

DEED OF TRUST AND ASSIGNMENT

THIS DEED OF TRUST AND ASSIGNMENT, made this 14th day of November, 1974, by and between DAY CATTLE CO., a corporation organized and existing under and by virtue of the laws of the State of Nevada, as Grantor, and FIRST AMERICAN TITLE COMPANY OF NEVADA, a corporation, as Trustee, and WILLAMETTA K. DAY, as Beneficiary,

W I T N E S S E T H:

That Grantor hereby grants, transfers and assigns to the Trustee in trust, with power of sale, all of the following described real property situate in the County of Eureka, State of Nevada, more particularly described as follows, to-wit:

TOWNSHIP 31 NORTH, RANGE 49 EAST, MDB&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 and 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, MDB&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.

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TOWNSHIP 31 NORTH, RANGE 50 EAST, MDB&M (Continued)

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: 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 Northeasterly of the Northeasterly 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, MDB&M

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

TOWNSHIP 32 NORTH, RANGE 48 EAST, MDB&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.

TOWNSHIP 32 NORTH, RANGE 48 EAST, MDB&M (Continued)

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, MDB&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.

TOWNSHIP 32 NORTH, RANGE 49 EAST, MDB&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 Northwest 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 September 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 Rail-

TOWNSHIP 32 NORTH, RANGE 49 EAST, MDB&M (Continued)

road Company (or Central Pacific Railway Company) and Western Pacific Railroad Company.

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, MDB&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, MDB&M

Section 36: Southeast quarter; West half of the Northeast quarter; East half of the Northwest quarter; Northeast quarter of

TOWNSHIP 33 NORTH, RANGE 48 EAST, MDB&M (Continued)

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 Com-
pany.

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.

TOWNSHIP 33 NORTH, RANGE 49 EAST, MDB&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 Septem-
ber 14, 1963, in Book 27 of Deeds,
at pages 23, 25 and 31.

All those parcels lying within the town-
site 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 inclu-
sive
- 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.

TOWNSHIP 33 NORTH, RANGE 49 EAST, MDB&M (Continued)

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 30 feet 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.

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°28'16" East a distance of 7098.59 feet from the Southwest corner of Section 6, Township 31 North, Range 49 East, MDB&M; thence North 49°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°17'12" an arc distance of 1,053.45 feet to end of said curve; thence South 12°53'41" West along said right-of-way boundary a distance of 130.82 feet; thence North 40°48' West a distance of 966.99 feet to the point of beginning.

Reserving and excepting from the foregoing the following four parcels of land together with the buildings and improvements thereon, which parcels are more particularly described as follows, to-wit:

PARCEL #1: A parcel of land located in Sections 32 and 33, T 32 N, R 49 E, MDB&M, in Eureka County, Nevada, being more particularly described as follows: Beginning at Corner #1, a point in said Section 32 which bears S 37°15'50" W, 9642.52 feet from the NE corner of Section 28, T 32 N, R 49 E, MDM, (and which said Point of Beginning also bears S 59°00' E 151.35 feet from Corner #1 of Parcel #2 hereinafter described), thence N. 47°34' E 669.25 feet to Corner #2, thence N 19°49' E 259.50 feet to Corner #3, thence N 40°15' W 799.25 feet to Corner #4, thence S 49°45' W 893.64 feet to Corner #5, thence S 40° 15' E 954.22 feet to Corner #1, the Point of Beginning containing 16.947 acres more or less.

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PARCEL #2: A parcel of land located in Section 32, T 32 N, R 49 E, MDM, in Eureka County, Nevada, being more particularly described as follows: Beginning at Corner #1, a point in said Section 32 which bears S 36°54'51" W, 9500.63 feet from the NE corner of Section 28, T 32 N, R 49 E, MDM (and which said Point of Beginning also bears N 59°00' E 151.35 feet from Corner #1 of Parcel #1 herebefore described), thence S 47°35' W 203.20 feet to Corner #2, thence S 40°21' W 852.30 feet to Corner #3, a point in the northerly Right-of-way line of Nevada State Highway #21, thence N 77°39'41" E along said right-of-way 926.31 feet to Corner #4, thence N 19°02' W 622.70 feet to Corner #1, the Point of Beginning, containing 6.826 acres more or less.

PARCEL #3: A parcel of land located in Section 32, T 32 N, R 49 E, MDB&M, in Eureka County, Nevada, being more particularly described as follows: Beginning at Corner #1, a point in said Section 32 which bears S 36°50'49" W 9447.77 feet from the NE corner of Section 28, T 32 N, R 49 E, MDB&M, (and which said Point of Beginning also bears N 47°35' E 55.00 feet from the most northerly corner of Parcel #2, herebefore described), thence N 51°48'36" E 260.00 feet to Corner #2, thence S 38°11'24" E 150.00 feet to Corner #3, thence S 51°48'36" W 312.11 feet to Corner #4, thence N 19°02'00" W 158.79 feet to Corner #1, the Point of Beginning, containing 0.985 acres more or less.

PARCEL #4: A parcel of land located in Sections 32 and 33, T 32 N, R 49 E, MDM, in Eureka County, Nevada, being more particularly described as follows: Beginning at Corner #1 from which the NE corner of Section 28, T 32 N, R 49 E, MDM, bears N 33°45'35" E 9388.84 feet, thence N 53°17'10" E 851.00 feet to Corner #2, thence S 36°42'50" E 292.92 feet to Corner #3, which lies on the northerly Right-of-Way of Nevada State Highway #21, thence from a tangent bearing S 44°29'06" W on a curve to the right with a radius of 2425.00 feet through an angle of 21°49'16", a distance of 923.57 feet along the northerly right-of-way of said Highway #21 to Corner #4 which bears N 71°05'30" E 402.50 feet from Corner #4 of Parcel #2 herebefore described, thence N 22°20'42" W 267.50 feet to Corner #1, the Point of Beginning, containing 6.233 acres more or less.

TOGETHER WITH all improvements situate thereon or used in connection therewith.

TOGETHER WITH all water rights, including but without limitation thereto, all water rights decreed to Humboldt Land & Cattle Co. 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 Flow, 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), which rights reflect the following amounts, priorities, seasons of use and types of use, to-wit:

<u>Priority</u>	<u>3/15-9/15</u> 3/Ac. Ft. <u>Harvest</u>	<u>3/15 - 6/13</u> 1 1/2 Ac. Ft. <u>Meadow Pasture</u>	<u>3/15 - 4/28</u> 3/4 Ac. Ft. <u>Diversified Pasture</u>
1873	0.00	0.00	700.82
1874	883.44	1,805.84	1,165.07
1877	0.00	0.00	78.56
1880	40.00	460.24	820.05
1882	0.00	61.06	17.06
1883	282.03	76.30	163.17
1884	0.00	34.28	5.72
1885	0.00	6.13	2.60
1886	54.07	71.34	515.02
1888	160.00	280.00	0.00
1897	0.00	0.00	1,133.46
1898	0.00	40.00	520.10
1918	87.84	0.00	0.00
TOTALS	1,507.38	2,835.19	5,121.63

TOGETHER WITH all waters, water rights, rights to the use of water, dams, ditches, canals, pipelines, 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, 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 or premises.

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

TO HAVE AND TO HOLD the same unto the said Trustee and its successors, in trust, to secure the performance of the following obligations and payment of the following debts:

ONE: Payment of an indebtedness evidenced by a certain Promissory Note of even date herewith, in the principal amount of \$758,681.38, with the interest thereon, expenses, attorney fees

and other payments therein provided, executed and delivered by the grantor payable to the Beneficiary or order, and any and all extensions or renewals thereof.

TWO: Payment of such additional amounts as may be hereafter loaned by the Beneficiary to the Grantor or any successor in interest of the Grantor, with interest thereon, expenses and attorney fees, and any other indebtedness or obligations of the Grantor to the Beneficiary.

THREE: Payment of all other sums with interest thereon becoming due or payable under the provisions hereof to either Trustee or Beneficiary.

FOUR: Payment, performance and discharge of each and every obligation, covenant, promise and agreement of Grantor herein or in said Note contained and of all renewals, extensions, revisions and amendments of the above-described Note and any other indebtedness or obligation secured hereby.

TO PROTECT THE SECURITY OF THIS DEED OF TRUST, IT IS FURTHER AGREED AS FOLLOWS:

1. The Beneficiary has the right to record notice that this Deed of Trust is security for additional amounts and obligations not specifically mentioned herein but which constitute indebtedness or obligations of the Grantor for which the Beneficiary may claim the Deed of Trust as security.

2. The grantor shall: 1) properly care for and keep the property herein described and all buildings, fences, corrals, stock watering facilities, dams, ditches, diversions, wells, pumping equipment, and all other structures, improvements and fixtures thereon in at least the condition, order and repair existing on the date of this Deed of Trust, subject to reasonable wear and tear and replacement, substitution or improvement as herein provided; 2) not remove or demolish all or any portion of any buildings, fences, corrals,

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watering troughs, other fixtures or improvements now situate thereon or hereafter placed thereon unless the same is replaced, improved or substituted therefor by a like item of at least equal value, quality and use; 3) not commit or permit any waste of the land, buildings, improvements and fixtures on said premises; 4) farm, maintain and irrigate the meadow and pasture areas of the premises for which water rights exist in at least the same husbandmanlike manner as was being applied thereto prior to the date of this Deed of Trust; 5) properly maintain, put to beneficial use and utilize all wells and water rights appurtenant to or used in connection with any portion of the premises as of the date of this Deed of Trust so as not to allow any water rights to be jeopardized, diminished or lost due to the fault of Grantor; 6) graze and manage the grazing areas of the lands subject to this Deed of Trust in the manner recognized as good range management in the grazing unit or area in which the lands subject hereto are located; 7) apply for active use and utilize or take nonuse of all rights, privileges, preferences, demands, licenses, permits and leases to graze livestock upon the public lands based upon all or any portion of the lands subject to this Deed of Trust and to do all other things reasonably necessary to prevent the loss of, or permanent reduction in such grazing rights, privileges, preferences, demands, licenses, permits and leases through the acts or omissions of Grantor. The Grantor shall not do nor permit to be done, by act or omission, anything which shall impair, lessen, diminish, devalue or deplete the security hereby given.

3. The following covenants, Nos. 1, 2 - (insurable value), 3, 4 - (5 $\frac{1}{4}$ %), 5, 6 - (which covenant is deemed to include and apply to all conditions, covenants and agreements contained herein in addition to those adopted by reference, and to any and all defaults or deficiency in performance of this Deed of Trust), 7 (reasonable), and 8 and 9 of N.R.S. 107.030, are hereby adopted and made a part of this Deed of Trust.

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4. All payments secured hereby shall be paid in lawful money of the United States of America.

5. The Beneficiary and any persons authorized by the Beneficiary shall have the right to enter upon and inspect the premises at all reasonable times.

6. In case of condemnation of the property subject hereto, or any part thereof, by paramount authority, all of any condemnation award to which the Grantor shall be entitled less costs and expenses of litigation is hereby assigned by the Grantor to the Beneficiary, who is hereby authorized to receive and receipt for the same and apply such proceeds as received toward the payment of the indebtedness hereby secured, whether due or not.

7. Grantor hereby grants and assigns to the Beneficiary and gives and confers upon Beneficiary the right, power and authority, during the continuance of these trusts to collect all rents, issues and profits of the property, specifically including but not limited to rents from agricultural, gas, oil, mineral and geothermal rights, under the following terms and conditions and with disposition thereof as follows, to-wit:

A. The Beneficiary may collect and retain such rents, issues and profits in a sum equal to:

- (1) The amount of all indebtedness due and payable from the Grantor to the Beneficiary, and
- (2) Together with a sum equal to the next annual payment of principal and/or interest to become due and payable on the 14th of November following the collection of such rents, issues and profits; and

B. Provided there is no default by the Grantor in payment of the indebtedness secured hereby, the balance of such rents, issues and profits collected by the Beneficiary shall be disbursed to the Grantor.

Upon any such default, Beneficiary may at any time with or without notice, either in person, by agent, or by a receiver to be appointed by a court, and without regard to the adequacy of any security for the indebtedness hereby secured, enter upon

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and take possession of said property or any part thereof, in the Beneficiary's own name sue for or otherwise collect such rents, issues and profits, (including those past due and unpaid), and apply the same less costs and expenses of operation and collection, including reasonable attorney's fees, upon any indebtedness secured hereby, and in such order as Beneficiary may determine. The entering upon and taking possession of said property, the collection of such rents, issues and profits and the application thereof as aforesaid, shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice.

8. If default be made in the payment of the obligations, note or debt secured hereby or in the performance of any of the terms, conditions or covenants of this Deed of Trust, or the payment of any sum payable hereunder, or upon the occurrence of any act or event of default hereunder, and such default is not cured within 35 days after written notice of default and of election to sell said property given in the manner provided by N.R.S. 107.080 as in effect on the date of this Deed of Trust, Beneficiary may declare all notes, debts and sums secured hereby or payable hereunder immediately due and payable although the date of maturity has not arrived.

9. The property hereinbefore described constituting the security under this Deed of Trust is also encumbered by a First Deed of Trust dated the 2nd day of December, 1962 in the original principal sum of \$450,000.00, wherein GORDON MACMILLAN and DOROTHE MACMILLAN were the Makers and the CONNECTICUT MUTUAL LIFE INSURANCE COMPANY is the Beneficiary, which Deed of Trust and the obligation secured thereby has been assumed by the Grantor herein. Should Grantor default in any of the payments as required to be made by the obligation assumed, or fail to perform any of the terms of the First Deed of Trust, such default or defaults shall consti-

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tute and likewise be a default of this Deed of Trust, and the Beneficiary may, exercise any and all rights of powers of sale and foreclosures by legal action or otherwise, pursuant to the terms of this Deed of Trust.

10. The Promissory Note secured by this Deed of Trust is made a part hereof as if fully herein set out.

11. The commencement of any proceeding under the bankruptcy or insolvency laws by or against any of the Grantors, or against any of the Makers of the Note secured hereby; or the appointment of a receiver for any of the assets of any Grantor hereof or any Maker of the Note secured hereby; or the making by any of the Grantors or any Maker of the Note secured hereby of a general assignment for the benefit of creditors, shall constitute a default under this Deed of Trust.

12. Default under any other Deed of Trust, mortgage, contract, or other instrument, which is, or which creates, a lien, encumbrance, charge or interest of any nature on or in any of the property subject hereto having priority over any lien, right or interest created or existing under this Deed of Trust, or failure to pay or discharge when due any obligation which is secured by, or which constitutes a lien, encumbrance, charge or interest of any nature on or in any property subject hereto having priority over any lien, right or interest created or existing under this Deed of Trust, whether such obligation or the lien thereof is created by writing or otherwise, shall constitute a default under this Deed of Trust.

13. To the extent permitted by the laws of the State of Nevada, Grantor agrees to pay any deficiency arising from any cause after application of the proceeds of any sale held in accordance with the provisions hereof and agrees to pay all costs and reasonable attorney's fees incurred in any action brought to collect said deficiency.

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14. Any notices to be given Grantor shall be given by registered or certified mail to Grantor at the address set forth near the signatures on this Deed of Trust or at such substitute address as Grantor may designate in writing duly delivered to Beneficiary to Trustee, and such address set forth in this Deed of Trust, or such substitute address as is designated in writing duly served as aforesaid, shall be deemed conclusively to be the correct address of Grantor for all purposes in connection with said Deed of Trust, including, but not limited to, giving of notices permitted or required by statute to be mailed to Grantor.

15. The rights and remedies herein granted shall not exclude any other rights or remedies granted by law, and all rights or remedies granted hereunder, or permitted by law, shall be concurrent and cumulative.

16. All the provisions of this instrument shall inure to the benefit of and bind the heirs, legal representatives, successors and assigns of each party hereto respectively as the context permits. All obligations of each Grantor hereunder shall be joint and several. The word "Grantor" and any reference thereto shall include the masculine, feminine and neuter genders and the singular and plural, as indicated by the context and number of parties hereto.

17. It is expressly agreed that the trusts created hereby are irrevocable by the Grantor.

18. The Grantor hereby covenants and agrees that neither the acceptance nor existence, now or hereafter, of other security for the indebtedness secured hereby, or the full or partial release or discharge thereof, shall operate as a waiver of the security of this Deed of Trust, nor shall this Deed of Trust nor its satisfaction nor reconveyance made hereunder operate as a waiver of any such other security now held or hereafter acquired.

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IN WITNESS WHEREOF, the Grantor has executed these presents the day and year first above written.

DAY CATTLE CO.
a Nevada corporation

BY

President

ATTEST:

DAY CATTLE CO.
INCORPORATED
June 24, 1968
NEVADA

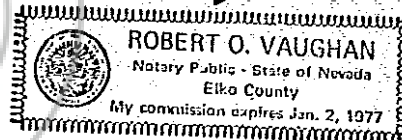
Secretary

GRANTOR'S ADDRESS:
Beowawe, Nevada 89821

STATE OF NEVADA)
COUNTY OF ELKO) SS.

On this 14TH day of November, 1974, personally appeared, before me, a Notary Public, ROBERT A. DAY, JR., President and HOWARD M. DAY, Secretary of DAY CATTLE CO., a Nevada corporation, who acknowledged that they executed the above instrument in the name of and on behalf of said corporation.

Notary Public



RECORDED AT THE REQUEST OF Vaughan, Hull, Marfisi, Goicoechea & Miller
Nov. 18 1974 at 01 min. per 8 A. M.
Book 50 of OFFICIAL RECORDS, page 269-284 RECORDS OF
ELKO COUNTY, NEVADA, Hull & Marfisi
File No. 59482 Fee \$ 18.00
FILE NO. 59482

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VAUGHAN, HULL, MARFISI, GOICOECHEA & MILLER
ATTORNEYS AND COUNSELORS
530 IDAHO STREET
ELKO, NEVADA 89801

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