

DEED OF TRUST AND CHATTEL MORTGAGE

THIS DEED OF TRUST AND CHATTEL MORTGAGE, made and entered into as of the 14th day of January, 1965, by and between FILBERT ETCHEVERRY and MICHEL ETCHEVERRY, a co-partnership doing business under the firm name and style of EUREKA LIVESTOCK CO., First Parties, hereinafter called the Grantors and Mortgagors; PIONEER TITLE INSURANCE COMPANY OF NEVADA, Second Party, hereinafter called the Trustee, and PETE ETCHEVERRY, an unmarried man, of the County of Eureka, State of Nevada, Third Party, being hereinafter called the Beneficiary and Mortgagee; it being understood that the words used herein in any gender include all other genders, the singular number includes the plural, and the plural the singular,

W I T N E S S E T H:

THAT WHEREAS, the said Grantors are indebted to the said Beneficiary, PETE ETCHEVERRY, in the sum of TWENTY-NINE THOUSAND SIX HUNDRED FIFTY-NINE and 85/100 DOLLARS (\$29,659.85), lawful money of the United States, and have agreed to pay the same according to the terms and tenor of a certain Promissory Note of even date herewith, and made, executed and delivered by said Grantors to said Beneficiary, which note is in the words and figures as follows, to-wit:

PROMISSORY NOTE

\$29,659.85

Elko, Nevada, January 14th, 1965

FOR VALUE RECEIVED, the undersigned promises to pay to the order of PETE ETCHEVERRY, at Eureka, Nevada, or wherever payment may be demanded by the holder of this note, the sum of TWENTY-NINE THOUSAND SIX HUNDRED FIFTY-NINE and 85/100 (\$29,659.85), DOLLARS, with interest on the declining balance at the rate of five per cent (5%) per annum, in the manner following, to-wit:

\$6,000.00, on or before the 2nd day of January, 1967, and a like sum on or before the 6th day of January of each and every year thereafter, until a total of four (4) such payments have been made. The final payment, in the sum of \$5,659.85, shall be paid on or before the 2nd day of January, 1971. In addition to the principal payments, the undersigned agree to pay interest accrued from the date hereof, on the declining principal balance, on or before the 2nd day of January, 1966, and annual payments of interest shall be made upon the declining principal balance, on or before the 2nd day of January of each and every year thereafter, until the total amount of the indebtedness shall have been paid in full.

Additional payments may be made on the entire unpaid principal with accrued interest paid in full at any time. If additional payments are made, they shall first be applied to accrued interest to date and the remainder upon the principal. Said additional payments shall not be cumulative payments, but the Makers shall in all events pay each and all of the installments hereinabove specified, on the principal and interest, each and every year, as aforesaid.

The Makers and endorsers waive demand, diligence, presentment, protest and notice of protest and non-payment.

In the event Payors shall default in any payments to be made hereunder and should such default continue for a period of thirty (30) days after notice thereof, the Payee or other holder may at his option forthwith accelerate maturity and the unpaid balance hereof shall immediately become due and payable.

In case of the default in the payment of, or if suit be commenced for the collection of any part of the principal or interest due hereunder, we jointly and severally promise and agree to pay a reasonable attorney fee incurred, together with all costs.

This Note is secured by Deed of Trust and Chattel Mortgage of even date herewith.

EUREKA LIVESTOCK COMPANY

By Filbert Etcherry
FILBERT ETCHEVERRY Partner

By Michel Etcherry
MICHEL ETCHEVERRY Partner

NOW, THEREFORE, the said Grantors, for the purpose of securing the payment of said Promissory Note, and also the payment of all monies herein agreed or provided to be paid by the said Grantors, or which may be paid out or advanced by the said Beneficiary or Trustee under the provisions of this instrument, with interest in each case, do hereby grant, bargain, sell, convey and confirm unto the said Trustee all of the right, title and interest, claim and demand, as well in law as in equity, which the said Grantors may now have or may hereafter acquire of, in or to the following described real and personal property situate, lying and being in the Counties of Eureka and Lander, State of Nevada, more particularly described as follows, to-wit:

In T. 21 N., R. 48 E., M.D.B.& M.

Section 10: NE $\frac{1}{2}$ SW $\frac{1}{2}$; NW $\frac{1}{2}$ SE $\frac{1}{2}$; S $\frac{1}{2}$ SE $\frac{1}{2}$
19: SE $\frac{1}{2}$ SW $\frac{1}{2}$; S $\frac{1}{2}$ SE $\frac{1}{2}$
29: N $\frac{1}{2}$ N $\frac{1}{2}$; S $\frac{1}{2}$ NW $\frac{1}{2}$; SW $\frac{1}{2}$ NE $\frac{1}{2}$
30: E $\frac{1}{2}$ NW $\frac{1}{2}$; NE $\frac{1}{2}$; NW $\frac{1}{2}$ SE $\frac{1}{2}$
35: NE $\frac{1}{2}$ SW $\frac{1}{2}$; NW $\frac{1}{2}$ SE $\frac{1}{2}$

In T. 22 N., R. 47 E., M.D.B.& M.

Section 12: S $\frac{1}{2}$ NW $\frac{1}{2}$

In T. 22 N., R. 48 E., M.D.B.& M.

Section 17: NW $\frac{1}{2}$ SE $\frac{1}{2}$
21: NW $\frac{1}{2}$ SW $\frac{1}{2}$

Subject to any easements of record.

TOGETHER with all buildings, fences, structures, improvements, barns, corrals and all other improvements located on said real property.

TOGETHER with all water, water rights, rights to the use of water, dams, ditches, canals, pipelines, reservoirs, wells, pumps, pumping stations, engines and all other means for the diversion or use of waters appurtenant to the said property or any part thereof, or now or hereafter used or enjoyed in connection therewith, for irrigation, stock watering, domestic, or any other use, or for the drainage of all or any part of said lands, and including all permits, if any, issued by the State Engineer of the State of Nevada, and any and all applications to appropriate water.

TOGETHER with all stock watering rights, vested or permitted, now or heretofore or hereafter used in

connection with the use of said lands, including all stock watering sources located on the above described real property, or on any public domain or other lands, and located in the Robert's Creek Unit or the Underwood Unit, said units being administrative units established by the Bureau of Land Management, Department of the Interior.

The following permits or applications to appropriate water, which the Grantors have acquired from the Beneficiary, said applications and permits being issued by the State Engineer's Office of the State of Nevada, and which are described as follows:

Application No. 9058, represented by Certificate of Appropriation No. 2049;

Application No. 4613, represented by Certificate of Appropriation No. 1656;

Application No. 4758, represented by Certificate of Appropriation No. 1657;

Application No. 7424, represented by Certificate of Appropriation No. 1299;

Application No. 7893, represented by Certificate of Appropriation No. 1655;

Application No. 13674;

TOGETHER with all range rights and grazing rights in the Robert's Creek and Underwood Units, same being administrative units established by the Bureau of Land Management, Department of the Interior, which are appurtenant to or attached to or customarily used and enjoyed in connection with the above-described real property.

TOGETHER with all of the Grantors' interest in and to all petroleum, oil, natural gas or other hydrocarbon substances, and any and all other mineral, minerals or mineral rights, in, upon or under the above described real property, owned or possessed by the Grantors.

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

TOGETHER with the following personal property situate on or about the above premises:

- 1 - 7 foot Disk
- 1 - Spring Tooth Harrow
- 1 - John Deere Tractor
- 1 - 1400 gal. water tank
- 3 - water troughs
- 1 - 200 gal. water tank
- 2 - Mowing Machines
- 2 - Sulky Rakes
- 1 - Buckrake

1 - Fairbank 5 ton Scales
All iron posts situate on the property
All sheep corral panels situate on the property
All rolls of snow fence situate on the property
1 - Hay wagon
1 - Hay trailer
1 - Jenkins derrick
1 Jackson Ford Derrick
1 Mission Flamo Hot Water Heater
1 - Davenport
1 - Oil heater
1 - rocking chair
1 - easy chair
2 - Iron beds with springs and mattresses
1 - small round table
1 - chest of drawers
1 - dining room table with 6 chairs
1 - dish cabinet
1 - large mirror over fireplace
1 - Onan electric light plant
1 - 500 gal. Flamo tank
1 - 500 gal. oil tank
1 - end table
1 - clothes dry rack
Curtains and shades

TOGETHER with all substitutions and replacements of the foregoing personal property the subject hereof.

TO HAVE AND TO HOLD the said premises, together with the appurtenances and personal property, unto the said Trustee, and to its successors and assigns, for the uses and purposes therein mentioned.

This Deed of Trust and Chattel Mortgage shall be security for the payment, in lawful money of the United States, of all monies that may hereafter become due and payable from the Grantors to the Beneficiary for any cause whatsoever, and shall also be security for any and all renewals of the debt of the Grantors to the Beneficiary, howsoever evidenced.

The following covenants, Nos. 1, 3, 4 (5%), 5, 6, 7 (reasonable), 8 and 9 of NRS 107.030, are hereby adopted and made a part of this Deed of Trust and Chattel Mortgage.

The following covenants, Nos. 1, 2 (reasonable), 3 (5%), 4, 5, 6, 8, 9, 12, 14 and 15 of NRS 106.020, are hereby adopted and made a part of this Deed of Trust and Chattel Mortgage.

The Grantors may sell or dispose of any items of the

personal property hereinabove mortgaged, provided they replace such items with those of like nature and equivalent value, which shall be the subject of the lien of this mortgage.

The Grantors shall purchase fire insurance covering the house and barn on said premises to the extent of the insurable value thereof, and it is specifically understood that such phrase does not mean the replacement value, which policy or policies shall contain a loss payee clause in favor of the Beneficiary, and which shall be maintained throughout the life of this Deed of Trust. In the event of any loss by fire or other incident insured against by such policy, the Grantors shall have the option of using the proceeds thereof to replace, rebuild or restore such damaged or destroyed item of building or improvements, or they may, at their option, pay the proceeds of such policy to the Beneficiary. It is understood and agreed that the Grantors shall not be required to carry insurance which exceeds the amount of money owed to the Beneficiary at any time. Any payments made to the Beneficiary pursuant to this paragraph, shall be applied on the indebtedness and interest owed to the Beneficiary, in the same manner as an additional payment, as is provided in the Promissory Note contained herein.

The Grantors shall continue to operate the property for agricultural or livestock raising purposes; that they will at all times managesaid property in a good and husbandlike manner, consistent with the customs prevailing in the community where the property is located, all to the end that the security of the Beneficiary in said property as an agricultural or livestock raising business shall not be impaired.

Said Grantors, in consideration of the premises, hereby covenant and agree that 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

any such other security now held or hereafter acquired.

This Trust Deed also secures payment of any further sums together with interest at the same rate as borne by the principal obligation as may be hereafter expended by the Beneficiary, or the Trustee, in maintaining and preserving the property hereinabove described, or any part thereof.

The Grantors further covenant and agree to pay, in lawful money of the United States, all sums expended or advanced by the Beneficiary or Trustee for taxes or assessments levied or assessed against the above-described personal property or advanced for any other purpose, provided for by the terms of this Trust Deed, or the covenants thereof, adopted by reference, together with interest upon any such sum from the date of payment by the Beneficiary, or the Trustee, until paid, at the rate of five per cent (5%) per annum.

The Grantors agree to pay and discharge at maturity all taxes and assessments, and all other charges and encumbrances which are or shall hereafter be, or appear to be a lien upon the real and personal property herein described, or any part thereof, and will pay all interest or installments due on any prior encumbrances. And in default thereof, the Beneficiary or the Trustee, on behalf of said Beneficiary, may without demand or notice pay the same, and the Beneficiary, or the Trustee, whichever shall pay said sums, shall be the sole judge of the legality or validity of such taxes, assessments, charges or encumbrances, and the amount necessary to be paid for the satisfaction or discharge thereof.

It is further covenanted and agreed by the said Grantors, in consideration of the premises, that in the event the said Grantors default in the performance of any obligation herein contained, or in the payment of the debt or interest thereon, or if any of the conditions or covenants in this section adopted by

reference be violated, then the said Beneficiary is hereby empowered and authorized, at his election, to record a notice of such breach by said Grantors and of the election by said Beneficiary to sell or cause to be sold the above-described personal property, together with the real property herein described, and that said notice shall be recorded in the manner provided for in NRS 107.080, and that the said Trustee, its successor or successors, assignee or assignees, are hereby authorized to proceed to hold the sales of any of the property hereinabove described after the recordation of said notice. Provided, further, that in the sale of said personal property, the said Trustee may, without foreclosure, and without legal proceedings therefor, and with the aid or assistance of any person or persons, enter upon the premises of the Grantors where any of the property subject to the lien of this Deed of Trust and Chattel Mortgage is, or may be found, and take or carry away the chattels hereinabove described, or any part thereof, and with or without notice to the said Grantors, at either public or private sale, sell and dispose of the same, or so much thereof as may be necessary to pay the amount and sum secured by the Deed of Trust for the best price obtainable. That out of the monies arising from said sale, the said Trustee shall retain and pay the sum or sums then due or payable under the lien of the Deed of Trust, and interest thereon, and all charges and expenses incurred in selling the property or any part thereof, and any other expenses and charges incurred by the said Beneficiary, or by the Trustee, and all other sums secured by any of the terms of this Deed of Trust and Chattel Mortgage, and any overplus shall be paid to the Grantors. The Trustee is expressly authorized and empowered upon any such sale to make and execute such bills of sale or other conveyances necessary to convey to the purchaser or purchasers thereof an absolute title to the chattels so sold. It shall not be necessary

for the purchaser or purchasers at any such sale or sales purported to be made under the powers hereunder granted, to inquire into, or in any way be or become responsible for the actual existence of the contingency or contingencies upon which said sale or sales shall be made by the Trustee, and the title to the purchaser or purchasers of the chattels so sold shall be good and sufficient; and the Grantors agree that the decision of the Trustee as to the actual existence of the contingency or contingencies upon which such sale or sales as aforesaid is or may be predicated shall be conclusive and binding upon the said Grantors.

Said Grantors further expressly covenant and agree that in any sale of any of the property, either real or personal, herein described, at any time subject to the lien of this Deed of Trust and Chattel Mortgage, under the terms of the Deed of Trust and Chattel Mortgage, or any of the covenants adopted by reference, said property may, at the option of the said Beneficiary, be sold in one lot or parcel or in such other lots or parcels as may be designated by the Beneficiary; and it is further covenanted and agreed that the Beneficiary may become the purchaser of said property or any part thereof at any sale under any of the terms of the Deed of Trust and Chattel Mortgage.

Said Grantors further covenant and agree that the Beneficiary or the Trustee shall have the right at all times to inspect and examine any personal property which may at any time be subject to the lien of this Deed of Trust and Chattel Mortgage, for the purpose of ascertaining whether or not the security given is being lessened, diminished, depleted or impaired. And if such inspection or examination shall disclose in the judgment of the Beneficiary or the Trustee, the security given on the property hereinabove described, either real or personal, as being lessened or impaired, such condition shall be deemed a breach of the covenants of this Deed of Trust and Chattel Mortgage on the

part of said Grantors.

Said Grantors further covenant and agree, in consideration of the premises, that upon the violation of any covenant, condition or agreement by said Grantors to be done or performed which is set forth herein, the said Beneficiary may proceed to foreclose this Deed of Trust in the same manner as it is authorized to proceed upon the violation of any covenant contained in the Statutes of the State of Nevada, and which have been made a part hereof by reference.

In case of the death, resignation, removal or absence of said Trustee from the State of Nevada, or its refusal, failure or inability to act, then the Beneficiary or his assignee may appoint another Trustee or Trustees hereunder to execute the trusts created by this instrument, and upon such appointment of any Trustee or Trustees, he, they or it shall be vested with all of the title and interest, power, duties and trusts vested in or conferred upon the original Trustee herein. Said succeeding Trustee or Trustees shall be appointed by the recording of a statement, duly acknowledged, of the appointment of a succeeding Trustee or Trustees by said Beneficiary. If there be more than one Trustee, either may act alone and execute said trusts upon the request of the Beneficiary, and all of his acts thereunder shall be deemed to be the acts of all Trustees and the recital in any conveyance executed by such sole Trustee of such request shall be conclusive evidence thereof, and of the authority of such sole Trustee to act.

All covenants and agreements contained herein or by reference made a part hereof shall be binding upon the heirs, executors, administrators and assigns of the said Grantors, and this indenture shall not be modified in any respect by the amendment or repeal of any law which has been by reference made a part hereof.

That the above-described real and personal property

shall be kept and maintained by Grantors in as good order and condition as they are now in, reasonable wear and tear excepted, and Grantors will in no event commit or permit any waste of said premises and property; that they will further properly maintain, irrigate and harvest the hay meadows and cultivate the crop areas, applying the water rights to beneficial use so that the same shall not be lost by abandonment or adverse use, and further maintain and use the range rights on said premises so that the same will not be lost by forfeiture or abandonment, all to the end that the premises and properties shall be properly kept and retained and in no way diminished during the term of the Deed of Trust and Chattel Mortgage.

The Grantors may repair, replace, remodel or relocate any of the buildings, improvements, corrals, fences or other appurtenances to the real property, so long as said items as repaired, remodeled, replaced or relocated shall be of an equivalent value to those presently located on the premises.

Wherever the word "Grantors" is used, it shall mean the Mortgagors, and wherever the word "Beneficiary" is used herein, it shall mean the Mortgagee.

IN WITNESS WHEREOF, the said Grantors have caused these presents to be executed as of the day and year first hereinabove written.



GILBERT ETCHEVERRY



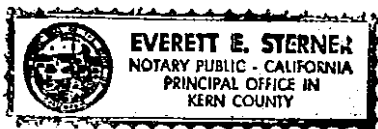
MICHEL ETCHEVERRY

A co-partnership, doing business
under the firm name and style of
EUREKA LIVESTOCK COMPANY

STATE OF California, }
COUNTY OF Kern } SS.

On this 6 day of April, 1965, personally appeared before me, a Notary Public in and for said County and State, FILBERT ETCHEVERRY, known to me to be the person described in and who executed the foregoing instrument, and known to me to be a member of the partnership of EUREKA LIVESTOCK COMPANY, and who acknowledged to me that he executed the same for and on behalf of said partnership, 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 the day and year in this Certificate first above written.



Everett E. Sterner
NOTARY PUBLIC
EVERETT E. STERNER
My Commission Expires Jan. 9, 1968

STATE OF California, }
COUNTY OF Kern } SS.

On this 6 day of April, 1965, personally appeared before me, a Notary Public in and for said County and State, MICHEL ETCHEVERRY, known to me to be the person described in and who executed the foregoing instrument, and known to me to be a member of the partnership of EUREKA LIVESTOCK COMPANY, and who acknowledged to me that he executed the same for and on behalf of said partnership, 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 the day and year in this Certificate first above written.



Everett E. Sterner
NOTARY PUBLIC
EVERETT E. STERNER
My Commission Expires Jan. 9, 1968

40792

File No. _____

RECORDED AT THE REQUEST OF

Pioneer Title Ins. Co. of Nev.

May 10 A. D. 19 65

At 56 minutes past 8 A. M.

in Book 7 of OFFICIAL RECORDS

Page 240-251

Records of

EUREKA COUNTY, NEVADA

Walter C. Walker Recorder

Fee \$1305

RECORDED AT REQUEST OF

Pioneer Title Insur. Co. of Nev.

April 30, 1965 AT 4:20 P.M.

BOOK 7 OFFICIAL RECORDS PAGE 263

OF LANDER COUNTY, NEVADA

FILE NO. 42648 Settler's Nelson
COUNTY DEED DEPT.