

DEED OF TRUST

THIS DEED OF TRUST, made and entered into as of the 1st day of January, 1982, by and between DAVID C. BETSCHART and LEORA A. BETSCHART, his wife, of the County of Eureka, State of Nevada, First Parties, hereinafter called the Grantors; FRONTIER TITLE COMPANY OF NEVADA, a corporation, Second Party, hereinafter called the Trustee; and JOSEPH L. RAND and ELLEN M. RAND, his wife, of the same place, Third Parties, as community property, being hereinafter called the Beneficiaries; it being understood that the words used herein in any gender include all other genders, the singular number includes the plural, and the plural the singular,

W I T N E S S E T H:

THAT WHEREAS, the said Grantors are indebted to the said Beneficiaries, JOSEPH L. RAND and ELLEN M. RAND, his wife, in the sum of ONE HUNDRED TWENTY THOUSAND DOLLARS (\$120,000.00), lawful money of the United States, and have 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 said Grantors to said Beneficiaries, which note is in the words and figures as follows, to-wit:

WILSON, WILSON AND BARROWS, LTD.
ATTORNEYS AT LAW
P. O. BOX 389
ELKO, NEVADA 89801

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1.

\$120,000.00

Elko, Nevada, January 1, 1982.

FOR VALUE RECEIVED, we jointly and severally promise to pay to the order of JOSEPH L. RAND and ELLEN M. RAND, his wife, as community property, at Elko, Nevada, or wherever payment may be demanded by the holders of this note, the sum of ONE HUNDRED TWENTY THOUSAND DOLLARS (\$120,000.00), together with interest to accrue upon the declining balance at the rate of nine per cent (9%) per annum, from date hereof, in the manner following, to-wit:

\$16,100.00, on or before October 1, 1982.

\$14,384.52, on or before October 1, 1983, and a like sum on or before the 1st day of each October thereafter until the entire amount of interest and principal balance have been paid in full. Said annual payments shall be applied first to accrued interest to date and the remainder upon the principal.

The Makers may, at their option, increase the amount of said principal payments, make additional payments, or pay the entire unpaid principal, with accrued interest, in full at any time. Said additional payments, if any, shall be so identified in writing, and shall be applied first to accrued interest to date of payment and the remainder upon the principal. Said additional payments shall not be cumulative payments, but the Makers shall, in all events, make at least the required payments, as aforesaid.

The Makers and endorsers waive demand, diligence, presentment, protest and notice of protest and non-payment.

In the event of default in the payment of any sum of principal or interest, or both, due hereunder, according to the terms and tenor hereof, the holder or holders may, at their option, declare the entire amount of principal and interest due and payable.

In case of default in the payment of any part of the principal or interest due hereunder, we jointly and severally promise to pay the holders' reasonable attorney fee and costs incurred in collecting the same before and during litigation.

This Note is secured by Deed of Trust of even date herewith and Security Agreement.

DAVID C. BETSCHART
DAVID C. BETSCHART

LEORA A. BETSCHART
LEORA A. BETSCHART

NOW, THEREFORE, the said Grantors, 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 said Grantors, or which may be paid out or advanced by the said Beneficiaries or Trustee under the provisions of this instrument, with interest in each case, do hereby grant, bargain, sell, convey and confirm unto the said Trustee all of the right, title and interest, claim and demand, as well in law as in equity, which the said Grantors may now have or may hereafter acquire of, in or to the following described real property situate in the County of Eureka, State of Nevada, and being more particularly described as follows, to-wit:

Township 21 North, Range 53 East, MDB&M

Section 2: Lots 1 and 2; S $\frac{1}{2}$ NE $\frac{1}{4}$

TOGETHER WITH all improvements situate thereon, or which may be placed thereon during the life of this Deed of Trust.

TOGETHER WITH any and all water, water rights, rights to the use of water, dams, ditches, canals, pipe lines, 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 but not limited to Water Certificate Nos. 10136 and 10137.

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 above-described premises, together with the appurtenances, unto the said Trustee, and to its successors and assigns, for the uses and purposes herein mentioned.

The following covenants, Nos. 1, 2 (None), 3, 4 (5%), 5, 6, 7 (9%), 8 and 9 of NRS 107.030, are hereby adopted and made a part of this Deed of Trust.

WILSON, WILSON AND BARROWS
ATTORNEYS AT LAW
P. O. BOX 389
ELKO, NEVADA 89801

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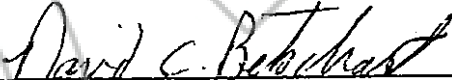

3.

This Deed of Trust also secures payment for further sums and the promissory notes evidencing the same, as may hereafter be loaned or advanced by Beneficiaries to the Grantors.

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

Said Grantors hereby covenant and agree that they will operate the ranch premises according to dictates of good husbandry, as defined by ranch practice in the area in which the ranch is located, and will apply the water rights to beneficial use, all to the end that the same will not be lost by abandonment or forfeiture; and Grantors shall maintain the premises in as good condition as they are now in, wear and tear excepted.

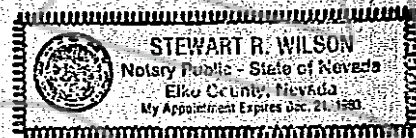
IN WITNESS WHEREOF, the said Grantors have hereunto set their hands as of the day and year first hereinabove written.


DAVID C. BETSCHART

LEORA A. BETSCHART

STATE OF NEVADA,)
) SS.
COUNTY OF ELKO)

On October 1, 1982, personally appeared before me,
a Notary Public, DAVID C. BETSCHART and LEORA A. BETSCHART, his
wife, who acknowledged that they executed the above instrument.


NOTARY PUBLIC



RECORDED AT REQUEST OF
Wilson, Wilson & Barrows, Ltd.
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82 OCT 12 A 8:39

OFFICIAL RECORDS
ELKO COUNTY, NEVADA
WILLIS A. BEPko-RECORDER
FILE NO. 85526
FEE \$ 2.00

WILSON, WILSON AND BARROWS, LTD.
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