

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 ^{Official Records} ~~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

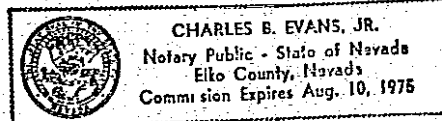
22 *Thomas H. Gallagher*
23 THOMAS H. GALLAGHER

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



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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.
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NOTARY PUBLIC

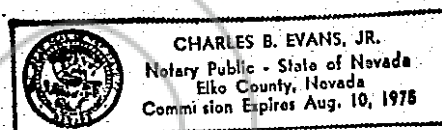


EXHIBIT A

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 $\frac{1}{2}$ 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 $\frac{1}{2}$ NW $\frac{1}{4}$; SE $\frac{1}{4}$ NW $\frac{1}{4}$; SW $\frac{1}{4}$ NE $\frac{1}{4}$.
Section 10: SE $\frac{1}{4}$ SW $\frac{1}{4}$; SW $\frac{1}{4}$ SE $\frac{1}{4}$.
Section 12: SW $\frac{1}{4}$ SE $\frac{1}{4}$; NE $\frac{1}{4}$ SE $\frac{1}{4}$.
Section 13: NE $\frac{1}{4}$ NW $\frac{1}{4}$; SW $\frac{1}{4}$ NW $\frac{1}{4}$; NW $\frac{1}{4}$ SW $\frac{1}{4}$.
Section 14: SE $\frac{1}{4}$ SE $\frac{1}{4}$.
Section 15: N $\frac{1}{2}$ NW $\frac{1}{4}$.
Section 23: NE $\frac{1}{4}$ NE $\frac{1}{4}$; SW $\frac{1}{4}$ NE $\frac{1}{4}$; W $\frac{1}{2}$ SE $\frac{1}{4}$.
Section 26: W $\frac{1}{2}$ E $\frac{1}{2}$; NE $\frac{1}{4}$ NW $\frac{1}{4}$.
Section 35: E $\frac{1}{2}$ W $\frac{1}{2}$.

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

Section 2: Lot 3, SE $\frac{1}{4}$ NW $\frac{1}{4}$.
Section 7: Lot 2.

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

Section 24: SE $\frac{1}{4}$ NW $\frac{1}{4}$; NW $\frac{1}{4}$ SW $\frac{1}{4}$.
Section 25: S $\frac{1}{2}$ SW $\frac{1}{4}$; SE $\frac{1}{4}$.
Section 28: W $\frac{1}{2}$ NE $\frac{1}{4}$; SE $\frac{1}{4}$ N $\frac{1}{2}$; S $\frac{1}{2}$ SW $\frac{1}{4}$.
Section 32: SE $\frac{1}{4}$ NE $\frac{1}{4}$.
Section 33: NW $\frac{1}{4}$ NW $\frac{1}{4}$.
Section 35: E $\frac{1}{4}$ NE $\frac{1}{4}$; SW $\frac{1}{4}$ N $\frac{1}{2}$; E $\frac{1}{2}$ SW $\frac{1}{4}$; SE $\frac{1}{4}$.
Section 36: NW $\frac{1}{4}$ NE $\frac{1}{4}$; NW $\frac{1}{4}$; NW $\frac{1}{4}$ SW $\frac{1}{4}$.

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

Section 1: SE $\frac{1}{4}$ NE $\frac{1}{4}$; W $\frac{1}{2}$ N $\frac{1}{2}$; E $\frac{1}{2}$ SE $\frac{1}{4}$.
Section 11: NE $\frac{1}{4}$ NE $\frac{1}{4}$.
Section 12: E $\frac{1}{2}$ NE $\frac{1}{4}$; NE $\frac{1}{4}$; E $\frac{1}{2}$.
Section 24: E $\frac{1}{2}$ SE $\frac{1}{4}$.

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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 FIRST 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. McFarlane Recorder.
File No. 55534 Fee \$ 11.00.

CHARLES B. EVANS, JR.
ATTORNEY AT LAW
SUITE SIX, PROFESSIONAL CENTER
575 COURT STREET
F. O. BOX 321
ELKO, NEVADA 89801