103377 DEED OF TRUST AND ASSIGNMENT OF RENTS

THIS DEED OF TRUST and ASSIGNMENT OF RENTS, made and entered into this 28th day of February, 1986, by and between JULIAN TOMERA RANCHES, INC., STONEHOUSE DIVISION, a Nevada corporation, as Trustor; FRONTIER TITLE COMPANY, as Trustee; and TOMERA BROTHERS, a Nevada general partnership, Beneficiary;

WITNESSETH:

That Trustor hereby grants, transfers and assigns to the Trustee in trust, with power of sale, all the following described real property situate in the Counties of Elko and Eureka, State of Nevada, and more particularly described as follows:

See Exhibit A attached hereto and incorporated herein.

EXCLUDING THEREFROM the real property described in Exhibit B attached hereto and incorporated herein.

TOGETHER WITH all and singular the tenements, easements, hereditaments and appurtenances thereunto belonging or in anywise appertaining, and the reversion and reversions, remainder and remainders, rents, issues and profits thereof, subject, however, to the right, power and authority hereinafter given to the Beneficiary and the Trustor with respect to collection and application of such rents, issues and profits; and also all of the estate, right, title and interest, homestead or other claim or demand, as well in law as in equity, which the Trustor now has or may hereafter acquire, of, in or to the said premises or any part thereof, with the appurtenances.

TO HAVE AND TO HOLD the same unto the said Trustee, and to its successors, in trust, to secure the performance of the following obligations and payment of the following debts:

ONE: Payment of an indebtedness evidenced by a certain

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Promissory Note of even date herewith, in the principal amount of SEVEN HUNDRED SIXTY FOUR THOUSAND ONE HUNDRED DOLLARS (\$764,100.00), with the interest thereon, expenses, attorney fees and other payments therein provided, executed and delivered by the Trustor payable to the Beneficiary or order, and any and all extensions or renewals thereof.

TWO: Payment of such additional amounts as may be hereafter loaned by the Beneficiary to the Trustor or any successor in interest of the Trustor, with interest thereon, expenses and attorney fees, and any other indebtedness or obligation of the Trustor to the Beneficiary.

THREE: Payment of all other sums with interest thereon becoming due or payable under the provisions hereof to either Trustee or Beneficiary.

FOUR: Payment, performance and discharge of each and every obligation, covenant, promise and agreement of Trustor herein or in said note contained and of all renewals, extensions, revisions and amendments of the above-described note and any other indebtedness or obligation secured hereby.

To protect the security of this Deed of Trust and Assignment of Rents, it is agreed as follows:

1. The Beneficiary has the right to record notice that this Deed of Trust and Assignment of Rents is security for additional amounts and obligations not specifically mentioned herein but which constitute indebtedness or obligations of the Trustor for which the Beneficiary may claim this Deed of Trust

as security.

- 2. The Trustor shall keep the property herein described in good condition, order and repair, shall not remove or demolish any buildings or other improvements situate thereon or hereafter placed or constructed thereon; shall not commit, or permit any waste or deterioration of the land, buildings and improvements; and shall not do or permit to be done anything which shall impair, lessen, diminish or deplete the security hereby given. The Trustor shall repair, rebuild, complete or restore promptly and in good and workmanlike manner any building or improvement which is damaged or destroyed after the Trustor takes possession of the property and to pay when due all claims for labor performed and materials furnished therefor.
- 3. The following covenants: One; Three; Four (9%); Five; Six; Seven (reasonable); Eight and Nine of Nevada Revised Statutes 107.030 are hereby adopted and made a part of this Deed of Trust.
- 4. All payments secured hereby shall be paid in lawful money of the United States of America.
- 5. If a default occurs in the performance or payment of this Deed of Trust, or if there is any failure to pay any installment of tax or assessment before it is delinquent, the Beneficiary may, without waiving any such default, require the Trustor, until this Deed of Trust is reconveyed, to pay to the Beneficiary a sum equal to the taxes and assessments next due on the premises covered by this Deed of Trust, all as estimated by

the Beneficiary. Such sums shall be held by the Beneficiary in order to pay said taxes and assessments as they come due and before the same become delinquent. The Beneficiary may require the payments to be made on a prorata basis monthly, quarterly or annually, so that the funds are available to make such payments as they come due.

- The Beneficiary and any persons authorized by the Beneficiary shall have the right to enter upon and inspect the premises at all reasonable times.
- 7. In case of condemnation of the property subject hereto, or any part thereof, by paramount authority, all of the condemnation award to which the Trustor shall be entitled to is hereby assigned by the Trustor to the Beneficiary, who is hereby authorized to demand, sue for, collect, receive and receipt for the same and apply the net proceeds of the same, less reasonable costs and expenses of any litigation, toward the payment of the indebtedness hereby secured, whether due or not.
- The property subject to this Deed of Trust shall include that described in Exhibit A, excluding that described in Exhibit B hereof, and in addition the following: All right, title, interest and estates that are now held or hereafter may be acquired in or to all or any part of any street, road or highway that now or hereafter is adjacent to or adjoins the described real property; all fixtures and equipment that now or hereafter are attached to or installed in, or placed in or upon the described real property. All of such fixtures and equipment are,

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and shall become a permanent accession to the land contained in the described real property and to such buildings or improvements, and a part of the real property conveyed under this Deed of Trust, whether or not the same may be subject to any Security Agreement.

Trustor hereby gives to and confers upon Beneficiary the right, power and authority, during the continuance of these trusts to collect the rents, issues and proceeds of the property, reserving to Trustor the right, prior to any default by Trustor in payment of any indebtedness secured hereby or in performance of any agreement hereunder, to collect and retain such rents as they become due and payable. Upon any such default, Beneficiary may at any time without notice, either in person, by agent or by a receiver to be appointed by a court, and without regard to the adequacy of any security for the indebtedness hereby secured, enter upon and take possession of said property or any part thereof, in its own name sue for or otherwise collect such rents, issues and profits including those past due and unpaid, and apply the same less costs and expenses of operation and collection, including reasonable attorney's fees, upon any indebtedness secured hereby, and in such order as Beneficiary may determine. The entering upon and taking possession of said property, the collection of such rents, issues and profits and the application thereof as aforesaid, shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such note. The rents assigned are any and all of the

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following: Rents, subrents, earnings, income, receipts, revenues, royalties, issues and profits including, without limitation by enumeration, those on account of oil and gas or mineral leases, grazing leases, or installments under any agreements of sale that become due or that accrue while any portion of the indebtedness secured by this Deed of Trust remains unpaid, and any and all proceeds and accruals whatsoever that arise out of the hiring, subhiring, letting, subletting, or otherwise (collectively hereinafter referred to as "leasing") of or from the whole or any part of the property herein conveyed in trust.

- 10. That upon default of payment of any indebtedness secured hereby or in the performance or payment of this Deed of Trust or of any agreement or obligation hereunder, or upon the occurrence of any act or event of default hereunder, and such default is not cured within 35 days, Beneficiary may declare all sums secured hereby immediately due and payable by written notice of default and of election to sell said property, which notice shall be in the form and shall be served in the manner then prescribed by the laws of the State of Nevada.
- 11. The Promissory Note secured by this Deed of Trust is made a part hereof as if fully herein set out.
- 12. If any person included within the meaning of the term "Trustor", or any person owning any interest in the property have a receiver appointed for any substantial part of his assets, or make a general assignment for the benefit of

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creditors, or if any interest of any trustor in the property be sold at any execution sale, or be seized or levied upon by, or be the subject of, any attachment, lien, or proceeding whatsoever, and said attachment, lien, or seizure be not released from said property or interest within thirty days after the same shall have been attached, levied, settled upon, or effected against the property or any interest therein, then, and upon the happening of any such event, or the occurrence, existence or continuance of any such condition, an event of default under this Deed of Trust shall be deemed conclusively to have occurred.

- 13. Default under any other deed of trust, mortgage, contract, lease or other instrument, which is, or which creates, a lien, encumbrance, charge or interest of any nature having priority over any lien, right or interest created or existing under this Deed of Trust, or failure to pay or discharge when due any obligation which is secured by, or which constitutes a lien, encumbrance, charge of interest of any nature having priority over any lien, right or interest created or existing under this Deed of Trust, whether such obligation or the lien thereof is created by writing or otherwise, shall be conclusively deemed to be an event of default under this Deed of Trust.
- 14. Trustor agrees to pay any deficiency arising from any cause after application of the proceeds of sale held in accordance with the provisions hereof and agrees to pay all costs and reasonable attorney's fees incurred in any action brought to collect said deficiency.

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15. The Trustor requests that a copy of any notice of default and any notice of sale hereunder be mailed to its address:

Julian Tomera Ranches, Inc. Stonehouse Division Pine Valley Carlin, Nevada 89822

or at such substitute address as Trustor may designate in writing duly delivered to Beneficiary and to Trustee, and such address above, or such substitute address as is designated in writing duly served as aforesaid, shall be deemed conclusively to be the correct residence address of Trustor or the correct principal place of business, if Trustor be a corporation, for all purposes in connection with said Deed of Trust, including, but not limited to, giving of notices permitted or required by statute to be mailed to Trustor.

- 16. The rights and remedies herein granted shall not exclude any other rights or remedies granted by law, and all rights or remedies hereunder granted, or permitted by law, shall be concurrent and cumulative.
- 17. All the provisions of this instrument shall inure to and bind the heirs, legal representatives, successors and assigns of each party hereto respectively as the context permits. All obligations of each Trustor hereunder shall be joint and several. The word "Trustor" and any reference thereto shall include the masculine, feminine and neuter genders and the singular and plural, as indicated by the context and number of parties hereto.

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18. It is expressly agreed that the trust created hereby is irrevocable by the Trustor.

IN WITNESS WHEREOF, the Trustor has executed these presents the day and year first hereinabove written.

JULIAN TOMERA RANCHES, INC. STONEHOUSE DIVISION, A Nevada corporation

By: Thomas Do

ATTEST:

SECRETARY

STATE OF NEVADA) SS. COUNTY OF ELKO)

On this <u>2864</u> day of <u>Farment</u>, 1986, personally appeared before me, a Notary Public, THOMAS TOMERA and PATSY SUE TOMERA, the duly elected, qualified and acting President and Secretary respectively of JULIAN TOMERA RANCHES, INC., STONEHOUSE DIVISION, a Nevada corporation, who acknowledged that they executed the foregoing instrument in that capacity.

Richard J. Matthews

RICHARD J. MATTHEWS
Notary Public - State of Nevada
Elico County, Nevada
My eppointment expires Sept. 13, 1987

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All that certain real property located in Elko and Eureka Counties, Nevada, more particularly described as follows:

PARCEL 1: (ELKO COUNTY)

TOWNSHIP 31 NORTH, RANGE 52 EAST, M.D.B.&M.

Section 13: All that portion of SE 1/4 and SW 1/4 NE 1/4 lying South of a fence line more particularly described as follows:

> Commencing at the SE Corner of Section 13; thence North along the East line of said Section 1520' to Corner No. 1, the Point of Beginning. Thence North 57 30' West, 330' along a fence to Corner No. 2; thence North 67 00' West 2500' along a fence to Corner No. 3, a point on the West boundary of the E 1/2 of Section 13.

EXCEPTING THEREFROM all petroleum, oil, natural gas, and products derived therefrom, reserved by Southern Pacific Land Company in deed recorded October 6, 1948, in Book 56, Page 397, Official Records, Elko County, Nevada.

PARCEL 2: (ELKO COUNTY)

TOWNSHIP 30 NORTH, RANGE 52 EAST, M.D.B.&M.

Section Section 11: All Section 13: A11

Section 23: N 1/2; SE 1/4

Section 25: A11 Section 27: SE 1/4

TOWNSHIP 30 NORTH, RANGE 53 EAST, M.D.B.&M.

Section All fractional 7:

Section 9: SW 1/4

Section 17: A11

Section 19: All fractional

A11

Section 21: Section 27: W 1/2 NW 1/4; SE 1/4 NW 1/4; SW 1/4; W 1/2 SE 1/4; SE 1/4 SE 1/4; and all other lands

lying westerly of the ridge which runs through said Section 27.

Section 29: All

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EXCEPTING THEREFROM all petroleum, oil, natural gas and products derived therefrom, in and under said land reserved by Southern Pacific Land Company in deed recorded March 9, 1950, in Book 58, Page 22, Deed Records, Elko County, Nevada.

FURTHER EXCEPTING THEREFROM an undivided one-half (1/2) interest in and to all mineral rights in and under said land, reserved by Oscar Rudnick, Sam Rudnick and Filbert Etcheverry, a co-partner-ship, et al, in deed recorded November 28, 1955, in Book 69, Pages 15 and 22, Deed Records, Elko County, Nevada.

FURTHER EXCEPTING FROM SW 1/4, Section 9; E 1/2, Section 17; All; Section 21; W 1/2 NW 1/4; SE 1/4 NW 1/4; SW 1/4; W 1/2 SE 1/4; SE 1/4 SE 1/4; and all other lands lying westerly of the ridge which runs through said Section 27, all in Township 30 North, Range 53 East, one-half of all oil, gas, mineral, gravel or diatomaceous earth rights in and under said land reserved by Julian Tomera and Malfisa Tomera, husband and wife, in deed recorded January 25, 1972, in Book 158, Page 671, Official Records, Elko County, Nevada.

(ELKO COUNTY) PARCEL 3:

TOWNSHIP 32 NORTH, RANGE 52 EAST, M.D.B.&M.

W 1/2 NE 1/4; W 1/2 Section

SW 1/4 SE 1/4; SE 1/4 SW 1/4; SE 1/4 SE 1/4 W 1/2 SE 1/4; NE 1/4 SW 1/4; SE 1/4 SE 1/4; 5: Section Section 8: W 12 NE 1/4; E 1/2 NW 1/4; E 1/2 NE 1/4; NE 1/4 SE 1/4

SW 1/4 NE 1/4

Section 10: SW 1/4 NW 1/4; NE 1/4 SW 1/4 SW 1/4 SW 1/4 Section 14:

Section 24:

EXCEPTING FROM all of Parcel 3 except W 1/2 NE 1/4; W 1/2, Section 4; SW 1/4 SE 1/4; SE 1/4 SW 1/4, Section 5 and W 1/2 SE 1/4; NE 1/4 SW 1/4; SE 1/4 SE 1/4; W 1/2 NE 1/4; E 1/2 NW 1/4, Section 8, Township 32 North, Range 52 East, an undivided one-half (1/2) interest in and to all Grantors right, title and interest in and to all coal, oil, gas and other minerals of every kind and nature whatsoever in and under said land, reserved by Allen T. Griffin and Dorothy Griffin, husband and wife, et al, in deed recorded April 29, 1969, in Book 109, Page 68, Official Records, Elko County, Nevada.

FURTHER EXCEPTING FROM all of Parcel 3, except W 1/2 NE 1/4; W 1/2, Section 4; SW 1/4 SE 1/4, Section 5 and W 1/2 SE 1/4; NE 1/4 SW 1/4; SE 1/4 SE 1/4; W 1/2 NE 1/4; E 1/2 NW 1/4, Section 8, Township 32 North, Range 52 East, an undivided one-half (1/2) interest in and to all the Grantors right, title and interest in and to all mineral rights, oil and gas in and under said land, reserved by Melvin R. Jones and Rachel S. Jones, husband and wife, in deed recorded May 1, 1979, in Book 291, Page 78,

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Official Records, Elko County, Nevada.

FURTHER EXCEPTING FROM SE 1/4 SW 1/4; SW 1/4 NE 1/4, of Section 4 and the SE 1/4 SE 1/4; NE 1/4 SE 1/4 of Section 8, Township 32 North, Range 52 East, that portion of said land conveyed to the State of Nevada by deeds recorded October 21, 1954, in Book 66, Pages 446 and 449, Deed Records, Elko County, Nevada.

FURTHER EXCEPTING FROM the NE 1/4 of Section 4, Township 32 North, Range 52 East, that certain parcel of land conveyed to Melvin R. Jones and Rachel S. Jones, husband and wife, by deed recorded February 22, 1982, in Book 383, Page 316, Official Records, Elko County, Nevada, more particularly described as follows:

Commencing at the northwest corner of said Section 4, thence South 89047'00" East 3942.58 feet along the north line of said Section 4 to Corner No. 1, the true point of beginning being on the easterly right-of-way of Nevada State Route No. 278,

thence South $3^{\circ}40'04$ East 1221.02 feet along the easterly right-of-way of Nevada State Route No. 278 to Corner No. 2,

thence from a tangent bearing South 3040'04" East, on a curve to the left with a radius of 453.54 feet, through a central angle of 3608'48", for an arc length of 286.13 feet along the said easterly right-of-way of Nevada State Route No. 278 to Corner No. 3, being on the northwesterly right-of-way of the Western Pacific Railroad,

thence North $38^{\circ}07'46$ East 1874.91 feet along the said northwesterly right-of-way of the Western Pacific Railroad to Corner No. 4,

thence North $89^{\circ}47'00*$ West 1340.01 feet along the north line of said Section 4 to Corner No. 1, the point of beginning.

PARCEL 4: (BLEO COUNTY)

TOWNSHIP 31 NORTH, RANGE 52 EAST, M.D.B.&M.

Section 2: Lots 1, 2, 3 and 4; S 1/2 N 1/2; S 1/2 Section 11: All

Those portions of Sections 1 and 12, Township 31 North, Range 52 East, lying westerly of a fence line more particularly described as follows:

Beginning at the NE Corner of Section 1, T. 31 N., R. 52 E.; thence South $9^{\circ}30'$ W., 925.00'; thence South $34^{\circ}30'$ W., 3565.00'; thence South $16^{\circ}00'$ W., 5105.00'; thence South 395.00' to a point 1300' East of the Southwest corner to

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Section 12, T. 31 N., R. 52 E.

EXCEPTING FROM said land an undivided one-half (1/2)interest in and to all coal, oil, gas and petroleum products of every name and nature whatsoever in and under said land, reserved by Mildred D. McBride, a widow, in deeds recorded October 20, 1955, in Book 68, Pages 436 and 441, Deed Records, Elko County, Nevada.

FURTHER EXCEPTING THEREFROM all of Grantors right, title and interest in and to all coal, oil, gas and other minerals of every kind and nature whatsoever in and under said land, reserved by C. H. Jackson, Jr., and Ann G. Jackson, husband and wife, a co-partnership, doing business under the firm name and style of Petan Company, in deed recorded January 23, 1969, in Book 105, Page 647, Official Records, Elko County, Nevada.

PURTHER EXCEPTING FROM all of Sections 2 and 12, Township 31 North, Range 52 East, M.D.B.&M., all uranium, thorium, or any other material which is or may be determined to be peculiarly essential to the production of fissionable materials, reserved by the United States of America, in Patent recorded November 30, 1949, in Book 8, Page 448, Patent Records, Elko County, Nevada.

PARCEL 5: (ELKO COUNTY)

TOWNSHIP 31 NORTH, RANGE 52 EAST, M.D.B.&M.

Section 3: E 1/2 NE 1/4 Section 5: N 1/2 NE 1/4

TOWNSHIP 32 NORTH, RANGE 52 EAST, M.D.B.&M.

Section 1: W 1/2
Section 9: All
Section 11: All
Section 13: All
Section 21: All
Section 23: All
Section 33: N 1/2
Section 35: All

EXCEPTING THEREFROM an undivided one-half (1/2) interest in and to all of the right, title and interest of the Grantors, in and to coal, oil, gas and other minerals of every kind and nature reserved by Pete Elia and Leonie Elia, husband and wife, in deed recorded October 11, 1956, in Book 70, Page 438, Deed Records, Elko County, Nevada.

FURTHER EXCEPTING THEREFROM one-half of all oil, gas, minerals, gravel or diatomaceous earth rights in and under said land reserved by Julian Tomera and Malfisa Tomera, husband and wife, in deed recorded January 25, 1972, in Book 158, Page 671,

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PARCEL 6: (ELKO COUNTY)

TOWNSHIP 32 NORTH, RANGE 52 EAST, M.D.B.&M.

Section 4: Lot 1 (NE 1/4 NE 1/4); SE 1/4 NE 1/4; SE 1/4 Section 14: E 1/2; N 1/2 NW 1/4; SE 1/4 NW 1/4; W 1/2 SW 1/4; SE 1/4 SW 1/4

Section 15: All Section 16: All

Section 20: E 1/2; SW 1/4 SW 1/4; E 1/2 SW 1/4

Section 26: All Section 28: All

EXCEPTING THEREPROM all minerals deposits in and under said land reserved by the United States of America, in Patent recorded May 10, 1967, in Book 81, Page 677A, Official Records, Elko County, Nevada.

FURTHER EXCEPTING FROM all of Section 15, Township 32 North, Range 52 East, all of the minerals and mineral ores of every kind and character including all petroleum, oil, natural gas and products derived therefrom in and under said land reserved by Southern Pacific Land Company in deed recorded December 29, 1952, in Book 62, Page 379, Deed Records, Elko County, Nevada.

FURTHER EXCEPTING FROM the NE 1/4 of Section 4, Township 32 North, Range 52 East that certain parcel of land conveyed to Melvin R. Jones and Rachel S. Jones, husband and wife, by deed recorded February 22, 1982, in Book 383, Page 316, Official Records, Elko County, Nevada, more particularly described as follows:

Commencing at the northwest corner of said Section 4, thence South 89°47'00" East 3942.58 feet along the north line of said Section 4 to Corner No. 1, the true point of beginning being on the easterly right-of-way of Nevada State Route No. 278,

thence South 3⁰40'04" East 1221.02 feet along the easterly right-of-way of Nevada State Route No. 278 to Corner No. 2,

thence from a tangent bearing South 3°40'04" East, on a curve to the left with a radius of 453.54 feet, through a central angle of 36°08'48", for an arc length of 286.13 feet along the said easterly right-of-way of Nevada State Route No. 278 to Corner No. 3, being on the northwesterly right-of-way of the Western Pacific Railroad,

thence North 38⁰07'46" East 1874.91 feet along the said north-westerly right-of-way of the Western Pacific Railroad to Corner No. 4

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thence North $89^{\circ}47'00^{*}$ West 1340.01 feet along the north line of said Section 4 to Corner No. 1, the point of beginning.

PARCEL 7: (ELKO COUNTY)

TOWNSHIP 33 NORTH, RANGE 52 EAST, M.D.B.&M.

Section 33:

A parcel of land located in the S 1/2 SW 1/4, more particularly described as follows:

Commencing at the SW corner of said Section 33, thence S. 89 47'00" E., 1094.97 feet along the southerly line of said Section 33 to corner No. 1, the true point of beginning, being on the southeasterly right-of-way of the Southern Pacific Railroad,

thence N. 62^O23'41" E., 1561.10 feet along said Southern Pacific right-of-way to Corner No. 2,

thence from a tangent bearing N. 62^O23'41" E., on a curve to the left, with a radius of 2952.49 feet through a central angle of 9^O58'23", for an arc length of 513.92 feet along the said southeasterly right-of-way of the Southern Pacific Railroad to Corner No. 3, being a point in the existing Humboldt River,

thence S. 14^O22'44" W., 1038.27 feet along the existing Humboldt River to Corner No. 4, being on the said southerly line of said Section 33,

thence N. $89^{\circ}47'00"$ W., 1558.00 feet along the southerly line of said Section 33 to Corner No. 1, the point of beginning.

EXCEPTING THEREPROM all oil, oil rights, mineral rights, natural gas rights and other hydrocarbons, by whatsoever name known, together with all geothermal steam and steam power in and under said land reserved by Occidental Land, Inc., formerly known as Occidental Petroleum Land and Development Corporation, in deed recorded January 20, 1976, in Book 224, Page 526, Official Records, Elko County, Nevada.

PARCEL 8: (ELKO AND BUREKA COUNTIES)

TOWNSHIP 32 NORTH, RANGE 52 EAST, M.D.B.&M.

Section 17: All that portion lying easterly of the

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easterly boundary line of the Western

Section 20:

Pacific Railway Company's right-of-way.
That portion of W 1/2 NW 1/4; NW 1/4 SW 1/4
lying easterly of the easterly boundary line
of the Western Pacific Railway Company's right-of-way.

EXCEPTING THEREFROM that portion of said land conveyed to the State of Nevada by deed recorded October 21, 1954, in Book 66, Page 449, Deed Records, Elko County, Nevada, and November 12, 1954, in Book 24, Page 378, Deed Records, Eureka County, Nevada.

FURTHER EXCEPTING THEREFROM an undivided one-half interest in and to all coal, oil, gas and other minerals of every kind and nature whatsoever existing upon, beneath the surface of, or within said land, reserved by Allen T. Griffin, et al, in deed recorded April 29, 1969, in Book 109, Page 68, Official Records, Elko County, Nevada, and in Book 28, Page 537, Official Records, Eureka County, Nevada.

FURTHER EXCEPTING THEREPROM all of the Grantors interest in and to all mineral interest, coal, oil, gas and other minerals of every kind and nature whatsoever including geothermal, in and under said land reserved by Melvin R. Jones and Rachel S. Jones, husband wife, in deeds recorded February 22, 1982, in Book 383, Page 312, Official Records, Elko County, Nevada, and recorded March 10, 1982, in Book 101, Page 44, Official Records, Eureka County, Nevada.

PARCEL 9: (EUREKA COUNTY)

TOWNSHIP 31 NORTH, RANGE 51 EAST, M.D.B.&M.

That portion lying easterly and northerly of the center line of Nevada State Highway 51, Section 1: as the same is now constructed.

EXCEPTING THEREFROM all petroleum, oil, natural gas, and products derived therefrom reserved by Southern Pacific Land Company in deed recorded March 9, 1950, in Book 24, Page 42, Deed Records, Eureka County, Nevada.

FURTHER EXCEPTING THEREFROM an undivided one-half interest in and to any and all other mineral rights reserved by Eureka Livestock Company, a co-partnership, et al, in deed recorded November 20, 1963, in Book 27, Page 76, Deed Records, Eureka County, Nevada.

TOWNSHIP 31 NORTH, RANGE 52 EAST, M.D.B.&M.

That portion of the SE 1/4 SW 1/4 lying Section 6: northerly of the center line of Nevada State

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Highway 51 as the same is now constructed.

That portion lying easterly and northerly of the center line of Nevada State Highway 51 Section 7:

as the same is now constructed.

That portion of the W 1/2 lying easterly and northerly of the center line of Nevada State Section 17:

Highway 51 as the same is constructed.

That portion of the E 1/2 NE 1/4 and NE 1/4Section 18:

SE 1/4 lying easterly and northerly of the center line of Nevada State Highway 51 as

the same is now constructed.

FURTHER EXCEPTING FROM all of Parcel 9 an undivided one-half of Grantors right, title and interest of all mineral rights in and under said land reserved by Melvin R. Jones and Rachel S. Jones, husband and wife, in deed recorded March 31, 1979, in Book 70, Page 331, Official Records, Eureka County, Nevada.

(EUREKA COUNTY) PARCEL 10:

TOWNSHIP 30 NORTH, RANGE 52 EAST, M.D.B.&M.

5: Section All Section 8: All Section 9: All

W 1/2 NW 1/4 Section 16:

EXCEPTING THEREFROM those portions of said land conveyed to Roy Shurtz and Lisa Shurtz, husband and wife, by deed recorded March 14, 1979, in Book 69, Page 259, Official Records, Eureka County, Nevada, more particularly described as follows:

The SW 1/4 of Section 5, and those portions of the N 1/2and the SE 1/4 of Section 5, Section 8, the W 1/2 of Section 9, and the W 1/2 NW 1/4 of Section 16, all in Township 30 North, Range 52 East, lying westerly of the Nevada State Highway No. 51.

Also a portion of land in the NE 1/4 NE 1/4 of Section 8 and the W 1/2, Section 9, T. 30 N., R. 52 E., M.D.B.&M., Eureka County, Nevada, more particularly described as follows:

Beginning at the northwesterly corner of said parcel, a point on the easterly right-of-way line of that public highway described in Book 24, Pages 307-309, Eureka County Deeds (Parcel No. 4), a 6-inch redwood fence post set in right-of-way fence from which the NW corner of Section 4 T. 30 N., R. 52 E., M.D.B.&M., bears N 0 19'53" E., 5961.71 feet as Corner No. 1, the point of beginning,

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thence S. 80°36'01" E., 1504.64 feet to Corner No. 2, a 6-inch redwood fence post,

thence S. $1^{\circ}44'13"$ E., 973.27 feet to Corner No. 3, a 6-foot steel fence post,

thence S. 31°30'33" W., 2530.71 feet to Corner No. 4, a point on the easterly right-of-way line of the above-referred highway, a 6-foot steel fence post,

thence along said right-of-way, from a tangent bearing N. $3^{\circ}20'48$ W., on a curve to the right, with a radius of 3900 feet, through a central angle of $10^{\circ}53'10$, an arc distance of 740.99 feet to Corner No. 5,

thence continuing along said right-of-way N. 7°32'22" E., 515.24 feet to Corner No. 6,

thence continuing along said right-of-way from a tangent bearing on the last described course, on a curve to the left, with a radius of 3100 feet, through a central angle of 20°24'10" an arc distance of 1103.99 feet to Corner No. 7,

thence continuing along said right-of-way N. $12^{9}51'48"$ W., 1055.56 feet to Corner No. 1, the point of beginning.

Section 27: W 1/2

EXCEPTING FROM all of Parcel 10 except Section 8 and the W 1/2 NW 1/4 of Section 16, Township 30 North, Range 52 East, all petroleum, oil, natural gas and products derived therefrom in and under said land, reserved by Southern Pacific Land Company in deed recorded March 9, 1950, in Book 24, Page 42, Deed Records, Eureka County, Nevada.

FURTHER EXCEPTING FROM all of Parcel 10 except Section 8 and the W 1/2 of Section 16, Township 30 North, Range 52 East, an undivided one-half interest of all of the Grantors right, title and interest in and to all mineral rights in and under said land reserved by Oscar Rudnick, et al, in deed recorded November 4, 1955, in Book 24, Page 478, Deed Records, Eureka County, Nevada.

PARCEL 11: (EUREKA COUNTY)

TOWNSHIP 31 NORTH, RANGE 52 EAST, M.D.B.&M.

Section 5: N 1/2 NW 1/4

TOWNSHIP 32 NORTH, RANGE 52 EAST, M.D.B.&M.

Section 29: All

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BILYEU AND MATTHEWS

CHARTERED
PROFESSIONAL CENTER
ELKO, NEVADA 89801

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Section 31: N 1/2

EXCEPTING THEREFROM an undivided one-half interest of all of the Grantors, right, title and interest in and to coal, oil and other minerals of every kind and nature whatsoever in and under said land reserved by Pete Elia and Leonie Elia, husband and wife, in deed recorded October 24, 1956, in Book 25, Page 66, Deed Records, Eureka County, Nevada.

FURTHER EXCEPTING THEREPROM an undivided one-half interest in and to all oil, gas, mineral, gravel or diatomaceous earth rights in and under said land reserved by Julian Tomera and Malfisa Tomera, husband and wife, in deed recorded February 22, 1972, in Book 41, Page 402, Official Records, Eureka County, Nevada.

EXCEPTING FROM all of the above described Parcels, all lands lying within the boundaries of the Southern Pacific Railroad and the Western Pacific Railroad rights-of-way.

TOGETHER with all buildings, fences, and other improvements thereon:

TOGETHER with all and singular the tenements, hereditaments, easements and appurtenances thereunto belonging or in anywise appertaining, and the reversions, remainders, rents, issues and profits thereof;

TOGETHER with all springs, wells, water, water rights and stockwater rights applied for, appropriated for, appurtenant to or decreed to said lands, or any portion thereof; all such water and water rights; all dams, ditches, diversions, licenses, easements, pipelines, structures, measuring devices, headgates, culverts, ponds and reservoirs; all easements, devices and controls used to apply such water and water rights to beneficial use and for the repair, cleaning, replacement and maintenance of any or all of such facilities and improvements by the use of modern equipment, facilities, troughs, tanks, pump reservoirs, ponds and other stockwater improvements on said lands.

TOGETHER with all water rights decreed to said lands or any portion thereof pursuant to the Decree entered in Case Number 2804 in the Sixth Judicial District Court of the State of Nevada, in and for the County of Humboldt entitled "In the Matter of the Determination of the Relative Rights of Claimants and Appropriates of the Waters of the Humboldt River System and Tributaries". Proof Number 00223, Proof Number 00225 and Proof Number 00226 as set out in the Blue Book edition of "The Humboldt River Adjudication - 1923-1938".

TOGETHER with all springs, wells, water rights and stockwater rights used in conjunction with the public lands.

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TOGETHER with all grazing or agricultural leases with the Southern Pacific Land Company and/or Southern Pacific Transportation Company.

TOGETHER with any and all rights, privileges, preferences, licenses, leases and permits to graze livestock upon the public lands administered by the United States Department of the Interior, Bureau of Land Management, based upon, appurtenant to or used in connection with the real property or any portion thereof.

TOGETHER with an undivided one-half interest of all Grantors' right, title, interest and estate in and to all coal, oil, oil shales, gas and minerals which shall include barium sulfate, uranium and fissionable materials, rare earths and also clays, sand, gravel, stone and base materials, and geothermal resources of every kind, nature and description and their by-products, existing upon, beneath or within the above-described lands or any portion thereof with all royalties, rents and other consideration for such right, title, interest and estate reserved and all leases and other disposal thereof, including the right to use so much of the surface thereof and the subsurface thereof as may be reasonably required to prospect for, locate, develop, mine, drill, extract, produce, process, utilize, sell, market, remove and transport the same.

EXHIBIT A -- Page 11

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A parcel of land located in Section 4, T. 32 N., R. 52 E., M.D.B.&M., Elko County, Nevada, more particularly described as follows:

Commencing at the NW corner of said Section 4, thence S $89^{\circ}47'00"$ E 1095.12 feet along the north line of said Section 4 to Corner No. 1, the true point of beginning,

thence continuing S 89°47'00" E 2747.15 feet along the north line of said Section 4 to Corner No. 2, being a point on the westerly line of Nevada State Highway 278,

thence S. $3^{\circ}40'04$ E 1706.23 feet along the said westerly line of State Highway 278 to Corner No. 3, being a point on the northwesterly line of the Western Pacific Railroad,

thence S $38^{\circ}16'33"$ W 1206.63 feet, more or less, along the said northwesterly line of the Western Pacific Railroad to Corner No. 4, a point on the east-west quarter Section line of said Section 4,

thence west 63.69 feet more or less along the east-west quarter Section line of said Section 4, being the said northwesterly line of the Western Pacific Railroad to Corner No. 5.

thence S $38^{\circ}16'33"$ W 609.35 feet more or less along the said northwesterly line of the Western Pacific Railroad to Corner No. 6,

thence N 60° 37'21° W 1337.86 feet to Corner No. 7,

thence N 67057'53" W 271.59 feet to Corner No. 8,

thence N $41^{\circ}22'16$ " W 1284.46 feet to Corner No. 9,

thence N 26⁰01'02" E 135.84 feet to Corner No. 10,

thence N 34⁰59'30" W 671.15 feet to Corner No. 11, being a point on the southeasterly line of the Southern Pacific Railroad,

thence from a tangent bearing N 35°10'14" E on a curve to the right along the said southeasterly line of the Southern Pacific Railroad having a radius of 2091.83 feet through a central angle of 27°13'27" for an arc length of 993.94 feet to Corner No. 12,

thence N 62⁰23'41" E 207.05 feet along the said southeasterly line of the Southern Pacific Railroad to Corner No. 1, the true point of beginning containing 191.02 acres more or less.

This parcel is subject to all rights of way and easements existing or of record.

EXHIBIT B-- Page 1

LAW OFFICES

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A parcel of land being portions of Sections 4, 8, 9, 16 and 17, T 32 N, R 52 E, M.D.B.&M., Elko County, Nevada, more particularly described as follows:

Beginning at the SE corner of said Section 17 being Corner No. 1, the true point of beginning,

thence N $0^{\circ}05'22$ " E 1970.22 feet along the easterly line of said Section 17 to Corner No. 2, being a point on an existing fence,

thence N 36⁰52'08° E 858.53 feet along an existing €ence to Corner No. 3.

thence N $36^{\circ}34'50$ " E 2168.21 feet along an existing fence to Corner No. 4,

thence N 36⁰55'34" E 736.76 feet along an existing fence to Corner No. 5,

thence N 17013'35" E 5499.29 feet along an existing fence to Corner No. 6,

thence N 17048'21" E 2658.50 feet along an existing fence to Corner No. 7,

thence N $68^{\rm O}16'07''$ W 685.31 feet along an existing fence to a point on the easterly R/W line of Nevada State Route 278, being

thence from a tangent bearing S $25^{\circ}28'39$ W on a curve to the right having a radius of 1700.00 feet through a central angle of $22^{\circ}10'27$ for an arc length of 657.92 feet along the said easterly Highway R/W to Corner No. 9,

thence S 47°39'06" W 1396.37 feet along the said easterly Highway R/W to Corner No. 10,

thence N 0⁰07'46" W 135.03 feet along the said easterly Highway R/W to Corner No. 11,

thence S 47°39'06" W 531.94 feet along the said easterly Highway R/W to Corner No. 12,

thence from a tangent bearing S $47^{\circ}39'06$ W on a curve to the left through a central angle of $22^{\circ}17'10$ for an arc length of 933.52 feet along the said easterly Highway R/W to Corner No. 13,

thence S 25^O21'56" W 8649.59 feet along the said easterly Highway R/W to Corner No. 14,

thence N 2023'28" W 107.36 feet along the said easterly Highway R/W to Corner No. 15,

thence S 25°21'56" W +3188.92 feet along the said easterly

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Highway R/W to a point on the south line of said Section 17 being Corner No. 16,

thence easterly +3384.93 feet to Corner No. 1, the point of beginning containing 765.58 acres more or less.

This parcel is subject to all easements, leases and rights-of-way

All that certain real property situate in the County of Eureka, State of Nevda, more particularly described as follows:

TOWNSHIP 32 NORTH, RANGE 52 EAST, M.D.B.&M.

Section 20: That portion of W1/2 NW1/4; NW1/4 SW1/4 lying easterly of the easterly boundary line of the Western Pacific Railway Company's

EXCEPTING THEREFROM that portion of said land conveyed to the State of Nevada by Deed recorded October 21, 1954, in Book 66, Page 449, Deed Records, Elko County, Nevada, and Eureka County, Nevada.

FURTHER EXCEPTING THEREPROM an undivided one-half interest FURTHER EXCEPTING THEREFROM an undivided one-nair interest in and to all coal, oil, gas and other minerals of every kind and nature whatsoever existing upon, beneath the surface of, or within said land, reserved by Allen T. Griffin, et al, in Deed recorded April 19, 1969, in Book 199, Page 68, Official Records, Elko County, Nevada, and in Book 28. Page 537. Official Records. Eureka County, Nevada. Book 28, Page 537, Official Records, Eureka County, Nevada.

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