

CHATTEL MORTGAGE

EUREKA LAND & STOCK COMPANY, a Nevada Corporation,
with its principal place of business at xxxxxx

Eureka

county of Eureka, State of Nevada, Mortgagor (the word "Mortgagor" and the language of this instrument shall, when there is more than one mortgagor, be construed as plural and binding equally on all mortgagors), for and in consideration of Seventy Six Thousand Nine Hundred Twenty Six & 48/100 (\$76,926.48) dollars, to said Mortgagor paid by Regional Agricultural Credit Corporation of Salt Lake City, Utah, and residing at Salt Lake City, Utah, Mortgagee, does hereby grant, bargain, transfer, sell, and mortgage unto said Mortgagee the following-described personal property situated in the county of Nye, White Pine and Eureka State of Nevada, and described as follows:

THE FOLLOWING-DESCRIBED LIVESTOCK:

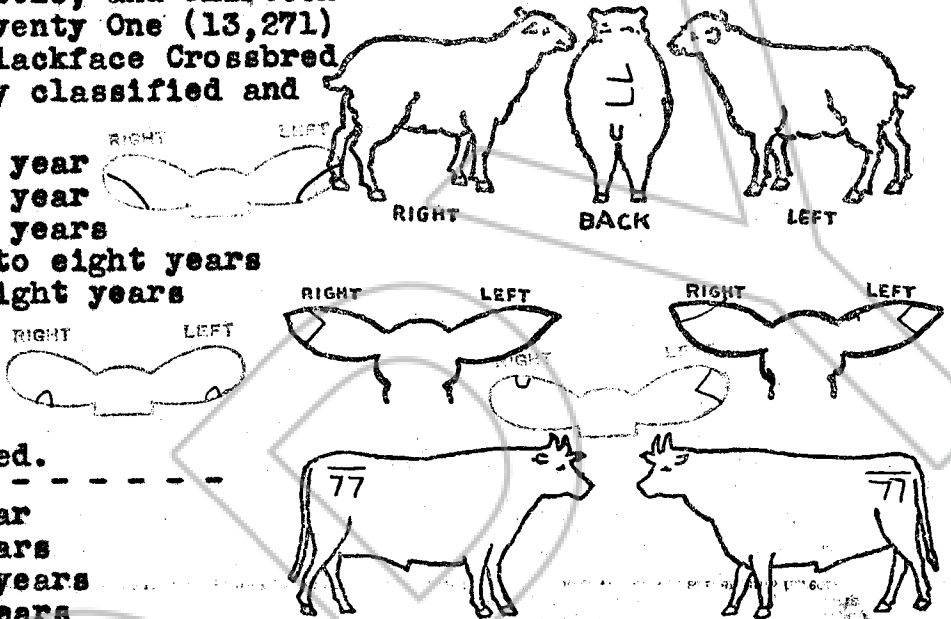
Three Hundred Fifty Nine (359) head of Hereford & Shorthorn cattle, and Thirteen Thousand Two Hundred Seventy One (13,271) head of Rambouillet & Blackface Crossbred sheep, more particularly classified and described as follows:

- 25 steers - age one year
- 45 heifers - age one year
- 38 heifers - age two years
- 88 cows - age three to eight years
- 20 cows - age over eight years
- 68 calves
- 51 weaner calves
- 3 bulls registered
- 6 bulls grade
- 15 cattle unclassified.

- 1880 ewes - age one year
- 2665 ewes - age two years
- 1900 ewes - age three years
- 2087 ewes - age four years
- 1910 ewes - age five years
- 959 ewes - age six years
- 1293 ewes - aged
- 150 wethers - Hampshire
- 353 bucks - Rambouillet
- 74 buck lambs - Hampshire & Suffolk

Said livestock bearing one or more of the following-described brands or earmarks.

Wool brand 77 Cattle brand 77



ALSO: Seventy-five (75) horses, burros and mules, described as follows:

- 26 draft horses & mules
- 37 saddle horses and pack mules
- 2 stallions
- 10 burros

ALSO: All farm machinery, automotive equipment, camp and pack equipment complete, including, but not limited to, the following: 2 Ford trucks, 1 Deere binder, 1 Deere cultivator, 2 listers, 1 Champion disc, 1 Champion drill, 6 Fairbanks Morse gas engines, 11 sets double harness, 2 harrows, 3 Deere hay rakes, 3 Jenkins hay stackers, 6 Deere hay sweeps, 5 Deere mowers, 2 Deere gang plows, 1 Deere sulky plow, 12 saddles, 1 Case thresher, 1 Deere gang disc, 9 wagons, 8 sheep camp outfits, 15 horse collars, 3 complete sets of blacksmith tools, 1 hay baler, 1 set stock sales (1-10 ton Howe), 1 Martin ditcher, small tools and ranch house furnishings.

ALSO: 950 tons of hay, 500 bushels oats and wheat and 25 tons pellets, together with all feed on hand or hereafter acquired during the life of this mortgage or any extension or renewal thereof.

(SEE RIDER ATTACHED AND MADE A PART HEREOF)

Together with all of the increase and the increase of the increase thereof and additions and accretions thereto, it being the intention that this mortgage shall cover all of each of livestock above named now owned or possessed by the Mortgagor and in or to which he may acquire any right, title, or interest during the life of this mortgage. In case of sheep, all wool and lamb crops (whether now born or unborn) during the period of the mortgage are included.

There is also included all the right, title, and interest of the Mortgagor in and to all hay, grain, pasturage, and feed, and in and to all range and forest reserve rights, feed lots, feed troughs, and water privileges used in feeding said livestock, also all horses, mules, harness, camps, camp wagons, commissary outfits, and shearing, lambing, and other equipment used in operating said livestock, and in general all personal property and equipment now or hereafter used in or in connection with feeding, ranging, watering, branding, shearing, maintaining, transporting, or caring for said livestock, so far as such property is the lawful subject of chattel mortgage, until the indebtedness herein described is paid in full.

All of said livestock may carry other brands and marks than those mentioned, but in any event the above enumeration and description is intended to cover and include all livestock now owned by the Mortgagor, and their increase, and all additions thereto, whether marked or branded as stated or otherwise, or unbranded.

The said livestock during the term of this mortgage will be kept only in the following county or counties and State or States:

Eureka, Nye, White Pine and Elko Counties, State of Montana,

I will not be removed therefrom except with the written consent of the Mortgagee.

ALSO ALL CROPS of every name, nature, and description which have been or may be hereafter sown, grown, planted, cultivated, or harvested during the year 1941,

1942 and each year thereafter until this loan is paid in full,

upon the following-described real estate situated in Eureka, Nye, White Pine & Elko County, State of Nevada, to wit:

All farm land owned, leased and/or occupied by the Mortgagor situate on Roberts Creek, Vanini Creek, Henderson Creek, Bull Creek, Alpha Ranch and Squaw Mountain situate in Eureka, White Pine, Nye & Elko Counties, Nevada, together with any and all other land owned, leased and/or occupied in Eureka, White Pine, Nye & Elko Counties, State of Nevada.

To have and to hold said crops, chattels, and other personal property and all of the same unto the said Mortgagee and the Mortgagee's successors and assigns forever. It is the intention of the parties that this mortgage shall take effect and become a lien upon any crops planted hereafter, at the time when such crops are planted.

The above described cattle are branded thus: 77 on left hip, and may be branded thus: 77 on right hip, the latter being the recorded brand and position, and are earmarked with under slope right and left ears, and may be earmarked with underbit right and left ears, the latter being the recorded earmarkings. Said cattle may also bear wattle on right jaw, which is a recorded marking. The above described sheep are branded thus: 77 on back, and are earmarked with swallowfork right ear, left ear full (being the recorded brand and earmark), and upper slope right ear, swallowfork left ear, and may be earmarked with swallowfork left ear, over bit right ear, the latter being a recorded marking. Said sheep may also be branded with various other earmarkings. The above described horses are branded thus: 77 on left thigh, which is the recorded brand, and may also be branded thus: 77 on left thigh.

Together with the brands and marks and the sole and exclusive right to their use and transfer, said cattle and horse brands and marks being recorded in the office of the State Board of Stock Commissioners, Reno, Nevada; said sheep brand and marks being recorded in the offices of the County Recorders of Elko, White Pine, Nye and Eureka Counties, State of Nevada.

During the life of this mortgage the above described livestock will retain the above described brands and marks and all increase therefrom will be branded and marked in like manner. This mortgage includes all calf, colt, lamb and wool crops, born or sheared from the above described livestock during the life of this mortgage or any renewal or extension thereof.

This is a renewal mortgage of those certain chattel mortgages, dated April 29, 1937, and March 22, 1939, executed in favor of the Mortgagee herein by the Eureka Land & Stock Company.

Provided, nevertheless, That this is a chattel mortgage to secure the following-described promissory note:

\$ 76,926.48

January 11, 1941

SALT LAKE CITY, UTAH, _____, 193

November 1, 1941

after date, for value received, we and each of us, jointly and severally, promise to pay to the order of the REGIONAL AGRICULTURAL CREDIT CORPORATION OF SALT LAKE CITY, UTAH, at its office in the city of Salt Lake, State of Utah, - - Seventy Six Thousand Nine Hundred Twenty Six and 48/100 - - - dollars,

with interest at the rate of 6 1/2 percent per annum from date hereof, payable at maturity

In the event this note is placed in the hands of an attorney for collection or suit is brought on the same, or any portion thereof, we and each of us, jointly and severally, further agree to pay such reasonable attorney's fees and costs of collection as may be permitted by law to be charged.

The makers and endorsers of this note severally waive presentment for payment, demand, protest, and notice of nonpayment thereof.

(CORPORATE SEAL)

EUREKA LAND & STOCK COMPANY, a Corporation,

By LEON ARDANS President

By MILTON B. BADT Assistant Secretary

(SEE RIDER ATTACHED AND A.D. A PART HEREOF)

Upon default of the mortgagor, the mortgagee, in addition to the rights, covenants, conditions, or agreements of this mortgage, it is agreed that all of the rights, covenants, conditions, or agreements of this mortgage shall be deemed to be assigned to the mortgagee, and the mortgagee shall have the right to take possession of the mortgaged property and to sell the same, and to convey the same, and to execute all necessary instruments for the purpose of carrying out the provisions of this mortgage, and to do so without the necessity of a court order, and the mortgagor shall be deemed to have authorized the mortgagee to do so, and the mortgagor shall be deemed to have authorized the mortgagee to execute all necessary instruments for the purpose of carrying out the provisions of this mortgage, and to do so without the necessity of a court order, and the mortgagor shall be deemed to have authorized the mortgagee to execute all necessary instruments for the purpose of carrying out the provisions of this mortgage, and to do so without the necessity of a court order.

The following covenants: One; Two; Three; Four; Five; Six; Seven; Eight; Nine; Ten; Eleven; Twelve; Thirteen; Fourteen; and Fifteen of an act entitled "An act relating to mortgages on real and personal property, and to provide that certain agreements, covenants, obligations, rights and remedies thereunder may be adopted by reference," approved March 23, 1927, (being chapter 109 of the Statutes of the State of Nevada of the year 1927), are hereby adopted and made a part of this mortgage.

obligation, as may be hereafter expended at its option by the Mortgagee in searching for, taking possession of, maintaining, preserving and marketing the mortgaged property, or any part thereof. This mortgage also secures payment for such further sums, and the promissory notes evidencing same, together with interest as shall be provided for therein, as may hereafter be loaned or advanced by the Mortgagee to the Mortgagor, Provided, however, That the making of any such further loans and advances shall be optional with the Mortgagee and in no event shall such further loans and advances, together with the principal amount of the above-described promissory

note, exceed the aggregate sum of \$ 400,000.00 January 11, 1944

All such advances shall be completed and matured prior to 193. This mortgage also secures payment of any and all extensions or renewals of the notes above described, or of the indebtedness represented by the same, and of any other indebtedness at any time secured by this mortgage, whether represented by notes, drafts, open account, or otherwise, and all the interest on all of the same, all of which extensions or renewals shall be optional with the Mortgagee, but at the Mortgagee's option may be made by new notes or otherwise, and at, before, or after maturity, and for all of which this mortgage shall stand as a continuing security until paid.

All of which sums the Mortgagor agrees to repay, on demand when not otherwise agreed, and if the said Mortgagor shall well and truly pay each and all of the sums or indebtedness herein specified, in accordance with the terms hereof, then these presents and everything herein contained shall be void, anything herein contained to the contrary notwithstanding; otherwise to remain in full force and virtue.

The Mortgagor does hereby further covenant and agree to and with the said Mortgagee that he will well and carefully tend, take care of, and protect the said crops while growing and until fit for harvest, and then faithfully and without delay, harvest, thresh, clean, sack, store, and otherwise care for all of such crops except hay, and will properly stack the hay, and deliver all of such crops into the possession of the said Mortgagee, to be by said Mortgagee held and disposed of for the payment of the indebtedness hereby secured, and that if default be made by the said Mortgagor in the performance of any or either of the above acts, or any other covenant or agreement hereof to be done by the Mortgagor, then the Mortgagee may enter the said premises and take all necessary measures for the protection of such crops and may take and retain possession thereof and harvest, store, or otherwise care for, thresh, and sack the same, and stack such hay, and all expenses incurred by the Mortgagee in so doing, and any other expenses necessary in the keeping and caring for said crops, including hauling, storing, and delivering the same, shall be repaid to the Mortgagee by the Mortgagor and shall be secured hereby and shall be payable on demand, together with interest at the rate of 10 percent per annum thereon, out of the moneys realized from the sale of said crop or crops.

It is further understood and agreed that the Mortgagee may at all times enter upon the premises above described, or other premises where any of said property may be, to view the crops, chattels, or other property hereby mortgaged, and take any measures necessary for the protection of said crop or crops or said chattels or other property, and that upon the harvesting of said crops the Mortgagee shall be entitled to the immediate possession thereof and may haul and store the same at the expense of the Mortgagor, and such expense shall be secured hereby, together with interest thereon at the rate of 10 percent per annum, and the Mortgagor does, for the purpose aforesaid, make, constitute, and appoint the Mortgagee his true and lawful attorney, with full power to enter upon said premises and take possession of said crop or crops, and all other chattels hereby mortgaged, and take care of, protect, harvest, thresh, clean, sack, or stack, or store the same in case of any default by the Mortgagor in any of the covenants or agreements hereof. The Mortgagee may, at its option, feed any of the mortgaged crops to any of the mortgaged livestock.

It is covenanted and agreed by the Mortgagor that the Mortgagor is the sole and lawful owner of the property herein described, and has, and is entitled to, the exclusive possession thereof; that the same is free of all encumbrance, and the Mortgagor has full power and authority to convey and mortgage the same, and that the Mortgagor will warrant and defend the same against the lawful claims and demands of all persons whatsoever; that the said Mortgagor will not sell or dispose of any of the property mortgaged herein, nor attempt to do so, nor part with possession of any of the same except to the Mortgagee, that said Mortgagee will properly, and in a good and husbandlike manner, feed, care for, and maintain all livestock subject hereto, in first-class order and condition at his own expense, and will provide proper and sufficient feed and protection for such livestock for the winter season in due time each fall, in accordance with the practice and custom of the country where the same is situate, and also adequate and sufficient range and pasture during the grazing season; will, before maturity pay off and discharge all taxes, liens, or other charges or encumbrances of every kind, however incurred, on said property, and in default thereof the same may, at Mortgagee's option, be paid by the Mortgagee and the amount so paid added to the indebtedness secured hereby, but no such payment shall be a waiver of the Mortgagor's default therein; further, that the marks or brands on said property shall not be altered or mutilated in any respect, and that all increase, accretions, and other livestock that shall at any time become subject to the lien hereof shall be forthwith branded and marked with the same brands and marks above described.

If default be made in the payment of any sums, moneys, or indebtedness now or hereafter secured hereby, or any part thereof, or the interest thereon; or if the Mortgagor default in or fail to comply with or perform any of the covenants, conditions, or agreements herein mentioned or contained; or in case any representation herein made by the Mortgagor prove false in any respect, or in case of the actual or impending bankruptcy or of the insolvency of the Mortgagor, or in case of material depreciation in the value of the property subject to the lien hereof; or if, for any cause, the security afforded hereby shall become inadequate, or if, at any time, the Mortgagee shall deem itself or himself insecure, for any reason (the Mortgagee to be the sole judge thereof), with respect to the payment of the sums secured hereby, or if any of the property subject to the lien hereof is attached, levied upon, or for any reason taken possession of or detained by any person other than the Mortgagor; then and in any of the events aforesaid, the Mortgagee shall have the right and power, and is hereby authorized at its or his option, personally, or by agent, to enter upon the property of the Mortgagor, or any other place or places where the property covered hereby, or any part thereof, is situate, and take possession of and remove the same or any part thereof, with or without legal process, and, in addition thereto, in all or any of the events aforesaid, whether possession of said property or any part thereof be or be not taken by the Mortgagee, the whole of the indebtedness hereby secured shall, at the option of the Mortgagee, become immediately due and payable without notice, although the time expressed therefor shall not have arrived; and the said Mortgagee shall, in any of the events aforesaid, have the right to proceed to foreclose this mortgage by suit or action, or by notice and sale, as provided by law or in any other lawful manner; in any of which foreclosure proceedings the mortgaged property may, at the option of the Mortgagee, be sold as a single parcel and as a whole, or in such order and such parcels less than the whole, as the Mortgagee may elect; and in event of foreclosure by notice and sale, or by suit or action, the Mortgagee may retain from the proceeds of the sale, in addition to all other proper costs, charges, and expenses, a reasonable attorney's fee, all of which shall constitute a lien on the property mortgaged. In case the proceeds from any foreclosure sale, judicial or otherwise, fail to satisfy this mortgage, costs, and expenses, including a reasonable attorney's fee and all costs and expenses incurred in taking and retaining possession of said property and in caring for the same pending sale, then said Mortgagor agrees to pay any deficiency. Said Mortgagee may become a purchaser the same as any other person at any foreclosure sale hereunder, free from any right of redemption whatsoever.

It is further agreed that if suit be instituted for foreclosure hereof, a receiver may be appointed without notice to take possession of the property subject hereto pending said action, and any sale decreed therein, but until such time as possession is taken by the Mortgagee or by such receiver under the terms and conditions hereof, said Mortgagor may remain in the possession of all said property.

Provided further, That all remedies herein specified shall be considered as optional with the Mortgagee, and cumulative, and not as a waiver of any other right or remedy which would otherwise exist in law or equity for the enforcement of this mortgage, or the collection of the indebtedness secured hereby.

Neither the acceptance nor existence, now or hereafter, of other security for the indebtedness secured hereby, nor the release thereof, shall operate as a waiver of the security of this mortgage, nor shall this mortgage nor its release operate as a waiver of any such other security now held or hereafter acquired.

The word "Mortgagor" and the language of this instrument shall, where there is more than one Mortgagor, be construed as plural, and be binding equally on all Mortgagors; and the word "Mortgagee" shall be construed as including any lawful holder thereof; and both the words "Mortgagor" and "Mortgagee" shall be construed as including the heirs, executors, administrators, successors and assigns of each, as the case may be.

Dated this 11th day of January, 1941

Signed in the presence of—

EUREKA LAND & STOCK COMPANY, a Corporation [SEAL]

By Leon Ardans President [SEAL] (Leon Ardans)

By Milton B. Badt Assistant Secretary [SEAL] (Milton B. Badt)

Elsie Camba

(ACKNOWLEDGMENT - CORPORATE)

State of NEVADA)
County of ZILKO) ss

On this 8th day of FEBRUARY A.D. 1941, personally appeared before me ORVILLE R. WILSON, a notary public in and for ZILKO County, LEON ARDANS and MILTON B. BADT known to me to be the President and Assistant Secretary, respectively, of the corporation that executed the foregoing instrument and upon oath did depose that they are the officers of said corporation as above designated; that they are acquainted with the seal of said corporation and that the seal affixed to said instrument is the corporate seal of said corporation; that the signatures of said instrument were made by officers of said corporation as indicated after said signatures; and that the said corporation executed the said instrument freely and voluntarily and for the uses and purposes therein mentioned.

In witness whereof I have hereunto set my hand and affixed my official seal at my office in the County of ZILKO the day and year hereinabove first written.

Orville R. Wilson
Notary Public in and for the County of ZILKO
State of NEVADA Residing at ZILKO, NEVADA
My commission expires: OCTOBER 8, 1941

(AFFIDAVIT - CORPORATE)

State of NEVADA)
County of ZILKO) ss

LEON ARDANS and MILTON B. BADT, being first duly sworn, depose and say that they are the President and Assistant Secretary, respectively, of EUREKA LAND & STOCK COMPANY corporation, the mortgagor described in and which executed the foregoing mortgage and that they make this affidavit for and on its behalf; that the said mortgage is made in good faith to secure the amount named therein and without any intent or design to deceive, hinder, delay or defraud the creditors of the mortgagor.

Milton B. Badt (Milton B. Badt) Leon Ardans (Leon Ardans)

Subscribed and sworn to before me this 8th day of FEBRUARY 1941.

Orville R. Wilson
Notary Public in and for the County of ZILKO
State of NEVADA Residing at ZILKO, NEVADA
My commission expires: OCTOBER 8, 1941

MORTGAGEE'S AFFIDAVIT OF GOOD FAITH

STATE OF UTAH,)
COUNTY OF SALT LAKE) ss:

A. J. PAUL, being first duly sworn upon oath, deposes and says that he is the Secretary & Treasurer of Regional Agricultural Credit Corporation of Salt Lake City, Utah, a corporation, the Mortgagee named in the foregoing mortgage; and makes this affidavit on its behalf; that the said mortgage was made and executed in good faith to secure the amount named therein, and without any intent or design to deceive, hinder, delay, or defraud the creditors of the Mortgagor.

Subscribed and sworn to before me this 11th day of January, 1941

My commission expires: Nov. 7, 1944.
Helen Mullen Notary Public
Residing at Salt Lake City, Utah

UTAH—PARTNERSHIP ACKNOWLEDGMENT

STATE OF _____ } ss:
COUNTY OF _____ }

On the _____ day of _____, A.D. 193 _____, personally appeared before me

known to be the persons who signed the above instrument in behalf of and as members of the copartnership of _____, and duly acknowledged to me that they executed the same on behalf of said copartnership

My commission expires: _____ Notary Public.
Residing at _____

UTAH—CORPORATE ACKNOWLEDGMENT

STATE OF _____ } ss:
COUNTY OF _____ }

On the _____ day of _____, A.D. 193 _____, personally appeared before me

who, being by me duly sworn, did say that they are the _____ (president, vice president, or secretary) of _____ a corporation, and that said instrument was signed in behalf of said corporation by authority of its bylaws and resolution of its board of directors, and said _____ acknowledged to me that said corporation executed the same.

My commission expires: _____ Notary Public.
Residing at _____

CORPORATE AFFIDAVIT OF GOOD FAITH

STATE OF _____ } ss:
COUNTY OF _____ }

_____, being first duly sworn deposes and says that they are the _____ and _____ (president, vice president, or secretary) of _____ a corporation, the Mortgagor described in, and which executed the foregoing mortgage, and that they make this affidavit for and on its behalf; that said mortgage is made in good faith to secure the amount named therein, and without any intent or design to deceive, hinder, delay, or defraud creditors of the mortgagor.

Subscribed and sworn to before me this _____ day of _____, 193 _____

My commission expires: _____ Notary Public.
Residing at _____

No. _____

CHATTEL MORTGAGE

TO

REGIONAL AGRICULTURAL CREDIT CORPORATION OF SALT LAKE CITY, UTAH

Dated _____

The within chattel mortgage was filed for record in my office as a chattel mortgage on the _____ day of _____, 193_____, filing no. _____

at _____ o'clock _____ M. _____ minutes past _____

[SEAL] _____ County Recorder.

_____ County State of _____

PLEASE FILL IN THE FOLLOWING CERTIFICATE ON THE DUPLICATE ORIGINAL BEFORE RETURNING TO MORTGAGEE

STATE OF _____ } ss:
COUNTY OF _____ }

I hereby certify that an exact duplicate original of the within chattel mortgage was filed for record in my office on the _____ day of _____, 193_____, at _____ o'clock _____ M. and received filing number _____

Recorder.
Deputy.
[SEAL]