

NOTICE OF DEFAULT AND ELECTION TO  
SELL UNDER DEED OF TRUST

TO WHOM IT MAY CONCERN:

WHEREAS, RONALD C. CHANEY and SANDRA L. CHANEY, executed as Trustors, that certain Deed of Trust dated the 1st day of April, 1978, wherein A-ALLSTATE ABSTRACT COMPANY, a Nevada corporation, was Trustee, and C. CLEMENTS as Beneficiary, recorded in the Office of the County Recorder of Eureka County, State of Nevada, as Document No. 78964, Book 91, Page 529, on February 20, 1981, conveying that certain real property situate in the County of Eureka, State of Nevada, more particularly described as follows:

SEE EXHIBIT "A" ATTACHED

as security for the payment of the Promissory Note, made, executed and delivered on April 1, 1978, by Trustors to Trustee, and

WHEREAS, a breach of the obligation for which said Deed of Trust as security has occurred in that default has been made in the payment of the installment of principal and interest which became due on July 1, 1978, the total principal amount being \$3,388.98 and interest at twelve percent (12%) to June 1, 1985, in the amount of \$1,796.17, none of which has been paid and is now all due and payable plus taxes.

NOTICE IS HEREBY GIVEN that the Beneficiary has elected to consider all of the unpaid balance of principal and interest to be due in consequence of said default, all in accordance with the terms of said Promissory Note and Deed of Trust, and the Beneficiary has elected to sell or cause to be sold the real property described in said Deed of Trust to satisfy said obligation.

Dated: This 18th day of June, 1985.

A-ALLSTATE ABSTRACT CO.,  
a Nevada corporation

By: Richard C. Minor

RICHARD C. MINOR, Assistant Secretary

STATE OF NEVADA     )  
                              )SS  
COUNTY OF WASHOE    )

On this 18th day of June, 1985, personally appeared before me, a Notary Public in and for said Washoe County, Richard C. Minor known to me to be the Assistant Secretary of the corporation that executed the foregoing instrument, and upon oath, did depose that he is an officer of said corporation as above designated, that the signature to said instrument was made by the officer of said corporation as indicated after said signature; and that the said corporation executed the said instrument freely and voluntarily and for the uses and the purposes therein mentioned.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal at my office in the County of Washoe, the day and year in this certificate first above written.

Carol T. Stuart  
NOTARY PUBLIC

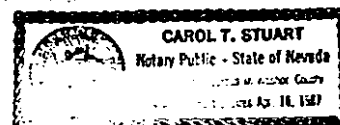


EXHIBIT "A"

PARCEL 1 TOWNSHIP 21-1/2 NORTH, RANGE 54 EAST, M.D.B.&M.

Section 34: Lot 3 and 4; S 1/2 NW 1/4; SW 1/4  
EXCEPTING THEREFROM all oil and gas as reserved in  
Patent executed by UNITED STATES OF AMERICA,  
recorded March 1, 1973, in Book 45 of Official  
Records, at Page 83, Eureka County, Nevada.

EXCEPTING THEREFROM that part above described as  
S 1/2 NW 1/4.

PARCEL II TOWNSHIP 21 NORTH, RANGE 54 EAST, M.D.B.&M.

Section 4: Lots 1, 2, 3 and 4 (N 1/2 N 1/2); S 1/2  
N 1/2 EXCEPTING THEREFROM, all coal and other min-  
erals as reserved in Patent from UNITED STATES OF  
AMERICA to WILLIAM A. JONES, recorded January 24,  
1956, in Book 24 of Deeds at page 501, Eureka County,  
Nevada, records.

EXCEPTING THEREFROM that part above described as  
Lot 4 (N 1/2 N 1/2).

RECORDED AT REQUEST OF  
Richard C. Minor  
BOOK 139 PAGE 566

SEPT 30 AM 10:06

U.S. DEPT. OF THE INTERIOR  
EUREKA COUNTY, NEVADA  
PUBLIC LANDS RECORDS  
**100635**  
\$6.00