

GRANT, BARGAIN AND SALE DEED

DATE 5/29/86

The indenture witnesseth: That WILLIAM H. NORTON AND SHIRLEY A. NORTON, HUSBAND AND WIFE, OF DIAMOND VALLEY, EUREKA COUNTY, NEVADA IN CONSIDERATION OF REBUILDING (LABOR ONLY) ONE DETROIT DIESEL ENGINE, SERIAL NO. 6A9642, DO HEREBY GRANT, BARGAIN, SELL AND CONVEY TO CARL E. GELL, A SINGLE MAN 4 1/2 (FOUR AND ONE HALF) ACRES OF WATER RIGHTS UPON APPROVAL OF F.M.H.A WATER RIGHTS TO COME FROM CERTIFICATE #46677. SALE OF WATER RIGHTS AUTHORIZED BY DAVID BROWN F.M.H.A. AREA SUPERVISOR, (SEE ATTACHED SCHEDULE "A"). THIS TRANSACTION IS AN EVEN EXCHANGE OF THE DIESEL ENGINE REPAIR FOR THE WATER RIGHTS AS DESCRIBED ABOVE.

IN WITNESS WHEREOF, THE PARTY OF THE FIRST PART HAS EXECUTED THIS CONVEYANCE THE DAY AND YEAR HERIN WRITTEN.

William H. Norton

WILLIAM H. NORTON

Shirley A. Norton

SHIRLEY A. NORTON

STATE OF NEVADA)
COUNTY OF EUREKA)

On this 29th day of May 1986 personally appeared before me, *Jack Shangle*, a Notary Public, in and for said county, William H. Norton and Shirley A. Norton, known to me to be the persons that executed the foregoing instrument, and upon oath, did depose that they are the parties of the first part as above designated; and that the parties of the first part executed the said instrument freely and voluntarily and for the uses and the purpose therein mentioned.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my Official Seal at my office in the County of Eureka the day and year in this certificate first written above



Jack Shangle
Notary Public, Eureka County, Nevada

Exhibit A page 1

UNITED STATES DEPARTMENT OF AGRICULTURE
FARMERS HOME ADMINISTRATION
ELKO COUNTY OFFICE
702-738-8468

975 Fifth Street

Elko, NV 89801

August 26, 1983

Mr. & Mrs. William H. Norton
DV Route Box 30
Eureka, NV 89316

RECEIVED SEP 29 1983

Dear Mr. & Mrs. Norton:

Farmers Home Administration (FmHA) has advised the Elko Office to proceed with liquidation.

As was promised, I am advising you that a real estate problem case report is being prepared for review by the State Director. If the foreclosure is approved then a Trustee's Sale Guarantee will be ordered and costs will be incurred toward foreclosure. The entire process may take 4 months or longer and we strongly urge your cooperation by voluntarily liquidating the farm or by bringing your FmHA accounts current.

It appears that the Courts have supported the constitutionality of FmHA procedures and postponement of foreclosure is no longer justifiable.

If you wish to discuss alternatives, procedures, etc., you are cordially invited to contact the Elko Office.

Sincerely,



David E. Brown
County Supervisor

cc: Mr. La'Moyne Addleman, Farmers & Ranchers Protective League
P.O. Box 286, Eureka, NV 89316

RECEIVED SEP 29 1983

RECEIVED SEP 29 1983

Farmers Home Administration is an Equal Opportunity Lender.
Complaints of discrimination based on race, sex, religion,
national origin or marital status should be sent to:
Secretary of Agriculture, Washington, D. C. 20250

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UNITED STATES DEPARTMENT OF AGRICULTURE

Farmers Home Administration
975 Fifth Street
Elko, NY 89801

OFFICIAL BUSINESS
PENALTY FOR PRIVATE USE \$300



POSTAGE AND FEES PAID
U.S. DEPARTMENT OF AGRICULTURE
AGR 101



FIRST CLASS MAIL

*Notice to liquidate
or gain for loss*

RECEIVED SEP 29 1983

BOOK 144 PAGE 442

COPY

00585

Exhibit A - page 2

UNITED STATES DEPARTMENT OF AGRICULTURE
FARMERS HOME ADMINISTRATION
ELKO COUNTY OFFICE
702-738-8468

975 Fifth Street

Elko, NV 89801

October 18, 1982

Mr. & Mrs. William H. Norton
Star Route Box 30
Diamond Valley
Eureka, NV 89316

Dear Mr. & Mrs. Norton:

This is to confirm our conversation on October 13, 1982. We would like to state that Farmers Home Administration has considerable empathy for the problems you are experiencing and we feel we can render assistance in helping you liquidate your real estate, water rights and chattel properties if you will give us an opportunity to do so.

As a suggestion, we recommend you advertise the sale of approximately 141 acres of water rights. Once you have located a buyer, propose to the Division of Water Resources a transfer and possible extension of Proof of Beneficial Use (PBU). Mr. Mueller, Water Engineer, has indicated that on occasion, they will give an extension of time so that the PBUs can be properly filed, if there is a pending sale involved. After the extension is granted, we suggest you contact Mr. Mueller and have him complete the certification of the existing PBUs, so that approximately 401 acres can revert from a permit status to certified water rights.

In order for you to avoid liability of illegal disposition of chattel security, it is necessary that all proceeds from chattel properties must be turned into Farmers Home Administration and the disposition authorized by the County Supervisor.

Before we can release the \$1,149.28 in your supervised bank account, it is necessary that you provide receipts and proof that the \$1,000.00 released to you on October 13, 1982, was in fact used for family living purposes.

If you have any questions, please contact this office.

David E. Brown
County Supervisor

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Secretary of Agriculture, Washington, D. C. 20250*

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Dave told Shirley, me +
Ernie Muller to sell app.
300 water rights, he would
pay Ernie for attention
that should be filed, Ernie
said would do + bill
EMHA at Dave Brew
office. Also to try +
sell 2 grinders as no more
now out of hopes, some
tractors, possibly green
tractors, back hoe, +
H-D 5, plus kept trying
to sell whole ranch which
we have listed "Road
runner ranch."

done

THU THU

1. (11-11-74)
A

UNITED STATES DEPARTMENT OF AGRICULTURE

Farmers Home Administration
978 First Street
Elko, NV 89001

POSTAGE AND FEES PAID
U. S. DEPARTMENT OF AGRICULTURE
AGR 101



OFFICIAL BUSINESS
PENALTY FOR PRIVATE USE \$300

FIRST CLASS MAIL

Mr. & Mrs. William H. Norton
DV Route Box 30
P. O. Box 506
Eureka, NV 89316

*Letter from
Dave Brown
telling me to
sell as I've
been trying ever*

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United States
Department of
Agriculture

Farmers
Home
Administration

Elko County Office
975 Fifth Street
Elko, NV 89801

702-738-8468

Exhibit A
page 4

February 29, 1984

Mr. & Mrs. William H. Norton
DV Route Box 30
P. O. Box 506
Eureka, NV 89316

Dear Mr. & Mrs. Norton:

Farmers Home Administration (FmHA) is making every effort to bring delinquent accounts current because there is limited authority for carrying delinquent loans. You are aware that servicing actions must continue as long as a delinquency is outstanding.

It is this agency's intention to continue with liquidation once the lawsuit has been resolved. Therefore, I urge you to do every thing possible to sell the farm before this occurs. I know you are working hard toward that end and we will work equally as hard every way possible to assist an eligible or ineligible applicant to assume your indebtedness.

The main purpose of this letter to is apprise you of this agency's future intentions.

Sincerely,

David E. Brown
County Supervisor



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10-13-82

Mr. Norton reported a sale of 11 Steers of which 4 was his own and he had a remaining interest in the other 7 steers at 50%. Disposition shows how 4 was released. According to the farm plan of record (latest plan) it showed that proceeds could be released for living expenses, but living expense only. Therefore 1149.28 was placed in SBA while 1000 was released for purchase of groceries. Will have to account for the expenses of the \$1000 before the remaining 1149.28 can be released.

The SBA is being set up in Eureka and the Nortons had specific inst. (written) to open the SBA. The Bank will return Deposit Slips and Agreements as they have been instructed.

Discussed the Deling Review and explained that FmDA must liquidate. I said that with present work loads that liquidation may take as long as the Spring of 83 but possibly sooner depending on existing problems. Also explained the advantage of selling water right; getting extensions on P&Us and the certifying of P&Us on existing water. He was told to discuss this with Mr. Muller.

RECORDED AT REQUEST OF
E. G. L. R. AS ASSISTANT
BOOK 144 PAGE 440

86 MAY 29 P. 2: 40

OFFICIAL RECORDS
EUREKA COUNTY REVENUE
DIVISION
FILE 102778
FEE \$ 12.00

See letter on type - New 10-14-82 P.