

1 \$7,500.00

Reno, Nevada  
October 18, 1967

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On or before ten (10) months from date, for value received, the undersigned, MODOC MINERAL AND OIL COMPANY, by and through its proper officers, promises to pay to ALEX LAMM and LILLIAN G. LAMM, as joint tenants, or order, the sum of Seven Thousand Five Hundred Dollars (\$7,500.00), lawful money of the United States.

In the event this note is placed in the hands of an attorney for collection or suit is instituted to collect the same or any sum due hereunder, the maker agrees to pay all costs incident thereto, including reasonable attorney's fees.

The maker waives presentment for payment, demand, protest, notice of protest and non-payment, diligence in bringing suit against any party hereto, and all defenses on the ground of any extension of the time of payment that may be given by the holder or holders, to it, and any other defense or defenses which it might or could have.

Payment of this note is secured by a chattel mortgage of even date herewith.

MODOC MINERAL &amp; OIL COMPANY

By W. F. Ash  
W. F. Ash, President

ATTEST:

Edith E. Ash  
Edith E. Ash, Treasurer

CHATTEL MORTGAGE

1 Know all men by these presents, that MODOC MINERAL AND  
2 OIL COMPANY, a corporation created and existing by virtue of  
3 the laws of the State of Nevada, and doing business in the  
4 state of Nevada, in consideration of the sum of \$7,500, to it  
5 paid by ALEX LAMM and LILLIAN G. LAMM, of the county of Fresno,  
6 and state of California, the receipt whereof is hereby acknowl-  
7 edged, doth hereby grant, sell, convey and confirm, unto  
8 ALEX LAMM and LILLIAN G. LAMM, as joint tenants, and to their  
9 heirs and assigns the machinery, goods, equipment, and chattels  
10 described in Exhibit "A" attached hereto and by reference made  
11 a part hereof.

12 To have and to hold all and singular the said goods and  
13 chattels, unto the mortgagees herein, and their heirs, execu-  
14 tors, administrators and assigns to them and their sole use,  
15 forever. And the mortgagor herein for itself, its successors  
16 and assigns does hereby covenant to and with the mortgagees,  
17 their heirs, executors, administrators and assigns, that  
18 mortgagor is lawfully possessed of the said goods and chattels,  
19 as of its own property; that the same are free from all encum-  
20 brances, and that it will, and its successors shall warrant  
21 and defend the same to them, the mortgagees, their heirs, exec-  
22 utors, administrators and assigns, against the lawful claims  
23 and demands of all persons.

24 Provided nevertheless, that if the mortgagor, its suc-  
25 cessors or assigns, shall well and truly pay unto the mort-  
26 gagees, their executors, administrators, or assigns, the amount  
27 of \$7,500 promised to be paid by said mortgagor by reason of  
28 that promissory note of even date herewith and executed by said  
29 mortgagor, then this note is to be void, otherwise to remain  
30 in full force and effect.

1           And provided also, that it shall be lawful for the mort-  
2     gagor, its successors and assigns, to retain possession of said  
3     goods and chattels, and at its own expense, to keep and use the  
4     same until it or its successors or assigns, shall make default  
5     in the payment of the said sum of money above specified, at  
6     the time or times, and in the manner stated in said note.  
7     And the mortgagor hereby covenants and agrees that in case  
8     default shall be made in the payment of the note aforesaid  
9     on the day on which the same shall become due and payable, or  
10    if the mortgagees, their executors, administrators or assigns,  
11    shall feel themselves insecure or unsafe, or shall fear dim-  
12    inution, removal, or waste of said property; or if the mortgagor  
13    shall sell or assign, or attempt to sell or assign, the said  
14    goods and chattels, or any interest therein; or if any writ,  
15    or any distress warrant, shall be levied on said goods and  
16    chattels, or any part thereof; then, and in any or either of  
17    the aforesaid cases, said note and sum of money shall, at the  
18    option of the said mortgagees, their executors, administrators  
19    or assigns, without notice of said option to any one, become  
20    at once due and payable, and the mortgagees, their executors,  
21    administrators or assigns or any of them, shall thereupon have  
22    the right to take immediate possession of said property, and  
23    for that purpose may pursue the same wherever it may be found,  
24    and may enter any of the premises of the mortgagor with or  
25    without force or process of law, wherever the said goods and  
26    chattels may be, or supposed to be, and search for the same,  
27    and if found, to take possession of, and remove, and sell,  
28    and dispose of the said property, or any part thereof, at  
29    public auction, to the highest bidder, after giving ten  
30    days' notice of the time, place and terms of sale, together

1 with a description of the property to be sold, by notices  
2 posted up in three public places in the vicinity of such sale,  
3 or at private sale, with or without notice, for cash or on  
4 credit, as the mortgagees, their heirs, executors, adminis-  
5 trators or assigns, agents or attorneys, or any of them, may  
6 elect; and, out of the money received from such sale, to re-  
7 tain all costs and charges for pursuing, searching for, taking,  
8 removing, keeping, storing, advertising, and selling such  
9 goods and chattels, and all prior liens thereon, together with  
10 the amount due and unpaid upon said note, rendering the surplus,  
11 if any remain, unto mortgagor, or its legal representatives.

12 In testimony whereof, the mortgagor hath hereunto caused  
13 its corporate seal to be affixed, and these presents to be  
14 signed by its president, and attested by its secretary, this  
15 18th day of October, in the year of our Lord nine-  
16 teen hundred sixty-seven.



MODOC MINERAL AND OIL COMPANY

By: W. F. Ash  
W. F. Ash, President

ATTEST:

Edith E. Ash  
Edith E. Ash, Treasurer

1 STATE OF NEVADA }  
2 COUNTY OF WASHOE } SS

3 On this 18th day of October, 1967, before me, a notary  
4 public in and for said County and State, personally appeared  
5 W. F. ASH and Edith E. Ash, known to me to be the President  
6 and Treasurer of the corporation that executed the foregoing  
7 instrument, and upon oath, did depose that they are the officers  
8 of said corporation as above designated; that they are acquainted  
9 with the seal of said corporation and that the seal affixed  
10 to said instrument is the corporate seal of said corporation;  
11 that the signatures to said instrument were made by officers  
12 of said corporation as indicated after said signatures; that  
13 the said corporation executed the said instrument freely and  
14 voluntarily and for the uses and purposes therein mentioned.

15 IN WITNESS WHEREOF, I have hereunto set my hand and  
16 affixed my official seal the day and year first above written.

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18 *Annette Esposito*  
19 Notary Public

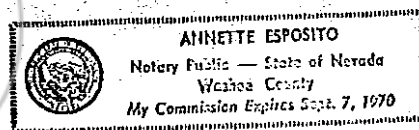


EXHIBIT "A"

APPRAISAL EVALUATION PRESENTED TO COURT IN

MODOC COUNTY

900' drill pipe at \$4.00 per ft.	\$ 3,600.00
Mud pump motor and mud tank - Gardner Denver 7 1/2 x 10 - Model PD FX10 - Serial #104517	6,840.00
Shale shaker	350.00
Light Plant	1,000.00
53' 44" Kelly	775.00
100 Ton Kinco swivel	2,480.00
Pipe slips and drill collar clamps	430.00
Pipe tongs	750.00
2 - Travelling Blocks	950.00
3 - Drilling lines	446.00
Storage tank	600.00
Water pump	180.00
Kelly hose	520.00
Other hoses	200.00
Miscellaneous hand tools	225.00
Miscellaneous parts and supplies	1,822.00
Welding equipment	560.00
Pipe dolly & wheel	850.00
Dog house	1,000.00
White Diesel tractor - 8 wheel + "A" Frame California License #W42685	3,250.00
Diamond "T" tractor - 10 wheel with air compressor California License #N82400	1,500.00
GMC Tank Truck - Motor #1A13740 - License Calif. #N93607	2,000.00
Air Compressor	360.00
Rotary table - Drawstar	1,000.00
Drilling rig on semi - Bender McCarthy Co. - Type 100 - #0100	40,000.00
Blow-out preventer Shaffer Tool Works	6,354.00
TOTAL.....\$ 56,242.00	



45473

File No.

RECORDED AT THE REQUEST OF

C. B. Tabscott

November 13

A. D. 1967

at 02 minutes past

8 A.

M.

in Book 21 of OFFICIAL RECORDS

Page 70-76

Records of

EUREKA COUNTY, NEVADA

Recorder

Fee \$ 8.00

00.000,00

00.000,00

TOTAL \$ 00.000,00