

SUBORDINATION AGREEMENT

WHEREAS, DIAMOND LAND and CATTLE, a Co-Partnership, consisting of THOMAS H. GALLAGHER, DOROTHY S. GALLAGHER, CHARLES DAMELE, R. D. DAMELE and G. W. GARRETT, are Debtors in that certain Security Agreement and Financing Statement dated January 2, 1973; and CHARLES DAMELE, also known as CHARLES J. DAMELE and JUANITA DAMELE, his wife, are secured parties, which Financing Statement was filed in the office of the Eureka County Recorder, Eureka County, Nevada, on April 27, 1973, and

WHEREAS, the secured parties, CHARLES DAMELE and JUANITA DAMELE, his wife, did by Assignment dated March 21, 1973, assign \$100,000.00 of their Note secured by the above-mentioned Security Agreement and Financing Statement to G. W. GARRETT, which Assignment of Promissory Note and Deed of Trust was recorded on April 20, 1973, in Book 45, pages 298-299 of the Official Records of Eureka County, Nevada, and

WHEREAS, the Secured Parties above-named, CHARLES DAMELE and JUANITA DAMELE, his wife, and GORDON W. GARRETT have agreed to subordinate their said Security Agreement and Financing Statement to a Security Agreement and Financing Statement to PRODUCERS LIVESTOCK LOAN COMPANY on the security described in said Security Agreement and Financing Statement, provided that said lien to PRODUCERS LIVESTOCK LOAN COMPANY does not exceed \$2,980,879.52.

NOW, THEREFORE, the undersigned CHARLES DAMELE and JUANITA DAMELE, his wife, and G. W. GARRETT pursuant to their agreement as above set forth do hereby agree that the lien of their said Security Agreement and Financing Statement shall be subordinated to and made subject to a lien created by a Security

Agreement and Financing Statement in favor of PRODUCERS LIVESTOCK
LOAN COMPANY, said subordination to be limited to a loan wherein
the principal sum is not to exceed \$2,980,879.52.

DATED this 28th day of June, 1974.

Charles Damele
CHARLES DAMELE, also known as
CHARLES J. DAMELE

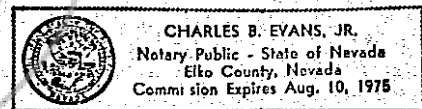
Juanita Damele
JUANITA DAMELE

G. W. Garrett
G. W. GARRETT

STATE OF NEVADA)
COUNTY OF ELKO) SS.

On this 28th day of June, 1974, personally appeared
before me, a Notary Public, CHARLES DAMELE, also known as CHARLES
J. DAMELE and JUANITA DAMELE, his wife, and G. W. GARRETT, who
acknowledged to me that they executed the foregoing instrument.

Charles B. Evans, Jr.
NOTARY PUBLIC



RECORDED AT THE REQUEST OF Dorothy Gallager
June 28, 1974, at 22 min. past 3 P. M.
Book 48 of OFFICIAL RECORDS, page 466-467 RECORDS OF
EUREKA COUNTY, NEVADA. Miller D. W. L. L. L. Recorder
File No. 58746 Fee \$ 4.00
FILE NO. 58746

LAW OFFICES
EVANS & BILYEU
PROFESSIONAL CENTER
ELKO, NEVADA 89801

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