

CHATTEL MORTGAGE

THIS CHATTEL MORTGAGE, made this 17th day of June, 1966, by and between SANTA FE LAND & CATTLE CORPORATION, a Nevada corporation, Mortgagor, and PIETRINA ETCHEGARAY and LeROY W. ETCHEGARAY, of the County of Eureka, State of Nevada, Mortgagees,

W I T N E S S E T H:

That for and in consideration of the sum of THIRTY THOUSAND DOLLARS (\$30,000.00), the Mortgagor does hereby mortgage to the Mortgagees the following described personal property presently situate in the County of Eureka, State of Nevada:

263 head of mother cows, plus all calves running with such mother cows.

That certain brand, being the VL Brand with the following earmark (66).

All hay which is presently cut and stacked, and together with all growing crops on that certain property known as the SANTA FE RANCH and the GRUB FLAT RANCH, situate in Eureka County, Nevada, a particular description of which is contained in a Deed of Trust and Chattel Mortgage between the same parties, of even date herewith, and which properties have heretofore been owned by the Mortgagees and are being sold to the Mortgagor.

TOGETHER with all substitutions and replacements of the foregoing described personal property, and including all hay or other growing crops, cut, harvested and stacked on the said Santa Fe Ranch and Grub Flat Ranch.

THIS MORTGAGE shall be security for the payment to the Mortgagees of the sum of THIRTY THOUSAND DOLLARS (\$30,000.00), together with interest, according to the terms of that certain promissory note executed by the Mortgagor to the Mortgagees, a copy of which is marked Exhibit "A", attached hereto and incorporated herein.

The term "mother cows" is intended, wherever used in this mortgage, to be synonymous with breeding stock, and is meant thereby to include female cows of the age of two years and up. The Mortgagor

promises and agrees to retain all such breeding stock subject to the lien of this mortgage, and until the mortgage debt with reference to the livestock has been paid in full. All calves running with such mother cows shall be included in such mortgage, and as such calves are weaned, they shall no longer be subject to the lien of the mortgage. It shall not be required that the Mortgagor retain the same identical cattle described hereinabove in this mortgage, and the said Mortgagor may, in the ordinary course of business, sell the mortgaged livestock, as is usual and customary in the ranching business in Eureka County, Nevada. By sales in the normal course of business, it is meant the usual culling of the breeding stock herd. As said cattle are sold, the same shall be replaced with replacements from the herd, or from any other source, provided that the mortgagors shall be required to own and maintain the same number of mother cows as that described hereinabove and made subject to the lien of this mortgage. The proceeds from the sales of any such livestock shall be used for the carrying on of the business of which the livestock is a part, which is a cattle producing business carried on on the said Santa Fe and Grub Flat Ranches, or for the purchase of livestock of a similar kind as that covered by the chattel mortgage, or the payment of the mortgage debt.

During the term of said chattel mortgage, the mortgaged livestock shall be maintained in the County of Eureka, State of Nevada, on the said Santa Fe and Grub Flat Ranches, or on the adjacent federal range or other grazing areas, as has been the customary manner of operation by the Mortgagees in the past, and said cattle will not be kept, ranged or grazed in any other place without the written consent of the Mortgagees.

IT IS FURTHER UNDERSTOOD AND AGREED that the Mortgagor reserves the right to feed all hay cut, harvested and stacked on the said Santa Fe or Grub Flat Ranches, and all of that subsequently cut, harvested and stacked or produced, to the mortgaged livestock, or

other livestock owned by the Mortgagor and maintained on such property.

THE FOLLOWING COVENANTS of NRS 106.020, are hereby referred to, incorporated herein and adopted and made a part of this Mortgage. Covenants Nos. 1, 2 (reasonable), 3 (with the exception of any reference to fire insurance which is hereby deleted from Covenant No. 3, and interest upon any such advancements shall be paid from the date of the payment by the Mortgagees until repaid, at the rate of six per cent (6%) per annum), 4, 5, 6, 8, 9, 10 (with the qualification that the natural increase, during the existence of the mortgage, of any livestock, shall be subject to the lien of the mortgage until such increase is weaned, as is hereinabove provided), 12, 13, 14 and 15.

Any reference herein, or to any reference in the covenants adopted herein by reference to Mortgagee, shall include the plural and shall apply to the Mortgagees.

The interest of the Mortgagees herein is that of joint tenants with right of survivorship, and not as tenants in common, and said property is mortgaged to the said Mortgagees as such joint tenants with right of survivorship, and not as tenants in common.

IN WITNESS WHEREOF, the Mortgagor has hereunto caused this mortgage to be executed by its officers, duly authorized.

SANTA FE LAND & CATTLE CORPORATION

By Burton J. Smith
BURTON J. SMITH President

ATTEST:



MARTHA C. SMITH

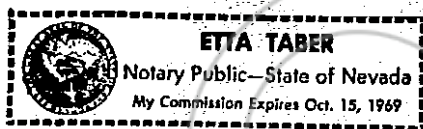
Secretary

STATE OF NEVADA }
COUNTY OF ELKO } SS.

On this 17th day of June, 1966, personally appeared

before me, a Notary Public in and for said County and State,
BURTON J. SMITH and MARTHA C. SMITH, known to
 me to be the President and Secretary, respectively, of SANTA FE
 LAND & CATTLE CORPORATION, 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 to said instrument was made by officers of said corpor-
 ation 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 the day and year in this Certificate first
 above written.



Etta Taber ETTA TABER
 NOTARY PUBLIC

EXHIBIT "A"

PROMISSORY NOTE

\$30,000.00

Elko, Nevada, June _____, 1966

FOR VALUE RECEIVED, the undersigned, jointly and severally, promise to pay to the order of PIETRINA ETCHEGARAY and LEROY W. ETCHEGARAY, as joint tenants with right of survivorship, and not as tenants in common, at THE FIRST NATIONAL BANK OF NEVADA, EUREKA BRANCH, Eureka, Nevada, or wherever payment may be demanded by the holder of said note, the sum of THIRTY THOUSAND DOLLARS (\$30,000.00), in the manner following, to-wit:

The entire principal amount, plus accrued interest, to be paid on the 15th day of January, 1967. Said principal amount shall bear interest at the rate of six per cent (6%) per annum from the date hereof until the said principal sum has been paid.

The makers shall not have any option to make prepayments or to accelerate payments due hereunder, and no advance payment or prepayment can be made during the calendar year 1966.

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

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

SANTA FE LAND & CATTLE CORPORATION

ATTEST:

By _____

President

Secretary_____
BURTON J. SMITH_____
MARTHA CORINNE SMITH

File No. 42147
 RECORDED AT THE REQUEST OF
 Title Insurance & Trust Co.
 June 20 A.D. 1966
 at 50 minutes past 11 A.M.
 in Book 11 of OFFICIAL RECORDS
 Page 54-58
 EUREKA COUNTY, NEVADA
Willis A. Williams
 Recorder
 Fee \$5.35