FILED No. 3102 1 FEB 3 1984 2 JOAN SHANGLE, CLERK 3 IN THE DISTRICT COURT OF THE SEVENTH JUDICIAL DISTRICT 6 OF THE STATE OF NEVADA, IN AND FOR THE COUNTY OF EUREKA 7 8 JAMES E. ARNOLD and JOY F. ARNOLD, Plaintiffs and 10 Applicants, 11 ORDER APPOINTING RECEIVER vs. 12 KEVIN R. KELLY, CAROL D. KELLY FONARD GERSTEIN, OFFRA GERSTEIN, 13 JOAQUIN C. BALISTRERI and KATHERYN A. BALISTRERI, Defendants. 15 16 The Applicants above named filed their Application for 17 Receiver herein on the 23rd day of January, 1984; Notice of 18 Bearing of the Application was given to Defendants by certified 19 mail as of the 23rd day of January, 1984; the Application came on regularly to be heard as noticed; the Applicants appeared by and 21 through their Attorney, RICHARD G. BARROWS, ESQ., of the law firm 22 of WILSON and BARROWS, LTD.; the Defendants did not appear in person or through counsel in opposition to the Application; evidence and arguments were presented in favor of the 25 Application, and it was submitted for decision, AND GOOD CAUSE APPEARING THEREFOR, 27 28

THE COURT HEREBY FINDS AND CONCLUDES:

1. That due and legal notice of the hearing of the 30 Application was given in accordance with law;

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2. That the Applicants have caused to be filed for

record a notice of breach and election to sell real property

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protect the same during the pendency of the non-judicial foreclosure, or until further order of this Court;

- 2. That in the event the Real and Personal Property is redeemed or the defaults timely cured within the period allowed by law, the rents and profits collected by the receiver shall be returned to the Defendants, less: the costs of the receivership, the reasonable expenses necerssarily incurred by the receiver in the care and maintenance of the Real and Personal Property, the reasonable and necessary costs, fees and expenses of the non-judicial foreclosures, and the sums paid for the protection 11 of the security such as for taxes, insurance, and deeds of trust, security interests, liens, and encumbrances which are prior to Applicant's Deed of Trust and Security Agreement;
- 3. That in the event the Property is not receemed or the defaults timely cured within the period allowed by law, and the Real and Personal Property is sold (or the Personal Property 17 otherwise commercially disposed of), the funds remaining in the hands of the receiver, if any, after payment of all expenses, costs and fees decribed in the paragraph nexthereinabovce, shall be held by the receiver for the benefit of the Applicants and 21 Defentants, subject to further order of the Court and subject to 22 proceedings for a deficiency judgment, if any, instituted pursuant to NRS 40.451-40.459;
- 4. That the receiver shall be vested with all the usual powers, rights, and duties of receivers appointed by this Court, and, in particular, with the following rights, powers and 27 duties:
 - To continue to operate the Real and Personal Property as a farm according to the dictates of good farming practice in the area;
 - B. To employ such employees and agents as are

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necessary to accomplish the purposes of the receivership;

- C. To apply the rents and profits collected upon the payments necessary for the protection of the Real and Personal Property such as taxes, insurance, deeds of Trust, security interests, liens and encumbrances which are prior to those being foreclosed by Applicants;
- D. To make such sale or other commercial disposition of such portion of the Personal Property as he deems adviseable and necessary in accordance with the Security Agreement and the UCC;
- E. To make all necessary repairs as restoration to the Real Property to prevent further waste and reverse its course;
- F. To sell the hay crop from the Real Property at such time and upon such terms as the receiver deems adviseable.

DATED: February 3, 1984.

SI Merlyn It. Hogt DISTRICT JUDGE

EXHIBIT A

PARCEL 1 :

TOWNSHIP 21 NORTH, RANGE 54 EAST, MDB&M

Section 17: Eb

EXCEPTING THEREFROM all oil and ges in and under said land as reserved in Patent from the United States of America, recorded October 23, 1963, in Book 27, Page 57, Deed Records, Eureka County, Nevada.

PARCEL 2:

TOWNSHIP 21 NORTH, RANGE 54 EAST MDB&M

Section 17: Wh

EXCEPTING THEREFROM all oil and gas in and under said land as reserved in Patent from the United States of America, recorded October 23, 1963, in Book 27, Page 56, Deed Records, Eureka County, Nevada.

TOGETHER WITH all improvements situate: thereon. . .

TOGETHER.WITH all waters, water rights; rights to the use of water, dams, ditches, canals, pipelines, 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.

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.

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EXHIBIT B

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New Holland Balewagon
                                         Model 1068
Model 1116
   New Holland Windrower
New Holland Baler
Fringen Baler
Ack Heston Swather
                                         Model 5DD
                                         Model 330
                                         Model 1014
Model 1030
 · Case Tractor
   John Deere Tractor
                                         Model 302A
   Farmall Tractor
                                         Super M
   Krause li' Offset Disc
   .John Deere 24' Disc
   24' Caulóerpackér
   40' Pipe Trailer
6 Crown-Am Wheel Lines
   Valley Center Pivots (2)
   Underground PVC Irrigation Mainline (9)
   General Electric 50 HP Electric Motors (2)
   Century 50 HP Electric Motors (2)
   100 HP Electric Panels (2)
   50 HP Electric Panels (4) 12X48 Fleetwood Mobile Home:
        Washer, Dryer, Refrigerator,
        Television
   12X56 Skyline Mobile Home
        Partly Furnished, to include
        Washer, Dryer, Refrigerator
   12X20 Metal Shed
1000 Gallon Diesel Tank
  .500 Gallon Gas Tank
   Set of Farmhand Side Rakes
   . Farmhand Windrow Turner Rake
   Bydraulic Lift (Cherry Picker)
   Engine Stand
   Portable Water Pump
   3500 Watt Portable Homelite Electric Generator
   267 Boxes of Baling Wire
   Chicago 5 Speed Heavy Duty Drill Press
   Chicago 3/4 HP Bench Grinder
   225 Amp Lincoln Welder
   Hydraulic Floor Jack
   80 Compartment Metal Bolt-Nut Bins (4)
   12 Drawer Craftsman Tool Box
   Victor Equipment Cutting Torch
   Heavy Duth Shop Workbenches (5)
   Compartment Storage Bins (9)
   Blackwelder Poison Drill
   1 HP Sears Air Compressor
   1961 Ford Pickup - Field Truck
   100 HP Electric Motors (2)
   NcKee 14' Field. Cultivator (Danish Harrow)
      Spiked-Tooth Harrows
   12" 3 pt. Auger
   6' Bigmar Scara-Scraper
   Pallet Forks for Front End Loader
   24' Disc
   Spare Parts for All Equipment
   Hand Tools
   Qil and Gas Hand Pumps
   Shovels, Forks, Rakes, Picks, Axes, and Other Tools
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EXHIBIT B

Electrical, Plumbing and Carpentry Tools and
Spare Parts
Spare Parts for PVC Mainlines and Irrigation Equipment
Shop Space Heater

All farm products, livestock, equipment and supplies now or at any time hereafter located, growing or to be grown or raised on the real property described on Exhibit A attached hereto

TOGETHER WITH all property of the Debtor of the same character as that covered by this Security Agreement which the Debtor may hereafter acquire at any time until the termination of this Security Agreement.

TOGETHER WITH all substitutions, products and replacements of the foregoing, and all the proceeds and accounts receivable resulting from the sale or other transfer thereof.

STATE OF NEVADA, SS COUNTY OF EUREKA.

1, County Clerk and ex-officio Clerk of the Third Judicial District Court of the State of Nevada, Eureka County, do hereby certify that the annexed is a full, true and correct copy of Lider Opposition Specimen #302 Change as appears as of record and on file in my office.

IN TESTIMONY WHEREOF, I have hereunto set my hand officially and affixed the Seal of said Court, at my office in the town of Eureka, this Land day of Landauge......, A. D. 1984

Pan Sangle County Clerk, And ox of ficial Topk of the District Court, Eureka County.

By, Deputy

BECCERDED AT REQUEST OF

Wilson, Wilson, & Bacrows, LTO

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