

SUBORDINATION AGREEMENT

WHEREAS, DIAMOND LAND and CATTLE, A 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 May 3, 1973, and

WHEREAS, the secured parties, CHARLES DAMELE and JUANITA DAMELE, his wife, did b y 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 \$36,670.02.

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 \$36,670.02.

DATED this 29th day of July, 1974.

RECORDED AT THE REQUEST OF Producers Livestock Loan Company
Aug. 21, 1974, at 52 mins. past 10 A. M.
Book 49 of OFFICIAL RECORDS, page 249, RECORDS OF EUREKA COUNTY, NEVADA.
FILE NO. 59066
Fees \$ 3.00
Signatures: Charles Damele, Charles J. Damele, Juanita Damele, G. W. GARRETT

STATE OF NEVADA)
COUNTY OF ELKO) SS.

On this 15th day of August, 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 - State of Nevada
Elko County, Nevada
Commission Expires Aug. 10, 1975

Notary Public signature and stamp
BOOK 49 PAGE 249