

DEED OF TRUST

THIS DEED OF TRUST, made and entered into this 24th day of April, 1979, by and between LUND and STITZEL, a co-partnership, of the County of Elko, State of Nevada, Trustor; and FRONTIER TITLE COMPANY, Elko, Nevada, Trustee; and MELVIN R. JONES and RACHAEL S. JONES, his wife, of the City of Carlin, County of Elko, State of Nevada, Beneficiaries;

W I T N E S S E T H:

THAT WHEREAS, the Trustor is indebted to the Beneficiaries in the sum of SEVENTY ONE THOUSAND and No/100 (\$71,000.00) DOLLARS, lawful, current money of the United States of America, and has agreed to pay the same according to the terms and tenor of a certain Promissory Note of even date herewith and made, executed and delivered by the Trustor to the Beneficiaries, which Note is in the principal sum of \$71,000.00 lawful money of the United States of America, with interest to accrue thereon at the rate of 7% per annum.

NOW, THEREFORE, the said Trustor, for the purpose of securing the payment of said Promissory Note, and also the payment of all monies herein agreed or provided to be paid by the Trustor, or which may be paid out, or advanced by the said Beneficiaries or Trustee under the provisions of this instrument, and further, in consideration of the sum of ONE DOLLAR (\$1.00), lawful money of the United States of America, in hand paid by the said Trustee, the receipt whereof is hereby acknowledged, has granted, bargained and sold, and by these presents does hereby grant, bargain and sell unto the Trustee, its successors and assigns, all that certain real property situate in the Counties of Elko and Eureka, State of Nevada, more particularly described as follows:

See Exhibit A attached hereto and incorporated herein by reference.

TO HAVE AND TO HOLD said premises, together with appurtenances unto the said Trustee, and to its successors and assigns, for the uses and purposes therein mentioned.

Being in trust, nevertheless, for the benefit and security of the Beneficiaries herein named, and the holder or holders of said Promissory Note secured hereby, as well as security for the repayment of all sums of money which may hereafter become due and payable from the said Trustor to said Beneficiaries, as well as security for the renewal or renewals of said Note, or the debt evidenced thereby.

The following covenants: One; Two (\$ -0-); Three; Four (7%); Five; Six; Seven (reasonable); Eight and Nine of Nevada Revised Statutes 107.030 are hereby adopted and made a part of this Deed of Trust.

The Trustor promises to properly care for and keep the property herein described in the same condition as the same now exists, subject to normal wear and tear, to care for, protect and repair all buildings and improvements situate, or to be constructed thereon, not to remove or demolish any buildings or other improvements situate thereon, and to otherwise protect and preserve the said premises and improvements thereon, and not to commit, or permit any waste or deterioration of said buildings and improvements, or of said premises, and to pay, when due, all claims for labor performed and materials furnished therefor.

This Deed of Trust shall also be security for such additional amounts as may be hereafter loaned by Beneficiaries or their heirs, executors, administrators and assigns, to the Trustors, or any successors in interest of the Trustors, and any

other indebtedness of the Trustors, and any present or future demands of any kind or nature which the Beneficiaries or their heirs, executors, administrators and assigns may have against the Trustors, whether absolute or contingent; whether otherwise secured or not, or whether existing at the time of the execution of this instrument, or arising thereafter; also as security for the payment and performance of every obligation, covenant, promise or agreement herein, or in said Note contained.

It is further covenanted and agreed that any breach in the performance of any of the covenants contained herein or adopted by reference, other than the payment of the Promissory Note for which this Deed of Trust is security, and which breach shall continue for a period of thirty days after notice without being corrected or remedied, shall authorize the Beneficiaries at their option, to declare the entire amount of the unpaid balance and accrued interest immediately due and payable.

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

Said Trustors, in consideration of the premises, do hereby covenant and agree that neither the acceptance nor the existence now or hereafter of 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, or a reconveyance made thereunder operate as a waiver of any such other security now held or hereafter acquired.

All covenants and agreements contained herein, or by reference made a part hereof, shall be binding upon the heirs, executors, administrators and assigns of the Trustors; and this indenture shall not be modified in any respect by the amendment or repeal of any law which has been by reference made a part hereof.

It is expressly agreed that the trusts created hereby are irrevocable by the said Trustor.

IN WITNESS WHEREOF, the Trustor has hereunto set its hand as of the day and year first hereinabove written.

LUND and STITZEL, a co-partnership

By *Harold Lund*

STATE OF NEVADA)
) SS.
COUNTY OF ELKO)

On this 24th day of April, 1979, personally appeared before me, a Notary Public, HAROLD LUND, who acknowledged that he executed the foregoing instrument.

Carol M. Hill
NOTARY PUBLIC

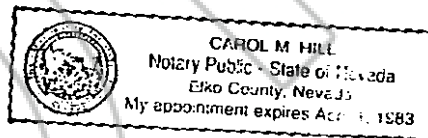


EXHIBIT A

TOWNSHIP 32 NORTH, RANGE 52 EAST, M.D.B. & M.

Section 8: SE1/4SW1/4

EXCEPTING THEREFROM a strip of land 100 feet in width conveyed by GEORGE McINTOSH to WESTERN PACIFIC RAILWAY COMPANY by Deed recorded June 25, 1906 in Book 29 of Deeds at page 100, Elko County, Nevada records.

Section 17: That portion lying westerly of the westerly boundary line of the WESTERN PACIFIC RAILWAY COMPANY's right of way.

Section 20: That portion of the W1/2NW1/4 and the NW1/4SW1/4 lying westerly of the westerly boundary line of WESTERN PACIFIC RAILWAY COMPANY's right of way.

EXCEPTING THEREFROM a strip of land 400 feet in width over the W1/2NW1/4 of said section conveyed by THOMAS GRIFFIN et ux, to CENTRAL PACIFIC RAILWAY COMPANY by deed recorded in Book 27 of Deeds at page 365, Elko County, Nevada, records.

FURTHER EXCEPTING THEREFROM an undivided one-half interest in and to all coal, oil, gas and other minerals of every kind and nature whatsoever existing upon, beneath the surface of, or within said land, reserved by Allen T. Griffin, et al, in deed recorded April 29, 1969 in Book 109, Page 68, Official records, Elko County, Nevada, and in Book 28, Page 537, Official Records, Eureka County, Nevada.

TOGETHER WITH all buildings and improvements situate thereon.

TOGETHER WITH all water, water rights, right to the use of water, dams, ditches, canals, pipelines, reservoirs, wells, and all other means for the diversion or use of water appurtenant to the said property, or any part thereof.

TOGETHER WITH one-half of all mineral rights, oil or gas owned by the Grantors herein lying on, in or over the above described real property.

TOGETHER WITH all existing easements and rights of way benefiting the above-described real property, including, but not limited to, all easements and rights of way for ingress and egress to said property.

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

RECORDED AT THE REQUEST OF Evans & Bilyeu
on May 31, 1979, of 48 mins. past 10 A.M. in
Book 70 of OFFICIAL RECORDS, page 342-346 RECORDS OF
EUREKA COUNTY, NEVADA. WILLIS A. DePAOLI Recorder
File No. 68345 Fee \$ 7.00

LAW OFFICES
EVANS & BILYEU
PROFESSIONAL CENTER
ELKO, NEVADA 89801

FF 7.00
122027
FOR RECORD
AT REQUEST OF
Evans & Bilyeu
79 APR 26 P 3: 24
RECORDED IN PG 240 567
JERRY D. REYNOLDS
ELKO CO. RECORDER

INDEXED
122027

68345

BOOK 70 PAGE 346
BOOK 290 PAGE 571