

DEED OF TRUST

THIS DEED OF TRUST, made this 11th day of April, 1979, by and between DIAMOND STAR RANCH, a California corporation, and DuWAYNE H. NELSON, individually, as Grantors, and FRONTIER TITLE COMPANY, as Trustee, and REX C. CLARIDGE and SUSAN Y. CLARIDGE, as joint tenants with right of survivorship and not as tenants in common, as Beneficiaries;

W I T N E S S E T H:

That Grantors hereby grant, transfer and assign 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:

See Exhibit A attached hereto and incorporated herein by reference.

TOGETHER WITH all improvements situate thereon.

TOGETHER WITH the tenements, hereditaments and appurtenances thereunto belonging or in anywise 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 payments of the following debts:

ONE: Payment of an indebtedness evidenced by a certain Promissory Note dated April 11, 1979, in the principal amount of Twelve Thousand One and 93/100 Dollars (\$ 12,001.93 ), with interest thereon, expenses, attorney fees and other payments therein provided, executed and delivered by the Grantors payable to the Beneficiaries or order, and any and all extensions or renewals thereof, which Note is made a part hereof.

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

THREE: Payment, performance, and discharge of each and every obligation, covenant, promise and agreement of Grantors 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 agreed as follows:

1. The following covenants, Nos. 1, 2 (\$ None ), 3, 4 (.8½ %), 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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GOICOECHEA AND DIGRAZIA  
ATTORNEYS AT LAW  
BLOHM BUILDING, SUITE 200  
FIFTH & IDAHO STREETS - P. O. BOX 1358  
ELKO, NEVADA 89801  
(702) 738-6091

ACC-58

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

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

4. In case of condemnation of the property subject hereto, or any part thereof, by paramount authority, all of any condemnation award to which the Grantors shall be entitled less costs and expenses of litigation is hereby assigned by the Grantors to the Beneficiaries, who are 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.

5. Any notices to be given Grantors shall be given by registered or certified mail to Grantors at the address set forth near the signatures in this Deed of Trust, or at such substitute address as Grantors may designate in writing duly delivered to Beneficiaries 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 Grantors, for all purposes in connection with said Deed of Trust, including, but not limited to, giving of notices permitting or requiring by statute to be mailed to Grantors.

6. 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.

7. It is expressly agreed that the trusts created hereby are irrevocable by the Grantors.

8. The Grantors shall properly care for, protect and keep the property and all landscaping, buildings and improvements thereon in at least the same state and condition of repair and order as it is on the date of the execution of this Deed of Trust, and not remove, damage or demolish any buildings or other improvements on the property unless the Beneficiaries give prior consent thereto or the building or improvement is immediately replaced with one of equal or more value.

9. The Beneficiaries may without notice to or consent of Grantors extend the time of the payment of any indebtedness secured hereby to any successor in interest of the Grantors from liability thereon. If the Grantors shall sell, convey or alienate said property or any part thereof, or any interest therein, or shall be divested of his title in any manner or way, whether voluntary or involuntary, any indebtedness or obligation secured hereby, irrespective of the maturity dates expressed in any note evidencing the same, at the option of the holder hereof, and without demand or notice, shall immediately become due and payable. At any time, or from time to time, without liability therefor and without notice, upon written request of the Beneficiary and without affecting the personal liability of any person for the payment of the indebtedness secured hereby, or the effect of this Deed of Trust upon the

remainder of the said property, Trustee may: Reconvey any part of said property; consent to the making of any map or plat thereof; join in granting any easement thereon, or join in any extension agreement, or any agreement subordinating the lien or charge hereof. Acceptance by Beneficiaries of any sum in payment of any indebtedness secured hereby, after the date when the same is due, or after the filing of breach and election to sell, shall not constitute a waiver of the right either to require prompt payment when due of all other sums so secured, or to declare default as herein provided for failure so to pay, or to proceed with the sale under any such notice of breach and election to sell, for any unpaid balance of said indebtedness. If the Beneficiaries hold any additional security for any obligation secured hereby, it may enforce the sale thereof, at its option, either before or after a sale is made hereunder.

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

DIAMOND STAR RANCH,  
A California Corporation

By: DuWayne H. Nelson  
Pres.

ADDRESS: 6976 River Crest Drive  
Anderson, California 96007

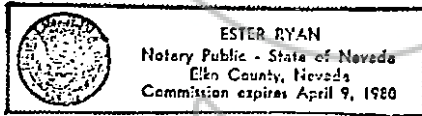
ATTEST:

DuWayne H. Nelson  
Secretary

DuWayne H. Nelson  
DuWAYNE H. NELSON

STATE OF Nevada )  
COUNTY OF Elko ) ss.

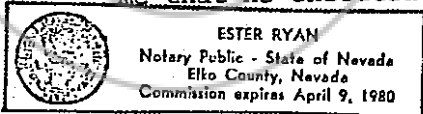
On this 11th day of April in 1979, personally appeared before me, a Notary Public, DuWayne H. Nelson, known to me to be the President of DIAMOND STAR RANCH, a California Corporation, that executed the within instrument and known to me to be the person who affixed his name thereto, as such President, and who acknowledged to me that he executed the same freely and voluntarily and for the uses and purposes therein mentioned.



Ester Ryan  
Notary Public

STATE OF Nevada )  
COUNTY OF Elko ) ss.

On this 11th day of April, 1979, personally appeared before me, a Notary Public, DuWAYNE H. NELSON, who acknowledged to me that he executed the foregoing instrument.



GOICOECHEA AND DIGRAZIA  
ATTORNEYS AT LAW  
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ELKO, NEVADA 89801  
(702) 738-8091

Ester Ryan  
Notary Public  
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EXHIBIT "A"

TOWNSHIP 23 NORTH, RANGE 52 EAST, M.D.B. & M.

Section 11: ~~NE1/4; SW1/4~~

Section 12: ~~S1/2SW1/4~~

Section 13: ~~E1/4; SW1/4~~

Section 24: ~~E1/4; E1/2W1/4~~

Section 25: ~~NE1/4; E1/2W1/4~~

Section 36: ~~N1/2NE1/4; W1/2NW1/4; NE1/4NW1/4~~

An undivided 1/2 interest in and to the ~~SW1/4~~ and ~~SE1/4~~

TOWNSHIP 23 NORTH, RANGE 53 EAST, M.D.B. & M.

Section 19: Lot 1, 2, 3 and 4

Section 30: Lot 1 and 2

EXCEPTING THEREFROM an undivided one-half interest in and to all oil and gas, or oil or gas, situate, lying or being under the surface of said land as reserved in deed from THOMAS O. BATH, as executor of the Estate of ANGELO C. FLORIO, deceased, recorded June 23, 1954 in Book 24, Page 356, Deed Records, Eureka County, Nevada.

FURTHER EXCEPTING THEREFROM an undivided one-half interest in and to all oil, gas and mineral rights on or beneath said land, conveyed to L. KENNETH COUNTRYMAN, et al, by deed recorded December 16, 1977 in Book 62, Page 225, Official Records, Eureka County, Nevada.

68039

RECORDED AT THE REQUEST OF Frontier Title Company  
on April 13, 1979, at 16 mins. past 10 A.M. in  
Book 69 of OFFICIAL RECORDS, page 500-503, RECORDS OF  
EUREKA COUNTY, NEVADA. WILLIS A. DePAOLI Recorder  
File No. 68039 Fee \$ 6.00

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