

1           THIS DEED OF TRUST made this 3rd day of January,  
 2 1972, by and between LIBERTY LIVESTOCK CO., a general partner-  
 3 ship consisting of J. H. Sewell and Mollie S. Sewell, his wife,  
 4 and Thomas H. Gallagher and Dorothy S. Gallagher, his wife, as  
 5 Trustors, FIRST AMERICAN TITLE COMPANY as Trustee, and J. K.  
 6 METZKER and G. W. GARRETT as Beneficiaries,

7                                   W I T N E S S E T H:

8           That the said Trustors hereby grant, convey and confirm  
 9 unto the said Trustee, in trust with power of sale, the following  
 10 described real property situate in Eureka County, Nevada, and  
 11 more particularly described in Exhibit "A" hereto attached and by  
 12 reference thereto incorporated herein.

13           TOGETHER with all and singular the tenements, hereditaments  
 14 and appurtenances thereunto belonging, or in anywise appertaining,  
 15 and the reversion and reversions, remainder and remainders, rents,  
 16 issues and profits thereof, and also all the estate, right, title  
 17 and interest, homestead or other claim or demand as well in law  
 18 as in equity which the Trustors have now or may hereafter acquire  
 19 in and to the said premises, or any part thereof, with the  
 20 appurtenances.

21           TO HAVE AND TO HOLD the same unto the said Trustee and its  
 22 successors for the benefit and use of the Beneficiaries upon the  
 23 trust hereinafter expressed, namely: as security for the payment  
 24 of the sum of Two Hundred Twenty Thousand Dollars (\$220,000.00)  
 25 in lawful money of the United States, with interest thereon in like  
 26 lawful money, and with expenses and counsel fees according to the  
 27 terms of a promissory note dated November 22, 1968, in the amount  
 28 of \$120,000.00 and another promissory note dated May 26, 1970, in  
 29 the amount of \$100,000.00, which said notes were delivered to the  
 30 Beneficiaries by the Trustors.

1           AND THIS INDENTURE FURTHER WITNESSETH:

2           FIRST: The following covenants, Numbers 1, 2, (\$220,000.00),  
3 3, 4 (12% per annum), 5, 6, 7 (counsel fee 10%), 8 and 9, N.R.S.  
4 107.030, are hereby adopted and made a part of the Deed of Trust.

5           SECOND: Should the Trustors default in the performance  
6 of any of the covenants herein, the Beneficiaries at their election  
7 may declare the promissory notes debt, payment of which is secured  
8 hereby, to be presently due and payable with interest as therein  
9 provided and notwithstanding any provisions thereof to the  
10 contrary.

11           THIRD: The rights and remedies hereby granted shall not  
12 exclude any other rights or remedies granted hereunder or per-  
13 mitted by law and all rights and remedies granted hereunder or  
14 permitted by law shall be concurrent and cumulative.

15           FOURTH: The Beneficiaries may from time to time and for  
16 periods not exceeding one year, in behalf of the Trustors renew  
17 or extend the promissory note secured hereby, and said renewal  
18 or extension shall be conclusively deemed to have been made when  
19 so endorsed on said promissory note by the Beneficiaries in behalf  
20 of the Trustors.

21           FIFTH: All costs in connection with this trust shall be  
22 paid by the Trustors.

23           SIXTH: In addition to the principal sum due on the  
24 promissory notes heretofore mentioned, this Trust Deed shall be  
25 security for any and all money that may hereafter become due or  
26 payable from Trustors to Beneficiaries from any cause whatsoever.

27           SEVENTH: This Deed of Trust is subordinate to a Deed  
28 of Trust dated October 30, 1964, executed by Charles Damele, Leo  
29 J. Damele and John V. Damele, a co-partnership, doing business  
30 under the name of Stephen Damele & Sons, and Charles Damele, also

1 known as Charles J. Damele, and Juanita Damele, his wife, Leo J.  
2 Damele and Ellen Damele, his wife, John V. Damele and Roberta  
3 Damele, his wife, as Trustors to Nevada Title Guaranty Company  
4 as Trustee, and The Travelers Life Insurance Company as Beneficiary,  
5 which superior Deed of Trust is given to secure a promissory  
6 note made on the day above mentioned and recorded on November 9,  
7 1964, in Book 6 of Trust Deed Records at page 215 as Document  
8 No. This Deed of Trust is also subordinate to a Deed of Trust  
9 dated January 2, 1970, executed by Liberty Livestock, a co-  
10 partnership consisting of J. H. Sewell and Mollie S. Sewell, his  
11 wife, and Thomas H. Gallagher and Dorothy S. Gallagher, his wife,  
12 as Trustors, to Nevada Title Guaranty Company as Trustee,  
13 and Charles Damele, Leo J. Damele and John V. Damele, a co-partner-  
14 ship, doing business under the name of Stephen Damele & Sons, and  
15 Charles Damele, also known as Charles J. Damele, and Juanita  
16 Damele, his wife, Leo J. Damele and Ellen Damele, his wife, John  
17 V. Damele and Roberta Damele, his wife, as Beneficiaries, which  
18 superior Deed of Trust is given to secure a promissory note made  
19 on the day above mentioned and recorded on January 20, 1972,  
20 in Book 41 of <sup>Official Records</sup> ~~Trust Deed Records~~ at page 324 as Document No.  
21 55530. The Trustors herein hereby agree to assume and  
22 pay all of the indebtednesses which are secured by said superior  
23 deeds of trust and to perform all and singular the terms, covenants  
24 and conditions of said superior deeds of trust. Should any default  
25 be made in the promissory notes the payment of which is secured  
26 by such superior deeds of trust or should default be made as  
27 to any provisions of the said superior deeds of trust or default  
28 made of any provisions of this deed of trust, in any or all  
29 such events the holder or holders of such promissory notes, the  
30 payment of which are secured by this deed of trust, may declare

1 the entire remaining unpaid principal balance of said promissory  
2 notes to be forthwith due and payable and with interest at the  
3 rates therein provided until paid and notwithstanding that the  
4 date of maturity of the same shall have not yet arrived.

5 EIGHTH: All the provisions of this instrument shall inure  
6 to, apply to and bind the legal representatives, successors and  
7 assigns of each of the parties hereto respectively.

8 NINTH: The trusts hereby created are irrevocable by the  
9 Trustors.

10 IN WITNESS WHEREOF, the Trustors have hereunto set their  
11 hands the day and year first above written.

12 LIBERTY LIVESTOCK, a co-partnership consisting  
13 of J. H. SEWELL and MOLLIE S. SEWELL, his wife,  
14 and Thomas H. Gallagher and Dorothy S. Gallagher,  
15 his wife.

16 J. H. Sewell by Dorothy S. Gallagher  
17 J. H. SEWELL by DOROTHY S. GALLAGHER  
18 his Attorney in Fact

19 Mollie S. Sewell by Dorothy S. Gallagher  
20 MOLLIE S. SEWELL by DOROTHY S.  
21 GALLAGHER, her Attorney in Fact

22 Thomas H. Gallagher  
23 THOMAS H. GALLAGHER

24 Dorothy S. Gallagher  
25 DOROTHY S. GALLAGHER

26 STATE OF NEVADA, )  
27 ) SS  
28 COUNTY OF ELKO. )

29 On this 3rd day of January, 1972, personally  
30 appeared before me, a notary public, in and for Elko County,  
Nevada, DOROTHY S. GALLAGHER, known to me to be the person whose  
name is subscribed to the within instrument as the attorney in  
fact of J. H. SEWELL and MOLLIE S. SEWELL, and acknowledged to me  
that she subscribed the name of J. H. SEWELL and MOLLIE S. SEWELL  
thereto as principals, and her own name as attorney in fact,  
freely and voluntarily and for the uses and purposes therein  
mentioned.


SANFORD, SANFORD  
& FAHRENKOFF  
ATTORNEYS AT LAW  
43 NORTH SIERRA STREET  
RENO, NEVADA 89504

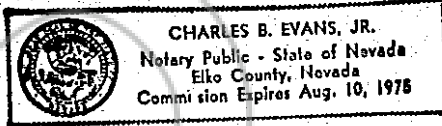
CHARLES B. EVANS, JR.  
Notary Public - State of Nevada  
Elko County, Nevada  
Commission Expires Aug. 10, 1975

-4-  
Charles B. Evans, Jr.  
NOTARY PUBLIC  
BOOK 41 PAGE 346

1 STATE OF NEVADA, )  
2 ) SS  
3 COUNTY OF ELKO. )

4 On this 3rd day of January, 1972, personally  
5 appeared before me, a Notary Public, THOMAS H. GALLAGHER and  
6 DOROTHY S. GALLAGHER who acknowledged to me that they executed  
7 the foregoing instrument.

8   
9 NOTARY PUBLIC



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EXHIBIT A

DESCRIPTION

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

PARCEL I

TOWNSHIP 23 1/2 NORTH, RANGE 49 EAST, M.D.B. & M.

Section 1: Lot 3.

TOWNSHIP 24 NORTH, RANGE 49 EAST, M.D.B. & M.

Section 9: N 1/2 NW 1/4; SE 1/4 NW 1/4; SW 1/4 NE 1/4.  
Section 10: SE 1/4 SW 1/4; SW 1/4 SE 1/4.  
Section 12: SW 1/4 SE 1/4; NE 1/4 SE 1/4.  
Section 13: NE 1/4 NW 1/4; SW 1/4 NW 1/4; NW 1/4 SW 1/4.  
Section 14: SE 1/4 SE 1/4.  
Section 15: N 1/2 NW 1/4.  
Section 23: NE 1/4 NE 1/4; SW 1/4 NE 1/4; W 1/2 SE 1/4.  
Section 26: W 1/2 E 1/2; NE 1/4 NW 1/4.  
Section 35: E 1/2 W 1/2.

TOWNSHIP 24 NORTH, RANGE 50 EAST, M.D.B. & M.

Section 2: Lot 3, SE 1/4 NW 1/4.  
Section 7: Lot 2.

TOWNSHIP 25 NORTH, RANGE 50 EAST, M.D.B. & M.

Section 24: SE 1/4 NW 1/4; NW 1/4 SW 1/4.  
Section 25: S 1/2 SW 1/4; SE 1/4.  
Section 28: W 1/2 NE 1/4; SE 1/4 N 1/2; S 1/2 SW 1/4.  
Section 32: SE 1/4 NE 1/4.  
Section 33: NW 1/4 NW 1/4.  
Section 35: E 1/2 NE 1/4; SW 1/4 N 1/2; E 1/2 SW 1/4; SE 1/4.  
Section 36: NW 1/4 NE 1/4; NW 1/4; NW 1/4 SW 1/4.

TOWNSHIP 26 NORTH, RANGE 50 EAST, M.D.B. & M.

Section 1: SE 1/4 NE 1/4; W 1/2 NW 1/4; E 1/2 SE 1/4.  
Section 11: NE 1/4 NE 1/4.  
Section 12: E 1/2 NE 1/4; NE 1/4; E 1/4.  
Section 24: E 1/2 SE 1/4.

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PARCEL NO. I CONTINUED:

TOWNSHIP 25 NORTH, RANGE 51 EAST, M.D.B. & M.

Section 6: Lots 3, 4, 5, 6 and 7; SE $\frac{1}{4}$ NW $\frac{1}{4}$ ; E $\frac{1}{2}$ SW $\frac{1}{4}$ .  
Section 7: E $\frac{1}{2}$ NW $\frac{1}{4}$ .  
Section 19: SE $\frac{1}{4}$ SW $\frac{1}{4}$ .  
Section 30: NW $\frac{1}{4}$ NE $\frac{1}{4}$ ; E $\frac{1}{2}$ NW $\frac{1}{4}$ ; Lots 2 and 3.  
Section 35: N $\frac{1}{2}$ NW $\frac{1}{4}$ .

TOWNSHIP 26 NORTH, RANGE 51 EAST, M.D.B. & M.

Section 6: Lots 3, 4, 5, 6 and 7; SE $\frac{1}{4}$ NW $\frac{1}{4}$ ; E $\frac{1}{2}$ SW $\frac{1}{4}$ .  
Section 7: Lots 1, 2, 3 and 4.  
Section 18: Lots 1, 2, 3 and 4.  
Section 19: Lots 1, 2, 3 and 4.  
Section 30: Lots 1, 2, 3 and 4; E $\frac{1}{2}$ SW $\frac{1}{4}$ .  
Section 31: NW $\frac{1}{4}$ NE $\frac{1}{4}$ ; E $\frac{1}{2}$ W $\frac{1}{2}$ ; Lot 4; SW $\frac{1}{4}$ SE $\frac{1}{4}$ .

TOWNSHIP 27 NORTH, RANGE 51 EAST, M.D.B. & M.

Section 30: S $\frac{1}{2}$ NE $\frac{1}{4}$ ; Lot 4; E $\frac{1}{2}$ SW $\frac{1}{4}$ ; N $\frac{1}{2}$ SE $\frac{1}{4}$ .  
Section 31: Lot 1.

PARCEL NO. II

TOWNSHIP 24 NORTH, RANGE 50 EAST, M.D.B. & M.

Section 20: W $\frac{1}{2}$ SW $\frac{1}{4}$ .  
Section 30: N $\frac{1}{2}$ NW $\frac{1}{4}$ ; NE $\frac{1}{4}$ NW $\frac{1}{4}$ ; Lot 1 (NW $\frac{1}{4}$ NW $\frac{1}{4}$ ).

TOWNSHIP 25 NORTH, RANGE 50 EAST, M.D.B. & M.

Section 32: NE $\frac{1}{4}$ SE $\frac{1}{4}$ ; SW $\frac{1}{4}$ SE $\frac{1}{4}$ .

EXCEPTING, THEREFROM, all mines of gold, silver, copper, lead, cinnabar and other valuable minerals which may exist in said tract, including all gas, coal, oil and oil shales as reserved in Deeds conveying above parcels to TESSIE DAMELE, et al, executed by RUBY LAND CORPORATION, as recorded August 24, 1951 in Book 24 of Deeds at page 157; by HOMER D. TUTTLE and GLENDORA TUTTLE, as recorded August 22, 1951 in Book 24 of Deeds at page 158; and by FRANK D. CARROLL and NINA J. CARROLL, as recorded August 24, 1951 in Book 24 of Deeds at page 161, all Eureka County, Nevada, Records.

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PARCEL NO. III

TOWNSHIP 24 NORTH, RANGE 50 EAST, M.D.B. & M.

Section 14: SW $\frac{1}{4}$ NE $\frac{1}{4}$ ; SE $\frac{1}{4}$ NW $\frac{1}{4}$ ; SW $\frac{1}{4}$ ; W $\frac{1}{2}$ SE $\frac{1}{4}$ .  
Section 22: NE $\frac{1}{4}$ .  
Section 23: NW $\frac{1}{4}$ .

EXCEPTING, THEREFROM, a one-fourth interest in all minerals, as reserved in Deed dated October 20, 1960, executed by JEAN SALLABERRY, et al, to CHARLES DANIELE, et al, and recorded October 26, 1960 in Book 25 of Deeds at page 467, Eureka County, Nevada, Records.

**TOGETHER WITH all buildings and improvements situate thereon.**

**TOGETHER WITH the tenements, hereditaments and appurtenances thereto belonging or in anywise appertaining, the roversion and roversions, remainder and remainders, rents, issues and profits thereof.**

**TOGETHER WITH all water, water rights, rights to the use of water, dams, ditches, canals, pipelines, reservoirs, wells, permits issued by the State Engineer's Office of the State of Nevada, and all other means of diversion of or use of water, pertinent to the said property or any part thereof, or used or enjoyed in connection therewith, and together with any stock water, water, water rights used or enjoyed in connection with the use of any of the said parcels of land.**

**TOGETHER WITH all range rights and grazing rights, including all so-called Taylor Grazing rights or privileges, and all rights to graze cattle on the Public Domain now or hereafter used upon or in connection with said parcels of real property.**

**TOGETHER WITH one-half (1/2) of all minerals, oil or gas, presently owned by the Sellers, lying on, in or under the above parcels of real property, SUBJECT TO the certain oil and gas mining lease dated December 14, 1967 between CHARLES DANIELE, LEO J. DANIELE and JOHN V. DANIELE, a co-partnership doing business under the name of FRANK DANIELE & SONS, and all of the County of Eureka, State of Nevada, First Parties and Lessee, and MODOC MINERAL AND OIL CO., INC., a Nevada Corporation, Second Party and Lessee, and the First Parties hereby assign unto the Second Party an undivided one-half interest in and to said oil and gas mining lease.**

**RESERVING, HOWEVER, unto the Sellers, one-half (1/2) of all minerals, oil or gas, presently owned by the Sellers, lying on, in or under the above parcels of real property, and an undivided one-half interest in and to the above mentioned oil and gas mining lease between First Parties herein and MODOC MINERAL AND OIL CO., INC., together**



with the exclusive right at all times  
to enter upon or in said land to prospect for  
and drill, bore and recover and remove the same,  
it being understood that the right to enter upon  
or in said land, to prospect for and to drill,  
bore and recover and remove the same will be  
done in such a manner that it will not disrupt  
the operations on said premises or cause damage  
to said premises or surface or underground waters  
or water rights appurtenant thereto.

RECORDED AT THE REQUEST OF First American Title Co. of Nevada  
on Jan. 24, 1972, at 01 mins. past 8 A. M. In  
Book 41 of OFFICIAL RECORDS, page 343-351 RECORDS OF  
EUREKA COUNTY, NEVADA. William A. McFarland Recorder.  
File No. 55534 Fee \$ 11.00

CHARLES B. EVANS, JR.  
ATTORNEY AT LAW  
SUITE SIX, PROFESSIONAL CENTER  
575 COURT STREET  
F. O. BOX 921  
ELKO, NEVADA 89601