

DEED OF TRUST

THIS DEED OF TRUST, made this 14th day of October, 1976,  
by and between DALTON WILSON and PENELOPE A. WILSON, his wife, of  
P.O. Box 4, Eureka, Nevada, as Trustors, and ROSS P. EARDLEY,  
Elko, Nevada, as Trustee, and WILLARD O. GARDNER, of Wells,  
Nevada, as Beneficiary;

W I T N E S S E T H:

That the said Trustors hereby grant, bargain, sell, convey,  
and confirm unto the said Trustee, and to his successors and  
assigns, with power to sell, the following described real and  
personal property situate in the County of Eureka, State of Nevada,  
more particularly described as follows:

Township 21 North, Range 54 East, M.D.B.&M.

Section 20: All, being 640 acres, more or less.

TOGETHER with any and all improvements thereon.

TOGETHER with all water and water rights on or  
appurtenant to said land, including the right to  
four certain water certificates more specifically  
described in Exhibit A attached hereto. Together  
with whatever irrigation equipment now or hereafter  
owned by the Trustors on said above described property.

SUBJECT to all easements and reservations of record.

TOGETHER with the tenements, hereditaments, and appur-  
tenances 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 Trustee, and to his  
successors and assigns, upon the trusts, covenants and agreements  
herein expressed and as security for the payment of a certain Promissory  
Note dated October 14, 1976, for the principal sum of \$40,000.00,

bearing interest from October 14, 1976, at the rate of 7½ percent per annum, said principal sum and interest being payable on or before October 15, 1977, as more specifically set forth in said Note; said Note being executed by the Trustors herein to the said Beneficiary, and payable to the Beneficiary at Wells, Nevada, or wherever else said Beneficiary, in writing, may designate. Said Note is hereby referred to and incorporated herein as though set forth in full herein. This Deed of Trust is also given as security for the payment of any and all monies which the Beneficiary and Trustee, or either of them, may or shall hereafter loan or advance to the Trustors, or either of them, or advance for their account, even though the said loan or advance may be secured by other mortgage or Deed of Trust, and as security for the payment of all other monies that may become due from the Trustors, or either of them, to the said Trustee, or the Beneficiary, or either of them, from any cause whatsoever, including the payment of all other monies hereby agreed or provided to be paid by the Trustors, or which may be paid out, or advanced, by the Trustee, or by the Beneficiary, under the provisions of this Deed of Trust.

The Trustors hereby covenant and agree:

1. The trustors promise and agree to properly care for and keep the property herein described, including all fences, buildings, and other improvements thereon, in at least as good a condition of repair and maintenance as the same now are, subject to normal wear and tear, and to care for, protect and maintain any and all buildings situate thereon, and to otherwise protect and maintain said premises and not commit nor permit any waste or deterioration thereof. The Trustors may make such alterations or improvements as they may desire

on said premises, so long as they do not lessen the value of said property, and the Trustors shall pay, when due, all claims for labor performed or material furnished thereon. The Trustors agree to maintain the existing water rights in connection with said property and shall put the same to beneficial use, so as to keep said water rights from being lost or otherwise forfeited.

2. That the Beneficiary, or his duly authorized agents, shall at all reasonable times have the right to enter upon said premises and inspect the same.

3. Except as set forth hereafter, the Trustors covenant, warrant and represent that the title conveyed is a fee simple absolute title, free and clear of all encumbrances; that they will forever warrant and defend the title to the premises above mentioned to the Trustee and Beneficiary, and their successors and assigns, against all lawful claims and demands of all persons whomsoever.

4. This Deed of Trust is second and subordinate to a prior Deed of Trust, dated November 28, 1975, executed by DALTON WILSON and PENELOPE A. WILSON, as Trustors, to FIRST AMERICAN TITLE COMPANY OF NEVADA, as Trustee, and E. C. JOHNSTON and ETHEL B. JOHNSTON, as Beneficiaries, which Deed of Trust is recorded in Book 54 of Official Records, at Page 488, Eureka County Recorder's Office, Eureka, Nevada, and which Deed of Trust was given to secure the payment of a Promissory Note in the principal sum of \$98,000.00. If the Trustors herein default in any of the payments required by the said JOHNSTON Deed of Trust, or otherwise default in the performance of any of the covenants or conditions required of them in connection with said Deed of Trust, the Beneficiary and/or Trustee



herein, without demand or notice, may correct said default and make any payments or incur any expenses which may be required in connection with said Deed of Trust; and the Beneficiary and/or Trustee herein shall be the sole judges as to the necessity of correcting said default and as to the amount of payment or other expenses necessary to correct the same. Thereafter, the Trustors herein, upon demand of the Beneficiary and/or Trustee herein, shall reimburse the the Beneficiary and/or Trustee herein for all such expenses incurred or all sums of money paid or advanced in connection with satisfying said default, together with interest thereon from the date of payment by the Beneficiary and/or Trustee herein until repaid, at the rate of 7½ percent per annum, and all such sums of money, with interest as aforesaid, shall, until reimbursed, be added to and become part of the obligation secured by this Deed of Trust. Upon the failure of the Trustors to make said reimbursement, upon demand as set forth above, the Beneficiary and/or Trustee herein may declare a default in this Deed of Trust and may proceed to exercise any remedies available to them, as provided in case of defaults of Deeds of Trust.

5. The following covenants No. 1, 2(\$ \_\_\_\_\_), 3, 4(7½%), 5, 6, 7(Reasonable), 8 and 9 of Section 107.030 NRS are hereby adopted and made a part of this Deed of Trust.

6. The reconveyance of this Deed of Trust shall be at the cost and expense of the Trustors, or such other persons entitled to reconveyance.

7. The acceptance by said Beneficiary of any payment of the indebtedness hereby secured shall not operate as a waiver by the Beneficiary of any default by the Trustors made previously to



to such payment in any of the covenants or agreements to be made, kept, and performed by the Trustors herein provided.

8. The Trustors hereby covenant and agree that neither the acceptance nor existence, now or hereafter, of any other security for the indebtedness secured hereby, nor the release thereof, shall operate as a waiver of the security of this Deed of Trust, nor shall this Deed of Trust, nor its satisfaction, nor a reconveyance made hereunder, operate as a waiver of such other security now held or hereafter acquired.

9. All the provisions of this instrument shall apply to and bind the legal representatives, successors, and assigns of the respective parties hereto, and it is distinctly understood and agreed that the words Trustors, Grantors, Trustee, or Beneficiary, as used in this instrument, and any pronoun referring thereto, is intended to and does, include the masculine, feminine and neuter genders, and the singular and plural numbers; that the covenants and agreements of the Trustors or Grantors herein shall be construed to be the joint and several covenants and agreements of all persons who sign this instrument; that if any provision of this Deed of Trust be judicially declared invalid, such decision shall not affect the validity of the remaining provisions, and if any sale made hereunder shall be judicially declared invalid, or deemed by the Beneficiary to be invalid, such sale shall not exhaust the power of sale, and the Trustee, at the request of the Beneficiary, may proceed anew with the sale of this property, in order to enforce fully the provisions of this Deed of Trust.


10. Said Trustors agree that the said Trustee, or his successors in interest, shall not incur any liability on account of



any act done or omitted to be done, in good faith, under the provisions of this Deed of Trust, and that said Trustee shall be fully protected in acting upon any statement, report, order, notice, request, consent, or other paper or document believed to be genuine and signed by the proper parties.

11. Anything in this Deed of Trust, or in the Promissory Note secured hereby, to the contrary notwithstanding, it is hereby agreed that at any time after July 1, 1977, the Beneficiary of this Deed of Trust shall have the right to inspect the above described property and inquire into the circumstances of the Trustors and their likelihood of being able to pay and satisfy the obligation secured by this Deed of Trust, on the due date of October 15, 1977; and if, in the opinion of the Beneficiary, the Trustors will not be able to pay and satisfy this Deed of Trust on the due date, then the Beneficiary, at his option, may give written notice thereof to the Trustors, at P.O. Box 4, Eureka, Nevada, demanding that the obligation secured by this Deed of Trust be paid in full on or before 30 days from the date of said notice. If said obligation is not so paid within said time, the Beneficiary may declare a default herein and proceed to foreclose this Deed of Trust and sell the property as provided by Statute in case of default.

IN WITNESS WHEREOF, the said Trustors have executed these presents the day and year first above written.

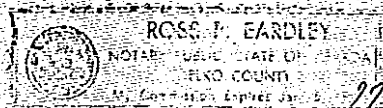
  
DALTON WILSON

  
PENELOPE A. WILSON



STATE OF NEVADA)  
: SS.  
COUNTY OF ELKO )

On this 14<sup>th</sup> day of October, 1976, personally appeared  
before me DALTON WILSON and PENELOPE A. WILSON, who acknowledged  
that they executed the above instrument.



*Ross P. Eardley*  
NOTARY PUBLIC



E X H I B I T "A"

The following described water right Certificates are  
appurtenant to Section 20, Township 21 North, Range 54 East, M.D.B. & M.:

1. Permit No: 18848, Certificate No: 5962  
Name: E. C. Johnston  
Well located in SW $\frac{1}{4}$ SW $\frac{1}{4}$  of the above Section 20.  
Water appurtenant to W $\frac{1}{2}$  of the above Section 20,  
(316.175 acres)  
Duty of Well: 3.301 cfs, not to exceed 1264.7 acre  
feet annually
2. Permit No: 18849, Certificate No: 5963  
Name: Ethel B. Johnston  
Well located in SE $\frac{1}{4}$ SE $\frac{1}{4}$  of above Section 20.  
Water appurtenant to E $\frac{1}{2}$  of Section 20, as above  
set forth (310.936 acres)  
Duty of Well: 2.719 cfs, not to exceed 1243.74  
acre feet annually
3. Permit No: 19016, Certificate No: 5964  
Name: Ethel B. Johnston  
Well located in NW $\frac{1}{4}$ NE $\frac{1}{4}$  of the above Section 20.  
Water appurtenant to E $\frac{1}{2}$  of Section 20 as above  
set forth (310.936 acres)  
Duty of Well: 3.974 cfs, not to exceed 1243.74  
acre feet annually
4. Permit No: 19017, Certificate No: 5965  
Name: E. C. Johnston  
Well located in NE $\frac{1}{4}$ NW $\frac{1}{4}$  of above Section 20.  
Water appurtenant to W $\frac{1}{2}$  of above Section 20,  
(316.175 acres)  
Duty of Well: 4.04 cfs, not to exceed 1264.7  
acre feet annually

RECORDED AT THE REQUEST OF Ross P. Eardley  
on October 19 1976 at 55 mins. past 10 A.M. In  
Book 57 of OFFICIAL RECORDS, page 98-105, RECORDS OF  
EUREKA COUNTY, NEVADA. WILLIS A. DePAOLI, Recorder  
File No. 62334 Fee \$ 10.00

BOOK 57 PAGE 105