

AGREEMENT TO SUBORDINATE LIEN

THIS AGREEMENT made this this 20th day of April, 1981 by and between PRODUCERS LIVESTOCK LOAN COMPANY, a Utah Corporation, of 501 Deseret Building, Salt Lake City, Utah 84111, hereinafter "PRODUCERS" and MT. WHEELER POWER, INC. of P.O. Box 1110, Ely, Nevada 89315, hereinafter "MT. WHEELER" and GLEN O. WHITAKER, LILLY Q. WHITAKER, MELVIN J. WHITAKER and LORRAINE WHITAKER, dba BLUE DIAMOND FARM (a joint venture) of P.O. Box 68, Eureka, Nevada 89316, hereinafter "OWNERS" and the parties stipulate and recite as follows:

A. That MT. WHEELER is an electric public utility doing business in the State of Nevada and is providing electric services, power and energy to that certain property described in the attached Exhibit "A", owned by OWNERS and located in Diamond Valley, Eureka County, Nevada.

B. That PRODUCERS presently has a lien on crops growing and to be grown on the property described in Exhibit "A" pursuant to the terms and conditions of Chapter IX of the Uniform Commercial Code, Chapter 109, Nevada Revised Statutes.

C. That OWNERS desire that MT. WHEELER provide electric power, energy and services to their irrigational facilities in Diamond Valley, Eureka County, Nevada and PRODUCERS acknowledges that the providing of such electric service, power and energy is in its best interests.

D. That MT. WHEELER is willing to provide such electric power, energy and services pursuant to an Agreement dated April 20, 1981, a copy of which is attached hereto and incorporated herein by reference as Exhibit "B", if PRODUCERS will subordinate their present lien interest against the crops growing and to be grown on the property described in Exhibit "A".

E. For the reasons set forth above and in consideration of the mutual covenants and promises of the parties hereto, PRODUCERS, and MT. WHEELER and OWNERS agree as follows:

1. The lien of PRODUCERS against the crops growing and to be grown on the property described in Exhibit "A" of the OWNERS and all liens and liens they may, in the future, be obtained against the above-described crops shall be subordinate to the lien and claim of MT. WHEELER under the Security Agreement to be made between OWNERS and MT. WHEELER coincidentally herewith, and to the extent of \$150,000.00. Copies of the Financing Statements shall be filed in the office of the Eureka County Recorder and the Secretary of State of the State of Nevada.

2. PRODUCERS agrees to execute any additional documents that MT. WHEELER may require in order to give effect to this subordination agreement.

3. PRODUCERS hereby acknowledges receipt of a copy of this agreement, the Agreement between OWNERS and MT. WHEELER as to terms of payment, as well as the Security Agreement and Financing Statements executed by and between MT. WHEELER and OWNERS; and further PRODUCERS represent that its authorized representatives and legal counsel have read and examined these documents and approves of the contents thereof.

4. This Agreement shall be binding upon and inure to the benefit of the parties hereto, their heirs, successors and assigns.

IN WITNESS WHEREOF the parties have executed this Agreement To subordinate Lien as of the day and year first above written.

PRODUCERS LIVESTOCK LOAN COMPANY

By [Signature]
~~PRODUCERS~~ General Manager

ATTEST:

[Signature]
ASST. SECRETARY

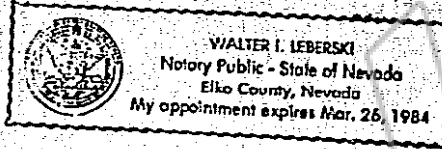
VAUGHAN, HULL & COPENHAVER, LTD.
ATTORNEYS AND COUNSELORS
830 IDAHO STREET
ELKO, NEVADA 89801

2.
BOOK 094 PAGE 223

STATE OF NEVADA)
) SS.
COUNTY OF EUREKA)

On 4-20, 1981, personally appeared before me, a Notary Public, LILLY Q. WHITAKER, who acknowledged that she executed the above instrument.

Walter I. Leberski
NOTARY PUBLIC



STATE OF UTAH)
) SS.
COUNTY OF Millard)

On April 21, 1981, personally appeared before me, a Notary Public, MELVIN J. WHITAKER, who acknowledged that he executed the above instrument.

Ethel A. Brunson
NOTARY PUBLIC
My Commission Expires 5-1-82

STATE OF UTAH)
) SS.
COUNTY OF Millard)

On April 21, 1981, personally appeared before me, a Notary Public, LORRAINE WHITAKER, who acknowledged that she executed the above instrument.

Ethel A. Brunson
NOTARY PUBLIC
My Commission Expires 5-1-82

EXHIBIT "A"

DESCRIPTION

Situate in the State of Nevada, County of Eureka, and described as follows:

PARCEL I

TOWNSHIP 21 NORTH, RANGE 53 EAST, M.D.B. & M.

Section 20: W 1/2
Section 29: N 1/2

PARCEL II

TOWNSHIP 21 NORTH, RANGE 53 EAST, M.D.B. & M.

Section 20: E 1/2

EXCEPTING THEREFROM, all potassium, oil and gas as reserved in Patent dated March 13, 1963 executed by UNITED STATES OF AMERICA to JAMES J. KAHLE, recorded May 3, 1963 in Book 26 of Deeds at Page 426, Eureka County, Nevada records.

PARCEL III

TOWNSHIP 21 NORTH, RANGE 53 EAST, M.D.B. & M.

Section 22: E 1/2
Section 27: E 1/2

EXCEPTING THEREFROM, all oil, gas, potash and sodium as reserved in Patents executed by UNITED STATES OF AMERICA to THOMAS H. GALLAGHER AND JOHN B. BONDS, recorded April 9, 1964 in Book 3 of Official Records at Page 555 and December 30, 1964 in Book 6 of Official Records at Page 348, Eureka County, Nevada.

PARCEL IV

TOWNSHIP 21 NORTH, RANGE 53 EAST, M.D.B. & M.

Section 28: All

EXCEPTING THEREFROM all oil and gas as reserved in Patents executed by UNITED STATES OF AMERICA to DOROTHY S. GALLAGHER and MILLIE S. SEWELL recorded December 30, 1964 in Book 6 of Official Records at Pages 349 and 350, Eureka County, Nevada records.

As to the foregoing parcels, subject to all rights of way, reservations and easements of record.

91 APR 22 P 1: 54

CLERK OF RECORDS
EUREKA COUNTY, NEVADA
WILLIE A. DUNN, RECORDER
80237
7.00

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