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**IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF CALIFORNIA**

UNITED STATES OF AMERICA,
Plaintiff,

CASE NO. CV-F-02-5141 LJO DLB

vs.

SECOND ORDER OF JUDICIAL SALE

JAMES LITTLE, LORNA MARIE LITTLE,
CALIFORNIA FRANCHISE TAX BOARD,
COUNTY OF TULARE, NICKLAS ARTHUR
HOFFMAN, RICHARD N. CAIRNS, JR.,
THOMAS M. CAIRNS, ALLEN CASSELMAN,
as trustee, SHAWN RAY ENTERPRISE,
NANCY CASSELMAN, Trustee of Alpha Land
Company, ALLEN TRUSTEE OF ALPHA
LAND COMPANY, ROBERT HOGUE, Legal
Trustee of Mount Carmel Trust,

Defendants.

A final judgment was entered by this Court in the above-entitled action, on March 27, 2007, (Docket no. 173) ordering that the United States' federal tax liens be foreclosed and that real property be sold pursuant to 28 U.S.C. § 2001. (Docket No. 190). The United States has now submitted a motion for a Second Order of Judicial Sale relating to water rights of the taxpayers James and Lorna Little. The Littles hold shares in the Wallace Ranch Water Company (hereinafter the "Shares"), which entitles them to water rights to a ditch which flows adjacent their property. The United States contends that the Shares may not be marketable but may increase the return to the United States if added to the sale of the

1 real property. Upon good cause shown, the Court here grants the motion.

2 Accordingly, it is **ORDERED** as follows:

3 1. The Internal Revenue Service Property Appraisal and Liquidation Specialist (“PALS”), is
4 authorized and directed under 28 U.S.C. §§ 2001 to offer for public sale and to sell the Shares. The
5 United States shall sell the Shares together with the Lemon Cove Property, identified in the prior Order
6 of Judicial Sale, without separate payment or minimum bid. The terms and conditions of the prior Order
7 of Judicial Sale are incorporated here, except as expressly set forth below.

8 2. The terms and conditions of the sale are as follows:

9 a. the sale of the Shares shall be free and clear of the interests of James Little and Lorna
10 Marie Little,

11 b. notice of the sale shall be published once a week for at least four (4) consecutive weeks
12 before the sale in at least one newspaper regularly issued and of general circulation in Tulare County,
13 California and, at the discretion of the Marshal or the PALS, by any other notice deemed appropriate.
14 The notice shall contain a description of the Shares and shall contain the terms and conditions of sale
15 in this order of sale; and

16 c. on confirmation of the sale, the Court will issue an Order conveying the Shares to the
17 purchaser and directing the Wallace Ranch Water Company to issue the Shares to the name of the
18 purchaser.

19 IT IS SO ORDERED.

20 **Dated: June 27, 2008**

/s/ Lawrence J. O'Neill
UNITED STATES DISTRICT JUDGE

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