

WHEN RECORDED MAIL TO:

Name: NEVADA LIVESTOCK PCA
P.O. Box 2124
Street Address: ELKO, NV 89801
City: ELKO
State: NV
Zip: 89801

DEED OF TRUST
AND ASSIGNMENT OF RENTS

106311

THIS DEED OF TRUST, made this 21st day of November, 1986 between DUNPHY RANCH, a Nevada general partnership, composed of JOHN W. MARVEL and WILBURTA S. MARVEL, Husband and Wife, and JOHN E. MARVEL and KAREN U. MARVEL, Husband and Wife, as Trustor and NEVADA LIVESTOCK PRODUCTION CREDIT ASSOCIATION, a corporation, having its principal place of business in Elko, Nevada, as Trustee, and NEVADA LIVESTOCK PRODUCTION CREDIT ASSOCIATION, a corporation existing and operating under the provisions of Title II of the Farm Credit Act of 1971, and amendments thereto, Beneficiary.

WITNESSETH: That Trustor IRREVOCABLY GRANTS, CONVEYS AND ASSIGNS unto said Trustee, in trust, with power of sale together with right of entry and possession the following described real property situated in the County of Eureka, State of Nevada.

Description attached as "Exhibit A".

TOGETHER WITH: all buildings, structures, equipment, fixtures (including trees, vines and shrubs) and improvements of every kind and description now or hereafter constructed or placed thereon; all existing and future water rights, however evidenced, to the use of water for irrigation, livestock and domestic purposes, including irrigation and watering equipment and systems; ditches, laterals, conduits, and rights-of-way used to convey such water or to drain said property, all of which rights are hereby made appurtenant to said property, and all pumping plants, electrical generators, wind machines, and fencing and storage tanks, now or hereafter used in connection with the property, all of which are hereby declared to be fixtures; all grazing rights, leases, permits and licenses; all oil, gas, and mineral leases, permits and rights used with said property; and all tenements, hereditaments, easements, rights-of-way and appurtenances to said property.

TRUSTOR ABSOLUTELY AND UNCONDITIONALLY ASSIGNS, transfers, conveys and sets over to Beneficiary all the rents, royalties, issues, profits, revenue, income and other benefits of said property arising from the use or enjoyment of all or any portion thereof or from any lease, mineral lease, or agreement pertaining thereto (collectively the "Rents"); SUBJECT: HOWEVER, to the right, power and authority given to and conferred upon Trustor by Paragraph B.3 hereof.

FOR THE PURPOSE OF SECURING (1) payment of the indebtedness evidenced by promissory note(s) or guaranty made by Trustor, payable to the Beneficiary at the times, in the manner and with interest as therein set forth including but not limited to the following: (The specific listing of promissory notes is optional and the failure to list all or a portion of the promissory notes is not intended to in any way limit the indebtedness secured hereby.)

Face Amount	Dated	Face Amount	Dated	Face Amount	Dated
\$406,012.00	11/21/86				

(2) the payment of such additional loans or advances, with interest thereon, as hereafter may be made to Trustor, or Trustor's successors or assigns, including the additional parties named below, evidenced by a promissory note, guaranty or otherwise; (3) the payment of all substitute notes, renewals, reamortizations, and extensions of all indebtedness secured hereby; (4) the performance of every obligation and agreement of Trustor whether contained or incorporated by reference in this Deed of Trust, or contained in any loan document or guaranty executed by Trustor in favor of Beneficiary; and (5) the payment of all sums expended or advanced by Beneficiary under or pursuant to the terms hereof, together with interest thereon as herein provided. The term "Trustor" as used in this Deed of Trust to refer to the indebtedness, loan, or obligations being secured means and includes all parties named as Trustor or the following additional parties:

A. TO PROTECT THE SECURITY OF THIS DEED OF TRUST, TRUSTOR AGREES:

1. To use loan proceeds solely for the purposes set forth in Trustor's loan application(s); to comply with the Farm Credit Act of 1971, as amended, and/or the regulations of the Farm Credit Administration, now existing or as hereafter amended.

2. To keep the property in good condition, working order and repair; care for the property in accordance with standards of good husbandry and to keep all trees, vines and crops on said land properly cultivated, irrigated, fertilized, sprayed, and fumigated; not to remove, destroy or suffer the removal or destruction of any building, fence, canal, well or other improvements or fixtures thereon; not to remove, replace or alter any horticultural or viticultural tree, vine or shrub planted thereon without the prior written consent of Beneficiary, except in the ordinary course of business; to complete or restore promptly and in good and workmanlike manner any building which may be constructed, damaged or destroyed thereon; to comply with all laws, covenants and restrictions affecting the property; not to commit or permit waste thereof; not to commit, suffer or permit any act upon the property in violation of law; to do all other acts which from the character or use of the property may be reasonably necessary, the specific enumerations herein not excluding the general; to observe and perform all obligations of Trustor under any lease of said property.

3. To provide, maintain and deliver to Beneficiary fire and all other types of insurance of the type and in amounts as Beneficiary may require, with loss payable clauses solely in favor of Beneficiary. In the event of loss, the insurance proceeds, or any part thereof, may be applied by Beneficiary, at its option, to the reduction of the indebtedness hereby secured or to the restoration or repair of the property damaged. In the event that the Trustor shall fail to provide satisfactory hazard insurance, the Beneficiary may procure, on the Trustor's behalf, insurance in favor of the Beneficiary alone. If insurance cannot be secured by Trustor to provide the required coverage, such inability shall constitute an event of default hereunder.

4. To appear in and litigate any action or proceeding purporting to affect the security hereof, the title to said property, or the rights or powers of Beneficiary or Trustee; Beneficiary or Trustee may appear in and litigate any such action or proceedings, including any bankruptcy or condemnation proceeding, affecting the property, or Beneficiary's interest therein, in which event Trustor agrees to pay all costs and expenses thereof, including attorney's fees and costs of securing evidence of title.

5. To pay on or before the due date all taxes and assessments affecting the property, including all assessments upon water company stock and all rents, assessments and charges for water, appurtenant to or used in connection with the property; to pay, when due, all encumbrances, charges, and liens, on the property or any part thereof, which at any time appear to be prior or superior hereto.

6. Should Trustor fail to make any payment or to do any act as herein provided, then Beneficiary or Trustee, but without obligation to do so and without notice to or demand upon Trustor and without releasing Trustor from any obligation hereof, may: Make or do the same in such manner and to such extent as either may deem necessary to protect the security hereof, Beneficiary or Trustee being authorized to enter upon the property for such purposes; commence, appear in and litigate any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee, including any bankruptcy proceeding affecting the property; pay, purchase, contest, or compromise any encumbrance, charge or lien which in the judgment of either appears to be prior or superior hereto; and in exercising any such powers, incur any liability, expend whatever amounts in its absolute discretion it may deem necessary therefore, including attorney's, accountant's, and appraisal fees and costs of securing evidence of title, and all amounts so expended shall be obligations of Trustor secured by this Deed of Trust.

7. To pay immediately and without demand all sums expended by Beneficiary or Trustee pursuant to the provisions hereof, with interest from date of expenditure at the same rate as is provided for in the note or notes secured by this Deed of Trust; the repayment of all such sums expended shall be secured hereby.

B. IT IS MUTUALLY AGREED THAT:

1. Any award of damages in connection with any taking or condemnation or injury to the property by reason of public use, or for damages resulting from private trespass or injury to the property, is absolutely and unconditionally assigned and shall be paid to Beneficiary, under the terms and conditions of this Deed of Trust pertaining to Rents. Upon receipt of such money Beneficiary may apply the same on the indebtedness secured hereby. Trustor agrees to execute such further documents as may be required to effect the assignments herein made as Beneficiary or Trustee may require.

2. At any time, without affecting the liability of any person for the payment of the indebtedness secured hereby, and without otherwise affecting the security hereof, Trustee may (a) consent to or join in the making of any map or plat of the property; (b) grant any easement or create any restriction thereof; (c) subordinate this Deed of Trust; (d) extend or modify the term of the loan or loans secured hereby; and (e) reconvey without warranty, all or any part of the property. Trustor agrees to pay reasonable Trustee's fees for any of the foregoing services.

3. Prior to any default by Trustor in the payment, observance, performance and discharge of any condition, obligation, covenant, or agreement of Trustor contained herein, Trustor may, as the agent and fiduciary representative of Beneficiary for collection and distribution purposes only, collect and receive the Rents as they come due and payable; the Rents are to be applied by Trustor to the payment of the principal and interest and all other sums due or payable on any promissory note or guaranty secured by this Deed of Trust and to the payment of all other sums payable under this Deed of Trust and, thereafter, so long as aforesaid has occurred, the balance shall be distributed to the account of Trustor. 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 his 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; also perform such acts of repair, cultivation, irrigation or protection, as may be necessary or proper to conserve the value of the property; also lease the same or any part thereof for such rental, term, and upon such conditions as its judgment may dictate; also prepare for harvest, remove, and sell any crops that may be growing upon the premises, and apply the proceeds thereof upon the indebtedness secured hereby.

4. The entering upon and taking possession of the property, the collection of such rents, issues, and profits, or the proceeds of fire and other insurance policies, or compensation or awards for any taking of or damage to the property, and the application or release thereof as aforesaid, shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice.

5. Upon default by Trustor in payment of any indebtedness secured hereby or in performance of any agreement hereunder, all sums secured hereby shall immediately become due and payable at the option of the Beneficiary. In the event of default, Beneficiary may employ counsel to enforce payment of the obligations secured hereby, may cause the Trustee to sell the trust property in accordance with the power of sale granted herein and the applicable state law, and may exercise such other rights and remedies granted by law and equity, which rights and remedies shall be cumulative and not exclusive. Trustee may sell said property either as a whole or in separate parcels, and in such order as it may determine. The purchase price shall be payable in lawful money of the United States at the time of the sale. In exercising the power of sale contained herein, Trustee may hold one or more sales of all or any portion of the property by public announcement at the time and place of sale set forth in the notice thereof, and from time to time thereafter may postpone such sale or sales of all or any portion of the property to the same or separate days by public announcement at such time fixed by the preceding postponement. Any person, including Trustee or Beneficiary, may purchase at such sale. Beneficiary may credit bid at any such sale, and if Beneficiary is the successful purchaser, it may apply any of the outstanding obligations secured hereby in settlement of the purchase price. Beneficiary may resort to and realize upon the security hereunder and any other real or personal property security now or hereafter held by Beneficiary for the obligations secured hereby in such order and manner as Beneficiary may, in its sole discretion, determine. Resort to any or all such security may be taken concurrently or successively and in one or several consolidated or independent judicial actions or lawful nonjudicial proceedings, or both.

6. The failure on the part of the Beneficiary to promptly enforce any right hereunder shall not operate as a waiver of such right and the waiver by Beneficiary of any default shall not constitute a waiver of any other or subsequent defaults. Subsequent acceptance of any payment by the holder hereof shall not be deemed a waiver of any default by Trustor, or of Beneficiary's rights hereunder as the result of any sale, agreement to sell, conveyance, or alienation, regardless of holder's knowledge of such default, sale, agreement to sell, conveyance, or alienation at the time of acceptance of such payment.

7. This Deed of Trust applies to, inures to the benefit of, and binds all parties hereto, their heirs, legatees, devisees, administrators, executors, successors and assigns. The term Beneficiary shall mean the holder and owner of any note secured hereby; or, if the note has been pledged, the pledgee thereof. In this Deed of Trust, whenever the context so requires, the masculine gender includes the feminine and/or neuter, and the singular number includes the plural. All obligations of Trustor hereunder are joint and several.

8. Trustee is not obligated to notify any party hereto of pending sale under any other Deed of Trust or of any action or proceeding in which Trustor, Beneficiary or Trustee shall be a party unless brought by Trustee.

9. Beneficiary may, from time to time or at any time, substitute a Trustee or Trustees, to execute the trust hereby created, and when any such substitution has been filed for record in the office of the Recorder of the county in which the property herein described is situated, it shall be conclusive evidence of the appointment of such Trustee or Trustees, and such new Trustee or Trustees shall succeed to all of the powers and duties of the Trustee or Trustees named herein.

10. In the event the herein described property, or any part thereof, or any interest therein, is sold, agreed to be sold, conveyed or alienated by Trustor, or by operation of law or otherwise, except by inheritance, all obligations secured hereby, irrespective of the maturity dates, at the option of the holder hereof, and without demand or notice, shall immediately become due and payable. Failure to exercise such option shall not constitute a waiver of the right to exercise this option in the event of subsequent sale, agreement to sell, conveyance or alienation.

11. In the event any one or more of the provisions contained in this Deed of Trust or in any Promissory Note hereby secured shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision of this Deed of Trust or said Promissory Note, but this Deed of Trust and said Promissory Note shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein or therein.

12. The undersigned Trustor agrees that he is entitled only to those notices required by applicable law and requests that a copy of any notice of default and of any notice of sale hereunder be mailed to Trustor at the address set forth below.

Address

DUNPHY RANCH

Box 1270

Battle Mountain, NV 89820

Signature of Trustor

DUNPHY RANCH, a Nevada general partnership

by: John W. Marvel Partner

by: Wilburta S. Marvel Partner

by: John E. Marvel Partner

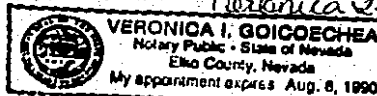
by: Karen U. Marvel Partner

ACKNOWLEDGMENT
(Individual)

State of NEVADA
County of ELKO SS

On this 22nd day of November in the year 1985, before me, the undersigned Notary Public in and for said County and State, personally appeared John W. Marvel, John E. Marvel and Karen U. Marvel (S) personally known to me () proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to this instrument, and acknowledged that they executed it.

My Commission Expires:



TOWNSHIP 33 NORTH, RANGE 48 EAST, M.D.B.&M.

- Section 13: All
- Section 14: All
- Section 23: All
- Section 24: All
- Section 25: All
- Section 26: All, except a portion lying and being in the NE $\frac{1}{4}$ of said Section 26, containing 3.424 acres, more or less, conveyed by Joe Filippini and wife, to the Western Pacific Railroad Company by Deed dated June 14, 1947, recorded in Book 23, Page 176 of Deeds.

ALSO, excepting therefrom a portion of the NW $\frac{1}{4}$ SW $\frac{1}{4}$ SW $\frac{1}{4}$ of said Section 26, containing 4.279 acres, more or less, (said 4.279 acres covers land in Section 27 also), conveyed by Joe Filippini and wife, to National Lead Company, by Deed dated November 19, 1946, and recorded in Book 23, Page 135 of Deeds.

FURTHER EXCEPTING FROM the SW $\frac{1}{4}$ of Section 23 and NE $\frac{1}{4}$ of Section 26, Township 33 North, Range 48 East, M.D.B.&M., that portion of land conveyed to NL Baroid Division of NL Industries, Inc., by Deed dated December 17, 1978, recorded December 28, 1978, in Book 68, Page 244, Official Records, Eureka County, Nevada.

FURTHER EXCEPTING FROM NE $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 26, and the NW $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 25, Township 33 North, Range 48 East, M.D.B.&M., that portion of land conveyed to John Davis and Joanna Davis, Husband and Wife, by Deed dated February 14, 1981, recorded March 4, 1981, in Book 92, Page 24, Official Records, Eureka County, Nevada, and by Quitclaim Deed dated April 24, 1986, recorded May 1, 1986, in Book 144, Page 142, Official Records, Eureka County, Nevada.

Section 27: All that portion thereof situate, lying and being on the Southerly side of the Western Pacific Railroad Company's right of way as the same now crosses said Section 27; EXCEPT a portion of the SE $\frac{1}{4}$ SE $\frac{1}{4}$ of said section, containing 4.279 acres, more or less, (said 4.279 acres covers land in Section 26 also), conveyed by Joe Filippini and wife, to National Lead Company, by Deed dated November 19, 1946, recorded in Book 23, Page 135 of Deeds.

Section 33: All that portion of the W $\frac{1}{2}$ situate, lying and being on the Southerly side of the Southern Pacific Railroad Company's right of way, as the same now crosses said Section 33.

Section 36: E $\frac{1}{2}$ NE $\frac{1}{4}$ and that portion of the NW $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 36 lying Northerly of the proposed 200 foot left or Northerly right of way line of Nevada Interstate Route 80, Federal Aid Project I-080-4(6)254, and Southerly of the 180 foot right or Southerly highway right of way line of Nevada State Route 1 (U.S. 40), containing approximately 4.33 acres, conveyed to Tony Miller, et ux, by Deed recorded in Book 27, Page 24 of Deeds.

There is specifically excepted from the foregoing, those portions of Sections 25, 26, 27, 33 and 36, heretofore deeded to the State of Nevada on relation of its Department of Highways, in Deeds recorded in Book 26, Page 282, File No. 36887; Book 27, Page 27, File No. 38803; and in Book 27, Page 30, File No. 38804 of Deeds.

TOWNSHIP 33 NORTH, RANGE 49 EAST, M.D.B.&M.

Section 31: Portions of Lots 1 and 2; E $\frac{1}{2}$ NW $\frac{1}{4}$; SW $\frac{1}{4}$ NE $\frac{1}{4}$; NE $\frac{1}{4}$ SW $\frac{1}{4}$; N $\frac{1}{2}$ SE $\frac{1}{4}$ and SE $\frac{1}{4}$ SE $\frac{1}{4}$ lying Northerly of the proposed 200 foot left or Northerly highway right of way line of Nevada Interstate Route 80, Federal Aid Project I-080-4(6)254, and Southerly of the 180 foot right or Southerly highway right of way line of Nevada State Route 1 (U.S. 40), said above described parcel contains an area of approximately 50.99 acres, as conveyed to Tony Miller, et ux, by Deed recorded in Book 27, Page 24 of Deeds.

Handwritten signatures and initials, including "J.M.", "S.M.", and "R.H."

86 DEC 1 P 1: 00

OFFICIAL RECORDS
ERENKA COUNTY, NEVADA
CLERK, RECORDS & DEEDS
FILE NO. 106311
FEE \$ 10.00

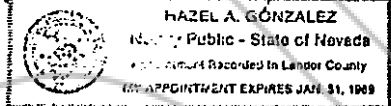
Address
.....
DUNPHY RANCH
.....
Box 1270
.....
Battle Mountain, NV 89820
.....

Signature of Trustor
DUNPHY RANCH, a Nevada general Partnership
by: John W. Marvel Partner
by: Wilburta S. Marvel Partner
by: John E. Marvel Partner
by: Karen U. Marvel Partner

ACKNOWLEDGMENT
(Individual)

State of Nevada
County of Lander SS
On this 21st day of November in the year 1986 before me, the undersigned Notary Public in and for said
County and State, personally appeared Wilburta S. Marvel
..... (personally known to me) (proved to me on the basis of satisfactory evidence)
to be the person whose name is subscribed to this instrument, and acknowledged that she executed it.

My Commission Expires: April 6, 1989



BOOK 152 PAGE 323