

SECOND DEED OF TRUST

THIS SECOND DEED OF TRUST, made and entered into as of the 31st day of May, 1968, by and between WILLAMETTA K. DAY, of Pebble Beach, California, First Party, hereinafter called the Grantor; NEVADA TITLE GUARANTY COMPANY, a corporation, Second Party, hereinafter called the Trustee; and GORDON MACMILLAN and DOROTHE MACMILLAN, his wife, of the County of Eureka, State of Nevada, Third Parties, as joint tenants with right of survivorship, being hereinafter called the Beneficiaries; it being understood that the words used herein in any gender includes all other genders, the singular number includes the plural, and the plural the singular,

W I T N E S S E I H:

THAT WHEREAS, the said Grantor is indebted to the said Beneficiaries, GORDON MACMILLAN and DOROTHE MACMILLAN, his wife, in the sum of \$382,850.00, lawful money of the United States, and has 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 Grantor to said Beneficiaries, which note is in the words and figures as follows, to-wit:

"\$382,850.00

Elko, Nevada, May 31, 1968.

FOR VALUE RECEIVED, the Undersigned promises and agrees to pay to the order of GORDON MACMILLAN and DOROTHE MACMILLAN, his wife, as joint tenants with right of survivorship and not as tenants in common, at Elko, Nevada, or wherever payment may be demanded by the holders of this note, the sum of THREE HUNDRED EIGHTY-TWO THOUSAND EIGHT HUNDRED FIFTY DOLLARS (\$382,850.00), together with interest to accrue upon the declining balance at the rate of six and one-half per cent (6½%) per annum, in the manner following, to-wit:

\$76,570.00, on or before May 31, 1969;
\$76,570.00, on or before May 31, 1970;
\$76,570.00, on or before May 31, 1971;
\$76,570.00, on or before May 31, 1972;
\$76,570.00, on or before May 31, 1973.

"Interest, as aforesaid, shall be paid to date at the time of making the principal payments and in addition thereto.

The Maker may, at her option, increase the amount of said principal payments, make additional payments, or may pay the entire unpaid principal, with accrued interest, in full at any time. If additional payments are made, they shall be so designated in writing at the time of payment and shall be applied first to accrued interest to date thereof and the remainder upon the principal. Said additional payments shall not be cumulative payments, but the Maker shall, in all events, pay at least the annual payments of principal and interest, as aforesaid.

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

In the event of default in the payment of any sum of principal or interest, or both, due hereunder, according to the terms and tenor hereof, the holder or holders may, at their option, declare the entire amount of principal and interest 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, the Undersigned promises and agrees to pay a reasonable attorney fee incurred, together with all costs.

This Note is secured by a Second Deed of Trust of even date herewith.

WILLAMETTA K. DAY
WILLAMETTA K. DAY "

NOW, THEREFORE, the said Grantor, 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 Grantor, 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, does 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 Grantor may now have or may hereafter acquire of, in or to the following described real property situate in the County of Eureka, State of Nevada, and being more particularly described as follows, to-wit:

DESCRIPTION

All those certain pieces or parcels of land situate in the County of Eureka, State of Nevada, described as follows:

TOWNSHIP 31 NORTH, RANGE 49 EAST, M. D. B. & M.

- Section 1: All
 Section 3: South half and the Northeast quarter
 Section 4: Southwest quarter of the Northwest quarter;
 Northwest quarter of the Southwest quarter
 Section 5: All, except that portion contained within the Town of Beowawe as shown on the Plat filed in the office of the County Recorder of Eureka County, Nevada, as Document No 2166 on June 15, 1908.
 Section 9: All
 Section 10: South half of the North half;
 North half of the South half
 Section 11: All
 Section 12: North half of the South half;
 North half

EXCEPTING from Sections 5, 9, 10, 11 and 12 all those portions lying within the rights-of-way of the Southern Pacific Railroad Company (or Central Pacific Railway Company) and Western Pacific Railroad Company.

TOWNSHIP 31 NORTH, RANGE 50 EAST, M. D. B. & M.

Section 3: All, EXCEPTING THEREFROM all those portions lying within the rights-of-way of the Southern Pacific Railroad Company (or Central Pacific Railway Company) and Western Pacific Railroad Company.

- Section 5: All
 Section 7: All that portion of Lot 3 (Northwest quarter of the Southwest quarter) lying Northerly of a line parallel with and 200.00 feet distant Northerly of the center line of Central Pacific Railway Company's Railroad: Northeast quarter;
 East half of the Northwest quarter;
 Lots 1 and 2 (West half of the Northwest quarter)
 Northeast quarter of the Southwest quarter and
 North half of the Southeast quarter

EXCEPTING all those portions lying within the rights-of-way of the Southern Pacific Railroad Company (or Central Pacific Railway Company) and Western Pacific Railroad Company.

(Continued on next page)

DESCRIPTION (Continued)

TOWNSHIP 31 NORTH, RANGE 50 EAST, M.D.B.&M. (Continued)

- Section 8: North half of the Southwest quarter, EXCEPTING all those portions lying within the rights-of-way of the Southern Pacific Railroad Company (or Central Pacific Railway Company) and Western Pacific Railroad Company.
- Section 9: That portion of the North half lying Northerly of a line parallel with and 100 feet distant Northerly of the center line of the Western Pacific Company's railroad as now constructed. That portion of the North half and the Southeast quarter Southeasterly of a strip of land 200 feet wide containing 23.18 acres conveyed to Western Pacific Railway Company by deed dated November 27, 1908, and Northwesterly of a line parallel with and 200.00 feet distant Northwesterly of center line of C.P.R.R. Co.'s railroad as now constructed.
- Section 10: Northwest quarter of the Northeast quarter EXCEPTING all those portions lying within the rights-of-way of the Southern Pacific Railroad Company (or Central Pacific Railway Company) and Western Pacific Railroad Company.
- Section 11: That portion of the Northeast quarter lying Northeastly of the Northeastly boundary of that parcel conveyed to the Western Pacific Railway Company by deed dated November 27, 1908.

EXCEPTING FROM Sections 7 and 9 all those portions lying within the rights-of-way of the Southern Pacific Railroad Company (or Central Pacific Railway Company) and Western Pacific Railroad Company.

FURTHER EXCEPTING from Lot 3 of Section 7, and those portions of Sections 9 and 11 described above all petroleum, oil, natural gas and products derived therefrom, within or underlying said land or that may be produced therefrom as reserved by Southern Pacific Land Company in Deed recorded October 27, 1948 in Book 23 of Deeds, at page 501, Eureka County, Nevada, records.

TOWNSHIP 31 NORTH, RANGE 52 EAST, M.D.B.&M.

- Section 6: Lot 7 (Southwest quarter of the Southwest quarter)

DESCRIPTION (Continued)

TOWNSHIP 32 NORTH, RANGE 48 EAST, M.D.B.&M.

- Section 1: East half lying Easterly of a line parallel with and 200.00 feet distant Easterly of the center line of the Central Pacific Railway Company's Railroad right-of-way. EXCEPTING THEREFROM all those portions lying within the rights-of-way of the Southern Pacific Railroad Company (or Central Pacific Railway Company) and Western Pacific Railroad Company.
- Section 12: East half of the East half, excepting all those portions lying within the rights-of-way of the Southern Pacific Railroad Company (or Central Pacific Railway Company) and Western Pacific Railroad Company.
- Section 13: Southeast quarter of the Northwest quarter; East half of the Northeast quarter; Southwest quarter of the Northeast quarter; East half of the Southwest quarter; Southeast quarter
- Section 23: East half of the Southeast quarter
- Section 24: East half; Southwest quarter; East half of the Northwest quarter
- Section 25: All
- Section 26: Southeast quarter; East half of the Southwest quarter; South half of the Northeast quarter; Northeast quarter of the Northeast quarter
- Section 27: South half of the Southeast quarter; Northeast quarter of the Southeast quarter
- Section 34: East half of the East half
- Section 35: All
- Section 36: North half; Southwest quarter; West half of the Southeast quarter

EXCEPTING from the Southeast quarter of the Northwest quarter of Section 13, the Northeast quarter of the Southeast quarter of Section 23 and the Northeast quarter of the Southeast quarter and the South half of the Southeast quarter of the Section 27 all petroleum, oil, natural gas and products derived therefrom, within or underlying said land or that may be produced therefrom as reserved by Southern Pacific Land Company in Deed recorded November 12, 1948 in Book 23 of Deeds at page 506, Eureka County, Nevada, records.

TOWNSHIP 32 NORTH, RANGE 49 EAST, M.D.B.&M.

- Section 5: All, excepting therefrom that portion lying Northeasterly of U. S. Highway 40. Further excepting therefrom that parcel conveyed to the State of Nevada by deed recorded September 24, 1963 in Book 27 of Deeds, at page 25, Eureka County, Nevada, records.

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DESCRIPTION (Continued)

TOWNSHIP 32 NORTH, RANGE 49 EAST, M.D.B.&M. (Continued)

- Section 6: Lot 5 (Southwest quarter of the Northwest quarter)
Lots 6 and 7 (West half of the Southwest quarter)
Southeast quarter of the Southwest quarter;
Southwest quarter of the Southeast quarter
- Section 7: All, Excepting all those portions lying within
the rights-of-way of the Southern Pacific Railroad
Company (or Central Pacific Railway Company) and
Western Pacific Railroad Company.
- Section 8: Northwest quarter of the Northwest quarter;
South half of the Northwest quarter;
Southwest quarter; Southwest quarter of the
Northeast quarter; West half of the Southeast quarter;
Southeast quarter of the Southeast quarter
- Section 9: All except that portion lying Northerly of U.S.
Highway 40;
Further excepting therefrom that parcel conveyed
to the State of Nevada by deed recorded Septem-
ber 24, 1963 in Book 27 of Deeds, at page 25,
Eureka County, Nevada, records;
- Section 11: All except that portion lying Northerly of U.S.
Highway 40 ;
Further excepting therefrom that parcel conveyed
to the State of Nevada by deed recorded August 10, 1964
in Book 5 of Official Records, at page 38, Eureka
County, Nevada.
- Section 15: All
- Section 17: All
- Section 18: All excepting all those portions lying within the
rights-of-way of the Southern Pacific Railroad
Company (or Central Pacific Railway Company)
and Western Pacific Railroad Company.
- Section 19: All excepting all those portions lying within the
rights-of-way of the Southern Pacific Railroad
Company (or Central Pacific Railway Company)
and Western Pacific Railroad Company.
- Section 20: All
- Section 21: All
- Section 23: North half and the Southwest quarter
- Section 25: Northeast quarter; South half
- Section 27: North half; the Southwest quarter
- Section 28: West half; Northeast quarter; West half of the
Southeast quarter; Northeast quarter of the Southeast
quarter
- Section 29: All
- Section 30: All excepting all those portions lying within the
rights-of-way of the Southern Pacific Railroad
Company (or Central Pacific Railway Company)
and Western Pacific Railroad Company.

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DESCRIPTION (Continued)

TOWNSHIP 32 NORTH, RANGE 49 EAST, M.D.B.&M. (Continued)

- Section 31: North half and the East half of the Southeast quarter excepting all those portions lying within the rights-of-way of the Southern Pacific Railroad Company (or Central Pacific Railway Company) and Western Pacific Railroad Company.
- Section 32: North half; Southwest quarter; Southwest quarter of the Southeast quarter and the North half of the Southeast quarter, excepting all those portions lying within the rights-of-way of the Southern Pacific Railroad Company (or Central Pacific Railway Company) and Western Pacific Railroad Company.
- Section 33: West half and the Northeast quarter
- Section 35: South half and the Northeast quarter

TOWNSHIP 32 NORTH, RANGE 50 EAST, M.D.B.&M.

- Section 7: All except that portion lying North of U.S. Highway 40.
- Section 13: All
- Section 15: All except that portion lying Northeasterly of U.S. Highway 40.
- Section 17: All except that portion lying Northeasterly of U.S. Highway 40.
- Section 19: All
- Section 21: All
- Section 23: All
- Section 25: All
- Section 27: All
- Section 29: All
- Section 31: All
- Section 33: All
- Section 35: All

EXCEPTING FROM Section 7, 15 and 17 those parcels conveyed to the State of Nevada by Deed recorded August 10, 1964 in Book 5 of Official Records, at page 38, Eureka County, Nevada.

FURTHER EXCEPTING FROM Section 13, that parcel conveyed to State of Nevada by deed recorded September 10, 1965 in Book 5 of Official Records, at page 38, Eureka County, Nevada.

TOWNSHIP 33 NORTH, RANGE 48 EAST, M.D.B.&M.

- Section 36: Southeast quarter; West half of the Northeast quarter; East half of the Northwest quarter; Northeast quarter of the Southwest quarter Excepting all those portions lying within the rights-of-way of the Southern Pacific Railroad Company (or Central Pacific Railway Company) and Western Pacific Railroad Company.
- Further excepting therefrom those parcels conveyed to State of Nevada by deeds recorded September 24, 1963 in Book 27 of Deeds, at page 22 and 25, Eureka County, Nevada, records.

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DESCRIPTION (Continued)

TOWNSHIP 33 NORTH, RANGE 49 EAST, M.D.B. & M.

Section 31: All excepting therefrom that portion lying Northeasterly of U.S. Highway 40. Excepting therefrom those parcels conveyed to State of Nevada by deeds recorded September 14, 1963 in Book 27 of Deeds, at pages 23, 25 and 31.

All those parcels lying within the townsite of Beowawe as shown on the plat filed in the office of the County Recorder of Eureka County, Nevada on June 15, 1908 described as follows:

- Block 1: Lots 1 thru 12 inclusive
 Block 2: Lots 1 thru 12 inclusive
 Block 3: Lots 1 thru 12 inclusive
 Block 4: Lots 1, 2, 3, 10, 11 and 12
 Block 5: Lots 1 thru 6 inclusive
 Block 6: Lots 1 thru 6 inclusive
 Block 7: Lots 1 thru 6 inclusive
 Block 8: Lots 1, 2, 3, 7 thru 18 inclusive
 Block 9: Lots 7 thru 12 inclusive and Lots 15 thru 18 inclusive
 Block 10: Lots 5, 6 and 18
 Block 11: Lots 1 thru 6, Lots 8, 9, 10, 16, 17 and 18
 Block 12: Lots 1 thru 15 inclusive
 Block 13: Lots 1 thru 18 inclusive
 Block 14: Lots 1 thru 18 inclusive
 Block 15: Lots 1 thru 18 inclusive
 Block 16: Lots 1 thru 12 inclusive
 Block 17: Lots 6 thru 12 inclusive
 Block 18: Lots 1 thru 6 inclusive except the Northwesterly 13 feet of Lot 6
 Block 19: Lots 1 thru 18 inclusive
 Block 20: Lots 1, 2, 9, 10, 11, 12, 13, 14 and 18
 Lots 3, 4, 5, 6, 7, 8, 15, 16, 17
 excepting therefrom that parcel conveyed by R. H. Hadley et ux to Roman Catholic Bishop of Reno by deed recorded April 2, 1958 in Book 25 of Deeds at page 214, Eureka County, Nevada, records.
 Block 21: Lots 4 thru 18 inclusive
 Block 22: Lots 13, 14, 15, 16, 17 and 18
 Block 23: Lots 1 thru 18 inclusive
 Block 24: Lots 1 thru 18 inclusive
 Block 25: Lots 1 thru 12 inclusive
 Block 26: Lots 1 thru 12 inclusive
 Block 27: Lots 1 thru 12 inclusive
 Block 28: Lots 1 thru 12 inclusive
 Block 29: Lots 1 thru 12 inclusive

Excepting from Townsite of Beowawe a plot of ground upon which the jail building of the County of Eureka State of Nevada is situate, together with 30 feet in each direction from the outer wall thereof and surrounding said jail as conveyed to County of Eureka by deed recorded June 6, 1904 in Book 14 of Deeds at page 583, Eureka County, Nevada, records.

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DESCRIPTION (Continued)

Further excepting therefrom those portions of Lot 1, 2 and 18, Block 20; Lots 9 thru 18, Block 21; Lots 13 and 14, Block 22; Lots 1 and 12, Block 29; Lots 1 thru 12, Block 28; Lots 1 thru 12, Block 27; and Lots 7 and 8, Block 26 conveyed to Eureka County School District by deed recorded November 14, 1967 in Book 21 of Official Records, at page 87, Eureka County, Nevada, and described as follows:

Commencing at the Northwest corner of parcel, which point bears North $63^{\circ}28'16''$ East a distance of 7098.59 feet from the Southwest corner of Section 6, Township 31 North, Range 49 East, M.D.B.&M.; thence North $49^{\circ}12'$ East a distance of 609.75 feet to the intersection of the West right-of-way boundary of Nevada State Route 21; thence along the West right-of-way boundary of said highway on a 1,250.00 foot radius, curving to the right, through a central angle of $48^{\circ}17'12''$, an arc distance of 1,053.45 feet to end of said curve; thence South $12^{\circ}53'41''$ West along said right-of-way boundary a distance of 130.82 feet; thence North $40^{\circ}48'$ West a distance of 966.99 feet to the point of beginning.

EXCEPTING AND RESERVING, and excluding therefrom that certain interest in and to all oil, gas and minerals and ores on, in or under the above-described lands, which reservation is more particularly described in the deed dated June 14, 1956, executed by Dextra Baldwin McGonagle to Baldwin M. Baldwin and recorded in Book 25, page 27, Eureka County Deed Records.

Excepting from all of the above described property for a period of 20 years from June 14, 1956 to June 14, 1976, all of the oil, gas, minerals and ores, on, in or under such described lands as reserved in deed executed by Baldwin M. Baldwin to R. H. Hadley recorded January 10, 1957 in Book 25 of Deeds, at page 84, Eureka County, Nevada, records.

TOGETHER WITH all improvements situate thereon or used in connection therewith, or placed thereon during the life of this Deed of Trust.

TOGETHER WITH all water rights, including but without limitation thereto, all water rights decreed in the Bartlett Decree of Civil Action No. 2804 in the Sixth Judicial District Court of the State of Nevada, in and for the County of Humboldt, in the Matter of the Determination of the Relative Rights of the Claimants and Appropriators of the Waters of the Humboldt River Stream System and Tributaries, all of which rights have a source of the Humboldt River, which ditches are referred to as Rose Dam, High Line Canal, Over Flor, Dwyer Dam, Beowawe No. 1, Merchant Canal, Beowawe No. 2, (appearing on pages 94, 95, 96, 97, 98 and 99 of the Bartlett Decree in the Blue Book), and Pump (appearing on page 234 of the Bartlett Decree in the Blue Book), as the same is amended by that certain Order Amending Decree, made and entered by Judge Edwards, the 1st day of October, 1934, and filed in the above-referred to matter on the 3rd day of October, 1934 (appearing at pages 15 and 16 of the Intervening Orders in the Blue Book).

TOGETHER WITH all other waters, water rights, rights to the use of water, dams, ditches, canals, pipe lines, reservoirs and all other means for the diversion or use of waters appurtenant to the said property or any part thereof, or used or enjoyed in connection therewith; and together with all stockwatering rights used or enjoyed in connection with the use of any of said lands, and including those on the public domain.

TOGETHER WITH all range rights and grazing rights, and in particular, but without limitation thereto, all rights to graze livestock on the public domain under what is known as the Taylor Grazing Act, used or enjoyed in connection with any of said property.

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

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

The following covenants, Nos. 1, 2 (\$20,500/00), 3, 4 (6%), 5, 6, 7 (5%), 8 and 9 of NRS 107.030, are hereby adopted and made a part of this Deed of Trust.

This Deed of Trust also secures payment for further sums and the promissory notes evidencing the same, as may hereafter be loaned or advanced by Beneficiaries to the Grantor.

Said Grantor, in consideration of the premises, hereby covenants and agrees 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 the security of this Deed of Trust, nor shall this Deed of Trust nor its satisfaction nor a reconveyance made thereunder operate as a waiver of any such other security now held or hereafter acquired.

Said Grantor hereby covenants and agrees that she will operate the ranch premises according to dictates of good husbandry, as defined by ranch practice in the area in which the ranch is located, and will apply the water rights to beneficial use, all to the end that the same shall not be lost by abandonment or forfeiture; and that she will apply for and use the grazing rights annually or, if not used, she will apply for proper non-use, all to the end that the same will not be terminated by the Bureau of Land Management.

Said Grantor has, by written Assumption Agreement, assumed to pay the unpaid principal in the sum of \$432,000.00, together with accrued interest from May 31, 1968, of that certain Promissory Note dated December 2, 1962, in the original principal sum of \$450,000.00, wherein GORDON MACMILLAN and DOROTHE MACMILLAN, his wife, are payors, and THE CONNECTICUT MUTUAL LIFE INSURANCE COMPANY is payee, and has further assumed to perform the terms of the first Deed of Trust from said Macmillans to Connecticut Mutual securing the payment of the aforesaid Promissory Note. Should Grantor default in any of the payments as required to be made by the assumed note, as modified, or in the failure to perform any of the terms of the first Deed of Trust, such default or defaults shall likewise be a default of this Second Deed of Trust; and the Beneficiaries may, upon performing the defaulted obligation or covenant,

exercise any and all rights of powers of sale and foreclosure by legal action or otherwise, pursuant to the terms of the said Second Deed of Trust. The terms of payment of said note have been modified by agreement dated March 3, 1967, between Connecticut Mutual and said Beneficiaries herein.

The Beneficiaries are possessed of their rights and interests herein as joint tenants with right of survivorship, and not as tenants in common.

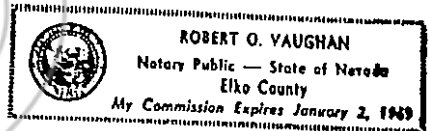
IN WITNESS WHEREOF, the said Grantor has hereunto set her hand as of the day and year first hereinabove written.

Willametta K. Day
WILLAMETTA K. DAY

STATE OF NEVADA, }
COUNTY OF ELKO. } SS.

On MAY 31ST, 1968, personally appeared before me, a Notary Public, WILLAMETTA K. DAY, who acknowledged that she executed the above instrument.

Robert Vaughan
NOTARY PUBLIC.



RECORDED AT THE REQUEST OF Jack E. Hull
on June 3, 19 68 at 16 mins. past 10 A. M. in
Book 24 of OFFICIAL RECORDS, page 206-217 RECORDS OF
EUREKA COUNTY, NEVADA. Shirley A. Roberts Recorder.
File No. 46991 Fee \$ 1.40
File No. 46991