why in the world
16 would the defendants be required to transfer their assets
17 encumbered subject to rights of first refusal in third parties
18 while the plaintiff would receive them free and clear? It
19 clearly was not the intention. And they have refused to sign
20 this document. It is in here. We are asking that which is
21 customary. These are standard, customary requirements.
22 There's nothing exceptional.

23 Your Honor, also in 100 percent of all escrows
24 handled in Nevada and everywhere else in the United States of
25 America the parties to the real estate escrow are required

1 under federal law, 26 USC, Section 1445, to make a declaration
2 to the Internal Revenue Service of their non-foreign residency
3 status. That is federal law. Typically that appears in a
4 separate document.

5 The only change we made to the form document was to
6 eliminate a number of the provisions and to include the non-
7 foreign resident declaration because this involved transfers
8 of interest in real property. Those --

9 MS. FIC: I don't mean to interrupt. Can we
10 clarify? I don't -- how are we in an escrow? I mean, I don't
11 think escrow even applies. I mean, I --

12 THE COURT: You've got to do an escrow.

13 MS. FIC: You do?

14 THE COURT: You have land that you're transferring;
15 right?

16 MS. FIC: Okay.

17 THE COURT: So --

18 MS. FIC: Well, because we -- we did quitclaim
19 deeds, and we sent over all the paperwork and --

20 MR. NETZORG: Excuse me. I'm sorry. I waited
21 for --

22 THE COURT: Somebody not going to tell the IRS about
23 this transaction? Because that would be bad.

24 MS. FIC: I just didn't think there had to be
25 escrow.

1 THE COURT: That's all right.

2 MR. NETZORG: Then -- so this -- this is the essence
3 of the transaction. Why would we -- why would we take
4 interests that were encumbered by third parties so that we
5 could invite future litigation when the whole -- the very
6 first thing I said is, Your Honor, we need a universal
7 settlement? This is a universal settlement. We don't -- we
8 want the property free and clear. They have consistently
9 refused.

10 On that issue, we were provided blank quitclaim
11 deeds with runoffs from some database, no legal description
12 incorporated in them, where we would just sign them in blank
13 and hand them to the defendant. We're supposed to give five
14 days before we get anything a quarter of a million dollars to
15 the attorney. Where this requirement came from I cannot
16 fathom. "I'll let the two of you to work out the language."

17 Well, Your Honor, I didn't think taking a --
18 whatever. I took a form document as I would have done in any
19 other transaction for an assignment of an LLC interest,
20 especially -- this wasn't -- if it was five or ten dollars,
21 maybe you could do it on a cocktail napkin like the one the
22 plaintiffs put together, but any other document would have
23 necessarily have required, you know, the representations to
24 which the parties had agreed.

25 Then looking at page 11, line 2, I mentioned that

1 they were speaking of three married guys, we want to know if
2 they're speaking for the community interest of their spouses
3 on each and every one that is transferred. This was
4 specifically in the -- in the transcript. And why was this
5 important?

6 We've given you the history of the Dutch Shipyard.
7 The testimony -- cross-examination of Mr. Zandian had simply
8 covered the Dutch Shipyard transaction. We hadn't even gotten
9 much beyond that. This is a case where in 1997 he had signed
10 off for \$2.1 Dutch guilders. He settled with his Dutch
11 partner to sell his interest. One year later he rescinds that
12 transaction, that settlement, that global release, premised on
13 the fact his wife hadn't signed. So with that track history
14 these were documents in there. It was critically important
15 that the wife sign, because we knew that the last major
16 settlement that he was involved in, he'd used that for
17 rescission. And he testified that eight years later he still
18 had that Dutch Shipyard tied up in litigation over the wife
19 issue and his French bankruptcy.

20 Then he showed up at the hearing with a liquidacione
21 fiduciare [phonetic], a personal bankruptcy filing that he had
22 in France. And he testified that this litigation involved his
23 -- his -- he said it was his corporate bankruptcy in France,
24 so we, having been alerted to that, as with anyone, as if --
25 if he'd been in bankruptcy in Oklahoma and the consideration

1 that he paid for the interest was in litigation in bankruptcy
2 court, we asked for an order from the court verifying that
3 they had no interest -- this was subsequently, but, I mean,
4 yeah, we wanted it free and clear, and one of the things was
5 free and clear of the bankruptcy interest.

6 "Mr. Lee: With regard to the spouses issue --" at
7 page 12, line 6 "-- we can work out the form of the details.
8 I'm not concerned about this." This is in response to
9 Arbitrator Hale's, "We may want spouses to sign."

10 So it wasn't even an issue. It wasn't an issue
11 until four days later, when Mr. Lee said the spouses weren't
12 going to sign. And that's where the problems started, when
13 the plaintiff immediately reneged on the agreement and how has
14 come in and said, well, gee, the arbitrator wrote a form
15 that's completely inconsistent with everyone's understanding
16 and the record and we're going to cram that down your throat,
17 we're not going to have the spouses sign, we're not going to
18 provide clear title to the LLC interests, we're going to give
19 you an assignment subject to rights of first refusal that will
20 guarantee the liquidation of your entities.

21 There's another provision in the LLC agreements that
22 provides on the resignation that the LLC shall dissolve. So
23 without -- they prepared a separate resignation form to
24 guarantee that they would have that resolved.

25 So the defendants are asked to transfer what

1 arguably could be millions of dollars in assets and in
2 consideration for nothing. And that was not the
3 understanding.

4 Then once again I point at page 12, lines 16 and 17,
5 "That is fine. That can be in the settlement agreement."
6 Once again we're talking about the settlement agreement. This
7 is page 12, lines 16 and 17, when I'm talking about the
8 warranties and satisfaction. So the notion that this was not
9 a settlement agreement, we're calling it a settlement
10 agreement, here it's the settlement agreement, everybody knew
11 there was going to be a settlement agreement -- no one in
12 their wildest imaginations dreamed that something would be
13 concocted completely inconsistent with this, denying the
14 defendants any of the benefits that they'd negotiated for.

15 At the next page, page 13, line 22, "We want to do
16 an allocation of the purchase price." If we were transferring
17 five and a half million dollars or more in assets and there
18 was potentially rights of first refusal, we couldn't have the
19 situation which the defendants have intentionally engineered.
20 Big Springs Ranch, for instance. There's a recital that
21 \$250,000 is to go for the waiver of the Big Springs Ranch
22 issue. There are four members -- or there -- of Big Springs
23 Ranch, arguably. If you just waived the interest, then all
24 those members, even Mr. Abershombie, who's not a party to the
25 litigation and not paying any consideration, would be the

1 beneficiary of that grandess.

2 The parties paid \$2.8 million for that property, and
3 to say, well, we're going to allocate a \$250,000 value? No.
4 I mean, for tax purposes, for basis purposes it was important
5 that the consideration that the defendants were tendered would
6 be allocated and there'd be some correlation between the
7 values and the allocation made. What do we get? \$250,000 for
8 a waiver of the Big Springs Ranch interest. So that in effect
9 gives us nothing. It permits the other partner to, arguably,
10 I guess, under that resolution exercise a right of first
11 refusal, which would allow him to buy an interest for a
12 fraction of what it cost three years previously. "Mr. Lee:
13 You can allocate anything you want to." "Mr. Netzorg: That
14 is good, as long as you understand." It was important to us.

15 And then finally, on page 14 -- and I'd mentioned
16 the candy's been excellent because the arbitrator had candy
17 there and we were going on and on, eating this candy. "And
18 then there is -- with the understanding that those items --
19 thank you very much for the excellent job you did."

20 Your Honor, I've said those items were all important
21 to us. This is a part and parcel of our consideration. We
22 have not been provided it. There have been quitclaim deeds,
23 there've been grant, bargain and sale deeds. There's no
24 spouses. The assignments contained -- are subject to rights
25 of first refusal. So obviously, Your Honor, there was no

1 meeting of the minds. The plaintiff steadfastly refuses to
2 perform any of those. And this is -- these were material
3 consideration which was not provided.

4 When we filed -- and under the rules, Your Honor,
5 there's a requirement that you file within 20 days of the
6 decision. All of a sudden here comes the decision. So --

7 THE COURT: Which one? Because I've got three.

8 MR. NETZORG: The first one.

9 So within 20 days you have to move to modify under
10 the rules. That's what we did. We put our motion to modify
11 in, it was delivered to the arbitrator's office, and an hour
12 later we had a decision denying our motion. There was never a
13 settlement agreement.

14 Then there was a motion to enforce the award. The
15 arbitrator correctly said he had no authority to enforce the
16 award, take it to District Court, I believe was --

17 And then finally there was a motion to implement the
18 award. It went under advisement. Out of the blue here comes
19 an implementation order from the plaintiff, which doesn't deal
20 with the spouses, doesn't deal with our rights of first
21 refusal, doesn't deal with the fact that the LLCs will be
22 dissolved by the documents that have been prepared, doesn't
23 even address our request that they sign our form assignment
24 provision and get the consent. And the next day that comes
25 back basically signed by the arbitrator.

1 Now we have these motions in here, and we're
2 pretending the apples are oranges. It was a settlement
3 agreement, everyone knew it was a settlement agreement, the
4 settlement's put on the record. Even today the argument is
5 they put the settlement on the record. And the plaintiffs
6 haven't performed.

7 So if we were to stuff this down the defendants'
8 throats and give them nothing when their intention was clearly
9 to the contrary, then these are the very items which are
10 reviewable under NRS Chapter 38. You look for modification of
11 the award; was there an evident mathematical miscalculation or
12 an evident mistake in the description of a person, thing or
13 property; the arbitrator's made a award on a claim not
14 submitted to him; the award is imperfect in matter of form not
15 affecting the merits. "The motion to modify or correct an
16 award pursuant to this section may be joined with a motion to
17 vacate the award."

18 Well, the reason that you put things on the record
19 is so you have a record of it. And that reflects what the
20 parties' intentions were. And the other, later items do not.
21 There wasn't any substantive changes. There is a
22 misinterpretation of that which was clear and unambiguous.
23 And it's so one-sided. Why are these requirements that we
24 transfer our assets free and clear and they transfer them to
25 us -- well, they don't even transfer them to us. They give us

1 their title subject to third parties' rights and interests and
2 potentially bankruptcy court's ownership.

3 And, Your Honor, also, additionally, if you look at
4 it, I mean, just for the purposes of doing the analysis on the
5 vacation, the process itself, you know, was there fraud or was
6 this an undue process. Well, this was an undue process. You
7 don't have people do a settlement, tell them it's a
8 settlement, tell them there's going to be a settlement
9 agreement, and then say, oh, here's an award -- here's an
10 award and we're going to treat this as if I'd actually
11 conducted the trials.

12 The defendants had numerous witnesses that they were
13 going to call. None of them were called. One of the
14 plaintiffs' witnesses was -- the plaintiff was called and
15 direct examination. There was no testimony from the other
16 witnesses. There was no testimony by the defendants.

17 So, Your Honor, for these reasons there just has
18 been no meeting of the minds. And this is reflected -- the
19 statutory grounds for the vacation are met. This settlement
20 has not been fulfilled. And, Your Honor, basically we had a
21 mediation, obviously there was not a meeting of the minds and
22 material consideration. We would ask that the matter be
23 reverted with a new arbitrator. Because if the parties
24 haven't decided, then let them go arbitrate. If all these
25 plaintiffs are going to give us is clouded title to the assets

1 that we were to pay five and a half million dollars for, then
2 obviously there's no meeting of the minds, go arbitrate.

3 Under the circumstances, Your Honor, it should be in
4 front of a new arbitrator because of the involvement in the
5 mediation. And the other bases are articulated in our motion.
6 And the other issues that this -- you know, the fact that for
7 some reason why when we submitted our documents they were
8 summarily denied without even consideration and without -- we
9 do our motion for -- to modify, we have our form assignment
10 agreement with no oppositions filed, nothing, just, bam,
11 denied. You know, we have our final motion, implementation,
12 which we consider as under consideration raising many of these
13 issues. I mean, how can we just arbitrarily not comply with
14 federal law? How can we leave the spouses out? How can we
15 ignore the rights of first refusal? We can't. That
16 invalidates the procedure.

17 The only question is what's the remedy. And the
18 remedy under the circumstances where the arbitrator has
19 performed a mediation is to send it to a new arbitrator and
20 let the parties finalize it, give the defendants an
21 opportunity to testify. The defendants have not. The
22 defendants were told repeatedly the settlement, settlement,
23 this is a settlement, there'll be an agreement, put your items
24 at the end. They were put there at the end without objection,
25 and then summarily eliminated, the very consideration that

1 formed the basis of the settlement removed.

2 So the defendants were denied under the statutes,
3 NRS 38, basically what amounts to their day in court. And
4 there's no pretense that this was a complete, full and fair
5 hearing, nor did the parties intend that it be such. They
6 settled it, they put the settlement on the record. The
7 plaintiffs are now disagreeing and started immediately, our
8 spouses won't sign, that'll be confusing. Well, we didn't get
9 the benefit -- had they notified us the day that we were
10 putting it on the record, it never would have happened.

11 And the other items I detailed in my opposition to
12 their motion and their reply. So thank you, Your Honor.

13 THE COURT: Okay.

14 MS. FIC: Your Honor, I have a suggestion, okay.
15 Because what I keep hearing is settlement, settlement,
16 settlement. We agree there was a settlement. I did say
17 settlement, okay. But the settlement terms were -- the terms
18 -- essential terms were put in -- recorded by a -- on the
19 transcript by the court reporter. So we have the essential
20 terms, okay.

21 THE COURT: You do.

22 MS. FIC: What I'm hearing is --

23 THE COURT: And you're missing some of the things in
24 the documents you have as to those essential terms.

25 MS. FIC: Okay. And that's -- okay, Your Honor, so

1 fine. So if we have the essential terms, if we've got
2 disputes with this, why don't we -- okay. I don't want to do
3 a new arbitrator, because that's going to be costs to both
4 parties. It's not going to be efficient. Arbitrator Hale was
5 agreed to --

6 THE COURT: I'm going to solve your problem. It's
7 really easy. I'm going to refer the matter back to Floyd Hale
8 for further proceedings, consistent with the 9/8/06
9 transcript. Those will include getting the mechanism for the
10 spouses of the parties to sign the documents, getting a
11 mechanism for the waiver of the release of the rights of first
12 refusal that exist, entering into the settlement agreement the
13 parties entered into. If he is unable to reach an agreement
14 among the parties, then I will have the final word. I --

15 MS. FIC: Because, Your Honor --

16 THE COURT: Wait, wait, wait. I'm not done.

17 MS. FIC: Okay. Sorry, Your Honor.

18 THE COURT: Okay. I recommend -- this is not an
19 order -- that an escrow be opened for the transfers of the
20 real property. If you are merely transfer interests in an
21 LLC, which has different tax consequences to both of your
22 clients, I don't think it's necessary for an escrow to be
23 opened. But if you're transferring real property, which is
24 what it currently looks like to me you were trying to do based
25 upon the settlement, then an escrow needs to be opened.

1 I'm referring it back to Mr. Hale, since I would
2 typically in a case where a settlement was reached and there
3 was a mediator or arbitrator involved refer it to that
4 individual for some additional work with you to try and
5 resolve those disputed issues, since they were there at the
6 time you reached the settlement. Hopefully I have a
7 transcript that helps me. If you are unable to reach an
8 accommodation after speaking to Mr. Hale, then I will reach an
9 accommodation, because I have a transcript, and I'll make a
10 decision. And it won't be one that anybody's tax benefits are
11 in favor of, because there's no indication in the transcript
12 that you're going to work together to minimize tax
13 consequences to each other, which sometimes I see in
14 settlement agreements. And I didn't see that in this one.

15 MS. FIC: Yeah. 'Cause the only concern was I
16 didn't want to have like maybe one wife not sign, because
17 there's a lot of -- you know, one wife not signing upset the
18 whole thing.

19 THE COURT: The wives have to sign. That was part
20 of the deal you guys cut. You cut a deal the wives are going
21 to sign. The wive's have got to sign.

22 MS. FIC: We --

23 THE COURT: That was part of the discussion on
24 September 8th during the --

25 MS. FIC: Floyd Hale said that, but then it was not

1 added to at the end of it that we were required to have all
2 the wives sign. Because here's the thing, they're non-
3 parties. And what happens if one --

4 THE COURT: How are you going to -- wait now. This
5 is just really common sense.

6 MS. FIC: Okay.

7 THE COURT: How are you going to transfer an
8 interest in real property which may be owned by both of the
9 people and the wife has a claim, especially in places where it
10 is voidable if you do not have the spouse sign? How are you
11 going to transfer that property free and clear?

12 MS. FIC: Because the husbands -- I mean, there's
13 NRS statutes --

14 THE COURT: Okay. I'm going to send you back to Mr.
15 Hale, and the wives need to sign. Spouses need to sign, and
16 the people who have the first right of refusal need to waive.

17 MS. FIC: So we'll come back to you if one of the
18 wives refuse. That's the only thing. I just don't want to --

19 THE COURT: You're going to come back to me if you
20 are unable to reach an agreement, if you need me to confirm an
21 order. You are also going to come back to me if there is any
22 problem in the implementation of the agreement.

23 But you reached a settlement, it was put on the
24 record. You've got to have a settlement agreement. I know
25 that Mr. Hale drafted an arbitration award, because he

1 conducted a portion of the arbitration. And I don't really
2 have a problem with that, but we need to have the
3 documentation consistent with the discussions that were --
4 that occurred on September 8th, 2006, which are a part of the
5 actual record the court reporter made, at which time both
6 parties stipulated in front of the arbitrator that they had
7 agreed to go to as part of the extrajudicial proceedings,
8 which in my mind makes it an enforceable settlement. Okay.

9 MR. NETZORG: Thank you, Your Honor.

10 THE COURT: Have a lovely day.

11 MR. NETZORG: We appreciate it. Happy New Year.

12 MS. FIC: Thank you, Your Honor.

13 MR. NETZORG: Happy to have business court back.

14 THE COURT: Any more business court cases you want
15 to send me, send them along.

16 (Off-record colloquy)

17 THE PROCEEDINGS CONCLUDED AT 9:59 A.M.

18 * * * * *

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25

CERTIFICATION

I CERTIFY THAT THE FOREGOING IS A CORRECT TRANSCRIPT FROM THE AUDIO-VISUAL RECORDING OF THE PROCEEDINGS IN THE ABOVE-ENTITLED MATTER.

AFFIRMATION

I AFFIRM THAT THIS TRANSCRIPT DOES NOT CONTAIN THE SOCIAL SECURITY OR TAX IDENTIFICATION OF ANY PERSON OR ENTITY.

FLORENCE HOYT
LAS VEGAS, NEVADA 89146
(702) 221-0246

Florence M. Hoyt

FLORENCE HOYT, TRANSCRIBER

1/16/07
DATE

JOHN PETER LEE, LTD.

ATTORNEYS AT LAW

830 Las Vegas Boulevard South
Las Vegas, Nevada 89101
Telephone (702) 382-4044
Fax (702) 383-9950
E-Mail: info@johnpeterlee.com

John Peter Lee, Esq.
Paul C. Ray, Esq.
Holly A. Fic, Esq.
Trevor J. Hatfield, Esq.
Michael A. Reynolds, Esq.

FACSIMILE TRANSMISSION

DATE: January 17, 2007

FROM: John Peter Lee, Esq.

If there is a problem with this transmission, please call Judy Reilly at (702) 382-4044

To: Mr. Reza Zandian

Fax No. 858-625-2460

Pages: 29

Our File No. Zandian/Koroghli, 1334.022860

Hard Copy to Follow: no

Message: Enclosed find a copy of the transcript from the hearing held on January 11, 2007

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JOHN PETER LEE, LTD.

ATTORNEYS AT LAW
830 Las Vegas Boulevard South
Las Vegas, Nevada 89101
Telephone (702) 382-4044
Fax (702) 383-9950
E-Mail: info@johnpeterlee.com

John Peter Lee, Esq.
Paul C. Ray, Esq.
Holly A. Fic, Esq.
Trevor J. Hatfield, Esq.
Michael A. Reynolds, Esq.

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1 **ORD**
JOHN PETER LEE, LTD.
2 JOHN PETER LEE, ESQ.
Nevada Bar No. 001768
3 MICHAEL A. REYNOLDS, ESQ.
Nevada Bar No. 008631
4 830 Las Vegas Boulevard South
Las Vegas, Nevada 89101
5 (702) 382-4044 Fax: (702) 383-9950
Attorneys for Plaintiff/Counterdefendant
6 **GHOLAMREZA ZANDIAN JAZI**

DISTRICT COURT

CLARK COUNTY, NEVADA

9 GHOLAMREZA ZANDIAN JAZI,)
)
10 Plaintiff,)
)
11 v.)
)
12 RAY KOROGHLI, individually, FARIBORZ FRED)
SADRI, individually, and as Trustee of the Star)
13 Living Trust, WENDOVER PROJECT, LLC, a)
Nevada limited liability company; BIG SPRING)
14 RANCH, LLC, a Nevada limited liability company,)
and NEVADA LAND AND WATER)
15 RESOURCES, LLC, a Nevada limited liability)
company,)
16 Defendants.)

CASE NO.: A511131
DEPT. NO.: XI

**ORDER ON MOTION TO
CONFIRM ARBITRATION AWARD
AND MOTION TO VACATE
ARBITRATION AWARD**

18 RAY KOROGHLI, individually and FARIBORZ)
FRED SADRI, individually,)
19 Counterclaimants,)
)
20 v.)
)
21 GHOLAMREZA ZANDIAN JAZI,)
)
22 Counterdefendant.)
)
24 WENDOVER PROJECT, LLC,)
)
25 Counterclaimant,)
)
26 v.)
)
27 GHOLAMREZA ZANDIAN JAZI,)
)
28 Counterdefendant.)

CC TO CLIENT *1/19/07*
INITIALS *S*

JOHN PETER LEE, LTD.
ATTORNEY AT LAW
830 LAS VEGAS BLVD. SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

1 GHOLAMREZA ZANDIAN JAZI,
2 Counterclaimant,
3 v.
4 WENDOVER PROJECT, LLC,
5 Counterdefendant.

6 1334.022860-sy

7
8 **ORDER ON MOTION TO CONFIRM ARBITRATION AWARD AND MOTION TO**
9 **VACATE ARBITRATION AWARD**

10 Plaintiff, Gholamreza Zandian Jazi's Motion for Confirmation and Entry of Judgment on
11 Arbitration Award, and Defendants' Ray Koroghli and Fred Sadri's Motion to Vacate Arbitration
12 Award/Motion to Modify or Correct, came before this Court for hearing January 11, 2007. Holly
13 A. Fic, Esq., and Michael A. Reynolds, Esq., of the law firm of John Peter Lee, Ltd., appeared on
14 behalf of Plaintiff and John Netzorg, Esq., appeared on behalf of Defendants.

15 The Court having considered all of the pleadings and papers on file herein and the
16 representations and arguments of counsel,

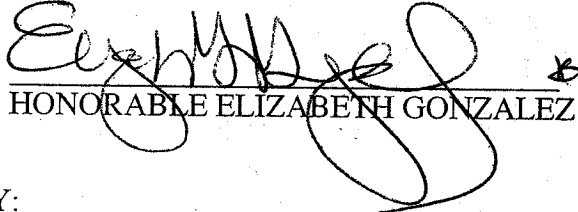
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JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEG. BLVD. SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950


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IT IS HEREBY ORDERED that both Motions are denied. The matter is referred back to Arbitrator Floyd Hale to consider the issues set forth in the oral decision, a copy of which is attached hereto as Exhibit "A."

Dated this 18th day of January, 2007.


HONORABLE ELIZABETH GONZALEZ

RESPECTFULLY SUBMITTED BY:
JOHN PETER LEE, LTD.

BY: 
JOHN PETER LEE, ESQ.
Nevada Bar No. 001768
MICHAEL A. REYNOLDS, ESQ.
Nevada Bar No. 008631
830 Las Vegas Boulevard South
Las Vegas, Nevada 89101
Attorneys for Plaintiff/Counterdefendant

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BLVD. SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

1 ARB
2 FLOYD A. HALE, ESQ.
3 Nevada Bar No. 1873
4 JAMS
5 2300 W. Sahara, #900
6 Las Vegas, NV 89102
7 Ph: (702) 457-5267
8 Fax: (702) 437-5267
9 Arbitrator

RECEIVED
MAR 02 2007
JOHN PETER LEE, LTD.

DISTRICT COURT
CLARK COUNTY, NEVADA

10 GHOLAMREZA ZANDIAN JAZI,) Case No. A511131
11)) Dept. No. XII
12 Plaintiff,)
13 vs.)
14 RAY KOROGHLI, individually,)
15 FABIRORZ FRED SADRI, individually,)
16 WENDOVER PROJECT, LLC, a Nevada)
17 limited liability company; BIG SPRING)
18 RANCH, LLC, a Nevada limited liability)
19 company, and NEVADA LAND AND)
20 WATER RESOURCES, LLC, a Nevada)
21 limited liability company,)
22 Defendants.)

ARBITRATOR REPORT AND RECOMMENDATION TO
DISTRICT COURT

23 This matter was submitted to Arbitration and Arbitration Hearings were conducted for two
24 days, as well as the submission of voluminous exhibits, depositions and briefs. During the
25 Arbitration proceeding, the parties agreed to meet with the Arbitrator in an effort to resolve the
26 dispute. With agreement of counsel, the parties met directly with the Arbitrator and an agreement
27 for a final conclusion of this matter was read into the record, being recorded by a court reporter.
28

FLOYD A. HALE
SPECIALIST
2300 W. SAHARA, SUITE 900
LAS VEGAS, NEVADA 89102
PHONE (702) 457-5267 EMAIL fahale@floydahale.com

Clint
WFZ2039

FLOYD A HALE
SPECIALIST
2300 W. SAHA, SUITE 900
LAS VEGAS, NEVADA 89102
PHONE (702) 457-5267 EMAIL fhale@floydahale.com

1 The undersigned then issued an Arbitration Decision based upon the evidence submitted as well
2 as the agreement of the parties.

3
4 On January 11, 2007, counsel for the parties conducted a hearing before this Court
5 regarding confirmation of the Arbitration Award. Counsel for the parties could not reach an
6 agreement as to what documents needed to be signed to effect the Arbitration Decision. For that
7 reason, the matter was referred back to the Arbitrator for further proceedings. The actual
8 reference, contained in page 25, line 6-14 of the January 11, 2007, transcript is as follows:
9

10 THE COURT: I'm going to resolve your problem. Its real easy. I am
11 going to refer the matter back to Floyd Hale for further proceedings,
12 consistent with the 9/8/06 transcript. Those will include getting the
13 mechanism for the spouses of the parties to sign the documents, getting
14 a mechanism for the waiver of the release of the rights of first refusal
15 that exist, entering into the settlement agreement the parties entered
16 into. If he is unable to reach an agreement among the parties, then I
17 will have the final word.

18 The District Court has already indicated that wives of the principals will need to sign
19 documents. The following report and recommendation will reference the parties to the
20 Arbitration with the understanding that the District Court has already indicated that wives for
21 those parties will be required to sign all necessary documents.

22 IT IS REPORTED AND RECOMMENDED to the Court that the following documents
23 will need to be executed by the parties and their wives:

24 4,400 acres of real estate, owned by Poh Rah, LLC: The only members of the Pah Rah,
25 LLC are the parties to this action: Zandian Jazi; Ray Koroghli and Fred Sadri. These parties will
26 be required to sign a Grant Bargain Sale Deed to transfer the 4,400 acres of real estate to Zandian
27 Jazi. Fred Sadri will need to execute a full reconveyance of the Deed of Trust and release the
28 Promissory Note which was secured by the Deed of Trust as to this property. The parties will also

FLOYD A HALE
SPECIALIST
2300 W. SAHARA, SUITE 900
LAS VEGAS, NEVADA 89102
PHONE (702) 457-5267 EMAIL fhaile@floydahale.com

1 have to sign a waiver of any right of first refusal to this property.

2 320 acres owned by Big Springs Ranch, LLC. The only members of the Big Springs
3 Ranch LLC, are the parties to this action and Mr. Abrishami. If Mr. Zandian Jazi can obtain the
4 signature of Mr. Abrishami on a Deed to transfer this property, then the parties to this action must
5 all execute a Grant Bargain Sale Deed transferring this real estate to Zandian Jazi. If Mr. Jandian
6 Jazi is unable to obtain the signature of Mr. Abrishami, then Mr. Sadri and Mr. Koroghli are
7 required to sign a Quit Claim Deed from Big Springs Ranch, LLC to Zandian Jazi to sign waivers
8 of rights of first refusal.
9
10

11 \$250,000.00 Payment to Zandian Jazi: There has been a dispute as to what entity is
12 responsible for making this payment. During the Arbitration Proceedings, as well as during prior
13 meetings with the parties, it was represented to the Arbitrator that Mr. Sadri and Mr. Koroghli
14 would make this payment. It is Recommended that either Mr. Sadri or Mr. Koroghli, or both, are
15 individually responsible for this payment. Sadri and Koroghli may, however, execute the
16 payment check or draft in whatever representative capacity that they believe is the most
17 appropriate.
18

19 Transfer of Wendover Project, LLC Interest: Zandian Jazi has agreed to waive or transfer
20 any interest that he has, if any, in the Wendover Project, LLC. Mr. Netzorg has argued that it is
21 incumbent upon Mr. Zandian Jazi to obtain signatures on waivers of rights of first refusal from
22 all members of the LLC. This was not part of the settlement agreement and the District Court
23 should be aware that the Defendants contested that Zandian Jazi even owned rights in the
24 Wendover Project, LLC at the time of the arbitration.
25
26

27 It is the Report and Recommendation of the Arbitrator that Zandian Jazi sign a transfer
28 of all interest that he owns in the Wendover Project, LLC directly to: "Wendover Project, LLC."

1 Zandian Jazi must also sign a waiver of any right of first refusal that he has as to that LLC.

2 The remaining managing members of the Wendover Project LLC are responsible for
3 determining the appropriate allocation of the Zandian Jazi interest. If they believe that it is
4 necessary to obtain waivers of rights of first refusal to make that allegation of interest, then it is
5 their responsibility to do so. Before distributing Mr. Zandian Jazi's interest, the managing
6 members of the LLC should either distribute that interest in accordance with the operating
7 agreements or, alternatively, obtain whatever signatures that the managing members determine
8 are necessary to make a different distribution or allocation of that interest. It would seem unfair
9 to place this burden on the transferring party who is merely transferring his interest to the entire
10 Wendover Project, LLC.
11

12 Big Springs Ranch, LLC: As with the Wendover Project, LLC, Mr. Zandian Jazi will be
13 required to execute a transfer of interest and waiver of any interest of the Big Springs Ranch,
14 LLC, directly to: "Big Springs Ranch, LLC." He must also execute a waiver of right of first
15 refusal that he would have under that LLC. As stated with the Wendover Project, LLC, it is the
16 duty of the managing members of the Big Springs Ranch, LLC, to make an appropriate
17 distribution or allocation of this interest. The remaining managing members of the Big Springs
18 Ranch, LLC must either transfer the property as required by the operating agreement or obtain
19 whatever waivers of rights of first refusal that are necessary to make a transfer which they believe
20 are necessary.
21

22 **CONCLUSION:**

23 Mr. Netzorg has contested the requirement that the receiving LLC entities are required to
24 obtain waivers of rights of first refusal. Actually, waivers are not necessary if the receiving
25 interest is transferred pursuant to the operating agreement. If the managing members want to
26
27
28

1 obtain waivers of rights of first refusal to make a different distribution, they are certainly free to
2 do so. That should not be the burden of Mr. Zandian Jazi.

3
4 Mr. Netzorg has also asked for numerous documents regarding a purported transfer of Mr.
5 Zandian Jazi's shipyard stock. There was absolutely no evidence that any entity related to these
6 proceedings acknowledged receipt of that stock or issued any credit related to receipt of that
7 stock. Although that stock was discussed during the Arbitration proceedings, there was no
8 competent evidence regarding that stock being relevant to the Arbitration proceedings.

9
10 RESPECTFULLY SUBMITTED this 28th day of February, 2007.

11
12 By: 

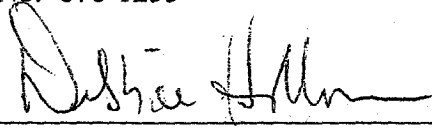
13 FLOYD A. HALE
14 2300 W. Sahara, #900
15 Las Vegas, NV 89102
16 Arbitrator

17
18 CERTIFICATE OF FACSIMILE AND MAIL

19 I hereby certify that on the 28th day of February, 2007, I faxed and mailed a true and
20 correct copy of the foregoing addressed to:

21 John Peter Lee, Esq.
22 830 Las Vegas Boulevard South
23 Las Vegas, NV 89101
24 Attorneys for Plaintiffs
25 Fax No. 383-9950

26 John Netzorg, Esq.
27 2810 West Charleston Blvd. #H-81
28 Las Vegas, NV 89102
Attorneys for Defendants
Fax No. 878-1255

29 By: 
Employee of Jams

FLOYD A. HALE

SPECIAL ITER

2300 W. SAHARA, S.E. SUITE 900

LAS VEGAS, NEVADA 89102

PHONE (702) 457-5267 EMAIL fhale@floydahale.com

WFZ2043

IN THE SUPREME COURT OF THE STATE OF NEVADA

GHOLAMREZA ZANDIAN JAZI,
Appellant/Cross-
Respondent,

No. 49924

vs.

RAY KOROGHLI, INDIVIDUALLY;
FARIBORZ FRED SADRI,
INDIVIDUALLY AND AS TRUSTEE OF
THE STAR LIVING TRUST;
WENDOVER PROJECT, LLC, A
NEVADA LIMITED LIABILITY
COMPANY; BIG SPRING RANCH, LLC,
A NEVADA LIMITED LIABILITY
COMPANY; AND NEVADA LAND AND
WATER RESOURCES, LLC, A NEVADA
LIMITED LIABILITY COMPANY,

Respondents/Cross-
Appellants.

FILED

MAY 09 2008

TRACIE K. LINDEMAN
CLERK OF SUPREME COURT
BY S. Young
DEPUTY CLERK

ORDER DENYING MOTION TO DISMISS
AND ORDER TO SHOW CAUSE

This is an appeal and cross-appeal from a district court judgment confirming an arbitration award, a district court order granting respondents' motion to stay proceedings, or alternatively, to set a supersedeas bond, and an order denying respondents' motion to alter or amend the judgment, or in the alternative, for a new trial. Appellant has filed a motion to dismiss the cross-appeal and a reply to respondents' filed opposition to the motion to dismiss.

Appellant argues that the cross-appeal should be dismissed because the parties expressly agreed in writing that "the arbitration shall be binding with no right to appeal." Appellant further contends that the

cross-appeal should be dismissed because respondents' case appeal statement identifies individuals or entities that were never parties to the case and because respondents failed to file a cost bond as required by NRAP 7.

Contrary to appellant's assertions, this court has jurisdiction to consider an appeal from the June 8, 2007 district court judgment confirming the arbitration award.¹ With respect to appellant's arguments regarding the deficiency in respondents' case appeal statement, this court prefers to decide cases on the merits if possible.² We note, further, that respondents filed on July 31, 2007, an amended case appeal statement that identifies the correct parties involved in this appeal. Regarding appellant's final argument, it appears that respondents posted the cash bond on July 31, 2007.

Accordingly, no cause appearing, we deny appellant's motion to dismiss the cross-appeal.

Additionally, however, our own preliminary review of the docketing statement and the documents submitted to this court pursuant to NRAP 3(e) reveals a potential jurisdictional defect. Specifically, it appears that the August 13, 2007 district court order designated in

¹See NRS 38.247(c). See also Taylor v. Barringer, 75 Nev. 409, 410, 344 P.2d 676 (1959) (a motion to dismiss appeal that is filed prior to briefing and goes to the merits of the appeal "is not a proper ground for dismissal of the appeal").

²See Passarelli v. J-Mar Development, 102 Nev. 283, 720 P.2d 1221 (1986).

appellant's August 14, 2007 notice of appeal is not substantively appealable.³ This court has jurisdiction to consider an appeal only when the appeal is authorized by statute or court rule.⁴

An order granting a stay of proceedings conditioned upon the posting of a supersedeas bond is not appealable as a special order made after final judgment.⁵

Accordingly, appellant shall have 30 days from the date of this order within which to show cause why this portion of the appeal should not be dismissed for lack of jurisdiction. We caution appellant that failure to demonstrate that this court has jurisdiction may result in this court's dismissal of this portion of the appeal. The preparation of transcripts and the briefing schedule in this appeal shall continue to be suspended

³See NRAP 3A(b).

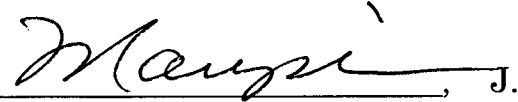
⁴Taylor Constr. Co. v. Hilton Hotels, 100 Nev. 207, 678 P.2d 1152 (1984).

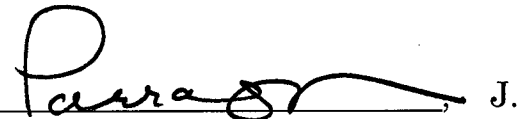
⁵See Brunzell Constr. v. Harrah's Club, 81 Nev. 414, 404 P.2d 902 (1965); See Gumm v. Mainor, 118 Nev. 912, 920, 59 P.3d 1220, 1225 (2002) (holding that, to be appealable under NRAP 3A(b)(2), a special order made after final judgment "must be an order affecting the rights of some party to the action, growing out of the judgment previously entered").

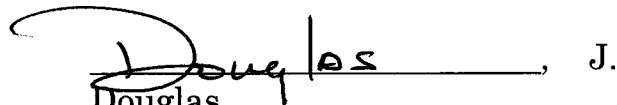
Further, although a party may file in this court a motion seeking review of a district court order granting a stay of appeal conditioned on the posting of a supersedeas bond, appellant has not filed such a motion in this court. See Nelson v. Heer, 121 Nev. 832, 122 P.3d 1252 (2005); McCulloch v. Jeakins, 99 Nev. 122, 659 P.2d 302 (1983).

pending further order of this court. Respondents may file any reply within ten days from the date that appellant's response is served.

It is so ORDERED.⁶


Maupin


Parraguirre


Douglas

cc: John Peter Lee Ltd.
Cohen, Johnson & Day

⁶In light of this order, we deny the November 8, 2007 request for withdrawal of the motion to dismiss as moot.

JOHN PETER LEE, LTD.

ATTORNEYS AT LAW

830 LAS VEGAS BOULEVARD SOUTH

LAS VEGAS, NEVADA 89101

Telephone (702) 382-4044

Teletypewriter (702) 383-9950

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IN THE SUPREME COURT OF THE STATE OF NEVADA

GHOLAMREZA ZANDIAN JAZI

Appellant/Cross-Respondent,

vs.

RAY KOROGHLI, individually; FARIBORZ FRED SADRI, individually and as TRUSTEE OF THE STAR LIVING TRUST; WENDOVER PROJECT, LLC, a Nevada limited liability company; BIG SPRING RANCH, LLC, a Nevada limited liability company; and NEVADA LAND AND WATER RESOURCES, LLC, a Nevada limited liability company,

Respondent/Cross-Appellants.

Supreme Court No.:49924

District Court No.: A 511131

FILED

MAY 27 2008

TRACIE K. LINDEMAN
CLERK OF SUPREME COURT
BY *[Signature]*
DEPUTY CLERK

1334.023317-JLR

APPELLANT'S PETITION FOR A REHEARING PURSUANT TO NRAP RULE 40(c)(2)(ii)

COMES NOW, Appellant, GHOLEMREZA ZANDIAN JAZI, ("Zandian") by and through his counsel, John Peter Lee, Ltd. and herein presents the Appellant's Petition for a Rehearing Pursuant to NRAP Rule 40(c)(2)(ii). This Petition for a Rehearing is made and based upon the following Memorandum of Points and Authorities, all pleadings and papers filed herein.

MEMORANDUM OF POINTS AND AUTHORITIES

I.

INTRODUCTION AND STATEMENT OF FACTS

On August 6, 2006, Appellant Zandian filed a Motion to Dismiss the Respondent's Appeal. On May 9, 2008, this Honorable Court granted an Order denying Appellant's Motion to Dismiss and

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MAY 27 2008
TRACIE K. LINDEMAN
CLERK OF SUPREME COURT
DEPUTY CLERK

WFZ2048

18-12214

1 issued an Order to Show Cause as to why portions of Appellant's Cross-Appeal should not be
2 dismissed. Attached hereto and incorporated by reference is a true and copy of the Order published
3 May 9, 2008, marked as Exhibit "1", page 3, paragraph 3, first sentence. Attached hereto and
4 incorporated by reference is true and correct copy of Appellant's Motion to Dismiss Respondents'
5 Appeal, marked as Exhibit "2."

6 Appellant brings this Petition for a Rehearing based upon the issue that the parties stipulated
7 in writing that "the arbitration shall be binding with no right to appeal." The parties voluntarily
8 agreed to arbitrate the dispute during the course of litigation and specifically agreed in writing that
9 the arbitrator's award was binding with no right to appeal and is valid under Nevada law. (Exhibit
10 "2" Appellant's Motion to Dismiss, pg 3, ln 22-27) Appellant did not fully brief this issue in its
11 Motion to Dismiss the Respondents' Appeal and request this court hear the Petition for a Rehearing
12 based upon the holding in Lane v. Second Judicial Dist. Court, 104 Nev. 427, 760 P.2d 1245 (1988),
13 where this Honorable Court did allow a petitioner to brief an argument raised in the original petition
14 for writ of prohibition upon a rehearing, because the petitioner did not brief the issue in its original
15 writ.

16 This Honorable Court cited the case of Taylor v. Barringer, 75 Nev. 409, 410, 344 P.2d. 676
17 (1959) for the proposition that like in the Taylor case Appellant's Motion for Dismissal goes to
18 merits of the case. The issue in Taylor was whether an order has the same force as final judgment
19 for the purposes of an appeal, which is a different issue than the one raised in Appellant's Motion
20 to Dismiss. Appellant's Motion to Dismissal requested this Honorable Court dismiss the
21 Respondents' Appeal based upon contract principles which are unrelated to the merits of
22 Respondents' Appeal. The Respondents are contractually bound since they stipulated in writing to
23 be bound by the arbitrator's award and waived any right to an appeal. There is a prior Nevada
24 Supreme Court decision which directly addresses this issue when the parties voluntarily agree to be
25 bound by a stipulation. The Nevada Supreme Court in Corbett v. State, 94 Nev. 643, 584 P.2d 704
26 (1978), addressed the issue of a stipulation and held it enforceable where it is entered into freely and
27 voluntarily, with the assistance of adequate counsel. Id. at 647, P.2d at 705.

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

1 The authority that allows the Appellant to bring this Petition for Rehearing is based upon
2 NRAP Rule 40(c)(2)(ii) which states, “[w]hen the court has overlooked, misapplied or failed to
3 consider a statute, procedural rule, regulation or decision directly controlling a dispositive issue in
4 the case. The issue in this case before this Honorable Court is the Respondent voluntarily agreed
5 to arbitration and in writing waived any right to appeal the arbitrator’s award, as such the
6 Respondent’s appeal should be dismissed without any inquiry as to the merits of Respondent’s
7 appeal.

8 **II**

9 **ARGUMENT AND AUTHORITIES**

10 **A. The Petition for Rehearing should be granted based upon NRAP Rule**
11 **40(c)(2)(ii).**

12 Nevada Rules of Appellate Procedure Rule 40(c)(2)(ii) provides the authority necessary
13 for a rehearing of Appellant’s Motion to Dismiss Respondents’ Appeal as follows:

14 NRAP Rule 40(c)(2)(ii)

15 When the court has overlooked, misapplied or failed to consider
16 a statute, procedural rule, regulation or decision directly controlling
17 a dispositive issue in the case.

18 The Appellant’s Motion to dismiss the Respondents’ Appeal may be reconsidered because
19 this Honorable Court, overlooked a decision directly controlling the dispositive issue addressed in
20 Appellant’s Motion to Dismiss Respondents’ Appeal. In Corbett v. State, 94 Nev. 643, 584 P.2d
21 704, (1978) the Nevada Supreme Court addressed the issue of a stipulation and held it enforceable
22 where it is entered into freely and voluntarily, with the assistance of adequate counsel. Id. at 647,
23 P.2d at 705. In Corbett the defendant stipulated to allow the results of a polygraph test to be
24 admitted into evidence and when the defendant was convicted of manslaughter he appealed based
25 on the admissibility of the test results. The Court held with the majority rule that polygraph results
26 may be admitted upon prior stipulation. The upholding a stipulation that significantly affected a
27 defendant in a murder trial demonstrates the Court’s opinion on stipulations that are entered into
28 freely and voluntarily, with the assistance of adequate counsel. In this case before this Honorable

1 Court the Respondents did not claim that they did not freely and voluntarily enter into the stipulation
2 or claim they were without assistance of adequate counsel.

3 The stipulation is enforceable, because the defendants' assented to its terms and as subscribed
4 to the party against whom the stipulation is alleged. A stipulation requires assent to its terms in order
5 to be valid and will be enforced if it is entered into the minutes of the court in the form of an order
6 or is in writing and subscribed by the party against whom the stipulation is alleged. Szilagyi v.
7 Testa, 99 Nev. 834, 673 P.2d 495 (1983). A Valid stipulation requires the assent of both parties to
8 its terms. Taylor v. State Indus. Ins. Sys., 107 Nev 595, 816 P.2d 1085 (1991). In this case before
9 this Honorable Court all parties assented to the clear and valid stipulation. An agreement that an
10 arbitration award shall in itself is final and binding upon the parties generally precludes judicial
11 review. Monte v. Southern Delaware County Authority, (CA3 Pa 335 F2d 855, (1964))

12 Based upon the holdings in Corbett, the Respondents' Appeal should be dismissed because
13 the Respondents' voluntarily agreed to arbitration of the case instead of litigation and contractually
14 agreed to waive any right to appeal the arbitrator's award. The Respondents took the contractual
15 benefit of participating in the arbitration and now refused to shoulder the burden of the arbitrator's
16 award. The facts in this case are very similar to the facts in Corbett, because just like in Corbett the
17 Respondents didn't like the outcome of what they voluntarily, freely, and with assistance of counsel
18 had stipulated to. The Respondents voluntarily entered into the contract, then didn't like the
19 outcome of the arbitration and decided to breach the written contract. Thus, to allow the Respondent
20 to attack the arbitrator's award now, does not comport with the true spirit of law as stated in the
21 holdings Corbett, and contract principles.

22 The Appellant concedes that it did not fully brief its contention that "the parties voluntarily
23 agreed to arbitrate the dispute during the course of litigation and specifically agreed in writing that
24 the arbitrator's award was binding with no right to appeal and is valid under Nevada law" in its
25 Motion. (Exhibit "2" Appellant's Motion to Dismiss, pg 3, ln 22-27). The authority cited in
26 Appellant's Motion to Dismiss Respondents' Appeal is not controlling law in Nevada, since it is a
27 California case. (Exhibit "2" Appellant's Motion to Dismiss, pg 3 ln 24-25; Platt v. Anderson, 6
28 Cal. 4th 307, 802 P.2d 158 (1993)) In the case of Lane v. Second Judicial Dist. Court, 104 Nev. 427,

JOHN PETER LEE, LTD.

ATTORNEYS AT LAW

830 LAS VEGAS BOULEVARD SOUTH

LAS VEGAS, NEVADA 89101

Telephone (702) 382-4044

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1 760 P.2d 1245 (1988) this Honorable Court did allow a petitioner to brief an argument raised in the
2 original petition for writ of prohibition upon a rehearing. Where a petitioner, in an original petition
3 for writ of prohibition, complained that the district court had entered an order appointing a special
4 prosecutor without affording the petitioner notice and an opportunity to be heard, but cited no
5 supporting legal authority and the court did not address merits of the argument, and the petitioner
6 briefed the issue for the first time in petition for reconsideration, the court made an exception to
7 NRAP Rule 40 (c) and addressed the petitioner's argument in the interest of moving toward a
8 correct resolution of the matter. In this case the absence of authority on the part of the Appellant was
9 an oversight and does not constitute any rearguing of the issues or bring up any points that were not
10 raised in Appellant's Motion to Dismiss the Respondents' Appeal. Thus, Appellant respectfully
11 submits this Petition for Rehearing as to the issue that Respondents contractually waived their right
12 to an appeal based only upon the language contained in the stipulation and pursuant to the holding
13 in the Corbett. Finally, pursuant to the holding in Lane an Appellant may submit authority for an
14 issue that was raised in Appellant's Motion to Dismiss but was not briefed for this Honorable Court
15 to consider upon a rehearing.

16 **III.**

17 **CONCLUSION**

18 This Honorable Court should grant Appellant's Petition for a Rehearing and rule a matter
19 of law that the Respondents' Appeal should be dismissed, because the Respondents knowingly and
20 voluntarily entered into an agreement to have the arbitrator hear the case instead of litigation and in
21 writing freely agreed to be bound the arbitrator's award.

22 Dated this 23rd day of May, 2008.

23 JOHN PETER LEE, LTD.

24 BY: 

25 JOHN PETER LEE, ESQ.

Nevada Bar No. 001768

26 YVETTE R. FREEDMAN, ESQ.

Nevada Bar No. 009898

830 Las Vegas Boulevard South

Las Vegas, Nevada 89101

(702) 382-4044/ Fax (702) 383-9950

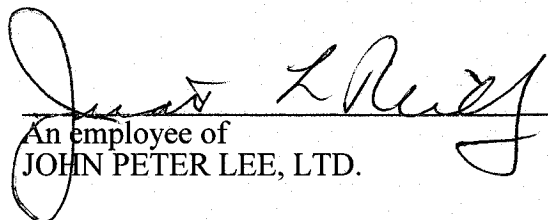
28 e-mail: info@johnpeterlee.com

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CERTIFICATE OF MAILING

I HEREBY CERTIFY that on the 23 day of May 2008, I served a copy of the above and foregoing APPELLANT'S PETITION FOR A REHEARING PURSUANT TO NRAP RULE 40(c)(2)(ii) upon the appropriate parties hereto, by enclosing it in a sealed envelope, deposited in the United States mail, upon which first class postage was fully prepaid addressed to:

Steven L. Day, Esq.
Cohen, Johnson & Day
1060 Wigwam Parkway
Henderson, Nevada 89074


An employee of
JOHN PETER LEE, LTD.

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
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IN THE SUPREME COURT OF THE STATE OF NEVADA

GHOLAMREZA ZANDIAN JAZI,
Appellant/Cross-
Respondent,

vs.

RAY KOROGHLI, INDIVIDUALLY;
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INDIVIDUALLY AND AS TRUSTEE OF
THE STAR LIVING TRUST;
WENDOVER PROJECT, LLC, A
NEVADA LIMITED LIABILITY
COMPANY; BIG SPRING RANCH, LLC,
A NEVADA LIMITED LIABILITY
COMPANY; AND NEVADA LAND AND
WATER RESOURCES, LLC, A NEVADA
LIMITED LIABILITY COMPANY,
Respondents/Cross-
Appellants.

No. 49924

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MAY 09 2008

TRACIE K. LINDEMAN
CLERK OF SUPREME COURT
BY *S. Young*
DEPUTY CLERK

ORDER DENYING MOTION TO DISMISS
AND ORDER TO SHOW CAUSE

This is an appeal and cross-appeal from a district court judgment confirming an arbitration award, a district court order granting respondents' motion to stay proceedings, or alternatively, to set a supersedeas bond, and an order denying respondents' motion to alter or amend the judgment, or in the alternative, for a new trial. Appellant has filed a motion to dismiss the cross-appeal and a reply to respondents' filed opposition to the motion to dismiss.

Appellant argues that the cross-appeal should be dismissed because the parties expressly agreed in writing that "the arbitration shall be binding with no right to appeal." Appellant further contends that the

cross-appeal should be dismissed because respondents' case appeal statement identifies individuals or entities that were never parties to the case and because respondents failed to file a cost bond as required by NRAP 7.

Contrary to appellant's assertions, this court has jurisdiction to consider an appeal from the June 8, 2007 district court judgment confirming the arbitration award.¹ With respect to appellant's arguments regarding the deficiency in respondents' case appeal statement, this court prefers to decide cases on the merits if possible.² We note, further, that respondents filed on July 31, 2007, an amended case appeal statement that identifies the correct parties involved in this appeal. Regarding appellant's final argument, it appears that respondents posted the cash bond on July 31, 2007.

Accordingly, no cause appearing, we deny appellant's motion to dismiss the cross-appeal.

Additionally, however, our own preliminary review of the docketing statement and the documents submitted to this court pursuant to NRAP 3(e) reveals a potential jurisdictional defect. Specifically, it appears that the August 13, 2007 district court order designated in

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²See Passarelli v. J-Mar Development, 102 Nev. 283, 720 P.2d 1221 (1986).

appellant's August 14, 2007 notice of appeal is not substantively appealable.³ This court has jurisdiction to consider an appeal only when the appeal is authorized by statute or court rule.⁴

An order granting a stay of proceedings conditioned upon the posting of a supersedeas bond is not appealable as a special order made after final judgment.⁵

Accordingly, appellant shall have 30 days from the date of this order within which to show cause why this portion of the appeal should not be dismissed for lack of jurisdiction. We caution appellant that failure to demonstrate that this court has jurisdiction may result in this court's dismissal of this portion of the appeal. The preparation of transcripts and the briefing schedule in this appeal shall continue to be suspended

³See NRAP 3A(b).

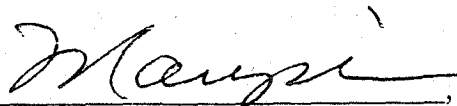
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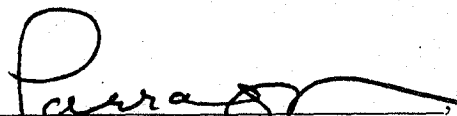
⁵See Brunzell Constr. v. Harrah's Club, 81 Nev. 414, 404 P.2d 902 (1965); See Gumm v. Mainor, 118 Nev. 912, 920, 59 P.3d 1220, 1225 (2002) (holding that, to be appealable under NRAP 3A(b)(2), a special order made after final judgment "must be an order affecting the rights of some party to the action, growing out of the judgment previously entered").

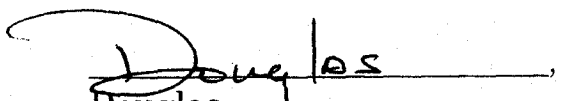
Further, although a party may file in this court a motion seeking review of a district court order granting a stay of appeal conditioned on the posting of a supersedeas bond, appellant has not filed such a motion in this court. See Nelson v. Heer, 121 Nev. 832, 122 P.3d 1252 (2005); McCulloch v. Jeakins, 99 Nev. 122, 659 P.2d 302 (1983).

pending further order of this court. Respondents may file any reply within ten days from the date that appellant's response is served.

It is so ORDERED.⁶


_____, J.
Maupin


_____, J.
Parraguirre


_____, J.
Douglas

cc: John Peter Lee Ltd.
Cohen, Johnson & Day

⁶In light of this order, we deny the November 8, 2007 request for withdrawal of the motion to dismiss as moot.

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

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IN THE SUPREME COURT OF THE STATE OF NEVADA

RAY KOROGHLI, individually, FARIBORZ FRED)
SADRI, individually, and as Trustee of the Star)
Living Trust, WENDOVER PROJECT, LLC, a)
Nevada limited liability company; BIG SPRING)
RANCH, LLC, a Nevada limited liability company,)
and NEVADA LAND AND WATER)
RESOURCES, LLC, a Nevada limited liability)
company,)

Appellants,

vs.

GHOLAMREZA ZANDIAN JAZI,

Respondent.

1334.022860-JLR

Supreme Court No.: 49924

District Court No.: A 511131

FILED

AUG 06 2007

JANETTE M. BLOOM
CLERK OF SUPREME COURT
BY _____
DEPUTY CLERK

MOTION TO DISMISS APPEAL

JOHN PETER LEE, LTD.
John Peter Lee, Esq.
Nevada Bar No. 001768
Michael A. Reynolds, Esq.
Nevada Bar No. 008631
Yvette R. Freedman, Esq.
Nevada Bar No. 009898
830 Las Vegas Boulevard South
Las Vegas, Nevada 89101
(702) 382-4044
Attorneys for Respondent,
Gholamreza Zandian Jazi

RECEIVED
AUG 06 2007
JANETTE M. BLOOM
CLERK OF SUPREME COURT
DEPUTY CLERK

WFZ2060

JOHN PETER LEE, LTD.

ATTORNEY AT LAW

830 LAS VEGAS BOULEVARD SOUTH

LAS VEGAS, NEVADA 89101

Telephone (702) 382-4044

Telecopier (702) 383-9950

1 COMES NOW Respondent GHOLAMREZA ZANDIAN JAZI, by and through his counsel,
2 John Peter Lee, Ltd., and files this Motion to Dismiss the Appeal of Appellants RAY KOROGHLI,
3 individually, FARIBORZ FRED SADRI, individually, and as Trustee of the Star Living Trust,
4 WENDOVER PROJECT, LLC, a Nevada limited liability company; BIG SPRING RANCH, LLC,
5 a Nevada limited liability company, and NEVADA LAND AND WATER RESOURCES, LLC, a
6 Nevada limited liability company.

7 This Motion is based on the following points and authorities, all papers on file herein, the
8 record on appeal, and any oral argument to be presented if permitted by the Court.

9
10 **MEMORANDUM OF
POINTS AND AUTHORITIES**

11 **INTRODUCTION**

12 The Court should dismiss Appellants' appeal because: (1) the Appellants stipulated in writing
13 that "the arbitration shall be binding with no right to appeal"; (2) the Notice of Appeal erroneously
14 identifies entities or individuals that were never parties to this case at any time; and (3) Appellants
15 failed to file a Cost Bond as required by NRAP 7.

16 **STATEMENT OF FACTS**

17 Respondent, GHOLAMREZA ZANDIAN JAZI and Appellants RAY KOROGHLI and
18 FRED SADRI became involved in various disagreements over their LLC interests. As a result,
19 Zandian filed a lawsuit in the Eighth District Court on October 5, 2005 with a First Amended
20 Complaint on November 8, 2005. Both Respondent and Appellants filed Motions in the District
21 Court before entering into a written stipulation whereby the dispute was submitted to Binding
22 Arbitration before Floyd Hale, Esq. The written Stipulation was filed with the Court on November
23 28, 2005 and stated that "**the arbitration shall be binding with no right to appeal.**" Exhibit 1,
24 Emphasis added).

25 Arbitrator Hale conducted the arbitration which ultimately resulted in a mutually agreed upon
26 arbitration award. Accordingly, the dispute was resolved by Arbitrator Hale's September 20, 2006
27 Arbitration Decision. Exhibit 2. Nevertheless, Appellants immediately filed its first post-arbitration
28 motion challenging the mutually agreed upon arbitration agreement despite their November 2005

JOHN PETER LEE, LTD.
ATTORNEY AT LAW
830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

1 written stipulation filed in District Court agreeing that arbitration was binding with no right to
2 appeal.

3 The District Court heard Appellants' first post-arbitration motion challenging the arbitration
4 award and referred the matter back to Arbitrator Hale. Exhibit 3. Thereafter, Arbitrator Hale filed
5 his March 26, 2007 Arbitration Report and Recommendation to District Court. Exhibit 4.

6 Appellants responded with their second post-arbitration motion challenging the mutually
7 agreed upon arbitration award. The District Court considered Appellants' second post-arbitration
8 motions and entered Judgment Confirming Arbitration Award. Exhibit 5.

9 On June 15, 2007, Appellants responded with their third post-arbitration motion challenging
10 the mutually agreed upon arbitration award. Once again, the District Court considered Appellants'
11 third post-arbitration award and denied it. Exhibit 6.

12 LEGAL ARGUMENT

13 I. The Appellants' Stipulated In Writing That The Arbitration Shall Be Binding With No 14 Right To Appeal.

15 The Appellants' Notice of Appeal should be dismissed because the parties agreed that the
16 arbitration is "binding with no right to appeal." The Appellants' Appeal is in breach of the parties'
17 Stipulation to arbitrate. The Appellants clearly agreed in a written Stipulation that "the arbitration
18 shall be binding with no right to appeal" and now violate their agreement upon which the
19 Respondent reasonably relied. Appellants participated fully in arbitration proceedings before Floyd
20 Hale and even unsuccessfully requested a modification from Hale. Exhibit 7. Appellants' Appeal
21 is barred because it disregards the "binding" nature of the Arbitration.

22 The parties' stipulation for binding arbitration without appeal was freely entered into without
23 grounds for revocation and is valid under Nevada law. The same rules of construction and
24 interpretation apply to arbitration agreements as apply to contracts generally. See, e.g. Platt v.
25 Anderson 6 Cal. 4th 307, 802 P.2d 158 (1993). The plain language of the Stipulation and Award is
26 unambiguous. The Award is binding with no right to appeal. Accordingly, the Notice of Appeal
27 must be dismissed.

28

JOHN PETER LEE, LTD.

ATTORNEYS AT LAW

830 LAS VEGAS BOULEVARD SOUTH

LAS VEGAS, NEVADA 89101

Telephone (702) 382-4044

Telecopier (702) 383-9950

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Here, Appellants have not filed a Cost Bond and are not exempted by law. Therefore, the Notice of Appeal is deficient and the Appellants' appeal should be dismissed.

CONCLUSION

Based on the foregoing, Respondent Zandian respectfully request that this Court dismiss the Appeal.

Dated this 3rd day of August, 2007.

JOHN PETER LEE, LTD.

BY: 

JOHN PETER LEE, ESQ.

Nevada Bar No. 001768

MICHAEL A. REYNOLDS, ESQ.,

Nevada Bar No. 008631

YVETTE R. FREEDMAN, ESQ.

Nevada Bar No. 009898

830 Las Vegas Boulevard South

Las Vegas, Nevada 89101

(702) 382-4044/ Fax (702) 383-9950

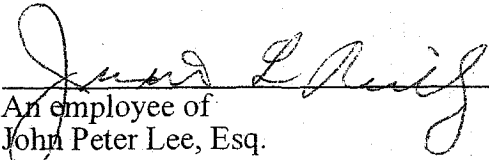
e-mail: info@johnpeterlee.com

Attorneys for Respondent

CERTIFICATE OF MAILING

I HEREBY CERTIFY that on the 3 day of August, 2007, I served a copy of the above and foregoing MOTION TO DISMISS APPEAL upon the appropriate parties hereto, by enclosing it in a sealed envelope, deposited in the United States mail, upon which first class postage was fully prepaid addressed to:

Steven L. Day, Esq.
Cohen, Johnson & Day
1060 West Wigwam Parkway
Henderson, Nevada 89074


An employee of
John Peter Lee, Esq.

JOHN PETER LEE, LTD.

ATTORNEYS AT LAW

830 LAS VEGAS BOULEVARD SOUTH

LAS VEGAS, NEVADA 89101

Telephone (702) 382-4044

Telecopier (702) 383-9950

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EXHIBIT "1"

WFZ2065

JOHN PETER LEE, TD.
JOHN PETER LEE, ESQ.
Nevada Bar No. 008631
MICHAEL A. REYNOLDS, ESQ.
Nevada Bar No. 008631
830 Las Vegas Boulevard South
Las Vegas, NV 89101
(702) 382-4044 Fax: (702) 383-9950
Attorneys for Plaintiff

FILED

Nov 28 4 29 PM '05

Shirley S. Reynolds
CLERK

DISTRICT COURT

CLARK COUNTY, NEVADA

GHOLAMREZA ZANDIAN JAZI,

Plaintiff,

v.
RAY KOROGHLI, individually, FARIBORZ FRED
SADRI, individually, and as Trustee of the Star
Living Trust, WENDOVER PROJECT, LLC, a
Nevada limited liability company; BIG SPRING
RANCH, LLC, a Nevada limited liability company,
and NEVADA LAND AND WATER
RESOURCES, LLC, a Nevada limited liability
company,

Defendants.

CASE NO.: A511131
DEPT. NO.: XIII 12

DATE: N/A
TIME: N/A

1334.022860maf

STIPULATION FOR ARBITRATION

IT IS HEREBY STIPULATED by Plaintiff ZANDIAN and Defendants KOROGHLI, SADRI, and STAR LIVING TRUST through their respective attorneys of record that this case be submitted to binding arbitration.

The parties further stipulate as follows:

1. Defendants will postpone the trust deed foreclosure of the 4,485 acre property located in Washoe County until after the arbitration award has been approved by the Court.
2. All motions set by the parties to be heard on November 28, 2005 shall be vacated immediately, which include Defendants' Motion to Dismiss Complaint or in the Alternative to

2 Motion to Continue Summary Judgment.

Jan 10
MR

- 3 3. Defendants to serve answer and any counter-claim within five (5) days.
- 4 4. Parties to select a mutually agreeable arbitrator with a real estate/business
- 5 background.
- 6 5. The arbitration shall be binding with no right to appeal.
- 7 6. Both parties to provide an accounting immediately.
- 8 7. All fees and costs of the arbitration to be equally divided among the parties.
- 9 8. No restrictions on discovery unless mutually agreed or directed by the arbitrator.
- 10 9. Parties will make their best efforts to select an arbitrator and conclude the arbitration
- 11 hearing within forty-five (45) to ninety (90) days.
- 12 10. The arbitration hearing will be held at the offices of Plaintiff's counsel unless
- 13 otherwise agreed.

Arbitrator's of
Jan 10
MR

15 DATED this 23 day of November, 2005.

DATED this ___ day of November, 2005

16 JOHN PETER LEE, LTD.

JOHN M. NETZORG LAW OFFICE

17
 18 By *Michael A. Reynolds*
 19 JOHN PETER LEE, ESQ.
 Nevada Bar No. 001768
 20 MICHAEL A. REYNOLDS, ESQ.
 Nevada Bar No. 008631
 21 830 Las Vegas Boulevard South
 Las Vegas, NV 89101
 22 Ph: (702) 382-4044
 Fax: (702) 383-9950
 Attorneys for Plaintiff

17
 18 By *John M. Netzorg*
 19 John M. Netzorg, Esq.
 Nevada Bar No. 33
 20 2810 W. Charleston Blvd. #81
 Las Vegas, NV 89102
 Attorneys for Defendants,
 RAY KOROGHLI, FARJORBZ
 FRED SADRI and STAR LIVING
 TRUST

RECEIPT OF COPY

RECEIPT OF COPY of the foregoing OPPOSITION TO MOTION FOR REHEARING is hereby acknowledged this 19th day of June, 2007.

JAMS, The Resolution Experts

By: Floyd A. Hale
Floyd A. Hale, Esq.
2300 West Sahara Avenue #900
Las Vegas, Nevada 89102

John M. Netzorg
John M. Netzorg, Esq.
2810 West Charleston Boulevard #81
Las Vegas, Nevada 89102
Attorneys for Defendants

830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

AFFIRMATION

Pursuant to NRS 209B.008

The undersigned does hereby affirm that the preceding
OPPOSITION TO REHEARING
filed in District Court case number 15-51163
DOES NOT contain the social security number of any person.

[Signature] Date 6/19/07

CERTIFICATE OF MAILING

I HEREBY CERTIFY that on the 25th day of June, 2007, the foregoing OPPOSITION TO MOTION TO AMEND OR ALTER JUDGMENT PURSUANT TO NRCP 59(e), OR IN THE ALTERNATIVE, MOTION FOR A NEW TRIAL PURSUANT TO NRCP 59(a) was served upon the appropriate parties hereto, by enclosing it in a sealed envelope, deposited in the United States mail, upon which first class postage was fully prepaid addressed to:

Floyd A. Hale, Esq.
JAMS The Resolution Experts
2300 West Sahara Avenue Suite #900
Las Vegas, Nevada 89102
Arbitrator

John M. Netzorg, Esq.
Law Offices of John M. Netzorg
2810 West Charleston #81
Las Vegas, Nevada 89102
Attorney for Defendants

John P. Lee
An Employee of
JOHN PETER LEE, LTD.

AFFIRMATION
Pursuant to NRS 209B.030
The undersigned does hereby affirm that the preceding
OPINION - MIA-ALTER EC AMEND
filed in District Court case number 0751131
DOES NOT contain the social security number of any person.
John P. Lee Date 6/25/07

NEYS AT LAW
830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

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EXHIBIT "2"

WFZ2070

RECEIVED
SEP 22 2006
JOHN PETER LEE, LTD.

1 ARB
2 FLOYD A. HALE, ESQ.
3 Nevada Bar No. 1873
4 JAMS
5 2300 W. Sahara, #900
6 Las Vegas, NV 89102
7 Ph: (702) 457-5267
8 Fax: (702) 437-5267
9 Arbitrator

10 DISTRICT COURT

11 CLARK COUNTY, NEVADA

12 GHOLAMREZA ZANDIAN JAZI,) Case No. A511131
13) Dept. No. XII
14 Plaintiff,)
15 vs.)
16 RAY KOROGHLI, individually,)
17 FABIRORZ FRED SADRI, individually,)
18 and as Trustee of the Star Living Trust,)
19 WENDOVER PROJECT, LLC, a Nevada)
20 limited liability company; BIG SPRING)
21 RANCH, LLC, a Nevada limited liability)
22 company, and NEVADA LAND AND)
23 WATER RESOURCES, LLC, a Nevada)
24 limited liability company,)
25 Defendants.)

26 ARBITRATION DECISION

27 Arbitration Hearings in this matter were conducted for two full days. The parties
28 submitted voluminous exhibits, depositions and briefs to the Arbitrator. Having reviewed the
documentation submitted and having heard the testimony and representations of the parties, the
following Arbitration Decision is entered:

1. The entire interest in the Pah Rah, LLC, property will be transferred to Gholamreza

2300 W. SAHARA AVE., SUITE 900
LAS VEGAS, NV 89102
PHONE (702) 457-5267 EMAIL fhaale@toydfhaale.com

1 Zandian Jazi, free and clear of all encumbrances, including the promissory note secured by Deed
2 of Trust issued for the benefit of Fariborz Fred Sadri, any obligation owed to Jeff Codega, related
3 to work that was performed as to the Pah Rah real estate will be the obligation of Gholamreza
4 Zandian Jazi;

5
6 2. The 320 acres referenced in the briefs and this lawsuit will be transferred free and clear
7 to Gholamreza Zandian Jazi without any obligation to the other litigants or parties to this
8 Arbitration or to any other party who may profess to have an interest in the 320 acres that are
9 bound by this lawsuit and Arbitration;

10
11 3. Fariborz Fred Sadri and Ray Koroghli will, within 30 days from the service of this
12 Arbitration Decision, pay Gholamreza Zandian Jazi \$250,000.00 in return for Gholamreza
13 Zandian Jazi waiving any claims or any rights as to the Big Springs Ranch, LLC or any of its
14 assets;

15
16 4. That Gholamreza Zandian Jazi will transfer any interest in the Wendover project, LLC,
17 including all assets and real estate to Fariborz Fred Sadri and Ray Koroghli;

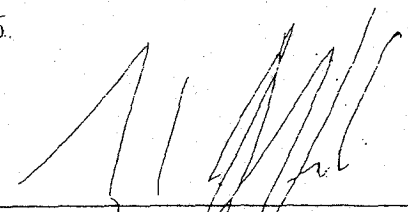
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19 5. All of the entities and properties that are the subject of this Arbitration and lawsuit,
20 including Pah Rah, LLC, the owners of the 300 acres referenced above, the Big Springs Ranch,
21 LLC, and the Wendover purchase or Wendover Project, LLC, referenced in this lawsuit and
22 Arbitration waive any claims to reimbursement or participation in any consulting fees previously
23 paid to Gholamreza Zandian Jazi from the seller of the real estate to those entities;

24
25 6. That the parties, through counsel, will prepare all necessary documents to effect the
26 transfers of the real estate assets and LLC entities and the parties to this lawsuit and Arbitration
27 will execute all necessary documents to effect this Arbitration Order, including a mutual Release
28 to be executed by all parties.

1 7. That each party pay their own fees and costs incurred herein.

2 DATED this 20th day of September, 2006.

3
4
5 By

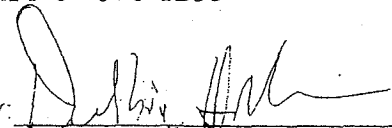

FLOYD HALE, Arbitrator
2300 West Sahara Avenue, #900
Las Vegas, NV 89102

6
7
8 CERTIFICATE OF FACSIMILE AND MAIL

9
10 I hereby certify that on the 21 day of September, 2006, I faxed and mailed a true and correct copy of the foregoing addressed to:

11 John Peter Lee, Esq.
12 830 Las Vegas Boulevard South
13 Las Vegas, NV 89101
14 Attorneys for Plaintiffs
14 Fax No. 383-9950

15 John Netzorg, Esq.
16 2810 West Charleston Blvd. #H-81
17 Las Vegas, NV 89102
17 Attorneys for Defendants
18 Fax No. 878-1255

19 By: 
20 Employee of Jams

21
22
23
24
25
26
27
28
2300 W. S
IVE. SUITE 900
LAS VEGAS
PHONE (702) 457-5267
VADA 89102
EMAIL fhale@floyd hale.com

EXHIBIT “3”

Chaf...
CLERK OF THE COURT

JAN 19 4 10 PM '07

FILED

1 **ORD**
JOHN PETER LEE, LTD.
2 JOHN PETER LEE, ESQ.
Nevada Bar No. 001768
3 MICHAEL A. REYNOLDS, ESQ.
Nevada Bar No. 008631
4 830 Las Vegas Boulevard South
Las Vegas, Nevada 89101
5 (702) 382-4044 Fax: (702) 383-9950
Attorneys for Plaintiff/Counterdefendant
6 **GHOLAMREZA ZANDIAN JAZI**

DISTRICT COURT

CLARK COUNTY, NEVADA

9 **GHOLAMREZA ZANDIAN JAZI,**)

CASE NO.: A511131
DEPT. NO.: XI

10 Plaintiff,)

11 v.)

12 **RAY KOROGHLI, individually, FARIBORZ FRED**)
SADRI, individually, and as Trustee of the Star)
13 **Living Trust, WENDOVER PROJECT, LLC, a**)
Nevada limited liability company; BIG SPRING)
14 **RANCH, LLC, a Nevada limited liability company,**)
and NEVADA LAND AND WATER)
15 **RESOURCES, LLC, a Nevada limited liability**)
company,)

16 Defendants.)

**ORDER ON MOTION TO
CONFIRM ARBITRATION AWARD
AND MOTION TO VACATE
ARBITRATION AWARD**

18 **RAY KOROGHLI, individually and FARIBORZ**)
FRED SADRI, individually,)

19 Counterclaimants,)

20 v.)

21 **GHOLAMREZA ZANDIAN JAZI,**)

22 Counterdefendant.)

24 **WENDOVER PROJECT, LLC,**)

25 Counterclaimant,)

26 v.)

27 **GHOLAMREZA ZANDIAN JAZI,**)

28 Counterdefendant.)

JOHN PETER LEE, LTD.
ATTORNEY AT LAW
830 LAS VEGAS BLVD. SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

1 GHOLAMREZA ZANDIAN JAZI,)
2 Counterclaimant,)
3 v.)
4 WENDOVER PROJECT, LLC,)
5 Counterdefendant.)

6 1334.022860-sy

7
8 **ORDER ON MOTION TO CONFIRM ARBITRATION AWARD AND MOTION TO**
9 **VACATE ARBITRATION AWARD**

10 Plaintiff, Gholamreza Zandian Jazi's Motion for Confirmation and Entry of Judgment on
11 Arbitration Award, and Defendants' Ray Koroghli and Fred Sadri's Motion to Vacate Arbitration
12 Award/Motion to Modify or Correct, came before this Court for hearing January 11, 2007. Holly
13 A. Fic, Esq., and Michael A. Reynolds, Esq., of the law firm of John Peter Lee, Ltd., appeared on
14 behalf of Plaintiff and John Netzorg, Esq., appeared on behalf of Defendants.

15 The Court having considered all of the pleadings and papers on file herein and the
16 representations and arguments of counsel,


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ATTORNEY AT LAW
830 LAS VEGAS, NV 89101
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

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IT IS HEREBY ORDERED that both Motions are denied. The matter is referred back to Arbitrator Floyd Hale to consider the issues set forth in the oral decision, a copy of which is attached hereto as Exhibit "A."

Dated this 18th day of January, 2007.


HONORABLE ELIZABETH GONZALEZ

RESPECTFULLY SUBMITTED BY:

JOHN PETER LEE, LTD.

BY: 

JOHN PETER LEE, ESQ.
Nevada Bar No. 001768
MICHAEL A. REYNOLDS, ESQ.
Nevada Bar No. 008631
830 Las Vegas Boulevard South
Las Vegas, Nevada 89101
Attorneys for Plaintiff/Counterdefendant

ATTORNEYS AT LAW
830 LAS VEGAS BLVD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

COPY

DISTRICT COURT
CLARK COUNTY, NEVADA

* * * * *

JAN 16 10 39 AM '07

GHOLAMREZA Z. JAZI, et al.

Plaintiffs

vs.

RAY KOROGHLI, et al.

Defendants

FILED

CASE NO. A-511131

DEPT. NO. XI
CLERK OF THE COURT

Transcript of
Proceedings

BEFORE THE HONORABLE ELIZABETH GONZALEZ, DISTRICT JUDGE

HEARING ON MOTIONS

THURSDAY, JANUARY 11, 2007

RECEIVED
JAN 16 2007
JOHN PETER LEE, LTD.

APPEARANCES:

FOR THE PLAINTIFFS:

HOLLY FIC, ESQ.
MICHAEL A. REYNOLDS, ESQ.

FOR THE DEFENDANTS:

JOHN M. NETZORG, ESQ.

COURT RECORDER:

JILL HAWKINS
District Court

TRANSCRIPTION BY:

FLORENCE HOYT
Las Vegas, Nevada 89146
(702) 221-0246

Proceedings recorded by audio-visual recording, transcript
produced by transcription service.

WFZ2078

1 LAS VEGAS, NEVADA, THURSDAY, JANUARY 11, 2007, 10:23 A.M.

2 (Court was called to order)

3 THE COURT: Okay: A-511131, Jazi versus Koroghli.

4 (Pause in the proceedings)

5 MS. FIC: Holly Fic, Your Honor, for the plaintiff.

6 Bar Number 7699.

7 MR. REYNOLDS: And Mike Reynolds, also.

8 MR. NETZORG: Good morning, Your Honor. John

9 Netzorg on behalf of the defendants.

10 (Off-record colloquy - Court and Clerk)

11 THE COURT: Okay. Which motion do you want to do
12 first, the motion to vacate, or the motion to confirm the
13 arbitration award?

14 MS. FIC: Since our motion is first, Your Honor, I'd
15 like to argue first. And I promise I won't be that long. I
16 have an 11:00 o'clock, actually a settlement conference, to go
17 to.

18 THE COURT: You saw that the gentleman who was here
19 earlier kept saying he was going to be brief, and even though
20 he's not a lawyer, he talked for a really, really long time.

21 MS. FIC: I promise you I won't be --

22 (Off-record colloquy)

23 MS. FIC: Your Honor, hopefully, I mean, I consider
24 -- you know, we have our motion to confirm an entry of
25 judgment. We've got a simple premise here. We've got an

1 11/28, 2005, stipulation to arbitration. Not for mediation,
2 it's for arbitration. The defendants fully agreed to submit
3 to arbitration and that the arbitration shall be binding with
4 no right of appeal. It's Exhibit 2. And it shows that the
5 defendants actually, you know, participated in the language,
6 because they hand-wrote certain notes that they did or did not
7 agree to and initialled any changes. But they left the
8 provision that the arbitration shall be binding with no right
9 of appeal as unmarked, and therefore it stands. And it is our
10 stipulation for arbitration.

11 We also had an arbitration scheduling order. The
12 parties agreed -- specifically, defendants agreed to Mr. Hale
13 to arbitrate the matter, who, after having heard two full days
14 of testimony, having reviewed all the exhibits, the
15 depositions that were submitted, and arguments of counsel on
16 9/8/06, set forth the parties' stipulation on the record. And
17 he even stated that -- Mr. Hale stated that he would file an
18 arbitration decision, to which none of the parties objected.
19 He fully asked the parties if they would want to participate
20 in any changes. He asked on two occasions. He invited the
21 parties to add any additional terms, and they were set on the
22 record. The court reporter recorded the terms of the
23 agreement as if it was a stipulated judgment. The arbitrator
24 recorded these and memorialized the terms, and he even said,
25 this will completely resolve all claims of the LLCs and the

1 individuals that are involved in this litigation.

2 And consistent with the arbitrator's record of the
3 September 8th, 2006, resolution, Arbitrator Floyd Hale issued
4 the arbitration decision. So not only did the parties have
5 the terms recorded by a court reporter, but this was
6 formalized by a decision by the arbitrator called an
7 "Arbitration Decision."

8 So there's case law out there, Your Honor, that when
9 there's just even the attorneys doing -- who have
10 authorization to settle and they put it down in writing with
11 the court reporter, that's almost like EDCR 7.50, which
12 provides that stipulations should be in writing or entered in
13 the court minutes.

14 Here we had an arbitration which had gone on for
15 some time. It wasn't just a one-shot deal. Parties had given
16 opening testimony -- I mean opening statements, and testimony
17 was taken and everything like that. So here we have it.
18 We've got an agreement on the record with counsel present,
19 with the parties present, and a neutral third-party
20 arbitrator. The terms were recorded by a court reporter, like
21 EDCR 7.50, and then it was actually reduced to a writing in
22 the arbitration decision.

23 And so -- and, you know, and counsel were free to
24 add anything they want. And then we get it down to where
25 we're going to have it down -- put it down to writing, have

1 the parties sign these agreements, and they back out. We
2 prepared everything for them to sign it. And also, too, the
3 parties had gone back and forth with Arbitrator Hale, asking
4 to reopen these issues, asking -- and they were denied. And
5 we did a motion to implement the award, and that was granted
6 by the arbitrator.

7 So what we're seeking, Your Honor, today is to
8 confirm and enter this arbitration award and confirm the
9 decision of the arbitrator, because we don't want to keep
10 going back and forth. The terms were set forth, the parties
11 agreed to them, the parties were present, counsel was present,
12 and we had an arbitrator there. So we would submit that, Your
13 Honor, please confirm the arbitration decision and enter the
14 judgment so that the parties will sign the release agreements.

15 THE COURT: Mr. Netzorg.

16 MR. NETZORG: Thank you, Your Honor.

17 As we've argued in the briefs rather extensively,
18 this started out as an --

19 THE COURT: Very extensively. My son thought I had
20 more homework than he did last night.

21 MR. NETZORG: I know. And I appreciate it. I know
22 it's rather voluminous. It's very important, obviously, to
23 the client.

24 THE COURT: Okay. I understand. It's important to
25 everybody.

1 MR. NETZORG: And this started out as an
2 arbitration, and that is correct. And then there were a
3 couple items that weren't accurate. There were opening
4 arguments by counsel. The plaintiff gave his direct
5 examination, and then he was cross-examined on about one third
6 of the materials, at which point a mediation started. Counsel
7 argues that as a result of these proceedings that the parties
8 understand it was put on the record. And, Your Honor, this is
9 the only place where you see the defendants' participation.

10 But first and foremost, Your Honor, Arbitrator Hale
11 mentions that he was proud that the parties asked him to
12 mediate instead of arbitrate. He references that the terms
13 and conditions will be in the settlement agreement. We'll go
14 into these in more specifics in a second.

15 But, Your Honor, what has happened is there was a
16 settlement of this case, and the plaintiffs haven't performed
17 material terms and conditions, material terms and conditions
18 that appear in the recorded arbitration statement. And I'd
19 ask the Court -- it's just a few pages, and we might go
20 through that and review it, because it is critically
21 important. This is where the parties' understandings are
22 discussed. It's Exhibit A to our motion to vacate, which
23 makes it the easiest to locate, because it's Exhibit A. But
24 it's attached on numerous occasions. I'm sure the Court's had
25 a chance to review it. The pagination --

1 THE COURT: What page?

2 MR. NETZORG: Our motion to vacate, Exhibit A.

3 THE COURT: But what page on that?

4 MR. NETZORG: I would ask the Court to turn to
5 page 4 at the bottom. And my cross-references will be to the
6 pagination at the bottom of the exhibit, rather -- because for
7 some reason --

8 THE COURT: This is a rough transcript, so its page
9 numbers differ from that which is attached to the other
10 side's, plaintiffs' transcript.

11 MR. NETZORG: Oh. Very good. Very good.

12 THE COURT: I noticed that when I looked at them
13 last night.

14 MR. NETZORG: Well, thank you, Your Honor. Because
15 I -- it was most confusing to counsel, as well.

16 But as we review it, after -- and understand this
17 arbitration lasted for weeks, but that was because we went
18 over our allotted time and Arbitrator Hale had Fridays
19 available. So the fact it went on for weeks was not
20 indicative that the actual -- we were hearing testimony day
21 in, day out.

22 But Mr. Hale went on the record, and he announces
23 the case at page 4 and at page 5, and he says -- he says,
24 "Having heard two full days of testimony and the arguments of
25 counsel, it appears that the resolution of this case will be

1 as follows. And counsel are free to correct me."

2 And the intention was, Your Honor, that because this
3 was a settlement and we were putting it on the record, that
4 the people's intentions -- the parties intentions be added.
5 This wasn't a decision on the merits. It was exactly what it
6 was, a settlement, as if I were to come in here and say, Your
7 Honor, we've settled today, we want to put the terms and
8 conditions on the record.

9 What were those terms and conditions? Very first
10 thing -- page 5, Your Honor, of Exhibit A. Very first thing,
11 to make sure that there was no confusion. "This is pursuant
12 to a stipulation, obviously, so we want to make sure there is
13 a universal and complete resolution of all issues." That was
14 a material consideration.

15 THE COURT: That's you talking, as opposed to Mr.
16 Hale?

17 MR. NETZORG: That's me, talking, yes. That's the
18 very first thing after -- after -- just to make sure that that
19 was on the record, that there wasn't any confusion later and
20 that someone would try and deny us the benefits of why it was
21 that we were going to be tendering over \$5 million in
22 consideration. So this wasn't a situation where we had a car
23 accident and we were worried about the fender. This was a
24 real estate case that involves over 40,000 acres of land over
25 7 square miles of property located in four separate sections

1 that had been acquired at a price in excess of 16 million.

2 And did we not ask to have this recorded?

3 THE COURT: It's always recorded in here.

4 MR. NETZORG: Ah. Very wonderful.

5 THE COURT: Now you're going to get a bill for it.

6 MR. NETZORG: Thank you very much. I appreciate
7 that. Please send me your bill. I'm too old to be forgetting
8 that one. But thank the Court to deferring to business
9 litigants who --

10 Okay. So the defendants were looking for a
11 universal settlement. And the Supreme Court has held on
12 innumerable occasions that obviously a settlement and
13 resolution is a material consideration.

14 Mr. Hale then went on and discussed some portions of
15 it. He talks about Mr. Zandian [phonetic] at page 6, and he's
16 going to get the Pahrah [phonetic] property, and the Pahrah is
17 I believe 4400 -- 4600 acres, and I may be wrong, and he's to
18 receive it free and clear. Well, that was very important,
19 that he receive it free and clear, just as it was important to
20 the defendants that they receive his consideration free and
21 clear. So the Pahrah land -- this is in Fernley, Nevada, and
22 it is 4600 acres, but I may be mistaken, it's over a thousand.
23 At which point on page 7 at line 11 I mention that there's --
24 there's some engineering that hasn't been done.

25 And then Mr. Lee states -- and this is I take

1 umbrage with the position that's been argued that we didn't
2 present the arguments or didn't complain at the time. It
3 says, "John, please do me a favor --" "John" referring to me
4 at page 7 and line 13 at the top "-- let the gentleman finish.
5 Let him finish, and we will put our comments --" So he's
6 asking that we put the comments, I understood it, at the end.

7 So Mr. Hales starts all over and he talks about the
8 Pahrah property at page 7, line 20, is to be free and clear to
9 Mr. Zandian.

10 And then on page 8 he talks about 320 acres, also
11 located in Washoe County, and that's to be free and clear to
12 Mr. Zandian, because it was very important that it be free and
13 clear. "Mr. Sadri and Mr. Koroghli will within 30 days from
14 today pay Mr. Zandian \$250,000." There was nothing about
15 paying Mr. Lee \$250,000. That's what the parties had
16 negotiated. They were to pay Mr. Zandian \$250,000. There is
17 a change subsequently, but that money was money that wasn't
18 fees awarded to Mr. Lee. That was part of the consideration
19 we're talking. And this has serious importance to the
20 defendants because there are tax consequences of this
21 transaction, there are innumerable other parties involved,
22 there are other people that hold ownership interests, and
23 we're -- we address these at a later -- very shortly,
24 actually.

25 Then at page 9 Mr. Hale goes on and talks about, at

1 line 16, all the LLCs and properties that are subject to this
2 arbitration herein, including the Pahrah properties and the
3 Wendover project, waive any claim to reimbursement for
4 consulting fees.

5 And then he states, "The parties will through
6 counsel prepare any necessary documents to effect the
7 transfers of the LLCs and the underlying real estate." This
8 is page 9, lines 21 through 23. So it's understood that
9 there's going to be a preparation of further documents.

10 But going on at page 9 on the rough draft, our
11 Exhibit A, line 24, "And the parties and representatives of
12 these LLCs will execute all necessary documents to effect this
13 settlement and arbitration order." This settlement. This is
14 a settlement and the meeting of the minds. The defendants had
15 an understanding of what they were to get, and it's expressed
16 in this document.

17 Now, "Mr. Lee: We would like to have the check
18 payable to my office for \$250,000." He wants the check made
19 payable to his office. This is Mr. Zandian's \$250,000. He
20 wants it payable to his office. There's nothing about he's
21 supposed to get paid five days in advance, there's nothing
22 about that the defendants are under a unilateral obligation to
23 perform.

24 Then, "Mr. Hale: The settlement check will be
25 payable to John Peter Lee." This is a settlement. This is

1 what we understood. That's what everyone talked about,
2 settlement agreements and settlement.

3 Then finally, "Anything else?" Now, Mr. Lee had
4 requested that we put our items -- or withhold them to the
5 end, so at page 10, line 9, "We would like a mutual release
6 executed by and between the parties." And Mr. Hale agrees to
7 that.

8 Then below that we talk about -- page 10, line 13 --
9 "We need a warranty from the parties that the properties and
10 interests being transferred haven't been previously
11 transferred --" this is typical; you're not going to take some
12 interest not of record with no warranty "-- that the parties
13 in fact do currently hold these interests --" we want to know
14 that there hasn't been a conveyance, typical, it would be
15 boilerplate warranties "-- and that they are capable of
16 transferring the interests that are subject to this order free
17 and clear of claims by any third parties." This is at pages
18 10 and 11 of Exhibit A. Free and clear.

19 Well, Your Honor, we've provided the Court with
20 Exhibit C1, which is the rights of first refusal that the
21 plaintiff has assigned all of his LLC interest, he has given a
22 prior transfer to a limited number of members. In the Big
23 Springs Ranch, LLC, which is 35,000 acres, there's one other
24 member, Mr. Abershombie. With the Wendover Project, which is
25 approximately 67 acres located outside of Wendover, I think

1 there may be 13 other members of the LLC. He was under an
2 obligation to deliver this free and clear. He has never
3 tendered his property free and clear. Every tender has been
4 subject to rights of first refusal in third parties.

5 It is customary -- we went to West, we went to
6 business transactions and filled out a form assignment of an
7 LLC or limited partnership interest, and the form assignment
8 necessarily is the consent from the other parties that hold
9 rights of first refusal. There are two reasons. One, even
10 absent a right of first refusal, a transfer without the
11 consent would liquidate the limited partnership. Mr. Zandian
12 was receiving thousands of acres free and clear, and he was to
13 deliver the consideration free and clear. And he has not.

14 And so under the proposed -- you know, why they
15 would try and cram this thing down, why -- why in the world
16 would the defendants be required to transfer their assets
17 encumbered subject to rights of first refusal in third parties
18 while the plaintiff would receive them free and clear? It
19 clearly was not the intention. And they have refused to sign
20 this document. It is in here. We are asking that which is
21 customary. These are standard, customary requirements.
22 There's nothing exceptional.

23 Your Honor, also in 100 percent of all escrows
24 handled in Nevada and everywhere else in the United States of
25 America the parties to the real estate escrow are required

1 under federal law, 26 USC, Section 1445, to make a declaration
2 to the Internal Revenue Service of their non-foreign residency
3 status. That is federal law. Typically that appears in a
4 separate document.

5 The only change we made to the form document was to
6 eliminate a number of the provisions and to include the non-
7 foreign resident declaration because this involved transfers
8 of interest in real property. Those --

9 MS. FIC: I don't mean to interrupt. Can we
10 clarify? I don't -- how are we in an escrow? I mean, I don't
11 think escrow even applies. I mean, I --

12 THE COURT: You've got to do an escrow.

13 MS. FIC: You do?

14 THE COURT: You have land that you're transferring,
15 right?

16 MS. FIC: Okay.

17 THE COURT: So --

18 MS. FIC: Well, because we -- we did quitclaim
19 deeds, and we sent over all the paperwork and --

20 MR. NETZORG: Excuse me. I'm sorry. I waited
21 for --

22 THE COURT: Somebody not going to tell the IRS about
23 this transaction? Because that would be bad.

24 MS. FIC: I just didn't think there had to be
25 escrow.

1 THE COURT: That's all right.

2 MR. NETZORG: Then -- so this -- this is the essence
3 of the transaction. Why would we -- why would we take
4 interests that were encumbered by third parties so that we
5 could invite future litigation when the whole -- the very
6 first thing I said is, Your Honor, we need a universal
7 settlement? This is a universal settlement. We don't -- we
8 want the property free and clear. They have consistently
9 refused.

10 On that issue, we were provided blank quitclaim
11 deeds with runoffs from some database, no legal description
12 incorporated in them, where we would just sign them in blank
13 and hand them to the defendant. We're supposed to give five
14 days before we get anything a quarter of a million dollars to
15 the attorney. Where this requirement came from I cannot
16 fathom. "I'll let the two of you to work out the language."

17 Well, Your Honor, I didn't think taking a --
18 whatever. I took a form document as I would have done in any
19 other transaction for an assignment of an LLC interest,
20 especially -- this wasn't -- if it was five or ten dollars,
21 maybe you could do it on a cocktail napkin like the one the
22 plaintiffs put together, but any other document would have
23 necessarily have required, you know, the representations to
24 which the parties had agreed.

25 Then looking at page 11, line 2, I mentioned that

1 they were speaking of three married guys, we want to know if
2 they're speaking for the community interest of their spouses
3 on each and every one that is transferred. This was
4 specifically in the -- in the transcript. And why was this
5 important?

6 We've given you the history of the Dutch Shipyard.
7 The testimony -- cross-examination of Mr. Zandian had simply
8 covered the Dutch Shipyard transaction. We hadn't even gotten
9 much beyond that. This is a case where in 1997 he had signed
10 off for \$2.1 Dutch guilders. He settled with his Dutch
11 partner to sell his interest. One year later he rescinds that
12 transaction, that settlement, that global release, premised on
13 the fact his wife hadn't signed. So with that track history
14 these were documents in there. It was critically important
15 that the wife sign, because we knew that the last major
16 settlement that he was involved in, he'd used that for
17 rescission. And he testified that eight years later he still
18 had that Dutch Shipyard tied up in litigation over the wife
19 issue and his French bankruptcy.

20 Then he showed up at the hearing with a liquidacione
21 fiduciare [phonetic], a personal bankruptcy filing that he had
22 in France. And he testified that this litigation involved his
23 -- his -- he said it was his corporate bankruptcy in France,
24 so we, having been alerted to that, as with anyone, as if --
25 if he'd been in bankruptcy in Oklahoma and the consideration

1 that he paid for the interest was in litigation in bankruptcy
2 court, we asked for an order from the court verifying that
3 they had no interest -- this was subsequently, but, I mean,
4 yeah, we wanted it free and clear, and one of the things was
5 free and clear of the bankruptcy interest.

6 "Mr. Lee: With regard to the spouses issue --" at
7 page 12, line 6 "-- we can work out the form of the details.
8 I'm not concerned about this." This is in response to
9 Arbitrator Hale's, "We may want spouses to sign."

10 So it wasn't even an issue. It wasn't an issue
11 until four days later, when Mr. Lee said the spouses weren't
12 going to sign. And that's where the problems started, when
13 the plaintiff immediately reneged on the agreement and how has
14 come in and said, well, gee, the arbitrator wrote a form
15 that's completely inconsistent with everyone's understanding
16 and the record and we're going to cram that down your throat,
17 we're not going to have the spouses sign, we're not going to
18 provide clear title to the LLC interests, we're going to give
19 you an assignment subject to rights of first refusal that will
20 guarantee the liquidation of your entities.

21 There's another provision in the LLC agreements that
22 provides on the resignation that the LLC shall dissolve. So
23 without -- they prepared a separate resignation form to
24 guarantee that they would have that resolved.

25 So the defendants are asked to transfer what

1 arguably could be millions of dollars in assets and in
2 consideration for nothing. And that was not the
3 understanding.

4 Then once again I point at page 12, lines 16 and 17,
5 "That is fine. That can be in the settlement agreement."
6 Once again we're talking about the settlement agreement. This
7 is page 12, lines 16 and 17, when I'm talking about the
8 warranties and satisfaction. So the notion that this was not
9 a settlement agreement, we're calling it a settlement
10 agreement, here it's the settlement agreement, everybody knew
11 there was going to be a settlement agreement -- no one in
12 their wildest imaginations dreamed that something would be
13 concocted completely inconsistent with this, denying the
14 defendants any of the benefits that they'd negotiated for.

15 At the next page, page 13, line 22, "We want to do
16 an allocation of the purchase price." If we were transferring
17 five and a half million dollars or more in assets and there
18 was potentially rights of first refusal, we couldn't have the
19 situation which the defendants have intentionally engineered.
20 Big Springs Ranch, for instance. There's a recital that
21 \$250,000 is to go for the waiver of the Big Springs Ranch
22 issue. There are four members -- or there -- of Big Springs
23 Ranch, arguably. If you just waived the interest, then all
24 those members, even Mr. Abershombie, who's not a party to the
25 litigation and not paying any consideration, would be the

1 beneficiary of that grandess.

2 The parties paid \$2.8 million for that property, and
3 to say, well, we're going to allocate a \$250,000 value? No.
4 I mean, for tax purposes, for basis purposes it was important
5 that the consideration that the defendants were tendered would
6 be allocated and there'd be some correlation between the
7 values and the allocation made. What do we get? \$250,000 for
8 a waiver of the Big Springs Ranch interest. So that in effect
9 gives us nothing. It permits the other partner to, arguably,
10 I guess, under that resolution exercise a right of first
11 refusal, which would allow him to buy an interest for a
12 fraction of what it cost three years previously. "Mr. Lee:
13 You can allocate anything you want to." "Mr. Netzorg: That
14 is good, as long as you understand." It was important to us.

15 And then finally, on page 14 -- and I'd mentioned
16 the candy's been excellent because the arbitrator had candy
17 there and we were going on and on, eating this candy. "And
18 then there is -- with the understanding that those items --
19 thank you very much for the excellent job you did."

20 Your Honor, I've said those items were all important
21 to us. This is a part and parcel of our consideration. We
22 have not been provided it. There have been quitclaim deeds,
23 there've been grant, bargain and sale deeds. There's no
24 spouses. The assignments contained -- are subject to rights
25 of first refusal. So obviously, Your Honor, there was no

1 meeting of the minds. The plaintiff steadfastly refuses to
2 perform any of those. And this is -- these were material
3 consideration which was not provided.

4 When we filed -- and under the rules, Your Honor,
5 there's a requirement that you file within 20 days of the
6 decision. All of a sudden here comes the decision. So --

7 THE COURT: Which one? Because I've got three.

8 MR. NETZORG: The first one.

9 So within 20 days you have to move to modify under
10 the rules. That's what we did. We put our motion to modify
11 in, it was delivered to the arbitrator's office, and an hour
12 later we had a decision denying our motion. There was never a
13 settlement agreement.

14 Then there was a motion to enforce the award. The
15 arbitrator correctly said he had no authority to enforce the
16 award, take it to District Court, I believe was --

17 And then finally there was a motion to implement the
18 award. It went under advisement. Out of the blue here comes
19 an implementation order from the plaintiff, which doesn't deal
20 with the spouses, doesn't deal with our rights of first
21 refusal, doesn't deal with the fact that the LLCs will be
22 dissolved by the documents that have been prepared, doesn't
23 even address our request that they sign our form assignment
24 provision and get the consent. And the next day that comes
25 back basically signed by the arbitrator.

1 Now we have these motions in here, and we're
2 pretending the apples are oranges. It was a settlement
3 agreement, everyone knew it was a settlement agreement, the
4 settlement's put on the record. Even today the argument is
5 they put the settlement on the record. And the plaintiffs
6 haven't performed.

7 So if we were to stuff this down the defendants'
8 throats and give them nothing when their intention was clearly
9 to the contrary, then these are the very items which are
10 reviewable under NRS Chapter 38. You look for modification of
11 the award; was there an evident mathematical miscalculation or
12 an evident mistake in the description of a person, thing or
13 property; the arbitrator's made a award on a claim not
14 submitted to him; the award is imperfect in matter of form not
15 affecting the merits. "The motion to modify or correct an
16 award pursuant to this section may be joined with a motion to
17 vacate the award."

18 Well, the reason that you put things on the record
19 is so you have a record of it. And that reflects what the
20 parties' intentions were. And the other, later items do not.
21 There wasn't any substantive changes. There is a
22 misinterpretation of that which was clear and unambiguous.
23 And it's so one-sided. Why are these requirements that we
24 transfer our assets free and clear and they transfer them to
25 us -- well, they don't even transfer them to us. They give us

1 their title subject to third parties' rights and interests and
2 potentially bankruptcy court's ownership.

3 And, Your Honor, also, additionally, if you look at
4 it, I mean, just for the purposes of doing the analysis on the
5 vacation, the process itself, you know, was there fraud or was
6 this an undue process. Well, this was an undue process. You
7 don't have people do a settlement, tell them it's a
8 settlement, tell them there's going to be a settlement
9 agreement, and then say, oh, here's an award -- here's an
10 award and we're going to treat this as if I'd actually
11 conducted the trials.

12 The defendants had numerous witnesses that they were
13 going to call. None of them were called. One of the
14 plaintiffs' witnesses was -- the plaintiff was called and
15 direct examination. There was no testimony from the other
16 witnesses. There was no testimony by the defendants.

17 So, Your Honor, for these reasons there just has
18 been no meeting of the minds. And this is reflected -- the
19 statutory grounds for the vacation are met. This settlement
20 has not been fulfilled. And, Your Honor, basically we had a
21 mediation, obviously there was not a meeting of the minds and
22 material consideration. We would ask that the matter be
23 reverted with a new arbitrator. Because if the parties
24 haven't decided, then let them go arbitrate. If all these
25 plaintiffs are going to give us is clouded title to the assets

1 that we were to pay five and a half million dollars for, then
2 obviously there's no meeting of the minds, go arbitrate.

3 Under the circumstances, Your Honor, it should be in
4 front of a new arbitrator because of the involvement in the
5 mediation. And the other bases are articulated in our motion.
6 And the other issues that this -- you know, the fact that for
7 some reason why when we submitted our documents they were
8 summarily denied without even consideration and without -- we
9 do our motion for -- to modify, we have our form assignment
10 agreement with no oppositions filed, nothing, just, bam,
11 denied. You know, we have our final motion, implementation,
12 which we consider as under consideration raising many of these
13 issues. I mean, how can we just arbitrarily not comply with
14 federal law? How can we leave the spouses out? How can we
15 ignore the rights of first refusal? We can't. That
16 invalidates the procedure.

17 The only question is what's the remedy. And the
18 remedy under the circumstances where the arbitrator has
19 performed a mediation is to send it to a new arbitrator and
20 let the parties finalize it, give the defendants an
21 opportunity to testify. The defendants have not. The
22 defendants were told repeatedly the settlement, settlement,
23 this is a settlement, there'll be an agreement, put your items
24 at the end. They were put there at the end without objection,
25 and then summarily eliminated, the very consideration that

1 formed the basis of the settlement removed.

2 So the defendants were denied under the statutes,
3 NRS 38, basically what amounts to their day in court. And
4 there's no pretense that this was a complete, full and fair
5 hearing, nor did the parties intend that it be such. They
6 settled it, they put the settlement on the record. The
7 plaintiffs are now disagreeing and started immediately, our
8 spouses won't sign, that'll be confusing. Well, we didn't get
9 the benefit -- had they notified us the day that we were
10 putting it on the record, it never would have happened.

11 And the other items I detailed in my opposition to
12 their motion and their reply. So thank you, Your Honor.

13 THE COURT: Okay.

14 MS. FIC: Your Honor, I have a suggestion, okay.
15 Because what I keep hearing is settlement, settlement,
16 settlement. We agree there was a settlement. I did say
17 settlement, okay. But the settlement terms were -- the terms
18 -- essential terms were put in -- recorded by a -- on the
19 transcript by the court reporter. So we have the essential
20 terms, okay.

21 THE COURT: You do.

22 MS. FIC: What I'm hearing is --

23 THE COURT: And you're missing some of the things in
24 the documents you have as to those essential terms.

25 MS. FIC: Okay. And that's -- okay, Your Honor, so

1 fine. So if we have the essential terms, if we've got
2 disputes with this, why don't we -- okay. I don't want to do
3 a new arbitrator, because that's going to be costs to both
4 parties. It's not going to be efficient. Arbitrator Hale was
5 agreed to --

6 THE COURT: I'm going to solve your problem. It's
7 really easy. I'm going to refer the matter back to Floyd Hale
8 for further proceedings, consistent with the 9/8/06
9 transcript. Those will include getting the mechanism for the
10 spouses of the parties to sign the documents, getting a
11 mechanism for the waiver of the release of the rights of first
12 refusal that exist, entering into the settlement agreement the
13 parties entered into. If he is unable to reach an agreement
14 among the parties, then I will have the final word. I --

15 MS. FIC: Because, Your Honor --

16 THE COURT: Wait, wait, wait. I'm not done.

17 MS. FIC: Okay. Sorry, Your Honor.

18 THE COURT: Okay. I recommend -- this is not an
19 order -- that an escrow be opened for the transfers of the
20 real property. If you are merely transfer interests in an
21 LLC, which has different tax consequences to both of your
22 clients, I don't think it's necessary for an escrow to be
23 opened. But if you're transferring real property, which is
24 what it currently looks like to me you were trying to do based
25 upon the settlement, then an escrow needs to be opened.

1 I'm referring it back to Mr. Hale, since I would
2 typically in a case where a settlement was reached and there
3 was a mediator or arbitrator involved refer it to that
4 individual for some additional work with you to try and
5 resolve those disputed issues, since they were there at the
6 time you reached the settlement. Hopefully I have a
7 transcript that helps me. If you are unable to reach an
8 accommodation after speaking to Mr. Hale, then I will reach an
9 accommodation, because I have a transcript, and I'll make a
10 decision. And it won't be one that anybody's tax benefits are
11 in favor of, because there's no indication in the transcript
12 that you're going to work together to minimize tax
13 consequences to each other, which sometimes I see in
14 settlement agreements. And I didn't see that in this one.

15 MS. FIC: Yeah. 'Cause the only concern was I
16 didn't want to have like maybe one wife not sign, because
17 there's a lot of -- you know, one wife not signing upset the
18 whole thing.

19 THE COURT: The wives have to sign. That was part
20 of the deal you guys cut. You cut a deal the wives are going
21 to sign. The wive's have got to sign.

22 MS. FIC: We --

23 THE COURT: That was part of the discussion on
24 September 8th during the --

25 MS. FIC: Floyd Hale said that, but then it was not

1 added to at the end of it that we were required to have all
2 the wives sign. Because here's the thing, they're non-
3 parties. And what happens if one --

4 THE COURT: How are you going to -- wait now. This
5 is just really common sense.

6 MS. FIC: Okay.

7 THE COURT: How are you going to transfer an
8 interest in real property which may be owned by both of the
9 people and the wife has a claim, especially in places where it
10 is voidable if you do not have the spouse sign? How are you
11 going to transfer that property free and clear?

12 MS. FIC: Because the husbands -- I mean, there's
13 NRS statutes --

14 THE COURT: Okay. I'm going to send you back to Mr.
15 Hale, and the wives need to sign. Spouses need to sign, and
16 the people who have the first right of refusal need to waive.

17 MS. FIC: So we'll come back to you if one of the
18 wives refuse. That's the only thing. I just don't want to --

19 THE COURT: You're going to come back to me if you
20 are unable to reach an agreement, if you need me to confirm an
21 order. You are also going to come back to me if there is any
22 problem in the implementation of the agreement.

23 But you reached a settlement, it was put on the
24 record. You've got to have a settlement agreement. I know
25 that Mr. Hale drafted an arbitration award, because he

1 conducted a portion of the arbitration. And I don't really
2 have a problem with that, but we need to have the
3 documentation consistent with the discussions that were --
4 that occurred on September 8th, 2006, which are a part of the
5 actual record the court reporter made, at which time both
6 parties stipulated in front of the arbitrator that they had
7 agreed to go to as part of the extrajudicial proceedings,
8 which in my mind makes it an enforceable settlement. Okay.

9 MR. NETZORG: Thank you, Your Honor.

10 THE COURT: Have a lovely day.

11 MR. NETZORG: We appreciate it. Happy New Year.

12 MS. FIC: Thank you, Your Honor.

13 MR. NETZORG: Happy to have business court back.

14 THE COURT: Any more business court cases you want
15 to send me, send them along.

16 (Off-record colloquy)

17 THE PROCEEDINGS CONCLUDED AT 9:59 A.M.

18 * * * * *

19
20
21
22
23
24
25

CERTIFICATION

I CERTIFY THAT THE FOREGOING IS A CORRECT TRANSCRIPT FROM THE AUDIO-VISUAL RECORDING OF THE PROCEEDINGS IN THE ABOVE-ENTITLED MATTER.

AFFIRMATION

I AFFIRM THAT THIS TRANSCRIPT DOES NOT CONTAIN THE SOCIAL SECURITY OR TAX IDENTIFICATION OF ANY PERSON OR ENTITY.

FLORENCE HOYT
LAS VEGAS, NEVADA 89146
(702) 221-0246

Florence M. Hoyt

FLORENCE HOYT, TRANSCRIBER

1/16/07

DATE

AFFIRMATION
Pursuant to NRS 239B.030

The undersigned does hereby affirm that the preceding _____

Order on Motion to Confirm Arbitration Award and Motion to Vacate
Arbitration Award

(Title of Document)

filed in District Court Case number A511131

Does not contain the social security number of any person.

-OR-

Contains the social security number of a person as required by:

A. A specific state or federal law, to wit: _____

(State specific law)

OR-

B. For the administration of a public program or for an application for a federal or state grant.



Signature

January 17, 2007

Date

Michael A. Reynolds, Esq.

Print Name

Attorney for Plaintiff, Gholamrez Zandian

Title

EXHIBIT "4"

WFZ2108

1 ARB
2 FLOYD A. HALE, ESQ.
3 Nevada Bar No. 1873
4 JAMS
5 2300 W. Sahara, #900
6 Las Vegas, NV 89102
7 Ph: (702) 457-5267
8 Fax: (702) 437-5267
9 Arbitrator.

RECEIVED
MAR 02 2007

JOHN PETER LEE, LTD.

7 DISTRICT COURT

8 CLARK COUNTY, NEVADA

9
10 GHOLAMREZA ZANDIAN JAZI,) Case No. A511131
11) Dept. No. XII
12 Plaintiff,)
13 vs.)
14 RAY KOROGHLI, individually,)
15 FABIRORZ FRED SADRI, individually,)
16 and as Trustee of the Star Living Trust,)
17 WENDOVER PROJECT, LLC, a Nevada)
18 limited liability company; BIG SPRING)
19 RANCH, LLC, a Nevada limited liability)
20 company, and NEVADA LAND AND)
21 WATER RESOURCES, LLC, a Nevada)
22 limited liability company,)
23 Defendants.)

21 ARBITRATOR REPORT AND RECOMMENDATION TO
22 DISTRICT COURT

23 This matter was submitted to Arbitration and Arbitration Hearings were conducted for two
24 days, as well as the submission of voluminous exhibits, depositions and briefs. During the
25 Arbitration proceeding, the parties agreed to meet with the Arbitrator in an effort to resolve the
26 dispute. With agreement of counsel, the parties met directly with the Arbitrator and an agreement
27 for a final conclusion of this matter was read into the record, being recorded by a court reporter.
28

STER
SUITE 900
2300 W. SAHARA
LAS VEGAS, NV 89102
PHONE (702) 457-5267 EMAIL fhaile@lloydshale.com

WFZ2109

1 The undersigned then issued an Arbitration Decision based upon the evidence submitted as well
2 as the agreement of the parties.

3
4 On January 11, 2007, counsel for the parties conducted a hearing before this Court
5 regarding confirmation of the Arbitration Award. Counsel for the parties could not reach an
6 agreement as to what documents needed to be signed to effect the Arbitration Decision. For that
7 reason, the matter was referred back to the Arbitrator for further proceedings. The actual
8 reference, contained in page 25, line 6-14 of the January 11, 2007, transcript is as follows:

9
10 THE COURT: I'm going to resolve your problem. Its real easy. I am
11 going to refer the matter back to Floyd Hale for further proceedings,
12 consistent with the 9/8/06 transcript. Those will include getting the
13 mechanism for the spouses of the parties to sign the documents, getting
14 a mechanism for the waiver of the release of the rights of first refusal
15 that exist, entering into the settlement agreement the parties entered
16 into. If he is unable to reach an agreement among the parties, then I
17 will have the final word.

18 The District Court has already indicated that wives of the principals will need to sign
19 documents. The following report and recommendation will reference the parties to the
20 Arbitration with the understanding that the District Court has already indicated that wives for
21 those parties will be required to sign all necessary documents.

22 IT IS REPORTED AND RECOMMENDED to the Court that the following documents
23 will need to be executed by the parties and their wives:

24 4,400 acres of real estate, owned by Poh Rah, LLC: The only members of the Pah Rah,
25 LLC are the parties to this action: Zandian Jazi; Ray Koroghli and Fred Sadri. These parties will
26 be required to sign a Grant Bargain Sale Deed to transfer the 4,400 acres of real estate to Zandian
27 Jazi. Fred Sadri will need to execute a full reconveyance of the Deed of Trust and release the
28 Promissory Note which was secured by the Deed of Trust as to this property. The parties will also

1 have to sign a waiver of any right of first refusal to this property.

2 320 acres owned by Big Springs Ranch, LLC. The only members of the Big Springs
3 Ranch LLC, are the parties to this action and Mr. Abrishami. If Mr. Zandian Jazi can obtain the
4 signature of Mr. Abrishami on a Deed to transfer this property, then the parties to this action must
5 all execute a Grant Bargain Sale Deed transferring this real estate to Zandian Jazi. If Mr. Jandian
6 Jazi is unable to obtain the signature of Mr. Abrishami, then Mr. Sadri and Mr. Koroghli are
7 required to sign a Quit Claim Deed from Big Springs Ranch, LLC to Zandian Jazi to sign waivers
8 of rights of first refusal.
9

10
11 \$250,000.00 Payment to Zandian Jazi: There has been a dispute as to what entity is
12 responsible for making this payment. During the Arbitration Proceedings, as well as during prior
13 meetings with the parties, it was represented to the Arbitrator that Mr. Sadri and Mr. Koroghli
14 would make this payment. It is Recommended that either Mr. Sadri or Mr. Koroghli, or both, are
15 individually responsible for this payment. Sadri and Koroghli may, however, execute the
16 payment check or draft in whatever representative capacity that they believe is the most
17 appropriate.
18

19 Transfer of Wendover Project, LLC Interest: Zandian Jazi has agreed to waive or transfer
20 any interest that he has, if any, in the Wendover Project, LLC. Mr. Netzorg has argued that it is
21 incumbent upon Mr. Zandian Jazi to obtain signatures on waivers of rights of first refusal from
22 all members of the LLC. This was not part of the settlement agreement and the District Court
23 should be aware that the Defendants contested that Zandian Jazi even owned rights in the
24 Wendover Project, LLC at the time of the arbitration.
25

26
27 It is the Report and Recommendation of the Arbitrator that Zandian Jazi sign a transfer
28 of all interest that he owns in the Wendover Project, LLC directly to: "Wendover Project, LLC."

1 Zandian Jazi must also sign a waiver of any right of first refusal that he has as to that LLC.

2 The remaining managing members of the Wendover Project LLC are responsible for
3 determining the appropriate allocation of the Zandian Jazi interest. If they believe that it is
4 necessary to obtain waivers of rights of first refusal to make that allocation of interest, then it is
5 their responsibility to do so. Before distributing Mr. Zandian Jazi's interest, the managing
6 members of the LLC should either distribute that interest in accordance with the operating
7 agreements or, alternatively, obtain whatever signatures that the managing members determine
8 are necessary to make a different distribution or allocation of that interest. It would seem unfair
9 to place this burden on the transferring party who is merely transferring his interest to the entire
10 Wendover Project, LLC.

11 Big Springs Ranch, LLC: As with the Wendover Project, LLC, Mr. Zandian Jazi will be
12 required to execute a transfer of interest and waiver of any interest of the Big Springs Ranch,
13 LLC, directly to: "Big Springs Ranch, LLC." He must also execute a waiver of right of first
14 refusal that he would have under that LLC. As stated with the Wendover Project, LLC, it is the
15 duty of the managing members of the Big Springs Ranch, LLC, to make an appropriate
16 distribution or allocation of this interest. The remaining managing members of the Big Springs
17 Ranch, LLC must either transfer the property as required by the operating agreement or obtain
18 whatever waivers of rights of first refusal that are necessary to make a transfer which they believe
19 are necessary.

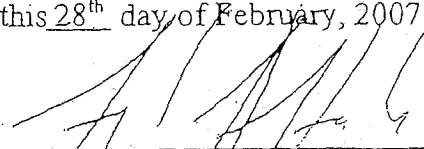
20 CONCLUSION:

21 Mr. Netzorg has contested the requirement that the receiving LLC entities are required to
22 obtain waivers of rights of first refusal. Actually, waivers are not necessary if the receiving
23 interest is transferred pursuant to the operating agreement. If the managing members want to

1 obtain waivers of rights of first refusal to make a different distribution, they are certainly free to
2 do so. That should not be the burden of Mr. Zandian Jazi.

3
4 Mr. Netzorg has also asked for numerous documents regarding a purported transfer of Mr.
5 Zandian Jazi's shipyard stock. There was absolutely no evidence that any entity related to these
6 proceedings acknowledged receipt of that stock or issued any credit related to receipt of that
7 stock. Although that stock was discussed during the Arbitration proceedings, there was no
8 competent evidence regarding that stock being relevant to the Arbitration proceedings.

9
10 RESPECTFULLY SUBMITTED this 28th day of February, 2007.

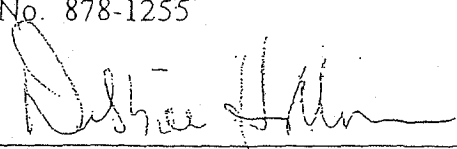
11
12 By: 
13 FLOYD A. HALE
14 2300 W. Sahara, #900
15 Las Vegas, NV 89102
16 Arbitrator

17 CERTIFICATE OF FACSIMILE AND MAIL

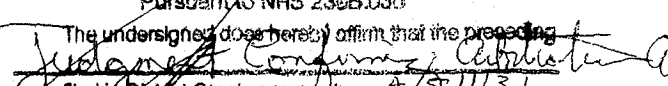
18 I hereby certify that on the 28th day of February, 2007, I faxed and mailed a true and
19 correct copy of the foregoing addressed to:

20 John Peter Lee, Esq.
21 830 Las Vegas Boulevard South
22 Las Vegas, NV 89101
23 Attorneys for Plaintiffs
24 Fax No. 383-9950

25 John Netzorg, Esq.
26 2810 West Charleston Blvd. #H-81
27 Las Vegas, NV 89102
28 Attorneys for Defendants
29 Fax No. 878-1255

30 By: 
31 Employee of Jams

32 AFFIRMATION
33 Pursuant to NRS 230B.030

34 The undersigned does hereby affirm that the preceding
35 
36 filed in District Court case number A/S 11131
37 DOES NOT contain the social security number of any person.

38 Date 6/8/07

SPECI
TER
2300 W. SAHARA SUITE 900
LAS VEGAS, NV 89102
PHONE (702) 457-5267 EMAIL fhale@floydahale.com

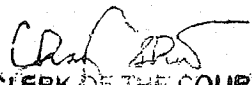
EXHIBIT "5"

WFZ2114

1 NOEJ
JOHN PETER LEE, LTD.
2 JOHN PETER LEE, ESQ.
Nevada Bar No. 001768
3 MICHAEL A. REYNOLDS, ESQ.
Nevada Bar No. 008631
4 830 Las Vegas Boulevard South
Las Vegas, Nevada 89101
5 (702) 382-4044 Fax: (702) 383-9950
Attorneys for Plaintiff/Counterdefendant
6

FILED


JUN 8 4 27 PM '07


CLERK OF THE COURT

7 DISTRICT COURT
8 CLARK COUNTY, NEVADA

9 GHOLAMREZA ZANDIAN JAZI,)
10 Plaintiff,)
11 v.)
12 RAY KOROGHLI, individually, FARIBORZ FRED)
SADRI, individually, and as Trustee of the Star)
13 Living Trust, WENDOVER PROJECT, LLC, a)
Nevada limited liability company; BIG SPRING)
14 RANCH, LLC, a Nevada limited liability company,)
and NEVADA LAND AND WATER)
15 RESOURCES, LLC, a Nevada limited liability)
company,)
16 Defendants.

CASE NO.: A511131
DEPT. NO.: XI


NOTICE OF ENTRY OF
JUDGMENT CONFIRMING
ARBITRATION AWARD

18 RAY KOROGHLI, individually and FARIBORZ)
FRED SADRI, individually,)
19 Counterclaimants,)
20

DATE: 6-5-07
TIME: 9:00 a.m.

21 v.)
22 GHOLAMREZ ZANDIAN JAZI,)
Counterdefendant.)
23

24 WENDOVER PROJECT, LLC,)
25 Counterclaimant,)
26

27 v.)
28 GHOLAMREZ ZANDIAN JAZI,)
Counterdefendant.)

830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Teletypewriter (702) 383-9950
ATTORNEYS AT LAW
NOEJ, LTD.

ATTY S AT LAW
830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

1 GHOLAMREZ ZANDIAN JAZI,

2 Counterclaimant,

3 v.

4 WENDOVER PROJECT, LLC,

5 Counterdefendant,

6 1334.022860-JLR

7 PLEASE TAKE NOTICE that an JUDGMENT CONFIRMING ARBITRATION was filed
8 in the above matter on the 8th day of June, 2007. A copy of said JUDGMENT is attached hereto.

9 DATED this 8th day of June, 2007.

10 JOHN PETER LEE, LTD.

11
12 BY: 

13 JOHN PETER LEE, ESQ.

Nevada Bar No. 001768

14 MICHAEL A. REYNOLDS, ESQ.

Nevada Bar No. 008631

830 Las Vegas Boulevard South

Las Vegas, Nevada 89101

15 Ph: (702) 382-4044/Fax: (702) 383-9950

16 Attorneys for Plaintiff/Counterdefendant

17 Gholamreza Zandian Jazi

ATTORNEYS AT LAW
830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

RECEIPT OF COPY

RECEIPT OF COPY of the foregoing NOTICE OF ENTRY OF JUDGMENT
CONFIRMING ARBITRATION AWARD is hereby acknowledged this 6 day of June, 2007.

JAMS, The Resolution Experts

By: Floyd A. Hale, Esq.
2300 West Sahara Avenue #900
Las Vegas, Nevada 89102

John M. Netzorg, Esq.
2810 West Charleston Boulevard #81
Las Vegas, Nevada 89102
Attorneys for Defendants.

AFFIRMATION
Pursuant to NRS 239B.030

The undersigned does hereby affirm that the preceding
NOE / JUDGMENT
filed in District Court case number 251131
DOES NOT contain the social security number of any person.

[Signature] Date 6/8/07

1 JUDGE
JOHN PETER LEE, LTD.
2 JOHN PETER LEE, ESQ.
Nevada Bar No. 001768
3 MICHAEL A. REYNOLDS, ESQ.
Nevada Bar No. 008631
4 830 Las Vegas Boulevard South
Las Vegas, Nevada 89101
5 (702) 382-4044 Fax: (702) 383-9950
Attorneys for Plaintiff/Counterdefendant

FILED

JUN 8 10 50 AM '07

[Signature]
CLERK OF THE COURT

7 DISTRICT COURT

8 CLARK COUNTY, NEVADA

9 GHOLAMREZA ZANDIAN JAZI,)

10 Plaintiff,)

11 v.)

12 RAY KOROGHLI, individually, FARIBORZ FRED)
SADRI, individually, and as Trustee of the Star)
13 Living Trust, WENDOVER PROJECT, LLC, a)
Nevada limited liability company; BIG SPRING)
14 RANCH, LLC, a Nevada limited liability company,)
and NEVADA LAND AND WATER)
15 RESOURCES, LLC, a Nevada limited liability)
company,)

16 Defendants.)

17 _____)
18 RAY KOROGHLI, individually and FARIBORZ)
FRED SADRI, individually,)

19 Counterclaimants,)

20 v.)

21 GHOLAMREZA ZANDIAN JAZI,)

22 Counterdefendant.)

23 _____)
24 WENDOVER PROJECT, LLC,)

25 Counterclaimant,)

26 v.)

27 GHOLAMREZA ZANDIAN JAZI,)

28 Counterdefendant.)

CASE NO.: A511131
DEPT. NO.: XI

JUDGMENT CONFIRMING
ARBITRATION AWARD

DATE: 6-5-07
TIME: 9:00 a.m.

830 LAS VEGAS VFW BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

AIJ' S AI LAW
830 LAS VEG BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

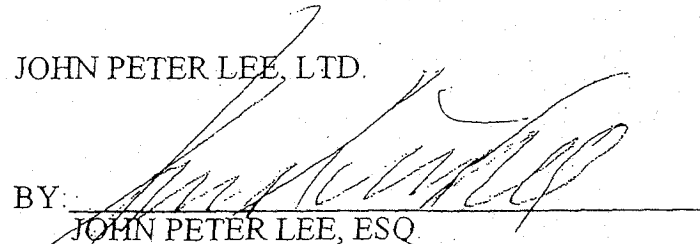
1 GHOLAMREZ ZANDIAN JAZI,
2 Counterclaimant,
3 v.
4 WENDOVER PROJECT, LLC,
5 Counterdefendant,

6 1334.022860-JLR

7 PLEASE TAKE NOTICE that an JUDGMENT CONFIRMING ARBITRATION was filed
8 in the above matter on the 8th day of June, 2007. A copy of said JUDGMENT is attached hereto.

9 DATED this 8th day of June, 2007.

10 JOHN PETER LEE, LTD.

11
12 BY: 

13 JOHN PETER LEE, ESQ.
14 Nevada Bar No. 001768
15 MICHAEL A. REYNOLDS, ESQ.
16 Nevada Bar No. 008631
17 830 Las Vegas Boulevard South
18 Las Vegas, Nevada 89101
19 Ph: (702) 382-4044/Fax: (702) 383-9950
20 Attorneys for Plaintiff/Counterdefendant
21 Gholamreza Zandian Jazi
22
23
24
25
26
27
28

RECEIPT OF COPY

RECEIPT OF COPY of the foregoing NOTICE OF ENTRY OF JUDGMENT
CONFIRMING ARBITRATION AWARD is hereby acknowledged this ____ day of June, 2007.

JAMS, The Resolution Experts

By:

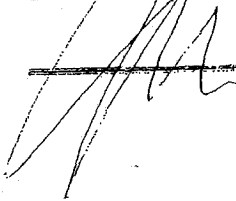
Floyd A. Hale, Esq.
2300 West Sahara Avenue #900
Las Vegas, Nevada 89102

John M. Netzorg, Esq.
2810 West Charleston Boulevard #81
Las Vegas, Nevada 89102
Attorneys for Defendants

ALLIANCE SAILLAW
830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

AFFIRMATION
Pursuant to NRS 239B.030

The undersigned does hereby affirm that the preceding
NOE / JUDGMENT
filed in District Court case number CS11131
DOES NOT contain the social security number of any person.


Date 6/8/07

AT TOP AT LAW
830 LAS VEGAS, NEVADA 89101
ULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

1 JUDGE
JOHN PETER LEE, LTD.
2 JOHN PETER LEE, ESQ.
Nevada Bar No. 001768
3 MICHAEL A. REYNOLDS, ESQ.
Nevada Bar No. 008631
4 830 Las Vegas Boulevard South
Las Vegas, Nevada 89101
5 (702) 382-4044 Fax: (702) 383-9950
Attorneys for Plaintiff/Counterdefendant
6

7 DISTRICT COURT
8 CLARK COUNTY, NEVADA

9 GHOLAMREZA ZANDIAN JAZI,
10 Plaintiff,

CASE NO.: A511131
DEPT. NO.: XI

11 v.

12 RAY KOROGHLI, individually, FARIBORZ FRED
SADRI, individually, and as Trustee of the Star
13 Living Trust, WENDOVER PROJECT, LLC, a
Nevada limited liability company; BIG SPRING
14 RANCH, LLC, a Nevada limited liability company,
and NEVADA LAND AND WATER
15 RESOURCES; LLC, a Nevada limited liability
company,

16 Defendants.
17

**JUDGMENT CONFIRMING
ARBITRATION AWARD**

18 RAY KOROGHLI, individually and FARIBORZ
FRED SADRI, individually,

19 Counterclaimants,
20

DATE: 6-5-07
TIME: 9:00 a.m.

21 v.

22 GHOLAMREZA ZANDIAN JAZI,

23 Counterdefendant.
24

25 WENDOVER PROJECT, LLC,

26 Counterclaimant,
27

28 v.

GHOLAMREZA ZANDIAN JAZI,

Counterdefendant.

ATTOY
AT LAW
830 LAS VEGAS, S JULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

1 GHOLAMREZA ZANDIAN JAZI,
2 Counterclaimant,
3 v.
4 WENDOVER PROJECT, LLC,
5 Counterdefendant.

6 1334.022860-JLR

7 ZANDIAN'S MOTION FOR CONFIRMATION AND ENTRY OF JUDGMENT ON
8 ARBITRATION AWARD and the Defendants' COUNTERMOTION TO VACATE
9 ARBITRATION AWARD having come before this Court on Tuesday, June 5, 2007, the Honorable
10 Elizabeth Gonzalez presiding, and the Court being fully apprised in the premises and good cause
11 appearing, it is hereby

12 ORDERED that Plaintiff's MOTION FOR CONFIRMATION AND ENTRY OF
13 JUDGMENT ON ARBITRATION AWARD is granted, and Defendants' COUNTERMOTION TO
14 VACATE ARBITRATION AWARD is denied.

15 IT IS FURTHER ORDERED that this Court confirms the Arbitration Awards made and
16 entered by Floyd A. Hale, Esq., and enters judgment on the Arbitration Awards as follows:

17 IT IS ORDERED, ADJUDGED AND DECREED that all of the relief granted by the
18 aforesaid Arbitrator in his Arbitration Decision dated the 20th day of September, 2006, a copy of
19 which is attached hereto as Exhibit "1" is granted by this Court.

20 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that the Arbitrator's Decision
21 Denying Defendants' Motion to Change Award dated the 11th day of October, 2006, a copy of which
22 is attached hereto as Exhibit "2" is granted by this Court.

23 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that all relief granted in the
24 Implementation Award dated the 29th day of November, 2006, a copy of which is attached hereto
25 as Exhibit "3" is granted by this Court.

26 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that the Arbitrator's Report
27 and Recommendation to District Court dated the 28th day of February, 2007, a copy of which is
28 attached hereto as Exhibit "4" is granted by this Court.


ATTORNEYS AT LAW
830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

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IT IS FURTHER ORDERED, ADJUDGED AND DECREED that this Court retains


jurisdiction to implement this Judgment.

Dated this 7 day of June, 2007.


Honorable Elizabeth Gonzalez
District Court Judge

SUBMITTED BY:

JOHN PETER LEE, LTD.

BY: 
JOHN PETER LEE, ESQ.
Nevada Bar No. 001768
MICHAEL A. REYNOLDS, ESQ.
Nevada Bar No. 008631
830 Las Vegas Boulevard South
Las Vegas, Nevada 89101
Ph: (702) 382-4044/Fax: (702) 383-9950
Attorneys for Plaintiff/Counterdefendant

RECEIVED
SEP 22 2006

JOHN PETER LEE, LTD.

1 ARB
2 FLOYD A. HALE, ESQ.
3 Nevada Bar No. 1873
4 JAMS
5 2300 W. Sahara, #900
6 Las Vegas, NV 89102
7 Ph: (702) 457-5267
8 Fax: (702) 437-5267
9 Arbitrator

DISTRICT COURT
CLARK COUNTY, NEVADA

10 GHOLAMREZA ZANDIAN JAZI,) Case No. A511131
11) Dept. No. XII
12 Plaintiff,)
13 vs.)
14 RAY KOROGHLI, individually,)
15 FABIRORZ FRED SADRI, individually,)
16 and as Trustee of the Star Living Trust,)
17 WENDOVER PROJECT, LLC, a Nevada)
18 limited liability company; BIG SPRING)
19 RANCH, LLC, a Nevada limited liability)
20 company, and NEVADA LAND AND)
21 WATER RESOURCES, LLC, a Nevada)
22 limited liability company,)
23 Defendants.)

ARBITRATION DECISION

24 Arbitration Hearings in this matter were conducted for two full days. The parties
25 submitted voluminous exhibits, depositions and briefs to the Arbitrator. Having reviewed the
26 documentation submitted and having heard the testimony and representations of the parties, the
27 following Arbitration Decision is entered:

- 28 1. The entire interest in the Pah Rah, LLC, property will be transferred to Gholamreza

LAS V
PHONE (702) 457-
JA 89102
E-MAIL f. hale@floyd hale.com

1 Zandian Jazi, free and clear of all encumbrances, including the promissory note secured by Deed
2 of Trust issued for the benefit of Fariborz Fred Sadri, any obligation owed to Jeff Codega, related
3 to work that was performed as to the Pah Rah real estate will be the obligation of Gholamreza
4 Zandian Jazi;
5

6 2. The 320 acres referenced in the briefs and this lawsuit will be transferred free and clear
7 to Gholamreza Zandian Jazi without any obligation to the other litigants or parties to this
8 Arbitration or to any other party who may profess to have an interest in the 320 acres that are
9 bound by this lawsuit and Arbitration;
10

11 3. Fariborz Fred Sadri and Ray Koroghli will, within 30 days from the service of this
12 Arbitration Decision, pay Gholamreza Zandian Jazi \$250,000.00 in return for Gholamreza
13 Zandian Jazi waiving any claims or any rights as to the Big Springs Ranch, LLC or any of its
14 assets;
15

16 4. That Gholamreza Zandian Jazi will transfer any interest in the Wendover project, LLC,
17 including all assets and real estate to Fariborz Fred Sadri and Ray Koroghli;

18 5. All of the entities and properties that are the subject of this Arbitration and lawsuit,
19 including Pah Rah, LLC, the owners of the 300 acres referenced above, the Big Springs Ranch,
20 LLC, and the Wendover purchase or Wendover Project, LLC, referenced in this lawsuit and
21 Arbitration waive any claims to reimbursement or participation in any consulting fees previously
22 paid to Gholamreza Zandian Jazi from the seller of the real estate to those entities;
23

24 6. That the parties, through counsel, will prepare all necessary documents to effect the
25 transfers of the real estate assets and LLC entities and the parties to this lawsuit and Arbitration
26 will execute all necessary documents to effect this Arbitration Order, including a mutual Release
27 to be executed by all parties.
28

SUITE 900
ADA 89102
EMAIL thale@floydhale.com
LAS VEGAS
PHONE (702) 457-3

1 7. That each party pay their own fees and costs incurred herein.

2 DATED this 20th day of September, 2006.

3
4
5 By: 

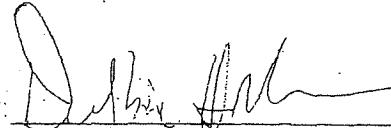
FLOYD HALE, Arbitrator
2300 West Sahara Avenue, #900
Las Vegas, NV 89102

6
7
8 CERTIFICATE OF FACSIMILE AND MAIL

9
10 I hereby certify that on the 21 day of September, 2006, I faxed and mailed a true and
correct copy of the foregoing addressed to:

11 John Peter Lee, Esq.
12 830 Las Vegas Boulevard South
13 Las Vegas, NV 89101
Attorneys for Plaintiffs
14 Fax No. 383-9950

15 John Netzorg, Esq.
16 2810 West Charleston Blvd. #H-81
Las Vegas, NV 89102
17 Attorneys for Defendants
18 Fax No. 878-1255

19 By: 
20 Employee of Jams

21
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23
24
25
26
27
28
E. SUITE 900
ADA 89102
LAS
EMAIL fhale@floydhale.com
PHONE (702) 457-~

1 ARB
2 FLOYD A. HALE, ESQ.
3 Nevada Bar No. 1873
4 JAMS
5 2300 W. Sahara, #900
6 Las Vegas, NV 89102
7 Ph: (702) 457-5267
8 Fax: (702) 437-5267
9 Arbitrator

10 DISTRICT COURT

11 CLARK COUNTY, NEVADA

12 GHOLAMREZA ZANDIAN JAZI,) Case No. A511131
13))
14 Plaintiff,))
15 vs.))
16))
17 RAY KOROGHILI, individually,))
18 FABIRORZ FRED SADRI, individually,))
19 and as Trustee of the Star Living Trust,))
20 WENDOVER PROJECT, LLC, a Nevada))
21 limited liability company; BIG SPRING))
22 RANCH, LLC, a Nevada limited liability))
23 company, and NEVADA LAND AND))
24 WATER RESOURCES, LLC, a Nevada))
25 limited liability company,))
26))
27 Defendants.))
28))

Case No. A511131
Dept. No. XII

29 ARBITRATION DECISION

30 On October 11, 2006, the Arbitrator received the Defendant's **MOTION TO CHANGE**
31 **AWARD BY ARBITRATOR PURSUANT TO NRS 38.237.** The Motion requests that
32 Zandian Jazi: Execute documents necessary to have the property transferred as required by the
33 Arbitration Decision; issue guarantees that he has not made transfers to third parties; assign shares
34 of shipyard stock; warrant and verify that he is in a position to execute documents required by the

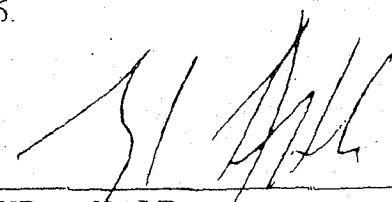
1 Arbitration Decision and verify other factual issues that were the subject of the Arbitration
2 Agreement.

3
4 The Motion goes well beyond the Arbitration Decision asking to reopen evidentiary
5 matters which are unnecessary at this time. Furthermore, paragraph 6 of the Arbitration Decision
6 indicates as follows:

7 6. That the parties, through counsel, will prepare all necessary
8 documents to effect the transfers of the real estate assets and LLC
9 entities and the parties to this lawsuit and Arbitration will execute all
10 necessary documents to effect this Arbitration Order, including a
mutual Release to be executed by all parties.

11 The Defendant's MOTION TO CHANGE AWARD BY ARBITRATOR PURSUANT
12 TO NRS 38.237 is denied.

13 DATED this 11th day of October, 2006.

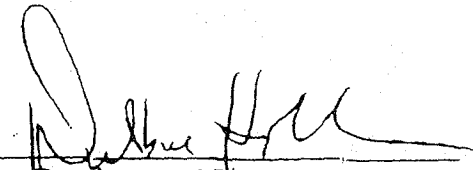
14
15
16 By: 
17 FLOYD A. HALE
18 2300 W. Sahara, #900
19 Las Vegas, NV 89102
20 Arbitrator

21 CERTIFICATE OF FACSIMILE

22 I hereby certify that on the 11th day of October, 2006, I faxed and mailed a true and
23 correct copy of the foregoing addressed to:

24 John Peter Lec, Esq.
25 830 Las Vegas Boulevard South
26 Las Vegas, NV 89101
27 Attorneys for Plaintiff's
28 Fax No. 383-9950

John Netzorg, Esq.
2810 West Charleston Blvd. #H-81
Las Vegas, NV 89102
Attorneys for Defendants
Fax No. 878-1255

29
30 By: 
Employee of Jams

2300 W. SAHARA
LAS VEGAS, NV 89102
PHONE (702) 457-6267
FAX (702) 457-6267
E-MAIL: fha@floydahale.com

830 LAS VEGAS BLVD. SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9911

1 AWD
JOHN PETER LEE, LTD.
2 JOHN PETER LEE, ESQ.
Nevada Bar No. 001768
3 MICHAEL A. REYNOLDS, ESQ.
Nevada Bar No. 008631
4 830 Las Vegas Boulevard South
Las Vegas, Nevada 89101
5 (702) 382-4044 Fax: (702) 383-9950
Attorneys for Plaintiff/Counterdefendant
6 GHOLAMREZA ZANDIAN JAZI

RECEIVED
NOV 30 2006
JOHN PETER LEE, LTD.

7 DISTRICT COURT

8 CLARK COUNTY, NEVADA

9 GHOLAMREZA ZANDIAN JAZI,)

CASE NO.: A511131
DEPT. NO.: XIII

10 Plaintiff,)

11 v.)

12 RAY KOROGHLI, individually, FARIBORZ FRED)
SADRI, individually, and as Trustee of the Star)
13 Living Trust, WENDOVER PROJECT, LLC, a)
Nevada limited liability company; BIG SPRING)
14 RANCH, LLC, a Nevada limited liability company,)
and NEVADA LAND AND WATER)
15 RESOURCES, LLC, a Nevada limited liability)
company,)

BEFORE ARBITRATOR
FLOYD A. HALE

16 Defendants.)

IMPLEMENTATION AWARD

17 _____)
18 RAY KOROGHLI, individually and FARIBORZ)
FRED SADRI, individually,)

19 Counterclaimants,)

20 v.)

21 GHOLAMREZA ZANDIAN JAZI,)

22 Counterdefendant.)

23 _____)
24 WENDOVER PROJECT, LLC,)

25 Counterclaimant,)

26 v.)

27 GHOLAMREZA ZANDIAN JAZI,)

28 Counterdefendant.)

1 GHOLAMREZA ZANDIAN JAZI,)
 2 Counterclaimant,)
 3 v.)
 4 WENDOVER PROJECT, LLC,)
 5 Counterdefendant.)

6 1334.022860-sy

7 IMPLEMENTATION AWARD

8 On September 20, 2006, an Arbitration Decision was issued in this dispute. Plaintiff
 9 GHOLAMREZA ZANDIAN JAZI filed his Motion to Enforce Arbitration Decision on September
 10 25, 2006. On October 24, 2006, Plaintiff filed his Motion to Implement Arbitration Award. On
 11 October 26, 2006, Plaintiff filed his Amendment to Motion to Implement Arbitration Award and
 12 Request for Expedited Hearing. On October 31, 2006, Defendants Sadri and Koroghli filed their
 13 Opposition to Motion to Implement Arbitration Award. Plaintiff filed his Reply Re: Motion to
 14 Implement Arbitration Award on November 2, 2006.

15 After considering the papers filed by both parties including draft transfer documents;
 16 THE FOLLOWING IMPLEMENTATION AWARD IS ENTERED:

- 17 1. Defendants shall pay to John Peter Lee, Ltd., the sum of \$250,000 within five (5)
- 18 days.
- 19 2. Defendants are to execute and deliver to Plaintiff's Counsel within ten days of this
- 20 Award a Quitclaim Deed of the 320 acre parcel provided as Exhibit "1" by Plaintiff
- 21 on the 2nd day of November, 2006.
- 22 3. Defendants are to execute and deliver to Plaintiff's counsel within ten days of this
- 23 Award the Grant, Bargain and Sale Deed of the 320 acre parcel provided by Plaintiff
- 24 as Exhibit "2" on the 2nd of November, 2006.
- 25 4. Defendants are to execute and deliver to Plaintiff's counsel within ten days of this
- 26 Award the Quitclaim Deed of the 320 acre parcel provided by Plaintiff as Exhibit "3"
- 27 on November 2, 2006.
- 28 5. Defendants are to execute and deliver to Plaintiff's counsel within ten days of this

ATTORNEY AT LAW
 830 LAS VEGAS BLVD. SOUTH
 LAS VEGAS, NEVADA 89101
 Telephone (702) 382-4024
 Telecopier (702) 383-9953

AT LAW
830 LAS VEGAS, NV 89101
LAS VEGAS, NV 89101
Telephone (702) 382-4044
Telecopier (702) 383-9954

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- Award the Grant, Bargain and Sale Deed of the Pah-Rah parcel provided by Plaintiff as Exhibit "4" on November 2, 2006.
6. Mr. Sadri is to execute and deliver to Plaintiff's counsel within ten days of this Award the Request for Full Reconveyance concerning the \$333,000 Note provided by Plaintiff as Exhibit "5" on November 2, 2006.
7. Mr. Zandian is to execute and deliver to Defendants' counsel within ten days of this Award the Quitclaim Deed of the Wendover parcel provided by Plaintiff as Exhibit "6" on November 2, 2006.
8. Mr. Zandian is to execute and deliver to Defendants' counsel within ten days of this Award the Assignment of Interest in Wendover Project, LLC, provided by Plaintiff as Exhibit "7" on November 2, 2006.
9. Mr. Zandian is to execute and deliver to Defendants' counsel within ten days of this Award the Quitclaim Deed of the Big Spring Ranch parcel provided by Plaintiff as Exhibit "8" on November 2, 2006.
10. Mr. Zandian is to execute and deliver to Defendant's counsel within ten days of this Award the Assignment of Interest in Big Spring Ranch, LLC., provided by Plaintiff as Exhibit "9" on November 2, 2006.
11. Mr. Zandian is to execute and deliver to Defendants' counsel within ten days of this Award the Assignment of Interest in Nevada Land and Water Resources, LLC., provided by Plaintiff as Exhibit "10" on November 11, 2006.
12. Mr. Zandian is to record and deliver to Defendants' counsel within ten days of this Award the four (4) Releases of Lis Pendens provided by Plaintiff as Exhibit "11" on November 2, 2006.
13. Mr. Zandian is to execute, file and deliver to Defendants' counsel within ten days of this Award the Certificate of Resignation concerning Wendover Project, LLC., provided by Plaintiff as Exhibit "12" on November 2, 2006.
14. Mr. Zandian is to execute, file and deliver to Defendants' counsel within ten days of this Award the Certificate of Resignation concerning Nevada Land and Water

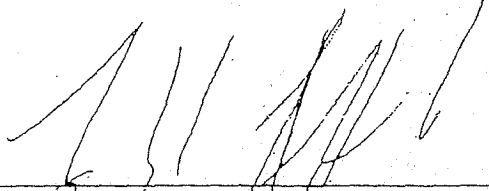
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Resources, LLC, provided as Exhibit "13" on November 2, 2006.

15. Mr. Zandian is to execute, file and deliver to Defendants' counsel within ten day of this Award the Certificate of Resignation concerning Big Spring Ranch, LLC provided by Plaintiff as Exhibit "14" on November 2, 2006.

16. All parties are to sign the Mutual Release of Claims provided by Plaintiff as Exhibit "16" on November 2, 2006, and deliver a Counterpart to the other party's counsel within ten (10) from this Award.

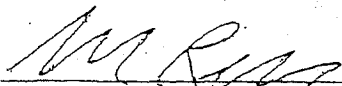
Dated this 29th day of November, 2006.



FLOYD A. HALE, ARBITRATOR

Respectfully submitted

JOHN PETER LEE, LTD.



JOHN PETER LEE, ESQ.
Nevada Bar No. 001768
MICHAEL A. REYNOLDS, ESQ.
Nevada Bar No. 008631
830 Las Vegas Boulevard South
Las Vegas, Nevada 89101
(702) 382-4044 Fax: (702) 383-9950
Attorneys for Plaintiff/Counterdefendant

ATTORNEY AT LAW
830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

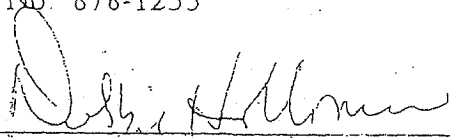
CERTIFICATE OF FACSIMILE AND MAILING

I hereby certify that on the 29th day of November 2006, I faxed and mailed a true and correct copy of the foregoing Implementation Award addressed to:

John Peter Lee, Esq.
830 Las Vegas Boulevard South
Las Vegas, NV 89101
Attorneys for Plaintiffs
Fax No. 383-9950

John Netzorg, Esq.
2810 West Charleston Blvd. #H-81
Las Vegas, NV 89102
Attorneys for Defendants
Fax No. 878-1255

By:



Employee of Jams

1 ARB
2 FLOYD A. HALE, ESQ.
3 Nevada Bar No. 1873
4 JAMS
5 2300 W. Sahara, #900
6 Las Vegas, NV 89102
7 Ph: (702) 457-5267
8 Fax: (702) 437-5267
9 Arbitrator:

RECEIVED
MAR 02 2007

JOHN PETER LEE, LTD.

7 DISTRICT COURT
8
9 CLARK COUNTY, NEVADA

10 GHOLAMREZA ZANDIAN JAZI,) Case No. A511131
11) Dept. No. XII
12 Plaintiff,)
13 vs.)
14 RAY KOROGHLI, individually,)
15 FABIRORZ FRED SADRI, individually,)
16 and as Trustee of the Star Living Trust,)
17 WENDOVER PROJECT, LLC, a Nevada)
18 limited liability company; BIG SPRING)
19 RANCH, LLC, a Nevada limited liability)
20 company, and NEVADA LAND AND)
21 WATER RESOURCES, LLC, a Nevada)
22 limited liability company,)
23 Defendants.)

21 ARBITRATOR REPORT AND RECOMMENDATION TO
22 DISTRICT COURT

23 This matter was submitted to Arbitration and Arbitration Hearings were conducted for two
24 days, as well as the submission of voluminous exhibits, depositions and briefs. During the
25 Arbitration proceeding, the parties agreed to meet with the Arbitrator in an effort to resolve the
26 dispute. With agreement of counsel, the parties met directly with the Arbitrator and an agreement
27 for a final conclusion of this matter was read into the record, being recorded by a court reporter.
28

2300 W. 800
LAS VEGAS, NV 89102
PHONE (702) 457-5267 EMAIL fhaale@floydahale.com

1 The undersigned then issued an Arbitration Decision based upon the evidence submitted as well
2 as the agreement of the parties.

3
4 On January 11, 2007, counsel for the parties conducted a hearing before this Court
5 regarding confirmation of the Arbitration Award. Counsel for the parties could not reach an
6 agreement as to what documents needed to be signed to effect the Arbitration Decision. For that
7 reason, the matter was referred back to the Arbitrator for further proceedings. The actual
8 reference, contained in page 25, line 6-14 of the January 11, 2007, transcript is as follows:
9

10 THE COURT: I'm going to resolve your problem. Its real easy. I am
11 going to refer the matter back to Floyd Hale for further proceedings,
12 consistent with the 9/8/06 transcript. Those will include getting the
13 mechanism for the spouses of the parties to sign the documents, getting
14 a mechanism for the waiver of the release of the rights of first refusal
15 that exist, entering into the settlement agreement the parties entered
16 into. If he is unable to reach an agreement among the parties, then I
17 will have the final word.

18 The District Court has already indicated that wives of the principals will need to sign
19 documents. The following report and recommendation will reference the parties to the
20 Arbitration with the understanding that the District Court has already indicated that wives for
21 those parties will be required to sign all necessary documents.

22 IT IS REPORTED AND RECOMMENDED to the Court that the following documents
23 will need to be executed by the parties and their wives:

24 4,400 acres of real estate, owned by Poh Rah, LLC: The only members of the Pah Rah,
25 LLC are the parties to this action: Zandian Jazi; Ray Koroghli and Fred Sadri. These parties will
26 be required to sign a Grant Bargain Sale Deed to transfer the 4,400 acres of real estate to Zandian
27 Jazi. Fred Sadri will need to execute a full reconveyance of the Deed of Trust and release the
28 Promissory Note which was secured by the Deed of Trust as to this property. The parties will also

1 have to sign a waiver of any right of first refusal to this property.

2 320 acres owned by Big Springs Ranch, LLC. The only members of the Big Springs
3 Ranch LLC, are the parties to this action and Mr. Abrishami. If Mr. Zandian Jazi can obtain the
4 signature of Mr. Abrishami on a Deed to transfer this property, then the parties to this action must
5 all execute a Grant Bargain Sale Deed transferring this real estate to Zandian Jazi. If Mr. Jandian
6 Jazi is unable to obtain the signature of Mr. Abrishami, then Mr. Sadri and Mr. Koroghli are
7 required to sign a Quit Claim Deed from Big Springs Ranch, LLC to Zandian Jazi to sign waivers
8 of rights of first refusal.
9

10
11 \$250,000.00 Payment to Zandian Jazi: There has been a dispute as to what entity is
12 responsible for making this payment. During the Arbitration Proceedings, as well as during prior
13 meetings with the parties, it was represented to the Arbitrator that Mr. Sadri and Mr. Koroghli
14 would make this payment. It is Recommended that either Mr. Sadri or Mr. Koroghli, or both, are
15 individually responsible for this payment. Sadri and Koroghli may, however, execute the
16 payment check or draft in whatever representative capacity that they believe is the most
17 appropriate.
18

19 Transfer of Wendover Project, LLC Interest: Zandian Jazi has agreed to waive or transfer
20 any interest that he has, if any, in the Wendover Project, LLC. Mr. Netzorg has argued that it is
21 incumbent upon Mr. Zandian Jazi to obtain signatures on waivers of rights of first refusal from
22 all members of the LLC. This was not part of the settlement agreement and the District Court
23 should be aware that the Defendants contested that Zandian Jazi even owned rights in the
24 Wendover Project, LLC at the time of the arbitration.
25

26
27 It is the Report and Recommendation of the Arbitrator that Zandian Jazi sign a transfer
28 of all interest that he owns in the Wendover Project, LLC directly to: "Wendover Project, LLC."

1 Zandian Jazi must also sign a waiver of any right of first refusal that he has as to that LLC.

2 The remaining managing members of the Wendover Project LLC are responsible for
3 determining the appropriate allocation of the Zandian Jazi interest. If they believe that it is
4 necessary to obtain waivers of rights of first refusal to make that allegation of interest, then it is
5 their responsibility to do so. Before distributing Mr. Zandian Jazi's interest, the managing
6 members of the LLC should either distribute that interest in accordance with the operating
7 agreements or, alternatively, obtain whatever signatures that the managing members determine
8 are necessary to make a different distribution or allocation of that interest. It would seem unfair
9 to place this burden on the transferring party who is merely transferring his interest to the entire
10 Wendover Project, LLC.

11
12 Big Springs Ranch, LLC As with the Wendover Project, LLC, Mr. Zandian Jazi will be
13 required to execute a transfer of interest and waiver of any interest of the Big Springs Ranch,
14 LLC, directly to: "Big Springs Ranch, LLC." He must also execute a waiver of right of first
15 refusal that he would have under that LLC. As stated with the Wendover Project, LLC, it is the
16 duty of the managing members of the Big Springs Ranch, LLC, to make an appropriate
17 distribution or allocation of this interest. The remaining managing members of the Big Springs
18 Ranch, LLC must either transfer the property as required by the operating agreement or obtain
19 whatever waivers of rights of first refusal that are necessary to make a transfer which they believe
20 are necessary.

21
22
23
24 CONCLUSION:

25 Mr. Netzorg has contested the requirement that the receiving LLC entities are required to
26 obtain waivers of rights of first refusal. Actually, waivers are not necessary if the receiving
27 interest is transferred pursuant to the operating agreement. If the managing members want to
28

2300 W. ...
LAS VEGAS, NEVADA 89102
PHONE (702) 457-5267 EMAIL male@loydhale.com

1 obtain waivers of rights of first refusal to make a different distribution, they are certainly free to
2 do so. That should not be the burden of Mr. Zandian Jazi.

3
4 Mr. Netzorg has also asked for numerous documents regarding a purported transfer of Mr.
5 Zandian Jazi's shipyard stock. There was absolutely no evidence that any entity related to these
6 proceedings acknowledged receipt of that stock or issued any credit related to receipt of that
7 stock. Although that stock was discussed during the Arbitration proceedings, there was no
8 competent evidence regarding that stock being relevant to the Arbitration proceedings.

9
10 RESPECTFULLY SUBMITTED this 28th day of February, 2007

11
12 By: 

FLOYD A. HALE
2300 W. Sahara, #900
Las Vegas, NV 89102
Arbitrator

13
14
15
16 CERTIFICATE OF FACSIMILE AND MAIL

17 I hereby certify that on the 28th day of February, 2007, I faxed and mailed a true and
18 correct copy of the foregoing addressed to:

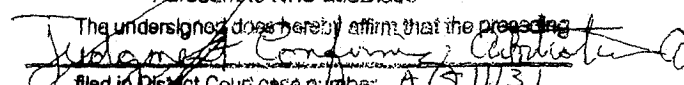
19 John Peter Lee, Esq.
830 Las Vegas Boulevard South
20 Las Vegas, NV 89101
Attorneys for Plaintiffs
21 Fax No. 383-9950

22 John Netzorg, Esq.
23 2810 West Charleston Blvd. #H-81
Las Vegas, NV 89102
24 Attorneys for Defendants
25 Fax No. 878-1255

26
27 By: 

Employee of Jams

28
AFFIRMATION
Pursuant to NRS 239B.030

The undersigned does hereby affirm that the proceeding

filed in District Court case number 131131
DOES NOT contain the social security number of any person.

Date 6/8/07

RECEIPT OF COPY

RECEIPT OF COPY of the foregoing NOTICE OF ENTRY OF JUDGMENT
CONFIRMING ARBITRATION AWARD is hereby acknowledged this 6th day of June, 2007.

JAMS, The Resolution Experts

By: Floyd A. Hale, Esq.
Floyd A. Hale, Esq.
2300 West Sahara Avenue #900
Las Vegas, Nevada 89102

John M. Netzorg / C. Davis
John M. Netzorg, Esq.
2810 West Charleston Boulevard #81
Las Vegas, Nevada 89102
Attorneys for Defendants

830 LA. AT LAW
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

AFFIRMATION

Pursuant to NRS 239B.030

The undersigned does hereby affirm that the preceding

NOE / JUDGMENT

filed in District Court case number 251131

DOES NOT contain the social security number of any person.

[Signature] Date 6/8/07

EXHIBIT "6"

WFZ2140

FILED

JUL 20 1 47 PM '07

[Signature]
CLERK OF THE COURT

1 **ORDER**
 2 JOHN PETER LEE, LTD.
 3 JOHN PETER LEE, ESQ.
 Nevada Bar No. 001768
 4 MICHAEL A. REYNOLDS, ESQ.
 Nevada Bar No. 008631
 5 830 Las Vegas Boulevard South
 Las Vegas, Nevada 89101
 (702) 382-4044 Fax: (702) 383-9950
 Attorneys for Plaintiff/Counterdefendant
 6 **GHOLAMREZA ZANDIAN JAZI**

8 **DISTRICT COURT**
 9 **CLARK COUNTY, NEVADA**

10 **GHOLAMREZA ZANDIAN JAZI,**)
)
 11 **Plaintiff,**)
)
 12 **v.**)
)
 13 **RAY KOROGHLI, individually, FARIBORZ FRED**)
SADRI, individually, and as Trustee of the Star)
 14 **Living Trust, WENDOVER PROJECT, LLC, a**)
Nevada limited liability company; BIG SPRING)
 15 **RANCH, LLC, a Nevada limited liability company,**)
and NEVADA LAND AND WATER)
 16 **RESOURCES, LLC, a Nevada limited liability**)
company,)
 17 **Defendants.**)
)
 18 _____)
 19 **RAY KOROGHLI, individually and FARIBORZ**)
FRED SADRI, individually,)
 20 **Counterclaimants,**)
 21 **v.**)
 22 **GHOLAMREZA ZANDIAN JAZI,**)
 23 **Counterdefendant.**)
 24 _____)
 25 **WENDOVER PROJECT, LLC,**)
 26 **Counterclaimant,**)
 27 **v.**)
 28 **GHOLAMREZA ZANDIAN JAZI,**)
Counterdefendant.)

CASE NO.: A511131
 DEPT. NO.: XI

**ORDER ON POST-JUDGMENT
 MOTIONS**

ATTORNF J LAW
 830 LAS VEG LVD. SOUTH
 LAS VEGAS, NEVADA 89101
 Telephone (702) 382-4044
 Telecopier (702) 383-9950

ATTORNF VT LAW
830 LAS VEG LVD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

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_____))
GHOLAMREZA ZANDIAN JAZI,)
Counterclaimant,)
v.)
WENDOVER PROJECT, LLC,)
Counterdefendant.)
_____)

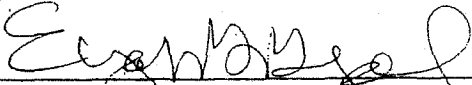
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ORDER ON POST-JUDGMENT MOTIONS

Defendants' Motion for Re-hearing and Motion to Amend or Alter Judgment Pursuant to NRCP 59 (e), or in the Alternative, Motion for New Trial Pursuant to NRCP 59 (a) came before this Court for hearing on July 17, 2007. Michael A. Reynolds, Esq., and Yvette R. Freedman, Esq., of the law firm of John Peter Lee, Ltd., appeared on behalf of Plaintiff, Gholamereza Zandian Jazi, and Steven L. Day, Esq., of Cohen, Johnson and Day, appeared on behalf of all Defendants.


The Court having considered the pleadings on file and the arguments of counsel,
IT IS HEREBY ORDERED that Defendants' Motions are denied.

Dated this 19 day of July, 2007.



HONORABLE ELIZABETH GONZALEZ
DISTRICT COURT JUDGE, DEPARTMENT 11

RESPECTFULLY SUBMITTED BY:
JOHN PETER LEE, LTD.

BY: 

JOHN PETER LEE, ESQ.
Nevada Bar No. 001768
MICHAEL A. REYNOLDS, ESQ.
Nevada Bar No. 008631
830 Las Vegas Boulevard South
Las Vegas, Nevada 89101
(702) 382-4044 Fax: (702) 383-9950
Attorneys for Plaintiff/Counterdefendant
GHOLAMREZA ZANDIAN JAZI

EXHIBIT "7"

WFZ2143

1 ARB
2 FLOYD A. HALE, ESQ.
3 Nevada Bar No. 1873
4 JAMS
5 2300 W. Sahara, #900
6 Las Vegas, NV 89102
7 Ph: (702) 457-5267
8 Fax: (702) 437-5267
9 Arbitrator

10 DISTRICT COURT

11 CLARK COUNTY, NEVADA

12 GHOLAMREZA ZANDIAN JAZI,) Case No. A511131
13) Dept. No. XII
14 Plaintiff,)
15 vs.)
16 RAY KOROGHILI, individually,)
17 FABIRORZ FRED SADRI, individually,)
18 and as Trustee of the Star Living Trust,)
19 WENDOVER PROJECT, LLC, a Nevada)
20 limited liability company; BIG SPRING)
21 RANCH, LLC, a Nevada limited liability)
22 company, and NEVADA LAND AND)
23 WATER RESOURCES, LLC, a Nevada)
24 limited liability company,)
25 Defendants.)

26 ARBITRATION DECISION

27 On October 11, 2006, the Arbitrator received the Defendant's **MOTION TO CHANGE**
28 **AWARD BY ARBITRATOR PURSUANT TO NRS 38.237.** The Motion requests that
Zandian Jazi: Execute documents necessary to have the property transferred as required by the
Arbitration Decision; issue guarantees that he has not made transfers to third parties; assign shares
of shipyard stock; warrant and verify that he is in a position to execute documents required by the

REC'D MASTER
230 W. E. SUITE 900
LAS VEGAS, NV 89102
PHONE (702) 457-5267 EMAIL fhaled@floydahale.com

1 Arbitration Decision and verify other factual issues that were the subject of the Arbitration
2 Agreement.

3
4 The Motion goes well beyond the Arbitration Decision asking to reopen evidentiary
5 matters which are unnecessary at this time. Furthermore, paragraph 6 of the Arbitration Decision
6 indicates as follows:

7
8 6. That the parties, through counsel, will prepare all necessary
9 documents to effect the transfers of the real estate assets and LLC
10 entities and the parties to this lawsuit and Arbitration will execute all
11 necessary documents to effect this Arbitration Order, including a
12 mutual Release to be executed by all parties.

13 The Defendant's MOTION TO CHANGE AWARD BY ARBITRATOR PURSUANT
14 TO NRS 38.237 is denied.

15 DATED this 11th day of October, 2006.

16 By: 

17 FLOYD A. HALE
18 2300 W. Sahara, #900
19 Las Vegas, NV 89102
20 Arbitrator

21 CERTIFICATE OF FACSIMILE

22 I hereby certify that on the 11th day of October, 2006, I faxed and mailed a true and
23 correct copy of the foregoing addressed to:

24 John Peter Lee, Esq.
25 830 Las Vegas Boulevard South
26 Las Vegas, NV 89101
27 Attorneys for Plaintiff's
28 Fax No. 383-9950

John Netzorg, Esq.
2810 West Charleston Blvd. #H-81
Las Vegas, NV 89102
Attorneys for Defendants
Fax No. 878-1255

By: 

Employee of Jams

EXHIBIT THREE

1 AWD
2 JOHN PETER LEE, LTD.
3 JOHN PETER LEE, ESQ.
4 Nevada Bar No. 001768
5 MICHAEL A. REYNOLDS, ESQ.
6 Nevada Bar No. 008631
7 830 Las Vegas Boulevard South
8 Las Vegas, Nevada 89101
9 (702) 382-4044 Fax: (702) 383-9950
10 Attorneys for Plaintiff/Counterdefendant
11 GHOLAMREZA ZANDIAN JAZI

RECEIVED
NOV 30 2006
JOHN PETER LEE, LTD.

DISTRICT COURT

CLARK COUNTY, NEVADA

9 GHOLAMREZA ZANDIAN JAZI,

CASE NO.: A511131
DEPT. NO.: XIII

10 Plaintiff,

11 v.

12 RAY KOROGHLI, individually, FARIBORZ FRED)
13 SADRI, individually, and as Trustee of the Star)
14 Living Trust, WENDOVER PROJECT, LLC, a)
15 Nevada limited liability company; BIG SPRING)
16 RANCH, LLC, a Nevada limited liability company,)
17 and NEVADA LAND AND WATER)
18 RESOURCES, LLC, a Nevada limited liability)
19 company,)

BEFORE ARBITRATOR
FLOYD A. HALE

20 Defendants.

IMPLEMENTATION AWARD

18 RAY KOROGHLI, individually and FARIBORZ)
19 FRED SADRI, individually,)

20 Counterclaimants,

21 v.

22 GHOLAMREZA ZANDIAN JAZI,

23 Counterdefendant.

24 WENDOVER PROJECT, LLC,

25 Counterclaimant,

26 v.

27 GHOLAMREZA ZANDIAN JAZI,

28 Counterdefendant.

ATTORNEY AT LAW
830 LAS VEGAS BLVD. SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

1 GHOLAMREZA ZANDIAN JAZI,
 2 Counterclaimant,
 3 v.
 4 WENDOVER PROJECT, LLC,
 5 Counterdefendant.

6 1334.022860-sy

7 **IMPLEMENTATION AWARD**

8 On September 20, 2006, an Arbitration Decision was issued in this dispute. Plaintiff
 9 GHOLAMREZA ZANDIAN JAZI filed his Motion to Enforce Arbitration Decision on Septembe
 10 25, 2006. On October 24, 2006, Plaintiff filed his Motion to Implement Arbitration Award. Or
 11 October 26, 2006, Plaintiff filed his Amendment to Motion to Implement Arbitration Award and
 12 Request for Expedited Hearing. On October 31, 2006, Defendants Sadri and Koroghli filed their
 13 Opposition to Motion to Implement Arbitration Award. Plaintiff filed his Reply Re: Motion to
 14 Implement Arbitration Award on November 2, 2006.

15 After considering the papers filed by both parties including draft transfer documents,
 16 THE FOLLOWING IMPLEMENTATION AWARD IS ENTERED:

- 17 1. Defendants shall pay to John Peter Lee, Ltd., the sum of \$250,000 within five (5)
 18 days.
- 19 2. Defendants are to execute and deliver to Plaintiff's Counsel within ten days of this
 20 Award a Quitclaim Deed of the 320 acre parcel provided as Exhibit "1" by Plaintiff
 21 on the 2nd day of November, 2006.
- 22 3. Defendants are to execute and deliver to Plaintiff's counsel within ten days of this
 23 Award the Grant, Bargain and Sale Deed of the 320 acre parcel provided by Plaintiff
 24 as Exhibit "2" on the 2nd of November, 2006.
- 25 4. Defendants are to execute and deliver to Plaintiff's counsel within ten days of this
 26 Award the Quitclaim Deed of the 320 acre parcel provided by Plaintiff as Exhibit "3"
 27 on November 2, 2006.
- 28 5. Defendants are to execute and deliver to Plaintiff's counsel within ten days of this

ATTORNEYS AT LAW
 830 LAS VEGAS BLVD. SOUTH
 LAS VEGAS, NEVADA 89101
 Telephone (702) 382-4054
 Telecopier (702) 383-9953

ATTOP SATLAWI
830 LAS V. BLVD. SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9953

- 1 Award the Grant, Bargain and Sale Deed of the Pah-Rah parcel provided by Plaintiff
- 2 as Exhibit "4" on November 2, 2006.
- 3 6. Mr. Sadri is to execute and deliver to Plaintiff's counsel within ten days of this
- 4 Award the Request for Full Reconveyance concerning the \$333,000 Note provided
- 5 by Plaintiff as Exhibit "5" on November 2, 2006.
- 6 7. Mr. Zandian is to execute and deliver to Defendants' counsel within ten days of this
- 7 Award the Quitclaim Deed of the Wendover parcel provided by Plaintiff as Exhibit
- 8 "6" on November 2, 2006.
- 9 8. Mr. Zandian is to execute and deliver to Defendants' counsel within ten days of this
- 10 Award the Assignment of Interest in Wendover Project, LLC, provided by Plaintiff
- 11 as Exhibit "7" on November 2, 2006.
- 12 9. Mr. Zandian is to execute and deliver to Defendants' counsel within ten days of this
- 13 Award the Quitclaim Deed of the Big Spring Ranch parcel provided by Plaintiff as
- 14 Exhibit "8" on November 2, 2006.
- 15 10. Mr. Zandian is to execute and deliver to Defendant's counsel within ten days of this
- 16 Award the Assignment of Interest in Big Spring Ranch, LLC., provided by Plaintiff
- 17 as Exhibit "9" on November 2, 2006.
- 18 11. Mr. Zandian is to execute and deliver to Defendants' counsel within ten days of this
- 19 Award the Assignment of Interest in Nevada Land and Water Resources, LLC.,
- 20 provided by Plaintiff as Exhibit "10" on November 11, 2006.
- 21 12. Mr. Zandian is to record and deliver to Defendants' counsel within ten days of this
- 22 Award the four (4) Releases of Lis Pendens provided by Plaintiff as Exhibit "11" on
- 23 November 2, 2006.
- 24 13. Mr. Zandian is to execute, file and deliver to Defendants' counsel within ten days of
- 25 this Award the Certificate of Resignation concerning Wendover Project, LLC.,
- 26 provided by Plaintiff as Exhibit "12" on November 2, 2006.
- 27 14. Mr. Zandian is to execute, file and deliver to Defendants' counsel within ten days
- 28 of this Award the Certificate of Resignation concerning Nevada Land and Water

ATTORNEYS AT LAW
830 LAS VEGAS BLVD. SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

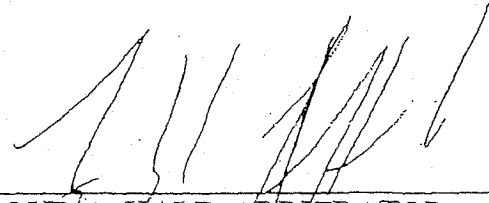
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Resources, LLC, provided as Exhibit "13" on November 2, 2006.

15. Mr. Zandian is to execute, file and deliver to Defendants' counsel within ten day of this Award the Certificate of Resignation concerning Big Spring Ranch, LLC provided by Plaintiff as Exhibit "14" on November 2, 2006.

16. All parties are to sign the Mutual Release of Claims provided by Plaintiff as Exhibit "16" on November 2, 2006, and deliver a Counterpart to the other party's counsel within ten (10) from this Award.


Dated this 29th day of November, 2006.



FLOYD A. HALE, ARBITRATOR

Respectfully submitted

JOHN PETER LEE, LTD.



JOHN PETER LEE, ESQ.
Nevada Bar No. 001768
MICHAEL A. REYNOLDS, ESQ.
Nevada Bar No. 008631
830 Las Vegas Boulevard South
Las Vegas, Nevada 89101
(702) 382-4044 Fax: (702) 383-9950
Attorneys for Plaintiff/Counterdefendant

CERTIFICATE OF FACSIMILE AND MAILING

I hereby certify that on the 29th day of November 2006, I faxed and mailed a true and correct copy of the foregoing Implementation Award addressed to:

John Peter Lee, Esq.
830 Las Vegas Boulevard South
Las Vegas, NV 89101
Attorneys for Plaintiffs
Fax No. 383-9950

John Netzorg, Esq.
2810 West Charleston Blvd. #H-81
Las Vegas, NV 89102
Attorneys for Defendants
Fax No. 878-1255

By: 

Employee of Jams

Exhibit 1

APN: 076-100-19

WHEN RECORDED, RETURN TO
JOHN PETER LEE, LTD.
830 Las Vegas Boulevard South
Las Vegas, Nevada 89101

GRANTEE/MAIL TAX STATEMENTS TO:
JOHN PETER LEE, LTD.
830 Las Vegas Boulevard South
Las Vegas, Nevada 89101

320 acre parcel

QUITCLAIM DEED

By this instrument dated this ____ day of _____, 2006, for a valuable consideration, Ray Koroghli, individually, and Fariborz Fred Sadri, individually and as Trustee of the Star Living Trust, do hereby remise, release and forever quitclaim to Gholamreza Zandian Jazi, the following described real property in the State of Nevada, County of Washoe:

Set forth in Exhibit A attached and incorporated herein by this reference

RAY KOROGHLI, individually

FARIBORZ FRED SADRI, individually

FARIBORZ FRED SADRI, as Trustee of the
Star Living Trust

STATE OF NEVADA)
) SS.:
COUNTY OF CLARK)

On _____, 2006, before me the undersigned, a Notary Public in and for said County and State, personally appeared Ray Koroghli, known to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.

NOTARY PUBLIC

STATE OF NEVADA)
) SS.:
COUNTY OF CLARK)

On _____, 2006, before me the undersigned, a Notary Public in and for said County and State, personally appeared Fariborz Fred Sadri, known to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.

NOTARY PUBLIC

STATE OF NEVADA)
) SS.:
COUNTY OF CLARK)

On _____, 2006, before me the undersigned, a Notary Public in and for said County and State, personally appeared Fariborz Fred Sadri, Trustee of the Star Living Trust, known to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.

NOTARY PUBLIC

County Home => Assessor's Office => Property Assessment Data => Parcel QuickInfo

WASHOE COUNTY QUICK INFO (Summary data may not be complete representation of property)				10/18/2006	
Owner Information & Legal Description			Building Information		
APN	076-100-19		Property Name:		
<u>Parcel Map | Map Warehouse</u>			Quality		<u>Bldg Type</u>
Card 1 of 1			Stories		
Situs	SPANISH SPRINGS RD		Year Built	0	<u>Square Feet</u> 0
<u>Owner 1</u>	BIG SPRING RANCH LLC		<u>W.A.Y.</u>	0	Square Feet does not include Bsmt or Garage Conversion area click for details
Mail Address	P O BOX 81624		<u>Bedrooms</u>	0	
	LAS VEGAS NV 89180-1624		<u>Full Baths</u>	0	<u>Finished Bsmt</u> 0
<u>Owner 2</u>			<u>Half Baths</u>	0	<u>Unfin Bsmt</u> 0
<u>Owner 3</u>			<u>Fixtures</u>	0	<u>Bsmt Type</u>
Rec Doc No	02957442	Rec Date	11/21/2003	<u>Fireplaces</u>	0
Prior Owner	GRAHAM,EARL L & JONI		<u>Heat Type</u>		<u>Total Gar Area</u> 0
Prior Doc	02623847 11/30/2001		<u>Sec Heat Type</u>		<u>Gar Type</u>
Legal Desc	34-1-1-2		<u>Ext Walls</u>		<u>Det Garage</u> 0
Subdivision	34-1-1-2		<u>Sec Ext Walls</u>		<u>Bsmt Gar Door</u> 0
	<u>Lot</u>	<u>Block</u>	<u>Sub Map#</u>	<u>Roof Cover</u>	<u>Sub Floor</u>
	<u>Record of Survey Map</u>		<u>Parcel Map#</u>	<u>%Incomplete</u>	0
Section 34	Township 21	Range 21	<u>SPC</u>	<u>Obso/Bldg Adj</u>	0
<u>Tax Dist</u>	4400	<u>Add'l Tax Info</u>	<u>Prior APN</u>	<u>Construction Mod</u>	0
				<u>Last Activity</u>	C&M 04/08/1996
					<u>Last Permit</u>

Land Information											
<u>Land Use</u>	012	<u>Zoning</u>	GR	<u>Sewer</u>	NONE	<u>Value Year</u>	2007	<u>Reason</u>	Reappraisal	<u>Factor Dist</u>	586R
<u>Size</u>	320 Ac	<u>Water</u>	NONE	<u>Street</u>	NONE			<u>Reapp Years</u>	2002-2007		

Valuation Information			Sales/Transfer Information/Recorded Document				
	2005/2006 FV	2006/2007 FV	V-Code	LUC	Doc Date	Value	Grantor
Taxable Land Value	78,304	86,917	1SVR	012	11/21/2003	95,000	GRAHAM,EARL L & JONI
Txble Improvement Value	0	0	3NTT	012	11/30/2001	0	LONDON,DALE R
Secured Personal Property (rounded)	0	0	3NTT	012	11/30/2001	0	GRAHAM,EARL L & JONI
Taxable Total	78,304	86,917			07/07/1997	0	
Assessed Land Value	27,406	30,421	1GCR	012	06/03/1997	70,000	
Assessed Improvement Value	0	0			08/01/1976	10,980	

All data on this form is for use by the Washoe County Assessor for

Assessed Personal Prop		0	assessment purposes only. Zoning information should be verified with the appropriate planning agency.
Total Assessed	27,406	30,421	
Supplemental New Const	0	0	

We are currently experiencing some problems with our photo and sketch database which can cause the wrong sketch or photo to display, please review any sketches and photos carefully.

Sketch Is Not Available On-Line.	Property Photo Is Not Available On-Line.
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99052

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Exhibit 2

APN: 076-100-19

WHEN RECORDED, RETURN TO

JOHN PETER LEE, LTD.
830 Las Vegas Boulevard South
Las Vegas, Nevada 89101

GRANTEE/MAIL TAX STATEMENTS TO:

JOHN PETER LEE, LTD.
830 Las Vegas Boulevard South
Las Vegas, Nevada 89101

320 acre parcel

GRANT, BARGAIN AND SALE DEED

THIS INDENTURE, made this ____ day of _____, 2006, by and between Big Spring Ranch, LLC, as Grantor, and Gholamreza Zandian Jazi, as Grantee:

WITNESSETH

That Grantor, in consideration of the sum of Ten Dollars (\$10.00) lawful money of the United States, and good and valuable consideration, paid to Grantor by Grantee, the receipt whereof is hereby acknowledged, does by these presents grant, bargain and sell to Grantee and to Grantee's successors and assigns, all those certain lots, pieces, or parcels of land situated in the County of Washoe, State of Nevada, and more particularly described as follows:

Set forth in Exhibit A attached and incorporated herein by this reference

TOGETHER WITH all and singular the tenements, hereditaments, and appurtenances thereunto belonging or in anywise appertaining, and the reversion and reversions, remainder or remainders, rents, issues, and profits thereof.

SUBJECT TO rights, reservations and restrictions of record.

TO HAVE AND TO HOLD all and singular the premises, together with the appurtenances, unto Grantee and to Grantee's successors and assigns forever.

IN WITNESS WHEREOF, Grantor have executed this conveyance the day and year first above written.

BIG SPRING RANCH, LLC

BY: _____
RAY KOROGHLI, Member/Manager

BY: _____
FARIBORZ FRED SADRI, Member/Manager

STATE OF NEVADA)
) SS.:
COUNTY OF CLARK)

On _____, 2006, before me the undersigned, a Notary Public in and for said County and State, personally appeared Ray Koroghli, known to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.

NOTARY PUBLIC

STATE OF NEVADA)
) SS.:
COUNTY OF CLARK)

On _____, 2006, before me the undersigned, a Notary Public in and for said County and State, personally appeared Fariborz Fred Sadri, known to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.

NOTARY PUBLIC

County Home => Assessor's Office => Property Assessment Data => Parcel QuickInfo

WASHOE COUNTY QUICK INFO (Summary data may not be complete representation of property) 10/18/2006

Owner Information & Legal Description				Building Information			
APN		076-100-19		Property Name:			
Parcel Map | Map Warehouse				Quality		Bldg Type	
Card 1 of 1				Stories			
Situs	SPANISH SPRINGS RD			Year Built	0	Square Feet 0	
Owner 1	BIG SPRING RANCH LLC			W.A.Y.	0	Square Feet does not include Bsmt or Garage Conversion area click for details	
Mail Address	P O BOX 81624			Bedrooms	0		
	LAS VEGAS NV 89180-1624			Full Baths	0	Finished Bsmt 0	
Owner 2				Half Baths	0	Unfin Bsmt 0	
Owner 3				Fixtures	0	Bsmt Type	
Rec Doc No	02957442	Rec Date	11/21/2003	Fireplaces	0	Gar Conv Sq Foot 0	
Prior Owner	GRAHAM,EARL L & JONI			Heat Type		Total Gar Area 0	
Prior Doc	02623847 11/30/2001			Sec Heat Type		Gar Type	
Legal Desc	34-1-1-2			Ext Walls		Det Garage 0	
Subdivision	34-1-1-2			Sec Ext Walls		Bsmt Gar Door 0	
	Lot	Block	Sub Map#	Roof Cover		Sub Floor	
				%Incomplete	0	Frame	
	Record of Survey Map		Parcel Map#	Obso/Bldg Adj	0	Units/Bldg 0	
	Section 34	Township 21	Range 21	Construction Mod	0	Units/Parcel 0	
			SPC	Last Activity	CEM 04/08/1996	Last Permit	
Tax Dist	4400	Add'l Tax Info	Prior APN				

Land Information											
Land Use	012	Zoning	GR	Sewer	NONE	Value Year	2007	Reason	Reappraisal	Factor Dist	586R
Size	320 Ac	Water	NONE	Street	NONE	Reapp Years	2002-2007				

Valuation Information		2005/2006 FV	2006/2007 FV	Sales/Transfer Information/Recorded Document				
Taxable Land Value		78,304	86,917	V-Code	LUC	Doc Date	Value	Grantor
Txble Improvement Value		0	0	1SVR	012	11/21/2003	95,000	GRAHAM,EARL L & JONI
Secured Personal Property (rounded)		0	0	3NTT	012	11/30/2001	0	LANDON,DALE R
Taxable Total		78,304	86,917	3NTT	012	11/30/2001	0	GRAHAM,EARL L & JONI
Assessed Land Value		27,406	30,421			07/07/1997	0	
Assessed Improvement Value		0	0	1GCR	012	06/03/1997	70,000	
						08/01/1976	10,980	

All data on this form is for use by the Washoe County Assessor for

Assessed Personal Prop		0	assessment purposes only. Zoning information should be verified with the appropriate planning agency.
Total Assessed	27,406	30,421	
Supplemental New Const	0	0	

We are currently experiencing some problems with our photo and sketch database which can cause the wrong sketch or photo to display, please review any sketches and photos carefully.

Sketch Is Not Available On-Line.	Property Photo Is Not Available On-Line.
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Exhibit 3

APN: 076-100-19

WHEN RECORDED, RETURN TO
JOHN PETER LEE, LTD.
830 Las Vegas Boulevard South
Las Vegas, Nevada 89101

GRANTEE/MAIL TAX STATEMENTS TO:
JOHN PETER LEE, LTD.
830 Las Vegas Boulevard South
Las Vegas, Nevada 89101

320 acre parcel

QUITCLAIM DEED

By this instrument dated this ____ day of _____, 2006, for a valuable consideration,
Big Spring Ranch, LLC does hereby remise, release and forever quitclaim to Gholamreza Zandian
Jazi, the following described real property in the State of Nevada, County of Washoe:

Set forth in Exhibit A attached and incorporated
herein by this reference

BIG SPRING RANCH, LLC

BY: _____
RAY KOROGHLI

BY: _____
FARIBORZ FRED SADRI

STATE OF NEVADA)
) SS.
COUNTY OF CLARK)

On the ____ day of _____, 2006, before me the undersigned, a Notary Public
in and for said County and State, personally appeared Ray Koroghli, known to me to be the person
whose name is subscribed to the within instrument, and acknowledged to me that he executed the
same.

NOTARY PUBLIC

STATE OF NEVADA)
) SS.
COUNTY OF CLARK)

On the ____ day of _____, 2006, before me the undersigned, a Notary Public in and for said County and State, personally appeared Fariborz Fred Sadri, known to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.

NOTARY PUBLIC

County Home => Assessor's Office => Property Assessment Data => Parcel QuickInfo

WASHOE COUNTY QUICK INFO (Summary data may not be complete representation of property)										10/18/2006		
Owner Information & Legal Description					Building Information							
APN 076-100-19					Property Name:							
Parcel Map | Map Warehouse					Quality		Bldg Type					
Card 1 of 1					Stories							
Situs SPANISH SPRINGS RD					Year Built 0		Square Feet 0					
Owner 1 BIG SPRING RANCH LLC					W.A.Y. 0		Square Feet does not include Bsmt or Garage Conversion area click for details					
Mail Address P O BOX 81624					Bedrooms 0		Finished Bsmt 0					
LAS VEGAS NV 89180-1624					Full Baths 0		Unfin Bsmt 0					
Owner 2					Half Baths 0		Bsmt Type					
Owner 3					Fixtures 0		Gar Conv Sq Foot 0					
Rec Doc No 02957442			Rec Date 11/21/2003		Heat Type		Total Gar Area 0					
Prior Owner GRAHAM, EARL L & JONI					Sec Heat Type		Gar Type					
Prior Doc 02623847 11/30/2001					Ext Walls		Det Garage 0					
Legal Desc 34-1-1-2					Sec Ext Walls		Bsmt Gar Door 0					
Subdivision 34-1-1-2					Roof Cover		Sub Floor					
Lot Block		Sub Map#			%Incomplete 0		Frame					
Record of Survey Map				Parcel Map#		Obso/Bldg Adj 0		Units/Bldg 0				
Section 34		Township 21		Range 21		Construction Mod 0		Units/Parcel 0				
Tax Dist 4400		Add'l Tax Info		Prior APN		Last Activity CEM 04/08/1996		Last Permit				
Land Information												
Land Use 012		Zoning GR		Sewer NONE		Value Year 2007		Reason Reappraisal		Factor Dist 586R		
Size 320 Ac		Water NONE		Street NONE				Reapp Years 2002-2007				
Valuation Information			2005/2006 FV		2006/2007 FV		Sales/Transfer Information/Recorded Document					
Taxable Land Value			78,304		86,917		V-Code LUC		Doc Date		Value Grantor	
Txble Improvement Value			0		0		1SVR 012		11/21/2003		95,000 GRAHAM, EARL L & JONI	
Secured Personal Property (rounded)			0		0		3NTT 012		11/30/2001		0 LANDON, DALE R	
Taxable Total			78,304		86,917		3NTT 012		11/30/2001		0 GRAHAM, EARL L & JONI	
Assessed Land Value			27,406		30,421				07/07/1997		0	
Assessed Improvement Value			0		0		1GCR 012		06/03/1997		70,000	
									08/01/1976		10,980	
All data on this form is for use by the Washoe County Assessor for												

Assessed Personal Prop		0	assessment purposes only. Zoning information should be verified with the appropriate planning agency.
Total Assessed	27,406	30,421	
Supplemental New Const	0	0	

We are currently experiencing some problems with our photo and sketch database which can cause the wrong sketch or photo to display, please review any sketches and photos carefully.

Sketch Is Not Available On-Line.	Property Photo Is Not Available On-Line.
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Exhibit 4

APN: 079-150-09, 079-150-10, 07-150-13
084-040-02, 084-040-04, 084-040-06
084-040-10, 084-130-07, -84-140-17

WHEN RECORDED, RETURN TO

JOHN PETER LEE, LTD.
830 Las Vegas Boulevard South
Las Vegas, Nevada 89101

GRANTEE/MAIL TAX STATEMENTS TO:

JOHN PETER LEE, LTD.
830 Las Vegas Boulevard South
Las Vegas, Nevada 89101

Pah Rah parcel

GRANT, BARGAIN AND SALE DEED

THIS INDENTURE, made this ____ day of _____, 2006, by and between Ray Koroghli, individually, and Fariborz Fred Sadri, individually and as Trustee of the Star Living Trust, as Grantors, and Gholamreza Zandian Jazi, as Grantee:

WITNESSETH

That Grantors, in consideration of the sum of Ten Dollars (\$10.00) lawful money of the United States, and good and valuable consideration, paid to Grantors by Grantee, the receipt whereof is hereby acknowledged, does by these presents grant, bargain and sell to Grantee and to Grantee's successors and assigns, all those certain lots, pieces, or parcels of land situated in the County of Washoe, State of Nevada, and more particularly described as follows:

Set forth in Exhibit A attached and incorporated herein by this reference

TOGETHER WITH all and singular the tenements, hereditaments, and appurtenances thereunto belonging or in anywise appertaining, and the reversion and reversions, remainder or remainders, rents, issues, and profits thereof.

SUBJECT TO rights, reservations and restrictions of record.

TO HAVE AND TO HOLD all and singular the premises, together with the appurtenances, unto Grantee and to Grantee's successors and assigns forever.

IN WITNESS WHEREOF, Grantors have executed this conveyance the day and year first above written.

RAY KOROGHLI, individually

FARIBORZ FRED SADRI, individually

FARIBORZ FRED SADRI, as Trustee of the
Star Living Trust

STATE OF NEVADA)
) SS.:
COUNTY OF CLARK)

On _____, 2006, before me the undersigned, a Notary Public in and for said County and State, personally appeared Ray Koroghli, known to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.

NOTARY PUBLIC

STATE OF NEVADA)
) SS.:
COUNTY OF CLARK)

On _____, 2006, before me the undersigned, a Notary Public in and for said County and State, personally appeared Fariborz Fred Sadri, known to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.

NOTARY PUBLIC

STATE OF NEVADA)
) SS.:
COUNTY OF CLARK)

On _____, 2006, before me the undersigned, a Notary Public in and for said County and State, personally appeared Fariborz Fred Sadri, Trustee of the Star Living Trust, known to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.

NOTARY PUBLIC

APN: 079-150-09, 079-150-10, 07-150-13
084-040-02, 084-040-04, 084-040-06,
084-040-10, 084-130-07, 084-140-17

DOC # 2900592
08/08/2003 03:48P Fee: 20.00

BK:
Requested By
WESTERN TITLE COMPANY INC
Washoe County Recorder
Kathryn L. Burke - Recorder
Pg 1 of 7 RPTT 1500.00

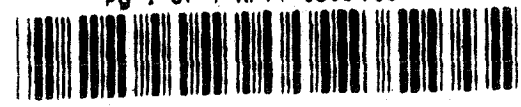
RPTT \$1,500.00 130277-TX

RECORDING REQUESTED BY AND
WHEN RECORDED RETURN TO:

Star Living Trust
950 Seven Hills Drive, Ste 1026
Henderson, NV 89052

2827 S. MONTA CRISTO
LAS VEGAS, NV 89117

Mail the statement to above
25269-DAR
00130277 GRANT, BARGAIN AND SALE DEED



THIS GRANT, BARGAIN AND SALE DEED is made this 1st day of AUGUST, 2003 by and between NEVADA LAND AND RESOURCE COMPANY, LLC, a Delaware limited liability company, whose address is 704 W. Nye Lane, Suite 201, Carson City, Nevada, 89703 (referred to as "GRANTOR") and FRED SADRI TRUSTEE OF THE STAR LIVING TRUST, DATED APRIL 14, 1997, AS TO AN UNDIVIDED 1/3 INTEREST, RAY KOROGHLI, AN UNMARRIED MAN, AS TO AN UNDIVIDED 1/3 INTEREST AND REZA ZANDIAN, A MARRIED MAN AS HIS SOLE AND SEPARATE PROPERTY, AS TO AN UNDIVIDED 1/3 INTEREST, AS TENANTS IN COMMON, (referred to as "GRANTEE").

GRANTOR, in consideration of the sum of Ten Dollars (\$10.00), lawful money of the United States, and other good and valuable consideration to GRANTOR paid by the GRANTEE, the receipt of which GRANTOR acknowledges, by these presents grants, bargains and sells to GRANTEE, and to GRANTEE's successors and assigns forever, all right, title and interest in and to that certain real property situated in Washoe County, State of Nevada, and more particularly described on Exhibit A, except the easement and mineral estate and interest reserved to GRANTOR.

Together with all and singular the tenements, hereditaments and appurtenances belonging, or in anywise appertaining, to the real property, and the reversion and reversions, remainder and remainders, rents, issues and profits of the real property;

To have and to hold the real property above described with the appurtenances, unto GRANTEE, and to GRANTEE's heirs, and successors and assigns forever.

GRANTOR reserves to itself and its successors and assigns a 20 foot wide access easement over, through, within, under, across and along the East and South boundaries of Section 3, Township 20 North, Range 23 East.

GRANTOR reserves to itself the exclusive right and privilege to enter on the property for the purposes of exploration and prospecting for the development, extraction, mining, production, removal and sale of all minerals, mineral substances, metals, ore-bearing materials, coal, oil, gas, other hydrocarbons, geothermal steam, liquids or brines, heat, other geothermal resources and rocks of every kind, except sand and gravel. The mineral estate and rights reserved to Grantor include all of the right, title and interest to minerals in, on or under the property, including, but not limited to, the surface and subsurface of the property, all minerals, mineral elements and compounds and ores, together with all easements and rights-of-way reserved or granted in, on or under the property, together with any and all lodes, veins and mineral deposits extending from or into or contained in the

100700



EXHIBIT " A "

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

PARCEL A:

A.P.N. 079-150-09

The Northeast ¼ and the South ½ of the Northwest ¼ and the South ½ in
Section 33, Township 21 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar
and other valuable minerals as reserved by the United States of America or the
State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores
within or underlying the property, including, without limitation, oil, natural gas
and hydrocarbon substances, geothermal steam, brines and minerals in solution,
and sand gravel and aggregates, and products derived therefrom, together with
any rights of ingress and egress in, upon or over the property and to make such
use of the property and the surface thereof as is necessary or useful in
connection therewith, as reserved in the Deed recorded January 09, 1990 in
Book 3019, Page 756 as Document No. 1373452 of Official Records.

PARCEL B:

A.P.N. 079-150-10

Section 31, Township 21 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar
and other valuable minerals as reserved by the United States of America or the
State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores
within or underlying the property, including, without limitation, oil, natural gas
and hydrocarbon substances, geothermal steam, brines and minerals in solution,
and sand gravel and aggregates, and products derived therefrom, together with



any rights of ingress and egress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded February 22, 1991 in Book 3216, Page 526 as Document No. 1461483 of Official Records.

PARCEL C:
A.P.N. 079-150-13

The Northeast ¼; South ½ of the Northwest ¼; South ½ of Section 27,
Township 21 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with any rights of ingress and egress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded January 09, 1990 in Book 3019, Page 756 as Document No. 1373452 of Official Records.

PARCEL D:
A.P.N. 084-040-02

Section 5, Township 20 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with any rights of ingress and egress in, upon or over the property and to make such



use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded February 22, 1991 in Book 3216, Page 526 as Document No. 1461483 of Official Records.

PARCEL E:

A.P.N. 084-040-04

Section 3, Township 20 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with any rights of ingress and egress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded January 03, 1992 in Book 3391, Page 840 as Document No. 1534872 of Official Records.

PARCEL F:

A.P.N. 084-040-06

Section 1, Township 20 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with any rights of ingress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection



therewith, as reserved in the Deed recorded January 03, 1992 in Book 3391, Page 840 as Document No. 1534872 of Official Records.

PARCEL G:

A.P.N. 084-040-10

The North $\frac{1}{2}$ and the North $\frac{1}{2}$ of the Northwest $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ and the Southwest $\frac{1}{4}$ of the Northwest $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ and the North $\frac{1}{2}$ of the Northeast $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ and the North $\frac{1}{2}$ of the Northwest $\frac{1}{4}$ of the Southeast $\frac{1}{4}$, all in Section 11, Township 20 North, Range 23 East, M.D.B. &M.

ALSO EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with any rights of ingress and egress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded January 03, 1992 in Book 3391, Page 840 as Document No. 1534872 of Official Records.

PARCEL H:

A.P.N. 084-130-07

The Northwest $\frac{1}{4}$ and the North $\frac{1}{2}$ of the Southwest $\frac{1}{4}$ and Government Lot 1 in the Southwest $\frac{1}{4}$ of Section 15, Township 20 North, Range 23 East, M.D.B. &M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with



any rights of ingress and egress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded January 03, 1992 in Book 3391, Page 840 as Document No. 1534872 of Official Records.

PARCEL I:

A.P.N. 084-140-17

The Northeast $\frac{1}{4}$ of Section 15, Township 20 North, Range 23 East, M.D.B. & M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with any rights of ingress and egress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded January 03, 1992 in Book 3391, Page 840 as Document No. 1534872 of Official Records.

Exhibit 5

REQUEST FOR FULL RECONVEYANCE

TO: Western Title Company, Inc., Trustee

The undersigned is the legal owner and holder of the Note or Notes, and of all other indebtedness secured by the attached Deed of Trust. Said Note or Notes, together with all other indebtedness secured by said Deed of Trust, have been fully paid and satisfied; and you are hereby requested and directed to cancel said note or notes above mentioned, and all other evidences of indebtedness secured by said Deed of Trust delivered to you herewith, together with the Deed of Trust, and to reconvey, without warranty, to Gholamreza Zandian Jazi all the estate now held by you under the same.

DATED this _____ day of _____, 2006.

Fariborz Fred Sadri

STAR LIVING TRUST

BY: _____
Fariborz Fred Sadri, Trustee

Pah Rah parcel

APN: 079-150-09,10,13 084-040-02,04,06,10 084-130-07

084-140-77

DOC # 2900594
08/08/2003 03:48P Fee: 48.00

BK1
Requested By
WESTERN TITLE COMPANY INC
Washoe County Recorder
Kathryn L. Burke - Recorder
Pg 1 of 10 RPT 0.00

RECORDING REQUESTED BY:
Western Title Company, Inc.

WHEN RECORDED MAIL TO:

Name STAR LIVING TRUST, FRED SADRI
Street 2827 S. MONTE CRISTO
City, State LAS VEGAS, NV 89117
Zip
Order No. 00025269-501-DBR -Accommodatio



(SPACE ABOVE THIS LINE FOR RECORDERS USE)

DEED OF TRUST WITH ASSIGNMENT OF RENTS

This DEED OF TRUST, made on July 31, 2003, between REZA ZANDIAN, a married man as his sole and separate property, TRUSTOR, whose address is 955a W. Sahara Ave., Apt 2148
Las Vegas 89117, NV 89117 Western Title Company, Inc.,
a Nevada Corporation, TRUSTEE, and FARIBORZ SADRI, TRUSTEE OF THE STAR LIVING TRUST, DATED APRIL 14, 1997, BENEFICIARY,

WITNESSETH: That Trustor grants to Trustee in Trust, with Power of Sale, that property in the City of N/A, County of Washoe, Nevada, described as:

SEE ATTACHED FOR LEGAL DESCRIPTION

In the event the herein described property or any part thereof, or any interest therein is sold, agreed to be sold, conveyed or alienated by the trustor, or by the operation of law or otherwise, all obligations secured by this instrument, irrespective of the maturity dates expressed therein, at the option of the holder hereof and without demand or notice shall immediately become due and payable.

Together with the rents, issues and profits thereof, subject, however, to the right, power and authority hereinafter given to and conferred upon Beneficiary to collect and apply such rents, issues and profits.

For the Purpose of Securing (1) payment of the sum of \$333,996.56 with interest thereon according to the terms of a promissory note or notes of even date herewith made by Trustor, payable to order of Beneficiary, and extensions or renewals thereof; (2) the performance of each agreement of Trustor incorporated by reference or contained herein or reciting it is so secured; (3) Payment of additional sums and interest thereon which may hereafter be loaned to Trustor, or his successors or assigns, when evidenced by a promissory note or notes reciting that they are secured by this Deed of Trust.

To protect the security of this Deed of Trust, and with respect to the property above described, Trustor expressly makes each and all of the agreements, and adopts and agrees to perform and be bound by each

and all of the terms and provisions set forth in subdivision A and it is mutually agreed that each and all of the terms and provisions set forth in subdivision B of the Fictitious Deed of trust recorded in the office of



each County Recorder in the State of Nevada on January 30, 1968, in the book and at the page thereof, or under the document or file number, noted below opposite the name of such county, namely: COUNTY

	BOOK	PAGE	DOC. NO.	COUNTY	BOOK	PAGE	DOC. NO.
Churchill	39	363	115384	Lincoln			45902
Clark	Mortgages 850 Off. Rec.		682747	Lyon	37 Off. Rec.	341	100661
Douglas	57 Off. Rec.	115	40050	Mineral	11 Off. Rec.	129	89073
Elko	192 Off. Rec.	652	35747	Nye	105 Off. Rec.	107	04823
Esmeralda	3-X Deeds	195	35922	Ormsby	72 Deeds	537	32867
Eureka	22 Off. Rec.	138	45941	Pershing	11 Off. Rec.	249	66107
Humboldt	28 Off. Rec.	124	131075	Storey	"S" Off. Rec.	206	31506
Lander	24 Off. Rec.	168	50782	Washoe	300 Off. Rec.	517	107192
				White Pine	295 R.E. Records	258	

shall insure to and bind the parties hereto, with respect to the property above described. Said agreements, terms and provisions contained in said subdivisions A and B (identical in all counties, and printed on the reverse side hereof) are by the within reference thereto, incorporated herein and made a part of Deed of Trust for all purposes as fully as if set forth at length herein, and Beneficiary may charge for a statement regarding the obligation secured hereby, provided the charge therefor does not exceed a reasonable amount.



The undersigned Trustor, requests that a copy of any notice of default and any notice of sale hereunder be mailed to him at this address herein before set forth.

STATE OF NEVADA

COUNTY OF CLARK

} ss

This instrument was acknowledged before me on

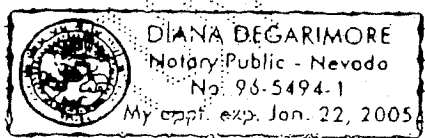
AUGUST 5th 2003

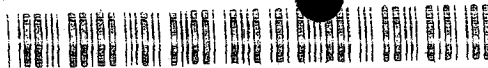
by REZA ZANDIAN

REZA ZANDIAN

Diana DeGarimore

Notary Public





DO NOT RECORD

A. TO PROTECT THE SECURITY OF THIS DEED OF TRUST, TRUSTOR AGREES,

- (1) To keep said property in good condition and repair; not to remove or demolish any building thereon; to complete or restore promptly and in good and workmanlike manner any building which may be constructed, damaged or destroyed thereon and to pay when due all claims for labor performed and materials furnished therefor; to comply with all laws affecting said property or requiring any alterations or improvements to be made thereon; not to commit or permit waste therefor; not to commit suffer or permit any act upon said property in violation of law; to cultivate, irrigate, fertilize, fumigate, prune and do all other acts which from the character or use of said property may be reasonably necessary, the specific enumerations herein not excluding the general.
- (2) Trustor covenants to keep all buildings that may now or at any time be on said property during the continuance of this trust in good repair and insured against loss by fire, with extended coverage endorsement, in a company or companies authorized to issue such insurance in the State of Nevada, and as may be approved by Beneficiary, for such sum or sums as shall equal the total indebtedness secured by this Deed of Trust and all obligations having priority over this Deed of Trust and shall be payable to Beneficiary to the amount of the unsatisfied obligation to Beneficiary hereby secured, and to deliver the policy to Beneficiary, or to collection agent of Beneficiary, and in default hereof, Beneficiary may procure such insurance and/or make such repairs, and expend for either of such purposes such SLDM or sums as Beneficiary shall deem proper.
- (3) To appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee; and to pay all costs and expenses, including cost of evidence of title and attorney's fees in a reasonable sum, in any such action or proceeding in which Beneficiary or Trustee may appear, and in any suit brought by Beneficiary to foreclose this Deed of Trust.
- (4) To pay at least ten days before delinquency all taxes and assessments affecting said property, including assessments on appurtenant water stock, water rights and grazing privileges; when due, all encumbrances, charges and liens, with interest, on said property or any part thereof, which appear to be prior or superior hereto, and all costs, fees and expenses of this trust.

Should Trustor fail to make any payment or to do any act as herein provided, then Beneficiary or Trustee, but without obligation so to do and without notice to or demand upon Trustor, and without releasing Trustor from any obligation hereof, may make or do the same in such manner and to such extent as either may deem necessary to protect the security hereof; Beneficiary or Trustee being authorized to enter upon said property for such purposes; appear in and defend any action or proceeding purporting to affect the security hereof the rights or powers of Beneficiary or Trustee; pay, purchase, contest or compromise any encumbrance, charge or lien which in the judgment of either appears to be prior or superior hereto; and, in exercising any such powers, pay necessary expenses, employ counsel and pay his reasonable fees.

- (5) To pay immediately and without demand all sums so expended by Beneficiary or Trustee, with interest from date of expenditure at ten percent per annum.
- (6) At Beneficiary's option Trustor will pay a "late charge" as indicated in the Promissory Note to cover the extra expense involved in handling delinquent payments; of such "late charge" shall not be payable out of the proceeds of any sale made to satisfy the indebtedness secured hereby, unless such proceeds are sufficient to discharge the entire indebtedness and all proper costs and expenses secured thereby.

B. IT IS MUTUALLY AGREED

- (1) That any award of damages in connection with any condemnation for public use of or injury to said property or any part thereof is hereby assigned and shall be paid to Beneficiary who may apply or release such moneys received by him in the same manner and with the same effect as above provided for disposition of proceeds of fire or other insurance.
- (2) That by accepting payment of any sum secured hereby after its due date, Beneficiary does not waive his right either to require prompt payment when due of all other sums so secured or to declare default for failure so to pay.
- (3) That at any time or from time to time, without liability therefor and without notice, upon written request of Beneficiary and presentation of this deed and said note for endorsement, and without affecting the personal liability of any person for payment of the indebtedness secured hereby, Trustee may reconvey any part of said property; consent to the making of any map or plat thereof; join in granting any easement thereon; or join in any extension agreement of any agreement subordinating the lien or charge hereof.
- (4) That upon written request of Beneficiary stating that all sums secured hereby have been paid, and upon surrender of this deed and said note to Trustee for cancellation and retention or other disposition as Trustee in its sole discretion may choose, and upon payment of its fees, Trustee shall reconvey, without warranty, the property then held hereunder. The recitals in such reconveyance of any matters or facts shall be conclusive proof of the truthfulness thereof. The grantee in such reconveyance may be described as "the person or persons legally entitled thereto".
- (5) That as additional security, Trustor hereby gives to and confers upon Beneficiary the right, power and authority, during the continuance of these trusts, to collect the rents, issues and profits of said property, reserving unto Trustor the right, prior to any default by Trustor in payment of any indebtedness secured hereby or in performance of any agreement hereunder, to collect and retain such rents, issues and profits as they become due and payable. Upon any such default Beneficiary may at any time without notice, either in person, by a agent, or by a receiver to be appointed by a court, and without regard to the adequacy of any security for the indebtedness hereby secured, enter upon and take possession of said property or any part thereof, in his own name sue for or otherwise collect such rents, issues, and profits, including those past due, and unpaid, and apply the same, less costs and expenses of operation and collection, including reasonable attorney's fees, upon any indebtedness secured hereby, and in such order as Beneficiary may determine. The entering upon and taking possession of said property, the collection of such rents, issues and profits and the application thereof as aforesaid, shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice.
- (6) That upon default by Trustor in payment of any indebtedness secured hereby or in performance of any agreement hereunder, Beneficiary may declare all sums secured hereby immediately due and payable by delivery to Trustee of written notice of default and of election to cause to be sold said property, which notice Trustee shall cause to be recorded. Beneficiary also shall deposit with Trustee this Deed of Trust, said note and all documents evidencing expenditures secured hereby.

After the lapse of such time as may then be required by law following the recording of said notice of default, and notice of sale having been given as then required by law for the sale of real property under writ of execution, Trustee, without demand on Trustor, shall sell said property or any part thereof at the time and place fixed by it in said notice of sale, either as a whole or in separate parcels, and in such order as it may determine, at public auction to the highest bidder for cash in lawful money of the United States, payable at time of sale. Trustee may postpone sale of all or any portion of said property by public announcement at such time and place of sale, and from time to time thereafter may postpone such sale by public announcement at the time fixed by the preceding postponement. In the event that any indebtedness secured hereby shall not have been fully satisfied by said sale, Trustee may give notice of sale of any property not previously noticed for sale in the manner set forth above and sell the same in the manner set forth above.

Trustee shall deliver to any purchaser its deed conveying the property so sold, but without any covenant or warranty, express or implied. The recitals in such deed of any matters or facts shall be conclusive proof of the truthfulness thereof. Any person, including Trustor, Trustee, or Beneficiary as hereinafter defined, may purchase at such sale.

After deducting all costs, fees and expenses of Trustee, including a reasonable fee for the attorney of Trustee, and of this trust, including cost evidence of title in connection with sale, Trustee shall apply the proceeds of sale to payment of: all sums expended under the terms hereof, not then repaid, with accrued interest at ten percent per annum; all other sums then secured hereby; and the remainder, if any, to the person or persons legally entitled thereto.



- (7) That Beneficiary, or his assignee, may from time to time, by instrument in writing, substitute a successor or successors to any Trustee named herein or acting hereunder, which instrument executed and acknowledged and recorded in the office of the recorder of the county or counties where said property is situated, shall be conclusive proof of proper substitution of such successor Trustee or Trustees, who shall, without conveyance from the Trustee predecessor, succeed to all its title, estate, rights, powers and duties. Said instrument must contain the name of the original Trustor, Trustee and Beneficiary hereunder; the book and page where, or document or file number under which, this Deed of Trust is recorded, and the name and address of the new Trustee. If notice of default shall have been recorded, this power of substitution cannot be exercised until after the costs, fees and expenses of the then acting Trustee shall have been paid to such Trustee, who shall endorse receipt thereof upon such instrument of substitution. The procedure herein provided for substitution of Trustee shall be exclusive of all other provisions for substitution, statutory or otherwise.
- (8) The following covenants: Nos. 1, 3, 4, (interest 10%) 5, 6, 8 and 9 of Nevada Revised Statutes 107.030, when not inconsistent with other covenants and provisions herein contained, are hereby adopted and made a part of this Deed of Trust.
- (9) The rights and remedies hereby granted shall not exclude any other rights or remedies granted by law, and all rights and remedies granted hereunder or permitted by law shall be concurrent and cumulative. A violation of any of the covenants herein expressly set forth shall have the same effect as the violation of any covenant herein adopted by reference.
- (10) It is expressly agreed that the trust created hereby is irrevocable by Trustor.
- (11) That this Deed of Trust applies to, insures to the benefit of, and binds all parties hereto, their heirs, legatees, devisees, administrators, executors, successors and assigns. The term Beneficiary shall mean the owner and holder, including pledges, of the note secured hereby, whether or not named as Beneficiary herein. In this Deed of Trust, whenever the context so requires, the masculine gender includes the feminine and/or neuter, and the singular number includes the plural.
- (12) That Trustee accepts this trust when this Deed of Trust, duly executed and acknowledged, is made a public record as provided by law. Trustee is not obligated to notify any party hereto of pending sale under any other Deed of Trust or of any action or proceeding in which Trustor, Beneficiary or Trustee shall be a party unless brought by Trustee.
- (13) Trustor agrees to pay any deficiency arising from any cause after application of the proceeds of the sale held in accordance with the provisions of the covenants herein above adopted by reference.

The undersigned Trustor requests that a copy of any notice of default and any notice of sale hereunder be mailed to him at his address herein before set forth.

REQUEST FOR FULL RECONVEYANCE

DO NOT RECORD

TO TRUSTEE

The undersigned is the legal owner and holder of the note or notes, and of all other indebtedness secured by the foregoing Deed of Trust. Said note or notes, together with all other indebtedness secured by said Deed of Trust, have been fully paid and satisfied and you are hereby requested and directed, on payment to you of any sums owing to you under the terms of said Deed of Trust, to cancel said note or notes above mentioned, and all other evidences of indebtedness secured by said Deed of Trust delivered to you herewith, together with the said Deed of Trust, and to reconvey, without warranty, to the parties designated by the terms of said Deed of Trust, all the estate now held by you under the same.

Dated: _____

Please mail Deed of Trust,
Note and Reconveyance to _____

Do not lose or destroy this Deed of Trust OR THE NOTE which it secures. Both must be delivered to the Trustee for cancellation before reconveyance will be made.



EXHIBIT "A"

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

PARCEL A:

A.P.N. 079-150-09

The Northeast $\frac{1}{4}$ and the South $\frac{1}{2}$ of the Northwest $\frac{1}{4}$ and the South $\frac{1}{2}$ in Section 33, Township 21 North, Range 23 East, M.D.B. & M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with any rights of ingress and egress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded January 09, 1990 in Book 3019, Page 756 as Document No. 1373452 of Official Records.

PARCEL B:

A.P.N. 079-150-10

Section 31, Township 21 North, Range 23 East, M.D.B. & M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with



any rights of ingress and egress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded February 22, 1991 in Book 3216, Page 526 as Document No. 1461483 of Official Records.

PARCEL C:

A.P.N. 079-150-13

The Northeast $\frac{1}{4}$; South $\frac{1}{2}$ of the Northwest $\frac{1}{4}$; South $\frac{1}{2}$ of Section 27, Township 21 North, Range 23 East, M.D.B. & M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with any rights of ingress and egress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded January 09, 1990 in Book 3019, Page 756 as Document No. 1373452 of Official Records.

PARCEL D:

A.P.N. 084-040-02

Section 5, Township 20 North, Range 23 East, M.D.B. & M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with any rights of ingress and egress in, upon or over the property and to make such



use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded February 22, 1991 in Book 3216, Page 526 as Document No. 1461483 of Official Records.

PARCEL E:

A.P.N. 084-040-04

Section 3, Township 20 North, Range 23 East, M.D.B. & M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with any rights of ingress and egress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded January 03, 1992 in Book 3391, Page 840 as Document No. 1534872 of Official Records.

PARCEL F:

A.P.N. 084-040-06

Section 1, Township 20 North, Range 23 East, M.D.B. & M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with any rights of ingress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection



therewith, as reserved in the Deed recorded January 03, 1992 in Book 3391, Page 840 as Document No. 1534872 of Official Records.

PARCEL G:

A.P.N. 084-040-10

The North $\frac{1}{2}$ and the North $\frac{1}{2}$ of the Northwest $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ and the Southwest $\frac{1}{4}$ of the Northwest $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ and the North $\frac{1}{2}$ of the Northeast $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ and the North $\frac{1}{2}$ of the Northwest $\frac{1}{4}$ of the Southeast $\frac{1}{4}$, all in Section 14, Township 20 North, Range 23 East, M.D.B.&M.

ALSO EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with any rights of ingress and egress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded January 03, 1992 in Book 3391, Page 840 as Document No. 1534872 of Official Records.

PARCEL H:

A.P.N. 084-130-07

The Northwest $\frac{1}{4}$ and the North $\frac{1}{2}$ of the Southwest $\frac{1}{4}$ and Government Lot 1 in the Southwest $\frac{1}{4}$ of Section 15, Township 20 North, Range 23 East, M.D.B.&M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with



any rights of ingress and egress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded January 03, 1992 in Book 3391, Page 840 as Document No. 1534872 of Official Records.

PARCEL I:

A.P.N. 084-140-17

The Northeast $\frac{1}{4}$ of Section 15, Township 20 North, Range 23 East, M.D.B. & M.

EXCEPTING THEREFROM all mines of gold, silver, copper, lead, cinnabar and other valuable minerals as reserved by the United States of America or the State of Nevada.

FURTHER EXCEPTING and reserving any of the minerals and mineral ores within or underlying the property, including, without limitation, oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand gravel and aggregates, and products derived therefrom, together with any rights of ingress and egress in, upon or over the property and to make such use of the property and the surface thereof as is necessary or useful in connection therewith, as reserved in the Deed recorded January 03, 1992 in Book 3391, Page 840 as Document No. 1534872 of Official Records.

Exhibit 6

APN: 010-510-001; 010-520-001; 010-730-001;
010-740-0BG; 010-740-110; 010-740-111;
010-740-113; 010-740-202

WHEN RECORDED, RETURN TO

GRANTEE/MAIL TAX STATEMENTS TO:

Wendover Parcel

QUITCLAIM DEED

By this instrument dated this ____ day of _____, 2006, for a valuable consideration, Gholamreza Zandian Jazi does hereby remise, release and forever quitclaim to Ray Koroghli, individually and Fariborz Fred Sadri, individually, and as Trustee of the Star Living Trust, the following described real property in the State of Nevada, County of Elko:

Set forth in Exhibit A attached and incorporated herein by this reference

GHOLAMREZA ZANDIAN JAZI

STATE OF NEVADA)
) SS.:
COUNTY OF CLARK)

On _____, 2006, before me the undersigned, a Notary Public in and for said County and State, personally appeared Gholamreza Zandian Jazi, known to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.

NOTARY PUBLIC

45 92 512362
FEE 94 FILE #
REQUEST OF

2003 DEC 30 PM 4:09

When recorded, return to:
JAMES R. CAVILIA, ESQ.
ALLISON, MacKENZIE, RUSSELL,
PA VLAKIS, WRIGHT & FAGAN, LTD.
402 North Division Street
P.O. Box 646
Carson City, NV 89702

Stewart Title Co.
JERRY D. McNEILDS
CLERK CO. RECORDER

0301167

A.P.N. Nos.: 010-510-001; 010-520-001; 010-730-001; 010-740-0BG; 010-740-110;
010-740-111; 010-740-113; 010-740-202

GRANT, BARGAIN, AND SALE DEED

THIS INDENTURE, made this 29th day of December, 2003, by and between BIG SPRINGS LAND & RESOURCE COMPANY, LLC, a Nevada limited liability company ("BIG SPRINGS"), Grantor, and WENDOVER PROJECT, L.L.C., a Nevada limited liability company, as to an undivided 91.67% and THE STAR LIVING TRUST, Fariborz Sadi, Trustee, as to an undivided 8.33%, Grantee.

WITNESSETH:

That the Grantor, in consideration of the sum of TEN DOLLARS (\$10.00), lawful money of the United States, and other good and valuable consideration to it in hand paid by the Grantee, the receipt whereof is hereby acknowledged, does by these presents grant, bargain and sell to the Grantee, and to its successors and assigns forever, all those certain lots, pieces or parcels of land situate, lying and being in Elko County, Nevada, and more particularly described in Exhibit "A" attached hereto and incorporated herein by reference.

TOGETHER WITH all and singular the tenements, hereditaments and appurtenances thereunto belonging or in anywise appertaining and the reversion and reversions,

remainder and remainders, rents, issues and profits thereof, including but not limited to any right title and interest in any and all grazing rights or allotments appurtenant thereto.

TO HAVE AND TO HOLD all and singular the premises, together with the appurtenances, unto the said Grantee and to its successors and assigns forever.

IN WITNESS WHEREOF, the Grantor has executed this conveyance the day and year first above written.

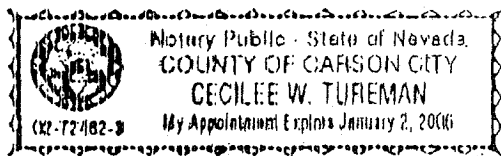
Big Springs Land & Resource Company,
a Nevada limited liability company

By: Vidler Water Company, Inc., a
Delaware corporation
Its Manager

By: *Dorothy A. Timian-Palmer*
DOROTHY A. TIMIAN-PALMER
Chief Operating Officer/Director

STATE OF NEVADA)
 : ss.
CARSON CITY)

On December 29, 2003, DOROTHY A. TIMIAN-PALMER, personally appeared before me, a notary public, personally known to me to be the person whose name is subscribed to the foregoing instrument and who acknowledged to me that she is the Chief Operating Officer and a Director of Vidler Water Company, a Delaware corporation, and who acknowledged to me that she executed the foregoing GRANT, BARGAIN AND SALE DEED on behalf of said corporation.



Cecilee W. Tureman
NOTARY PUBLIC

TWP/R	R14G	SEC	ALLOT PARTS	ACREAGE
32N	69E	01	Lots 1-3, S/2 NW/2, S/2	600.34
32N	69E	02	S/2 NW/2, S/2	480.00
32N	70E	05	Lots 4, 6, 7, 10, 12, 13, SW/4 NW/4	164.82
32N	69E	01	S/2	320.00
32N	69E	12	All	640.00
32N	69E	25	All	640.00
32N	69E	35	N/2, NW/2, S/2	480.00
32N	69E	36	N/2, NW/2 SW/4, SE/4, SE/4, SW/4	600.00
32N	70E	08	Lots 2-8, 9 and 11	35.00
32N	70E	15	Lots 12, 13, 15, 16, 20, 23-25, and 28-30, NE/4 SW/4 SE/4 NW/4, E/2 SE/4 SE/4 NW/4, NW/4 SE/4 SE/4 NW/4	46.23
32N	70E	17	S/2 S/2	160.00
32N	70E	19	All	640.00
32N	70E	20	Lots 2, 3, 6, 11, NW/4 NE/4, NW/2 SW/4 NE/4, SE/4 SW/4 NE/4, NW/2 SW/4 SW/4 NE/4, NW/4, NW/2 SW/4, SW/4 SW/4	416.67
32N	70E	20	Lots 8, 9 and S/2 SW/4 SW/4 NE/4	73.04
32N	70E	21	Lot 2	13.21
32N	70E	29	Lots 3, 5, 8, NW/4 NW/4	73.10
32N	70E	29	Lot 2	16.01
32N	70E	30	Lots 2, 3, NE/4, NW/2, W/2 SE/4	612.50
32N	70E	31	Lots 2, 4, 5, 8, 10, 11, NW/4, W/2 SW/4	372.91
32N	70E		Plus 1/2 of 9 and 10 (Parcel 2 of recorded parcel map #485646)	4.20
32N	70E		Plus 1/2 of 9 and 10 (Parcel 1 of recorded parcel map #485646)	3.87
32N	70E		Plus 1/2 of 9, 10 and 15 (Parcel 4 of recorded parcel map #485646)	65.11

* These parcels cover more than one section

6,457.04

Exhibit "A"
Big Springs Ranch Wendover Property Legal Descriptions

TWN	RNG	SEC	ALLOT PARTS	ACREAGE
32N	69E	01	Lots 1-3, S/2 N/2, S/2	640.00
32N	69E	02	S/2 N/2, S/2	180.00
32N	70E	05	Lots 4, 5, 7, 10, 12, 13, SW/4 NW/4	164.52
32N	69E	01	S/2	320.00
33N	69E	12	All	640.00
33N	69E	25	All	640.00
33N	69E	35	N/2, N/2 S/2	480.00
33N	69E	36	N/2, N/2 SW/4, SE/4, SE/4 SW/4	600.00
33N	70E	04	Lots 2-5, 9 and 11	35.00
33N	70E	15	Lots 12, 13, 15, 18, 20, 23-25, and 28-30, NE/4 SW/4 SE/4 NW/4, E/2 SE/4 SE/4 NW/4, NW/4 SE/4 SE/4 NW/4	46.23
33N	70E	17	S/2 S/2	160.00
33N	70E	19	All	640.00
33N	70E	20	Lots 2, 3, 5, 11, NW/4 NE/4, N/2 SW/4 NE/4, SE/4 SW/4 NE/4, 1/2 SW/4 SW/4 NE/4, NW/4, N/2 SW/4, SW/4 SW/4	416.63
33N	70E	20	Lots 8, 9 and S/2 SW/4 SW/4 NE/4	73.04
33N	70E	21	Lot 2	13.21
33N	70E	29	Lots 3, 5, 8, NW/4 NW/4	73.11
33N	70E	29	Lot 2	16.01
33N	70E	30	Lots 2, 3, NE/4, W/2, W/2 SE/4	612.54
33N	70E	31	Lots 2, 4, 5, 8, 10, 11, NW/4, W/2 SW/4	372.01
33N	70E	-	Plns of 9 and 10 (Parcel 2 of recorded parcel map #405646)	4.21
33N	70E	-	Plns of 9 and 10 (Parcel 1 of recorded parcel map #465646)	3.87
33N	70E	-	Plns of 9, 10 and 16 (Parcel 6 of recorded parcel map #405646)	65.21

* These parcels cover more than one section

6,457.24

LEGAL DESCRIPTION

The land referred to herein is situated in the State of Nevada,
County of ELKO COUNTY, described as follows:

PARCEL 1:

TOWNSHIP 32 NORTH, RANGE 69 EAST, M.D.B. & M.

Section 1: Lots 1, 2 and 3; S1/2NW1/2; S1/2;
Section 2: S1/2NW1/2; S1/2;

TOWNSHIP 33 NORTH, RANGE 69 EAST, M.D.B. & M.

Section 1: S1/2;
Section 12: All;
Section 25: All;
Section 35: N1/2; N1/2S1/2;
Section 36: N1/2; N1/2SW1/4; SE1/4; SE1/4SW1/4;

TOWNSHIP 32 NORTH, RANGE 70 EAST, M.D.B. & M.

Section 6: Lots 4, 5, 7, 10, 12 and 13; SW1/4NW1/4;

TOWNSHIP 33 NORTH, RANGE 70 EAST, M.D.B. & M.

Section 8: Lots 2, 3, 4, 5, 6, 9 and 11;
Section 9: SE1/4SE1/4; N1/2SW1/4SW1/4SE1/4; E1/2SW1/4SE1/4;
Section 10: Lot 4;
Section 15: Lots 12, 13, 15, 18, 20, 23, 24, 25, 26,
28, 29 and 30; NE1/4SW1/4SE1/4NW1/4;
E1/2SE1/4SE1/4NW1/4; NW1/4SE1/4SE1/4NW1/4;
Section 16: N1/2NE1/4NE1/4NE1/4;
Section 17: S1/2S1/2;
Section 19: All;
Section 20: Lots 2, 3, 6 and 11; NW1/4NE1/4; N1/2SW1/4NE1/4;
SE1/4SW1/4NE1/4; N1/2SW1/4SW1/4NE1/4; NW1/4;
N1/2SW1/4; SW1/4SW1/4;
Section 21: Lot 2;
Section 29: Lots 3, 5 and 8; NW1/4NW1/4;
Section 30: Lots 2 and 3; NE1/4; W1/2; W1/2SE1/4;
Section 31: Lots 2, 4, 5, 8, 10 and 11; NW1/4; W1/2SW1/4;

EXCEPTING FROM Sections 9, 10 and 16, Parcels 1, 2, 3 and 4 as
shown on Parcel Map for Big Springs Land & Resource Co., filed
in the Office of the Elko County Recorder on July 16, 2002 as

Continued on next page

Order No. 03011167

File Number 485646.

PARCEL 2:

Parcel 1, 2 and 4 as shown on that certain Parcel Map for Big Springs Land & Resource Co. filed in the office of the County Recorder of Elko County, State of Nevada, on July 16, 2002, as File No. 485646, being a portion of Sections 9, 10 and 16, Township 33 North, Range 70 East, M.D.B.&M.

EXCEPTING FROM Parcel 1 and 2 all the oil and gas and geothermal resources in the lands so patented as reserved by the UNITED STATES OF AMERICA in Patent recorded May 26, 1999 in Book 1100, Page 615, Official Records, Elko County, Nevada.

FURTHER EXCEPTING FROM Parcel 1 and 2 those portions lying within the railroad right-of-ways.

PARCEL 3:

TOWNSHIP 33 NORTH, RANGE 70 EAST, M.D.B.&M.

Section 20: Lots 8 and 9; S1/2SW1/4SW1/4NE1/4;

Section 29: Lot 2;

EXCEPTING THEREFROM all the oil and gas and geothermal resources in the lands so patented as reserved by the UNITED STATES OF AMERICA in Patent recorded August 15, 2003 in Book 3, Page 45700, Official Records, Elko County, Nevada.

Exhibit 7

ASSIGNMENT OF INTEREST IN WENDOVER PROJECT, LLC

The undersigned Assignor, GHOLAMREZA ZANDIAN JAZI, currently holds an interest in WENDOVER PROJECT, LLC, a Nevada limited liability company, consisting of a membership, as well as a management right, and, in consideration of value received, GHOLAMREZA ZANDIAN JAZI herewith transfers and assigns to RAY KOROGHLI, individually, and FARIBORZ FRED SADRI, individually, and as Trustee of the Star Living Trust, all of the Assignor's right as Member or Manager in WENDOVER PROJECT, LLC, a Nevada LLC effective as of the _____ day of _____, 2006.

The Assignor represents that the interest herewith assigned has not been transferred, assigned, encumbered, the subject of any agreement, or security interest and that he holds the full and complete rights, the subject of this Assignment. The Assignor irrevocably appoints the Assignee as the Attorney in Fact to transfer such interests on the books and records of WENDOVER PROJECT, LLC, a Nevada LLC, the Assignor agrees to separately execute a resignation as a Member and Manager of WENDOVER PROJECT, LLC, a Nevada LLC.

The undersigned executes this Assignment on the _____ day of _____, 2006.

GHOLAMREZA ZANDIAN JAZI

Exhibit 8

APN: 009-530-001; 009-540-001; 009-550-001; 009-560-004
009-570-011; 010-090-001; 010-090-003; 010-110-001
010-120-001; 010-130-001; 010-320-001

WHEN RECORDED, RETURN TO

GRANTEE/MAIL TAX STATEMENTS TO:

Big Spring Ranch Parcel

QUITCLAIM DEED

By this instrument dated this ____ day of _____, 2006, for a valuable consideration, Gholamreza Zandian Jazi does hereby remise, release and forever quitclaim to Ray Koroghli, individually and Fariborz Fred Sadri, individually, and as Trustee of the Star Living Trust, the following described real property in the State of Nevada, County of Elko:

Set forth in Exhibit A attached and incorporated herein by this reference

GHOLAMREZA ZANDIAN JAZI

STATE OF NEVADA)
) SS.:
COUNTY OF CLARK)

On _____, 2006, before me the undersigned, a Notary Public in and for said County and State, personally appeared Gholamreza Zandian Jazi, known to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.

NOTARY PUBLIC

512358

FEE \$52 FILE # PROPERTY

2003 DEC 30 PM 4:08

Steward Title Co.

JERRY D. ... ELMO ...

When recorded, return to: JAMES R. CAVILLA, ESQ. ALLISON, MACKENZIE, RUSSELL, PAVLAKIS, WRIGHT & FAGAN, LTD. 402 North Division Street P.O. Box 646 Carson City, NV 89702

A.P.N. Nos.: 009-530-001; 009-540-001; 009-550-001; 009-560-004; 009-570-011; 010-090-001; 010-090-003; 010-110-001; 010-120-001; 010-130-001; 010-320-001

GRANT, BARGAIN, AND SALE DEED

03012783

THIS INDENTURE, made this 29th day of December, 2003, by and between BIG SPRINGS LAND & RESOURCE COMPANY, LLC, a Nevada limited liability company ("BIG SPRINGS"), Grantor, and BIG SPRING RANCH, L.L.C., a Nevada limited liability company, as to an undivided 75% interest and THE STAR LIVING TRUST as to an undivided 25% interest, Grantee.

WITNESSETH:

That the Grantor, in consideration of the sum of TEN DOLLARS (\$10.00), lawful money of the United States, and other good and valuable consideration to it in hand paid by the Grantee, the receipt whereof is hereby acknowledged, does by these presents grant, bargain and sell to the Grantee, and to its successors and assigns forever, all those certain lots, pieces or parcels of land situate, lying and being in Elko County, Nevada, and more particularly described in Exhibit "A" attached hereto and incorporated herein by reference.

TOGETHER WITH all and singular the tenements, hereditaments and appurtenances thereunto belonging or in anywise appertaining and the reversion and reversions, remainder and remainders, rents, issues and profits thereof, including but not limited to any right title and interest in any and all grazing rights or allotments appurtenant thereto.

TO HAVE AND TO HOLD all and singular the premises, together with the appurtenances, unto the said Grantee and to its successors and assigns forever.

IN WITNESS WHEREOF, the Grantor has executed this conveyance the day and year first above written.

Big Springs Land & Resource Company,
a Nevada limited liability company

By: Vidler Water Company, Inc., a
Delaware corporation
Its Manager

By: *Dorothy A. Timian-Palmer*
DOROTHY A. TIMIAN-PALMER
Chief Operating Officer/Director

STATE OF NEVADA)
 : ss.
CARSON CITY)

On December 29, 2003, DOROTHY A. TIMIAN-PALMER, personally appeared before me, a notary public, personally known to me to be the person whose name is subscribed to the foregoing instrument and who acknowledged to me that she is the Chief Operating Officer and a Director of Vidler Water Company, a Delaware corporation, and who acknowledged to me that she executed the foregoing GRANT, BARGAIN AND SALE DEED on behalf of said corporation.

Cecile W. Tureman

NOTARY PUBLIC

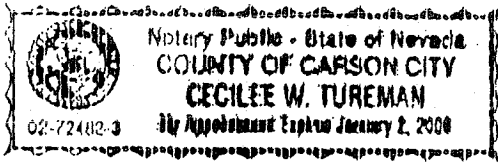


EXHIBIT A

County	APN #	Town	Range	Sec	Aliquot Parts	Acres
Elko	009-530-001	34N	66E	1	All except 0.21 Ac conv to WPR Co.	640.37
Elko	009-530-001	34N	66E	11	All	640.00
Elko	010-090-001	34N	67E	5	All	638.08
Elko	010-090-001	34N	67E	7	E/2 and ptn of W/2 east of the Nevada Northern Railroad as now constructed	366.98

EXHIBIT "A"

Big Springs Ranch Legal Descriptions

County	APN #	Twn	Range	Sec	Aliquot Parts	Acres
Elko	009-530-001	34N	66E	3	All	643.64
Elko	009-530-001	34N	66E	4	Lots 3 and 4, S/2 NW/4, SW/4 (W/2)	319.92
Elko	009-530-001	34N	66E	5	All	638.12
Elko	009-530-001	34N	66E	9	All	640.00
Elko	009-530-001	34N	66E	15	All	640.00
Elko	009-540-001	35N	66E	1	All	666.40
Elko	009-540-001	35N	66E	2	Lots 3 and 4, S/2 NW/4, SW/4 (W/2)	331.44
Elko	009-540-001	35N	66E	3	All	665.12
Elko	009-540-001	35N	66E	9	All	640.00
Elko	009-540-001	35N	66E	10	E/2 E/2	160.00
Elko	009-540-001	35N	66E	11	All	640.00
Elko	009-540-001	35N	66E	13	All	640.00
Elko	009-540-001	35N	66E	14	W/2 W/2	160.00
Elko	009-540-001	35N	66E	15	All	640.00
Elko	009-540-001	35N	66E	21	All	640.00
Elko	009-540-001	35N	66E	22	NE/4, SE/4 NW/4, N/2 SE/4, SW/4 SE/4, SE/4 SW/4	360.00
Elko	009-540-001	35N	66E	23	All	640.00
Elko	009-540-001	35N	66E	25	All	640.00
Elko	009-540-001	35N	66E	27	All	640.00
Elko	009-540-001	35N	66E	28	SE/4, SE/4 NE/4	200.00
Elko	009-540-001	35N	66E	33	All	640.00
Elko	009-540-001	35N	66E	34	W/2	320.00
Elko	009-540-001	35N	66E	35	All	640.00
Elko	009-550-001	36N	66E	1	All	642.24
Elko	009-550-001	36N	66E	11	All less 70.23 in I-80 ROW	569.77
Elko	009-550-001	36N	66E	13	All	640.00
Elko	009-550-001	36N	66E	15	All	640.00
Elko	009-550-001	36N	66E	21	E/2	320.00
Elko	009-550-001	36N	66E	22	W/2 NW/4, S/2	400.00
Elko	009-550-001	36N	66E	23	All	640.00
Elko	009-550-001	36N	66E	25	All	640.00
Elko	009-550-001	36N	66E	26	W/2 W/2	160.00
Elko	009-550-001	36N	66E	27	All	640.00
Elko	009-550-001	36N	66E	28	E/2 E/2, W/2 SE/4 less 4.60 Ac to Beaumont in SE/4 SW/4, SW/4 SE/4	235.50
Elko	009-550-001	36N	66E	33	All	640.00
Elko	009-550-001	36N	66E	34	All	640.00
Elko	009-550-001	36N	66E	35	All	640.00
Elko	009-560-004	37N	66E	25	All less 15.22 Ac St RL 30 ROW	624.78
Elko	009-560-004	37N	66E	27	SE/4 SE/4	40.00
Elko	009-560-004	37N	66E	35	All	625.34
Elko	009-570-011	38N	66E	23	Ptn 200' south of the CPRR centerline	568.06
Elko	009-570-011	38N	66E	25	Ptn 200' south of the CPRR centerline except 6.44 Ac in N/2 for Wyo tract	591.44
Elko	010-090-001	34N	67E	1	All	638.80
Elko	010-090-001	34N	67E	3	All	638.04
Elko	010-090-001	34N	67E	9	All	640.00
Elko	010-090-001	34N	67E	11	All	640.00

County	APN #	Twn	Rng	Sec	Acquired From	Acreage
Elko	010-090-001	34N	67E	13	All	640.00
Elko	010-090-001	34N	67E	15	All	640.00
Elko	010-090-001	34N	67E	17	All	640.00
Elko	010-090-001	34N	67E	19	NW/4, E/2 NW/4, Lots 1 and 2 (NW/2) except 4.63 Ac conv to Nevada Northern Railroad Co.	306.35
Elko	010-090-001	34N	67E	21	NW/2	320.00
Elko	010-090-001	34N	67E	22	All	640.00
Elko	010-090-001	34N	67E	23	NW/2	320.00
Elko	010-090-003	34N	67E	7	Ptn of the E/2 W/2 west of the NWR R/W	46.98
Elko	010-110-001	36N	67E	7	All except 12.70 Ac conv to Northern Nevada Railroad Co.	619.98
Elko	010-110-001	36N	67E	19	All except 12.05 Ac conv to Northern Nevada Railroad Co. except ptn conv to State of NV for Hwy	608.15
Elko	010-110-001	36N	67E	31	All except 12.14 Ac conv to Northern Nevada Railroad Co.	627.26
Elko	010-120-001	37N	67E	1	Ptn 200' south of the CPRR centerline less 12.76 Ac to SR 30 R/W	589.64
Elko	010-120-001	37N	67E	5	Ptn 200' south of the CPRR centerline	604.67
Elko	010-120-001	37N	67E	9	NW/4, S/2 less 6.70 Ac conv to Northern Nevada Railroad Co. and 15.10 Ac to SR 30 R/W	458.20
Elko	010-120-001	37N	67E	11	Ptn 200' south of the CPRR centerline less 11.07 Ac to SR 30 R/W	611.42
Elko	010-120-001	37N	67E	17	All less 16.33 Ac to SR 30 R/W	623.67
Elko	010-120-001	37N	67E	19	All	628.68
Elko	010-130-001	38N	67E	31	Ptn 200' south of the CPRR centerline	594.40
Elko	010-320-001	35N	68E	7	All except 21.28 Ac conv to Western Pacific Railroad Co. less 45.33 to I-80 R/W	614.35
Elko	010-320-001	35N	68E	17	All north of the WPRR centerline, and all south of the WPRR centerline less 6.89 Ac to I-80 R/W	521.98
Total Acreage:						35,254.34

LEGAL DESCRIPTION

The land referred to herein is situated in the State of Nevada, County of ELKO COUNTY, described as follows:

PARCEL 1:

TOWNSHIP 34 NORTH, RANGE 67 EAST, M.D.B.&M.

Section 1: All;
Section 3: All;
Section 9: All;
Section 11: All;
Section 13: All;
Section 15: All;
Section 17: All;
Section 19: Lots 1 and 2; E1/2NW1/4; NE1/4;

EXCEPTING THEREFROM all that portion of said land as conveyed to Nevada Northern Railway Company in Deed recorded February 7, 1906 in Book 28, Page 617, Deed Records, Elko County, Nevada.

Section 21: N1/2;
Section 22: All;
Section 23: N1/2;

EXCEPTING FROM Section 22, TOWNSHIP 34 NORTH, RANGE 67 EAST, M.D.B.&M., all the coal and other valuable minerals in the lands so granted as reserved by The United States of America in Patent recorded June 28, 1946 in Book 8, Page 413, Patent Records, Elko County, Nevada.

FURTHER EXCEPTING FROM all of Parcel 1 all right, title and interest to coal, oil, gas and other minerals of every kind and nature whatsoever, lying in and under said land, as reserved by Russell Wilkins, et ux, et al, in Deed recorded December 10, 1946 in Book 55, Page 63, Deed Records, Elko, Nevada.

FURTHER EXCEPTING FROM Section 22, TOWNSHIP 34 NORTH, RANGE 67 EAST, M.D.B.&M., an undivided 1/2 interest in and to all gas, oil, petroleum, minerals and/or mineral rights, lying in and under said land, as reserved by Theodore E. Smith and Pearl Smith, his wife, in Deed recorded August 15, 1958 in Book 74, Page 181, Deed Records, Elko County.

PARCEL 2:

Continued on next page

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TOWNSHIP 35 NORTH, RANGE 66 EAST, M.D.B.&M.

Section 1: All;
Section 3: All;
Section 9: All;
Section 11: All;
Section 13: All;
Section 15: All;
Section 21: All;
Section 23: All;
Section 25: All;
Section 27: S1/2;
Section 33: All;
Section 35: All;

EXCEPTING THEREFROM Parcel 2 all petroleum, oil, natural gas, and products derived therefrom, lying in and under said land or that may be produced therefrom, as reserved by Southern Pacific Land Company in Deed recorded August 1, 1949 in Book 57, Page 126, Deed Records, Elko County, Nevada.

PARCEL 3:

TOWNSHIP 35 NORTH, RANGE 68 EAST, M.D.B.&M.

Section 7: All;

EXCEPTING THEREFROM all that portion of said land as conveyed to Western Pacific Railway Company in Deed recorded February 19, 1909 in Book 31, Page 71, Deed Records, Elko County, Nevada.

Section 17: All that portion lying northerly of a line parallel with and one hundred (100) feet northerly of the center center line of Western Pacific Railway Company's railroad known as Arnold "L-1" or "34" line and all that portion lying southerly of a line parallel with and one hundred (100) feet southerly of the center line of Western Pacific Railway Company's railroad known as "R-2" or "44" line, which railroad rights of way were conveyed to Western Pacific Railway Company by Deed No. 126-F, dated November 27, 1908, and recorded February 19, 1909 in Book 31, Page 71, and Deed No. 188-F, dated June 30, 1910, and recorded September 10, 1910 in Book 32, Page 319, Deed Records, Elko County, Nevada.

Continued on next page

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Order No. 03012789

EXCEPTING FROM Parcel 3 all that portion of said land as conveyed to the State of Nevada, acting by and through its Department of Highways in Deed recorded September 7, 1973 in Book 184, Page 44 and recorded June 24, 1976 in Book 230, Page 377, Official Records, Elko County, Nevada, portions of which have been relinquished by Resolution Relinquishing portion of Highway Right of Way recorded October 11, 1985 in Book 504, Page 308, Official Records, Elko County, Nevada.

FURTHER EXCEPTING FROM Parcel 3 all right, title and interest to coal, oil, gas and other minerals of every kind and nature whatsoever, lying in and under said land, as reserved by Russell Wilkins, et ux, et al, in Deed recorded December 10, 1946 in Book 55, Page 63, Deed Records, Elko County, Nevada.

PARCEL 4:

TOWNSHIP 38 NORTH, RANGE 67 EAST, M.D.B.&M.

Section 31: All that portion lying southwesterly of a line two hundred (200) feet southwesterly and parallel with the center line of Central Pacific Railway Company's railroad as now constructed ;

EXCEPTING FROM Parcel 4 all right, title and interest to coal, oil, gas and other minerals of every kind and nature whatsoever, lying in and under said land, as reserved by Russell Wilkins, et ux, et al, in Deed recorded December 10, 1946 in Book 55, Page 63, Deed Records, Elko County, Nevada.

PARCEL 5:

TOWNSHIP 36 NORTH, RANGE 67 EAST, M.D.B.&M.

Section 7: All;
Section 19: All;
Section 31: All;

EXCEPTING FROM Parcel 5 all that portion of said land as conveyed to Nevada Northern Railway Company in Deed recorded February 7, 1906 in Book 28, Page 617, Deed Records, Elko County, Nevada.

FURTHER EXCEPTING FROM Section 19 all that portion of said land as conveyed to the State of Nevada, acting by and through its
Continued on next page

Order No. 03012789

Department of Highways, in Deed recorded September 7, 1973 in Book 184, Page 44, Official Records, Elko County, Nevada, portions of which have been relinquished by Resolution Relinquishing Portion of Highway Right-of-Way recorded October 11, 1985 in Book 504, Page 308, Official Records, Elko County, Nevada.

FURTHER EXCEPTING FROM Parcel 5 all right, title and interest to coal, oil, gas and other minerals of every kind and nature whatsoever, lying in and under said land, as reserved by Russell Wilkins, et ux, et al, in Deed recorded December 10, 1946 in Book 55, Page 63, Deed Records, Elko County, Nevada.

PARCEL 6:

TOWNSHIP 37 NORTH, RANGE 67 EAST, M.D.B.&M.

Section 1: That portion lying southeasterly of a line two hundred (200) feet southeasterly and parallel with the center line of Central Pacific Railway Company's railroad, as now constructed;

Section 5: That portion lying southwesterly of a line two hundred (200) feet southwesterly and parallel with the center line of Central Pacific Railway Company's railroad, as now constructed;

Section 9: NW1/4; S1/2;

EXCEPTING FROM Section 9 all that portion of said land as conveyed to Nevada Northern Railway Company in Deed recorded February 7, 1906 in Book 28, Page 617 and recorded November 15, 1912 in Book 34, Page 130, Deed Records, Elko County, Nevada.

Section 11: That part lying southeasterly of a line two hundred (200) feet southeasterly and parallel with the center line of Central Pacific Railway Company's railroad as now constructed;

Section 17: All;

Section 19: All;

EXCEPTING FROM Parcel 6 all right, title and interest to coal, oil, gas and other minerals of every kind and nature whatsoever, lying in and under said land, as reserved by Russell Wilkins, et ux, et al, in Deed recorded December 10, 1946 in Book 55, Page 63, Deed Records, Elko County, Nevada.

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Order No. 03012789

PARCEL 7:

TOWNSHIP 37 NORTH, RANGE 66 EAST, M.D.B.&M.

Section 25: All;
Section 27: SE1/4SE1/4;
Section 35: All;

TOWNSHIP 38 NORTH, RANGE 66 EAST, M.D.B.&M.

Section 23: That portion southwesterly of a line parallel with and two hundred (200) feet distant southwesterly of center line of Central Pacific Railway Company's railroad as now constructed;
Section 25: That part southwesterly of a line parallel with and two hundred (200) feet distant southwesterly of center line of Central Pacific Railway Company's railroad as now constructed;

EXCEPTING FROM Section 25 a parcel of land in the north half of said Section 25, containing 6.44 acres for Central Pacific Railway Company's Wye track.

FURTHER EXCEPTING FROM Parcel 7 all petroleum, oil, natural gas, and products derived therefrom, lying in and under said land or that may be produced therefrom, as reserved by Southern Pacific Land Company in Deed recorded August 1, 1949 in Book 57, Page 126, Deed Records, Elko County, Nevada.

PARCEL 8:

TOWNSHIP 34 NORTH, RANGE 66 EAST, M.D.B.&M.

Section 3: All;
Section 5: All;
Section 9: All;
Section 15: All;

TOWNSHIP 36 NORTH, RANGE 66 EAST, M.D.B.&M.

Section 1: All;
Section 11: All;

EXCEPTING FROM Section 11 all that portion of said land condemned to the State of Nevada by Final Order of Condemnation recorded

Continued on next page

Order No. 03012789

August 22, 1973 in Book 182, Page 625, Official Records, Elko County, Nevada.

Section 13: All;

EXCEPTING FROM Section 13 all that portion of said land as conveyed to the State of Nevada, acting by and through its Department of Highways, in Deed recorded September 7, 1973 in Book 184, Page 44, Official Records, Elko County, Nevada.

Section 15: All;

Section 23: All;

Section 25: All;

EXCEPTING FROM Parcel 8 all petroleum, oil, natural gas and products derived therefrom, lying in and under said land or that may be produced therefrom, as reserved by Southern Pacific Land Company in Deed recorded August 1, 1949 in Book 57, Page 126, Deed Records, Elko County, Nevada.

PARCEL 9:

TOWNSHIP 36 NORTH, RANGE 66 EAST, M.D.B.&M.

Section 35: All;

EXCEPTING FROM Parcel 9 all petroleum, oil, natural gas, and products derived therefrom, as reserved by Southern Pacific Land Company in Deed recorded August 1, 1949 in Book 57, Page 126, Deed Records, Elko County, Nevada.

PARCEL 10:

TOWNSHIP 34 NORTH, RANGE 66 EAST, M.D.B.&M.

Section 4: Lots 3 and 4; S1/2NW1/4; SW1/4;

EXCEPTING THEREFROM all minerals, mineral rights, gas, oil, coal and other hydrocarbons, in, under or upon said property or that may in any way be produced therefrom as reserved by W.D. Thomas and Grace L. Thomas, his wife, in Deed recorded January 23, 1959 in Book 75, Page 376, Deed Records, Elko County, Nevada.

PARCEL 11:

Continued on next page

Order No. 00012789

TOWNSHIP 35 NORTH, RANGE 66 EAST, M.D.B.&M.

Section 2: Lots 3 and 4; SW1/2NW1/4; SW1/4;
Section 10: E1/2E1/2;
Section 14: W1/2W1/2;
Section 22: NE1/4; SE1/4NW1/4; N1/2SE1/4; SW1/4SE1/4; SE1/4SW1/4;
Section 27: N1/2;
Section 28: SE1/4; SE1/4NE1/4;

EXCEPTING FROM Parcel 11 all right, title and interest to coal, oil, gas and other minerals of every kind and nature whatsoever, lying in and under said land, as reserved by Russell Wilkins, et ux, et al, in Deed Recorded December 10, 1946 in Book 55, Page 63, Deed Records, Elko County, Nevada.

PARCEL 12:

TOWNSHIP 36 NORTH, RANGE 66 EAST, M.D.B.&M.

Section 21: E1/2;
Section 22: W1/2NW1/4; S1/2;
Section 26: W1/2W1/2;
Section 27: All;
Section 28: E1/2E1/2; W1/2SE1/4;

EXCEPTING AND RESERVING THEREFROM the following described land:

Beginning at a point from which the Southwest Corner of Section 28, TOWNSHIP 36 NORTH, RANGE 66 EAST, M.D.B.&M., bears South 84°52' West, 2,519.9 feet distant;

THENCE North 25°20' East, 486.83 feet;

THENCE South 64°40' East, 303.07 feet;

THENCE South 25°21' West, 140.51 feet;

THENCE South 64°40' East, 140.00 feet;

THENCE South 25°20' West, 346.30 feet;

THENCE North 64°40' West, 443.07 feet;

Section 33: All;
Section 34: All;

Continued on next page

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Order No. 03012789

EXCEPTING FROM Parcel 12 all right, title and interest to coal, oil, gas and other minerals of every kind and nature whatsoever, lying in and under said land, as reserved by Russell Wilkins, et ux, et al, in Deed recorded December 10, 1946 in Book 55, Page 63, Deed Records, Elko County, Nevada.

PARCEL 13:

TOWNSHIP 35 NORTH, RANGE 66 EAST, M.D.B.M.

Section 34: W1/2;

EXCEPTING FROM Section 13 all minerals, mineral rights, gas, oil, coal and other hydrocarbons, in, under or upon said property or that may in any way be produced therefrom as reserved by W.J. Thomas and Grace E. Thomas, his wife, in Deed recorded January 23, 1959 in Book 75, Page 376, Deed Records, Elko County, Nevada.

When recorded, return to:
JAMES R. CAVILLA, ESQ.
ALLISON, MACKENZIE, RUSSELL,
PA VLAKIS, WRIGHT & FAGAN, LTD.
402 North Division Street
P.O. Box 646
Carson City, NV 89702

512358
FEE FILED REQUESTER

2003 DEC 30 PM 4:08

Steward Title Co.
JERRY B. METCALUS
CLERK OF RECORD

A.P.N. Nos.: 009-530-001, 010-090-001

03 012 789

GRANT, BARGAIN, AND SALE DEED

THIS INDENTURE, made this 31st day of December, 2003, by and between NEVADA LAND AND RESOURCE COMPANY, LLC, a Delaware limited liability company ("NLRC"), Grantor, and BIG SPRING RANCH, L.L.C., a Nevada limited liability company, as to an undivided 75% interest and THE STAR LIVING TRUST as to an undivided 25% interest, Grantee.

WITNESSETH:

That the Grantor, in consideration of the sum of TEN DOLLARS (\$10.00), lawful money of the United States, and other good and valuable consideration to it in hand paid by the Grantee, the receipt whereof is hereby acknowledged, does by these presents grant, bargain and sell to the Grantee, and to its successors and assigns forever, all those certain lots, pieces or parcels of land situate, lying and being in Elko County, Nevada, and more particularly described in Exhibit "A" attached hereto and incorporated herein by reference.

TOGETHER WITH all and singular the tenements, hereditaments and appurtenances thereunto belonging or in anywise appertaining and the reversion and reversions,

3 72505

100780 WEZ2215

remainder and remainders, rents, issues and profits thereof, including but not limited to any right title and interest in any and all grazing rights or allotments appurtenant thereto.

TO HAVE AND TO HOLD all and singular the premises, together with the appurtenances, unto the said Grantee and to its successors and assigns forever.

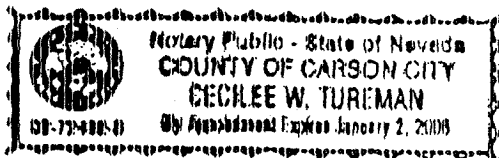
IN WITNESS WHEREOF, the Grantor has executed this conveyance the day and year first above written.

Nevada Land and Resource Company, LLC
a Delaware limited liability company

By: *Dorothy A. Timian Palmer*
DOROTHY A. TIMIAN-PALMER
Chief Operating Officer/Director

STATE OF NEVADA)
) ss.
CARSON CITY)

On December 29, 2003, DOROTHY A. TIMIAN-PALMER, personally appeared before me, a notary public, personally known to me to be the person whose name is subscribed to the foregoing instrument and who acknowledged to me that she is the Chief Operating Officer and a Director of Nevada Land and Resource Company, a Delaware limited liability company, and who acknowledged to me that she executed the foregoing GRANT, BARGAIN AND SALE DEED on behalf of said corporation.



Cecilee W. Tureman
NOTARY PUBLIC

EXHIBIT A

County	APN #	Town	Range	Sec	Aliquot Parts	Acres
Elko	009-530-003	34N	66E	1	All except 0.23 Ac conty to WPR Co.	640.37
Elko	009-530-001	34N	66E	11	All	640.00
Elko	010-090-001	34N	67E	5	All	638.08
Elko	010-090-001	34N	67E	7	E/2 and pts of W/2 east of the Nevada Northern Railroad as now constructed	366.98

PARCEL 14:

TOWNSHIP 34 NORTH, RANGE 67 EAST, M.D.B.&M.

Section 5: All;
Section 7: All;

EXCEPTING THEREFROM all that portion of said land as conveyed to Nevada Northern Railway Company, in Deed recorded February 7, 1906 in Book 28, Page 617, Deed Records, Elko County, Nevada.

FURTHER EXCEPTING THEREFROM all that portion of said land as conveyed to Western Pacific Railway Company in Deed recorded February 19, 1909 in Book 31, Page 71, Deed Records, Elko County, Nevada.

FURTHER EXCEPTING THEREFROM that portion of the W1/2W1/2 lying west of the Nevada Northern Railroad as conveyed to Gordon Griswold and Kitty Griswold, his wife, in Deed recorded August 14, 1946 in Book 54, Page 354, Deed Records, Elko County, Nevada.

FURTHER EXCEPTING FROM all of Parcel 14 all right, title and interest to coal, oil, gas and other minerals of every kind and nature whatsoever, lying in and under said land, as reserved by Russell Wilkins, et ux, et al, in Deed recorded December 10, 1946 in Book 55, Page 63, Deed Records, Elko, Nevada.

PARCEL 15:

TOWNSHIP 34 NORTH, RANGE 66 EAST, M.D.B.&M.

Section 1: All;

EXCEPTING THEREFROM all that portion of said land as conveyed to Western Pacific Railway Company in Deed recorded February 19, 1909 in Book 31, Page 71, Deed Records, Elko County, Nevada.

Section 11: ALL;

EXCEPTING FROM Parcel 15 all petroleum, oil, natural gas and products derived therefrom, lying in and under said land or that may be produced therefrom, as reserved by Southern Pacific Land Company in Deed recorded August 1, 1949 in Book 57, Page 126, Deed Records, Elko County, Nevada.

FURTHER EXCEPTING FROM all of the above described land those portion lying within the railroad right-of-way.

Exhibit 9

ASSIGNMENT OF INTEREST IN BIG SPRING RANCH, LLC

The undersigned Assignor, GHOLAMREZA ZANDIAN JAZI, currently holds an interest in BIG SPRING RANCH, LLC, a Nevada limited liability company, consisting of a membership, as well as a management right, and, in consideration of value received, GHOLAMREZA ZANDIAN JAZI herewith transfers and assigns to RAY KOROGHLI, individually, and FARIBORZ FRED SADRI, individually, and as Trustee of the Star Living Trust, all of the Assignor's right as Member or Manager in BIG SPRING RANCH, a Nevada LLC effective as of the _____ day of _____, 2006.

The Assignor represents that the interest herewith assigned has not been transferred, assigned, encumbered, the subject of any agreement, or security interest and that he holds the full and complete rights, the subject of this Assignment. The Assignor irrevocably appoints the Assignee as the Attorney in Fact to transfer such interests on the books and records of BIG SPRING RANCH, LLC, a Nevada LLC, the Assignor agrees to separately execute a resignation as a Member and Manager of BIG SPRING RANCH, LLC, a Nevada LLC.

The undersigned executes this Assignment on the _____ day of _____, 2006.

GHOLAMREZA ZANDIAN JAZI

Exhibit 10

ASSIGNMENT OF INTEREST IN
NEVADA LAND & WATER RESOURCES, LLC

The undersigned Assignor, GHOLAMREZA ZANDIAN JAZI, currently holds an interest in NEVADA LAND & WATER RESOURCES, LLC, a Nevada limited liability company, consisting of a membership, as well as a management right, and, in consideration of value received, GHOLAMREZA ZANDIAN JAZI herewith transfers and assigns to RAY KOROGHLI, individually, and FARIBORZ FRED SADRI, individually, and as Trustee of the Star Living Trust, all of the Assignor's right as Member or Manager in NEVADA LAND & WATER RESOURCES, LLC, a Nevada LLC effective as of the _____ day of _____, 2006.

The Assignor represents that the interest herewith assigned has not been transferred, assigned, encumbered, the subject of any agreement, or security interest and that he holds the full and complete rights, the subject of this Assignment. The Assignor irrevocably appoints the Assignee as the Attorney in Fact to transfer such interests on the books and records of NEVADA LAND & WATER, LLC, a Nevada LLC, the Assignor agrees to separately execute a resignation as a Member and Manager of NEVADA LAND & WATER RESOURCES, LLC, a Nevada LLC.

The undersigned executes this Assignment on the _____ day of _____, 2006.

GHOLAMREZA ZANDIAN JAZI

Exhibit 11

1 RELS
JOHN PETER LEE, LTD.
2 JOHN PETER LEE, ESQ.
Nevada Bar No. 001768
3 MICHAEL A. REYNOLDS, ESQ.
Nevada Bar No. 008631
4 830 Las Vegas Boulevard South
Las Vegas, Nevada 89101
5 (702) 382-4044 Fax: (702) 383-9950
Attorneys for Plaintiff/Counterdefendant
6

7 DISTRICT COURT
8 CLARK COUNTY, NEVADA

9 GHOLAMREZA ZANDIAN JAZI,
10 Plaintiff,

CASE NO.: A511131
DEPT. NO.: XIII

11 v.

12 RAY KOROGHLI, individually, FARIBORZ FRED
SADRI, individually, and as Trustee of the Star
13 Living Trust, WENDOVER PROJECT, LLC, a
Nevada limited liability company; BIG SPRING
14 RANCH, LLC, a Nevada limited liability company,
and NEVADA LAND AND WATER
15 RESOURCES, LLC, a Nevada limited liability
company,
16 Defendants.

RELEASE OF LIS PENDENS

18 RAY KOROGHLI, individually and FARIBORZ
FRED SADRI, individually,

19 Counterclaimants,

DATE: N/A
TIME: N/A

20 v.

21 GHOLAMREZ ZANDIAN JAZI,
22 Counterdefendant.

24 WENDOVER PROJECT, LLC,
25 Counterclaimant,

26 v.

27 GHOLAMREZ ZANDIAN JAZI,
28 Counterdefendant.

830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NE. JA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

REYNOLDS & LAW
830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

1 GHOLAMREZ ZANDIAN JAZI,
2 Counterclaimant,
3 v.
4 WENDOVER PROJECT, LLC,
5 Counterdefendant,

6 1334.022860-JLR

7 NOTICE is hereby given that the undersigned did, on the 30th day of January, 2006 file a
8 Notice of Lis Pendens with the above-referenced Court, a copy of which was recorded with the Elko
9 County Recorder as Document Number 548113 on February 2, 2006.

10 NOW THEREFORE, for valuable consideration, the undersigned does by these presents
11 release, satisfy and discharge said Lis Pendens.

12 DATED this _____ day of _____, 2006.

13 JOHN PETER LEE, LTD.

14 BY: _____
15 John Peter Lee, Esq.
16 Nevada Bar No. 001768
17 Michael A. Reynolds, Esq.
18 Nevada Bar No. 008631
19 830 Las Vegas Boulevard South
20 Las Vegas, Nevada 89101
21 Ph: (702) 382-4044/Fax: (702) 383-9950
22 Attorneys for Plaintiffs
23
24
25
26
27
28

1 RELS
JOHN PETER LEE, LTD.
2 JOHN PETER LEE, ESQ.
Nevada Bar No. 001768
3 MICHAEL A. REYNOLDS, ESQ.
Nevada Bar No. 008631
4 830 Las Vegas Boulevard South
Las Vegas, Nevada 89101
5 (702) 382-4044 Fax: (702) 383-9950
Attorneys for Plaintiff/Counterdefendant
6

7 DISTRICT COURT

8 CLARK COUNTY, NEVADA

9 GHOLAMREZA ZANDIAN JAZI,

10 Plaintiff,

11 v.

12 RAY KOROGHLI, individually, FARIBORZ FRED)
SADRI, individually, and as Trustee of the Star)
13 Living Trust, WENDOVER PROJECT, LLC, a)
Nevada limited liability company; BIG SPRING)
14 RANCH, LLC, a Nevada limited liability company,)
and NEVADA LAND AND WATER)
15 RESOURCES, LLC, a Nevada limited liability)
company,)

16 Defendants.
17

18 RAY KOROGHLI, individually and FARIBORZ)
FRED SADRI, individually,)

19 Counterclaimants,
20

21 v.

22 GHOLAMREZ ZANDIAN JAZI,

23 Counterdefendant.
24

25 WENDOVER PROJECT, LLC,

26 Counterclaimant,
27

28 v.

GHOLAMREZ ZANDIAN JAZI,

Counterdefendant.

CASE NO.: A511131
DEPT. NO.: XIII

RELEASE OF LIS PENDENS

DATE: N/A
TIME: N/A

ATTORNEY AT LAW
830 LAS VEGAS BLVD. SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

WFZ2226

1 GHOLAMREZ ZANDIAN JAZI,
2 Counterclaimant,
3 v.
4 WENDOVER PROJECT, LLC,
5 Counterdefendant,

6 1334.022860-JLR

7 NOTICE is hereby given that the undersigned did, on the 14th day of October, 2005 file a
8 Notice of Lis Pendens with the above-referenced Court, a copy of which was recorded with the Elko
9 County Recorder as Document Number 542563 on October 25, 2005.

10 NOW THEREFORE, for valuable consideration, the undersigned does by these presents
11 release, satisfy and discharge said Lis Pendens.

12 DATED this _____ day of _____, 2006.

13 JOHN PETER LEE, LTD.

14
15 BY: _____
16 John Peter Lee, Esq.
17 Nevada Bar No. 001768
18 Michael A. Reynolds, Esq.
19 Nevada Bar No. 008631
20 830 Las Vegas Boulevard South
21 Las Vegas, Nevada 89101
22 Ph: (702) 382-4044/Fax: (702) 383-9950
23 Attorneys for Plaintiffs
24
25
26
27
28

ATTORNEYS AT LAW
830 LAS VEGAS BL. BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

1 RELS
JOHN PETER LEE, LTD.
2 JOHN PETER LEE, ESQ.
Nevada Bar No. 001768
3 MICHAEL A. REYNOLDS, ESQ.
Nevada Bar No. 008631
4 830 Las Vegas Boulevard South
Las Vegas, Nevada 89101
5 (702) 382-4044 Fax: (702) 383-9950
Attorneys for Plaintiff/Counterdefendant
6

7 DISTRICT COURT
8 CLARK COUNTY, NEVADA

9 GHOLAMREZA ZANDIAN JAZI,
10 Plaintiff,
11 v.
12 RAY KOROGHLI, individually, FARIBORZ FRED
SADRI, individually, and as Trustee of the Star
13 Living Trust, WENDOVER PROJECT, LLC, a
Nevada limited liability company; BIG SPRING
14 RANCH, LLC, a Nevada limited liability company,
and NEVADA LAND AND WATER
15 RESOURCES, LLC, a Nevada limited liability
company,
16 Defendants.
17

CASE NO.: A511131
DEPT. NO.: XIII

RELEASE OF LIS PENDENS

18 RAY KOROGHLI, individually and FARIBORZ
FRED SADRI, individually,
19 Counterclaimants,
20 v.
21 GHOLAMREZ ZANDIAN JAZI,
22 Counterdefendant.
23
24 WENDOVER PROJECT, LLC,
25 Counterclaimant,
26 v.
27 GHOLAMREZ ZANDIAN JAZI,
28 Counterdefendant.

DATE: N/A
TIME: N/A

ATTORNEYS AT LAW
830 LAS VEGAS BLVD. SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

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GHOLAMREZ ZANDIAN JAZI,
Counterclaimant,
v.
WENDOVER PROJECT, LLC,
Counterdefendant,

1334.022860-JLR

NOTICE is hereby given that the undersigned did, on the 14th day of October, 2005 file a Notice of Lis Pendens with the above-referenced Court, a copy of which was recorded with the Washoe County Recorder as Document Number 3301912 on November 3, 2005.

NOW THEREFORE, for valuable consideration, the undersigned does by these presents release, satisfy and discharge said Lis Pendens.

DATED this _____ day of _____, 2006.

JOHN PETER LEE, LTD.

BY: _____
John Peter Lee, Esq.
Nevada Bar No. 001768
Michael A. Reynolds, Esq.
Nevada Bar No. 008631
830 Las Vegas Boulevard South
Las Vegas, Nevada 89101
Ph: (702) 382-4044/Fax: (702) 383-9950
Attorneys for Plaintiffs

ATTORNEYS AT LAW
830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

1 RELS
JOHN PETER LEE, LTD.
2 JOHN PETER LEE, ESQ.
Nevada Bar No. 001768
3 MICHAEL A. REYNOLDS, ESQ.
Nevada Bar No. 008631
4 830 Las Vegas Boulevard South
Las Vegas, Nevada 89101
5 (702) 382-4044 Fax: (702) 383-9950
Attorneys for Plaintiff/Counterdefendant
6

7 DISTRICT COURT
8 CLARK COUNTY, NEVADA

9 GHOLAMREZA ZANDIAN JAZI,
10 Plaintiff,

CASE NO.: A511131
DEPT. NO.: XIII

11 v.

12 RAY KOROGHLI, individually, FARIBORZ FRED
SADRI, individually, and as Trustee of the Star
13 Living Trust, WENDOVER PROJECT, LLC, a
Nevada limited liability company; BIG SPRING
14 RANCH, LLC, a Nevada limited liability company,
and NEVADA LAND AND WATER
15 RESOURCES, LLC, a Nevada limited liability
company,

RELEASE OF LIS PENDENS

16 Defendants.

18 RAY KOROGHLI, individually and FARIBORZ
FRED SADRI, individually,

19 Counterclaimants,

DATE: N/A
TIME: N/A

21 v.

22 GHOLAMREZ ZANDIAN JAZI,
Counterdefendant.

24 WENDOVER PROJECT, LLC,
25 Counterclaimant,

26 v.

27 GHOLAMREZ ZANDIAN JAZI,
28 Counterdefendant.

ALLIANCE AT LAW
830 LAS VEGAS P. BLVD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

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GHOLAMREZ ZANDIAN JAZI,
Counterclaimant,
v.
WENDOVER PROJECT, LLC,
Counterdefendant,

1334.022860-JLR

NOTICE is hereby given that the undersigned did, on the 16th day of November, 2005 file a Notice of Lis Pendens with the above-referenced Court, a copy of which was recorded with the Clark County Recorder in Book/Instrument 20051116-0004202 on November 16, 2005.

NOW THEREFORE, for valuable consideration, the undersigned does by these presents release, satisfy and discharge said Lis Pendens.

DATED this _____ day of _____, 2006.

JOHN PETER LEE, LTD.

BY: _____
John Peter Lee, Esq.
Nevada Bar No. 001768
Michael A. Reynolds, Esq.
Nevada Bar No. 008631
830 Las Vegas Boulevard South
Las Vegas, Nevada 89101
Ph: (702) 382-4044/Fax: (702) 383-9950
Attorneys for Plaintiffs

Exhibit 12



DEAN HELLER
 Secretary of State
 202 North Carson Street
 Carson City, Nevada 89701-4201
 (775) 684 5708
 Website: secretaryofstate.biz

**Certificate of Resignation of Officer,
 Director, Manager, Member, General
 Partner, Trustee or Subscriber**

ABOVE SPACE IS FOR OFFICE USE ONLY

**Certificate of Resignation of
 Officer, Director, Manager, Member,
 General Partner, Trustee or Subscriber**

1. The name and title(s) of person that desires to resign:

GHOLAMREZA ZANDIAN JAZI
 (Name)

Manager
 (Title(s))

2. The name and file number of the entity for which resignation is being made:

WENDOVER PROJECT L.L.C.
 (Name of Entity)

(File Number)

3. Signature: _____

4. Fee: \$75.00 per form. Resignation of one person from one entity per form.

This form must be accompanied by appropriate fees.

Nevada Secretary of State Resignation of Officer 2003
 Revised 01/02/05

Exhibit 13



DEAN HELLER
 Secretary of State
 202 North Carson Street
 Carson City, Nevada 89701-4201
 (775) 684 5708
 Website: secretaryofstate.biz

Certificate of Resignation of Officer,
 Director, Manager, Member, General
 Partner, Trustee or Subscriber

ABOVE SPACE IS FOR OFFICE USE ONLY

Certificate of Resignation of
 Officer, Director, Manager, Member,
 General Partner, Trustee or Subscriber

1. The name and title(s) of person that desires to resign:

GHOLAMREZA ZANDIAN JAZI

(Name)

Manager

(Title(s))

2. The name and file number of the entity for which resignation is being made:

NEVADA LAND & WATER RESOURCES, L.L.C.

(Name of Entity)

(File Number)

3. Signature: _____

4. Fee: \$75.00 per form. Resignation of one person from one entity per form.

This form must be accompanied by appropriate fees.

Nevada Secretary of State Resignation of Officer 2003
 Revised on: 02/03/06

Exhibit 14



DEAN HELLER
 Secretary of State
 202 North Carson Street
 Carson City, Nevada 89701-4201
 (775) 684 5708
 Website: secretaryofstate.biz

Certificate of Resignation of Officer,
 Director, Manager, Member, General
 Partner, Trustee or Subscriber

ABOVE SPACE IS FOR OFFICE USE ONLY

Certificate of Resignation of
 Officer, Director, Manager, Member,
 General Partner, Trustee or Subscriber

1. The name and title(s) of person that desires to resign:

GHOLAMREZA ZANDIAN JAZI
 (Name)

Manager
 (Title(s))

2. The name and file number of the entity for which resignation is being made:

BIG SPRING RANCH LLC
 (Name of Entity)

(File Number)

3. Signature: _____

4. Fee: \$75.00 per form. Resignation of one person from one entity per form.

This form must be accompanied by appropriate fees.

Nevada Secretary of State Resignation of Officer 2003
 Revised on 02/03/06

Exhibit 15

ATTORNEYS AT LAW
830 LAS VEGAS FLEAVARD SOUTH
LAS VEGAS, NV 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

1 RCPT
JOHN PETER LEE, LTD.
2 JOHN PETER LEE, ESQ.
Nevada Bar No. 001768
3 MICHAEL A. REYNOLDS, ESQ.
Nevada Bar No. 008631
4 830 Las Vegas Boulevard South
Las Vegas, Nevada 89101
5 (702) 382-4044 Fax: (702) 383-9950
Attorneys for Plaintiff/Counterdefendant
6

7 DISTRICT COURT
8 CLARK COUNTY, NEVADA

9 GHOLAMREZA ZANDIAN JAZI,
10 Plaintiff,
11 v.
12 RAY KOROGHLI, individually, FARIBORZ FRED
SADRI, individually, and as Trustee of the Star
13 Living Trust, WENDOVER PROJECT, LLC, a
Nevada limited liability company; BIG SPRING
14 RANCH, LLC, a Nevada limited liability company,
and NEVADA LAND AND WATER
15 RESOURCES, LLC, a Nevada limited liability
company,
16 Defendants.

CASE NO.: A511131
DEPT. NO.: XIII

RECEIPT

18 RAY KOROGHLI, individually and FARIBORZ
FRED SADRI, individually,
19 Counterclaimants,

DATE: N/A
TIME: N/A

21 GHOLAMREZ ZANDIAN JAZI,
22 Counterdefendant.

24 WENDOVER PROJECT, LLC,
25 Counterclaimant,

26 v.
27 GHOLAMREZ ZANDIAN JAZI,
28 Counterdefendant.

ATTORNEYS AT LAW
830 LAS VEGAS JLEVARO SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

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GHOLAMREZ ZANDIAN JAZI,
Counterclaimant,
v.
WENDOVER PROJECT, LLC,
Counterdefendant,

1334.022860-JLR

RECEIPT of \$250,000 made payable to John Peter Lee, Ltd., in compliance and in conformity with the Award of Floyd Hale, Arbitrator dated September 20, 2006 is acknowledged this _____ day of _____, 2006.

JOHN PETER LEE, LTD.

BY: _____
John Peter Lee, Esq.
Nevada Bar No. 001768
Michael A. Reynolds, Esq.
Nevada Bar No. 008631
830 Las Vegas Boulevard South
Las Vegas, Nevada 89101
Ph: (702) 382-4044/Fax: (702) 383-9950
Attorneys for Plaintiff/Counterdefendant

MUTUAL RELEASE OF CLAIMS

This Mutual Release of Claims is made this _____ day of _____, 2006 by and between GHOLAMREZA ZANDIAN JAZI ("Zandian"), Ray Koroghli ("Koroghi"), Fariborz Fred Sadri ("Sadri"), Wendover Project, LLC ("Wendover"), Nevada Land and Water Resources, LLC ("Nevada Land") and Big Spring Ranch, LLC, ("Big Spring"). For purposes of this agreement, Zandian is hereinafter called Plaintiff and all of the individuals and LLCs are jointly called Defendants.

RECITALS

WHEREAS disputes have arisen by and between the Plaintiff and the Defendants resulting in litigation which was commenced in the District Court, Clark County Nevada, given Case No. A511131; and

WHEREAS the matter was thereafter referred to arbitration before Floyd A. Hale by an agreement; and

WHEREAS, in addition to the Complaint, the Defendants filed various Counterclaims against the Plaintiff in the District Court action, all of which claims were heretofore referred to Floyd A. Hale to arbitrate; and

WHEREAS the parties to this Release, Plaintiff and the Defendants, commenced the arbitration process before Floyd A. Hale, which commenced on the 22nd day of August, 2006 and ended on the 8th day of September, 2006; and

WHEREAS on the latter date an order was entered on the record concerning settlement of the claims asserted by the Plaintiff, and the counterclaims asserted by the Defendants, which will be reduced to an order entered in the arbitration proceedings; and

WHEREAS the order provides for the release of certain rights by the parties, one against the other, and the payment of sums by certain of the Defendants, all as set forth in separate instruments, and further set forth in the Arbitration Order; and

WHEREAS these parties desire to settle and resolve all issues, allegations, claims, rights, defenses and obligations and causes of action asserted, or which could have been asserted by the Plaintiff against the Defendants and the Defendants against the Plaintiff;

NOW THEREFORE in consideration of these Recitals and the mutual covenants, promises and conditions hereinafter set forth, these parties agree as follows:

1. In consideration of the mutual covenants of the parties hereto, their heirs, executors, administrators, assigns, representative trustees, beneficiaries, directors, officers, employees, agents and attorneys and assigns to enter to this Mutual Release whereby the Plaintiff releases the Defendants and the Defendants release the Plaintiff from any and all demands, claims, damages, lawsuits, causes of action, costs and expenses of whatever character, known or unknown, and whenever occurring in the past, in the present or which will accrue in the future in any way, which are directly or indirectly related to the demands, claims and causes of action alleged, or which could have been alleged by the parties in the Complaint, the Amended Complaint and the various Counterclaims, or any amendments which could have been filed in the underlying proceedings.

2. The parties recognize that the Plaintiff and that the Defendants each may have claims against the others, of which they are unaware, it is the intention of the parties entering into this Mutual Release that this instrument will terminate the claim of the Plaintiff as against the Defendants and the Defendants against the Plaintiff, and prevent them from asserting the same. To this end, the

parties, and each of them, do waive all rights and benefits conferred upon them by statute or common law of any jurisdiction which has provisions which provides generally as follows:

“a general release does not extend to claims which the creditor does know or suspect in his favor at the time of executing the Release, which, if known by him, must have materially effected his settlement with the Debtor.”

The Plaintiff indemnifies the Defendants and the Defendants indemnify the Plaintiff from any and all claims asserted against any of them as a result of, or in connection with, any action or proceeding brought directly or indirectly on behalf, in the name of anyone claiming standing through the Plaintiff or the Defendants, contrary to the provisions of the Releases as provided for in this agreement.

3. This mutual settlement agreement is a compromise of disputed claims and arises out of, connected with, and relating to the underlying action and is not to be constructed as an admission of liability on the part of any party, all of whom expressly deny liability.

4. The construction, effect and validity of this agreement is governed by the laws of the State of Nevada and shall bind and inure to the benefit of each party and constitutes the entire agreement among the parties with respect to the subject hereto and may not be amended, except in writing, executed by the party to be charged.

5. Each party agrees to do anything necessary, and to execute all instruments necessary proper to effectuate the provisions and intent of this agreement, and each party shall mark cancelled and deliver to the other all evidence of any debt or obligation owed to the other, including Notes, Deeds of Trust or promises to pay, including, but not limited to, that certain Promissory Note

executed by Zandian in favor of Fariborz Fred Sadri and the Star Living Trust for \$333,333 secured by a Deed of Trust on 4,400 acres of property in Washoe County, Nevada.

6. Each party warrants that he has the power, capacity and authority to enter into this Mutual Release.

7. The Plaintiff and the Defendants separately acknowledge that their execution of this Release is freely and voluntarily done, and that all Recitals are true and correct, and they have not assigned or transferred to any person the matters released hereunder.

8. All the terms and conditions herein are severable in the event that any terms held are considered unenforceable by any court of competent jurisdiction. This agreement shall be interpreted as if the unenforceable terms were not contained herein.

9. This mutual agreement shall not create any rights in any person who is not a party hereto.

10. This mutual settlement agreement may be signed in multiple originals, each of which is considered a counterpart of the others, and taken together shall constitute one original.

DATED the day above first written.

GHOLAMREZA ZANDIAN JAZI

RAY KOROGHLI, individually

FARIBORZ FRED SADRI, individually and
as Trustee of the Star Living Trust

WENDOVER PROJECT, LLC

BY: _____

NEVADA LAND & WATER RESOURCES, LLC

BY: _____

BIG SPRING RANCH, LLC

BY: _____

Exhibit 16

EXHIBIT FOUR

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IN THE SUPREME COURT OF THE STATE OF NEVADA

GHOLAMREZA ZANDIAN JAZI

Appellant/Cross-Respondent,

vs.

RAY KOROGHLI, individually; FARIBORZ FRED SADRI, individually and as TRUSTEE OF THE STAR LIVING TRUST; WENDOVER PROJECT, LLC, a Nevada limited liability company; BIG SPRING RANCH, LLC, a Nevada limited liability company; and NEVADA LAND AND WATER RESOURCES, LLC, a Nevada limited liability company,

Respondents/Cross-Appellants.

Supreme Court No.:49924

District Court No.: A 511131

FILED

MAY 27 2008

TRACIE A. LINDEMAN
CLERK OF SUPREME COURT
BY *[Signature]*
DEPUTY CLERK

JOHN PETER LEE, LTD.

ATTORNEYS AT LAW

830 LAS VEGAS BOULEVARD SOUTH

LAS VEGAS, NEVADA 89101

Telephone (702) 382-4044

Telecopier (702) 383-9950

1334.023317-JLR

APPELLANT'S RESPONSE TO THE SUPREME COURT'S ORDER TO SHOW CAUSE AND APPELLANT'S MOTION FOR A VOLUNTARY DISMISSAL OF APPELLANT'S CROSS -APPEAL PURSUANT TO NRAP RULE 42 (b)

COMES NOW, Appellant, GHOLEMREZA ZANDIAN JAZI, ("Zandian") by and through his counsel, John Peter Lee, Ltd. and herein presents the Appellant's Response to the Supreme Court's Order to Show Cause and Motion for a Voluntary Dismissal of Appellant's Cross - Appeal Pursuant to NRAP Rule 42(b). This Motion is made and based upon the following Memorandum of Points and Authorities, and all pleadings and papers filed herein.

RECEIVED
MAY 27 2008
TRACIE A. LINDEMAN
CLERK OF SUPREME COURT
DEPUTY CLERK

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

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MEMORANDUM OF POINTS AND AUTHORITIES

I.

INTRODUCTION AND STATEMENT OF FACTS

On May 9, 2008, the Nevada Supreme Courts ruled on Appellant's Motion to Dismiss Respondents' Appeal and issued an Order to Show Cause why portions of Appellant's Cross-Appeal should not be dismissed. Appellant herein responds to the Order to Show Cause and request this Honorable Court allow the Appellant to dismiss Appellant's Cross - Appeal pursuant to NRAP Rule 42 (b).

On August 9, 2006, Appellant Zandian filed a Notice of Cross-Appeal and Case Cross-Appeal Statement and the Cross-Appeal Statement. On August 27, 2006, Appellant Zandian filed a Docketing Statement, Civil Appeal.

II

ARGUMENT AND AUTHORITIES

Appellant's Motion for a Voluntary Dismissal of Appellant's Cross - Appeal Pursuant to NRAP Rule 42(b).

Appellant requests this Honorable Court's permission to dismiss Appellant's Cross-Appeal pursuant to NRAP Rule 42 (b). Nevada Rules of Appellate Procedure Rule 42(b) provides the authority necessary to allow Appellant to dismiss Appellant's Cross-Appeal.

NRAP Rule 42(b)Dismissal in the Supreme Court provides:

An appeal may be dismissed on motion of the Appellant upon such terms as may be agreed upon by the parties or fixed by the court.

Based upon NRAP Rule 40(b) Appellant hereby requests this Honorable Court Order Appellant's Cross - Appeal be dismissed.

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III.

CONCLUSION

This Honorable Court should grant Appellant's Motion for a Voluntary Dismissal of Appellant's Cross - Appeal Pursuant to NRAP Rule 42(b) and order Appellant's Cross - Appeal be dismissed.

Dated this 23rd day of May, 2008.

JOHN PETER LEE, LTD.

BY: 

JOHN PETER LEE, ESQ.
Nevada Bar No. 001768
YVETTE R. FREEDMAN, ESQ.
Nevada Bar No. 009898
830 Las Vegas Boulevard South
Las Vegas, Nevada 89101
(702) 382-4044/ Fax (702) 383-9950
e-mail: info@johnpeterlee.com
Attorneys for Appellant

JOHN PETER LEE, LTD.

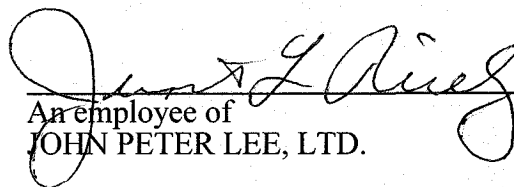
ATTORNEYS AT LAW
830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

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CERTIFICATE OF MAILING

I HEREBY CERTIFY that on the 23rd day of May 2008, I served a copy of the above and foregoing APPELLANT'S RESPONSE TO THE SUPREME COURT'S ORDER TO SHOW CAUSE AND APPELLANT'S MOTION FOR A VOLUNTARY DISMISSAL OF APPELLANT'S CROSS -APPEAL PURSUANT TO NRAP RULE 42 (b) upon the appropriate parties hereto, by enclosing it in a sealed envelope, deposited in the United States mail, upon which first class postage was fully prepaid addressed to:

Steven L. Day, Esq.
Cohen, Johnson & Day
1060 Wigwam Parkway
Henderson, Nevada 89074


An employee of
JOHN PETER LEE, LTD.

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

● ORIGINAL ●

503

FILED

1 JOHN PETER LEE, LTD.
2 JOHN PETER LEE, ESQ.
3 Nevada Bar No. 001768
4 YVETTE R. FREEDMAN, ESQ.
5 Nevada Bar No. 009898
6 830 Las Vegas Boulevard South
7 Las Vegas, Nevada 89101
8 Ph: (702) 382-4044/Fax: (702) 383-9950
9 Attorneys for Respondent

JUL 28 2008

TRACIE K. LINDEMAN
CLERK OF SUPREME COURT
BY *[Signature]*
DEPUTY CLERK

IN THE SUPREME COURT OF THE STATE OF NEVADA

8 RAY KOROGHLI, individually, FARIBORZ FRED)
9 SADRI, individually, and as Trustee of the Star
10 Living Trust, WENDOVER PROJECT, LLC, a
11 Nevada limited liability company; BIG SPRING
12 RANCH, LLC, a Nevada limited liability company,
13 and NEVADA LAND AND WATER
14 RESOURCES, LLC, a Nevada limited liability
15 company,

Supreme Court No.:49924
District Court No.: A 511131

Appellants,

vs.

14 GHOLAMREZA ZANDIAN JAZI,
15 Respondent.

1334.023317-JLR

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

STIPULATION FOR DISMISSAL OF APPEAL

19 The parties to the above entitled proceeding before this Court have settled and resolved their
20 disputes and hereby stipulate and agree that the pending appeal designated by the style and case
21 number set forth above may upon order of this Court be dismissed with prejudice, the parties
22 discharged, the appeal released and terminated and all bonds placed exonerated.

23 Dated this 11TH day of JULY, 2007.

24 JOHN PETER LEE, LTD.

25 BY: *[Signature]*

26 JOHN PETER LEE, ESQ.
27 Nevada Bar No. 001768
28 YVETTE R. FREEDMAN, ESQ.
Nevada Bar No. 009898
830 Las Vegas Boulevard South
Las Vegas, Nevada 89101
(702) 382-4044/ Fax (702) 383-9950

RECEIVED

JUL 28 2008

TRACIE K. LINDEMAN
CLERK OF SUPREME COURT
DEPUTY CLERK

WFZ2252
08-19351

JOHN PETER LEE, LTD.

ATTORNEYS AT LAW

830 LAS VEGAS BOULEVARD SOUTH

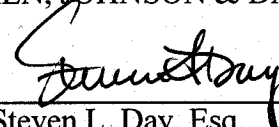
LAS VEGAS, NEVADA 89101

Telephone (702) 382-4044

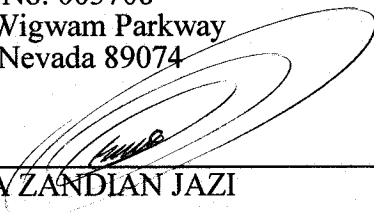
Telecopier (702) 383-9950

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COHEN, JOHNSON & DAY

BY:  6-24-08

Steven L. Day, Esq.
Nevada Bar No. 003708
1060 West Wigwam Parkway
Henderson, Nevada 89074



GHOLAMREZA ZANDIAN JAZI

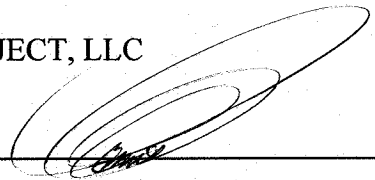


RAY KOROGHLI, individually

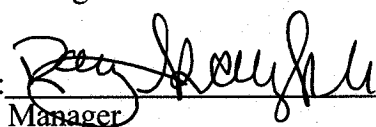


FARIBORZ FRED SADRI, individually, and as
Trustee of the Star Living Trust


WENDOVER PROJECT, LLC

BY: 

Manager

BY: 

Manager

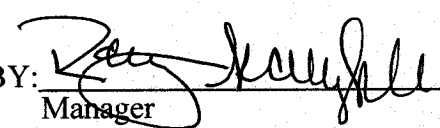
BY: 

Manager

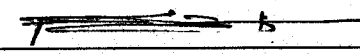
BIG SPRING RANCH, LLC

BY: 

Manager

BY: 

Manager

BY: 

Manager

JOHN PETER LEE, LTD.
ATTORNEYS AT LAW
830 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
Telephone (702) 382-4044
Telecopier (702) 383-9950

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NEVADALAND AND WATER RESOURCES, L.L.C.

WEZ2254

BY: _____
Manager

BY: *[Signature]*
Manager

BY: *[Signature]*
Manager

IN THE SUPREME COURT OF THE STATE OF NEVADA

GHOLAMREZA ZANDIAN JAZI,
Appellant/Cross-
Respondent,

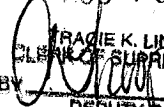
No. 49924

vs.

RAY KOROGHLI, INDIVIDUALLY;
FARIBORZ FRED SADRI,
INDIVIDUALLY AND AS TRUSTEE OF
THE STAR LIVING TRUST;
WENDOVER PROJECT, LLC, A
NEVADA LIMITED LIABILITY
COMPANY; BIG SPRING RANCH, LLC,
A NEVADA LIMITED LIABILITY
COMPANY; AND NEVADA LAND AND
WATER RESOURCES, LLC, A NEVADA
LIMITED LIABILITY COMPANY,
Respondents/Cross-
Appellants.

FILED

AUG 19 2008

TRACIE K. LINDEMAN
CLERK OF SUPREME COURT
BY 
DEPUTY CLERK

ORDER DISMISSING APPEAL AND CROSS-APPEAL

Cause appearing, appellant/cross-respondent's (appellant) motion for a voluntary dismissal of the appeal, filed on May 27, 2008, is granted. The appeal is dismissed. NRAP 42(b). Further, the parties' stipulation to dismiss the cross-appeal, filed on July 28, 2008, is approved. The cross-appeal is also dismissed.¹ NRAP 42(b).

It is so ORDERED.

CLERK OF THE SUPREME COURT
TRACIE K. LINDEMAN

BY: 

¹"Appellant's Petition for a Rehearing Pursuant to NRAP Rule 40(c)(2)(ii)," filed on May 27, 2008, is denied as moot.

cc: Hon. Elizabeth Goff Gonzalez, District Judge
Robert F. Saint-Aubin, Settlement Judge
John Peter Lee Ltd.
Cohen, Johnson & Day
Eighth District Court Clerk