

RECORDING REQUESTED BY, AND  
WHEN RECORDED, MAIL TO:

Sanwa Bank California  
Sacramento Agribusiness Office  
601 "J" Street  
Sacramento, CA 95814

Attn: Roxanna Sanders

109238

AGREEMENT TO EXTEND AND MODIFY PROMISSORY NOTES  
AND MODIFY DEED OF TRUST

THIS AGREEMENT is entered into as of this 16th day of  
June, 1987 by and between Sanwa Bank California  
successor in interest to Lloyds Bank California ("Bank") and  
Daniel H. Russell and Roberta A. Russell (collectively  
"Russell").

RECITALS

WHEREAS, on or about July 10, 1986 to secure an indebtedness  
in the principal sum of \$499,000, Russell executed and delivered  
to Bank a deed of trust (the "Deed of Trust") encumbering certain  
real property described in the attached Exhibit "A" (the  
"Property") and which is recorded in Book 147 Page 009 as File  
No. 103950 on July 28, 1986 in the Office of the County Recorder  
of the County of Eureka, State of Nevada;

WHEREAS, on or about January 21, 1987, Russell executed a  
promissory note in the original principal sum of \$6,950,000  
in favor of Bank (hereinafter referred as to "Note I");

WHEREAS, on or about January 21, 1987, Russell executed a  
promissory note in the original principal sum of \$6,059,800  
in favor of Bank (hereinafter referred to as "Note II");

WHEREAS, on or about January 21, 1987, Russell executed a  
promissory note in the original principal sum of \$390,000,  
in favor of Bank (hereinafter referred to as "Note III");

WHEREAS, on or about March 27, 1987, Russell executed a  
promissory note in the original principal sum of \$200,000 in  
favor of Bank (hereinafter referred to as "Note IV"); and

WHEREAS, on or about June 16, 1987 Russell executed a  
promissory note in the original principal sum of \$1,021,000 in  
favor of Bank (hereinafter referred to as "Note V");

NOW, THEREFORE, Bank and Russell agree as follows:

1. Commencing as of the date of this Agreement, interest shall accrue on the unpaid principal balance under Notes I, II, III, IV and V, and each of them, at a rate 1.5% in excess of Bank's Reference Rate, as it may change from time to time.

2. The maturity date of Notes I, II, IV and V, and each of them, is extended to June 30, 1987, on which date the total outstanding principal balance under each of the foregoing Notes, together with accrued and unpaid interest thereon, shall be due and payable in full.

3. It is hereby agreed by Russell that the Deed of Trust shall secure, in such order of priority as Bank in its absolute discretion may determine, payment of an indebtedness in the aggregate principal sum of \$14,620,800 as evidenced by Notes I, II, III, IV and V and any and all amendments, modifications, renewals, or extensions of such Notes, together with the payment of interest on such indebtedness.

4. This Agreement is not a novation and is only an extension and modification of the terms and conditions of the Notes as provided herein. Except as provided in this Agreement, all other terms and conditions of the Notes and the Deed of Trust shall remain in full force and effect. This Agreement shall constitute the entire and complete understanding of the parties with respect to the transactions contemplated hereunder. All previous conversations, memoranda and writings between the parties which pertain to the transactions contemplated hereunder that are not incorporated or referenced in this Agreement are superseded hereby.

5. Daniel H. and Roberta A. Russell accept this Agreement and, in consideration thereof, jointly and severally agree to pay the indebtedness evidenced by each Note according to the terms of this Agreement and of each Note as extended and modified by this Agreement.

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6. The date of this Agreement shall be the date above set forth.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed and delivered as of the date first hereinabove written.

**BANK:**

By: R Sanders

Name: R. Sanders

Title: Asst. Vice President

**RUSSELL:**

Daniel H Russell  
DANIEL H. RUSSELL

Roberta A Russell  
ROBERTA A. RUSSELL

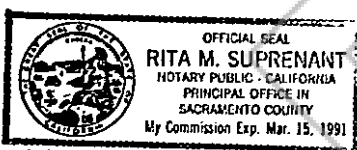
State of California }  
County of Sacramento } ss.

On this the 16th day of June 1987, before me,

Rita M. Suprenant  
the undersigned Notary Public, personally appeared

Roxanna E. Sanders, aka R. Sanders  
 personally known to me  
 proved to me on the basis of satisfactory evidence to be the person(s) who executed the within instrument as an officer of or on behalf of the corporation therein named, and acknowledged to me that the corporation executed it. WITNESS my hand and official seal.

Rita M. Suprenant  
Notary's Signature



State of California  
County of Sacramento

On June 16, 1987, BEFORE ME THE UNDERSIGNED, A NOTARY PUBLIC for the State of California, personally appeared Daniel H. Russell and Roberta A. Russell, proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument, and acknowledged that he/she/they executed it.

Rita M. Suprenant  
Rita M. Suprenant

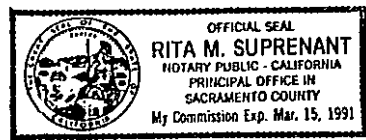


EXHIBIT "A"

DESCRIPTION OF REAL PROPERTY

All that real property located in the County of Eureka, State of Nevada, legally described as follows:

PARCEL ONE

TOWNSHIP 21 NORTH, RANGE 53 EAST, M D B & M

Section 20: West 1/2

EXCEPTING THEREFROM that portion thereof conveyed to CORPORATION OF THE PRESIDING BISHOP OF THE CHURCH OF JESUS CHRIST OF LATTER DAY SAINTS, A UTAH CORPORATION SOLE, in Deed recorded September 7, 1984 in Book 127, page 467 as Document No. 95671, Official Records, which is described as follows: Commencing at the West 1/4 corner of said Section 20, thence North 0°09'00" East 1767.82 feet along the west line of said Section 20 to Corner No. 1 the true point of beginning; thence continuing North 0°09'00" East 240.25 feet along the west line of said Section 20 to corner No. 2, being on the southerly right of way line of 7th Street; thence South 89°59'48" East 840.95 feet along the said southerly right of way line of 7th Street to Corner No. 3; thence from a tangent bearing South 70°38'55" west on a curve to the left, with a radius of 1380.00 feet; through a central angle of 51°05'48", for an arc length of 1230.39 feet to Corner No. 1, the point of beginning, now known as Parcel One and Two of the certain Parcel Map recorded June 4, 1984, under Document No. 95444, Eureka County, Nevada records.

Section 29: North 1/2

PARCEL TWO

TOWNSHIP 21 NORTH, RANGE 53 EAST, M D B & M

Section 20: East 1/2

EXCEPTING THEREFROM, all potassium, oil and gas as reserved in Patent dated March 13, 1963, executed by UNITED STATES OF AMERICA to JAMES J. FAHLE recorded May 3, 1963 in Book 28 of Deeds at page 426, Eureka County, Nevada records.

PARCEL THREE

TOWNSHIP 21 NORTH, RANGE 53 EAST, M D B & M

Section 22: East 1/2  
Section 27: East 1/2

EXCEPTING THEREFROM, all the oil, gas, potash and sodium as reserved in Patents executed by UNITED STATES OF AMERICA to THOMAS H. GALLAGHER and JOHN B. BONGS, recorded April 9, 1964 in Book 3 of Official Records at page 555 and December 30, 1964 in Book 6 of Official Records at page 348, Eureka County, Nevada.

(continued)



PARCEL FOUR

TOWNSHIP 21 NORTH, RANGE 52 EAST, M D. B & M

Section 23: All

EXCEPTING THEREFROM all the oil and gas as reserved in Patents executed by UNITED STATES OF AMERICA to DOROTHY S. GALLAGHER and MILLIE S. SEWELL, recorded December 30, 1964 in Book 6 of Official Records at pages 349 and 350, Eureka County, Nevada records.

RECORDED AT REQUEST OF  
*First American Title Co. of Nev.*  
BOOK 158 PAGE 508

87 JUN 30 11:00

OFFICIAL RECORDS  
EUREKA COUNTY, NEVADA  
RECORDING RECORDER  
FILE NO. 109238  
FEE \$ 2.00

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BOOK 158 PAGE 512