

RECORDING REQUESTED BY,
AND, WHEN RECORDED, MAIL TO:

SANWA BANK CALIFORNIA
601 "J" Street
Sacramento, California 95814

Attn: Roxanna Sanders

DEED OF TRUST (NON-CONSTRUCTION) & ASSIGNMENT OF RENTS

THIS DEED OF TRUST is made this 16th day of June, 1987, by and among DANIEL H. RUSSELL and ROBERTA A. RUSSELL, Husband and Wife ("TRUSTOR"), whose address is P.O. Box 339, Folsom, California 95630, FIRST AMERICAN TITLE COMPANY OF NEVADA, a Nevada corporation ("TRUSTEE"), and SANWA BANK CALIFORNIA, a California corporation ("BENEFICIARY").

W I T N E S S E T H:

THAT TRUSTOR IRREVOCABLY GRANTS, TRANSFERS AND ASSIGNS to TRUSTEE, its successors and assigns, IN TRUST, WITH POWER OF SALE:

All that property now or hereafter acquired in the Counties of Eureka, Lander, Nye, and White Pine, State of Nevada, described in the attached Exhibit "A" (herein referred to as the "property");

TOGETHER WITH, and including, without limitation: all of the buildings and improvements now or hereafter erected on the property; all of the easements, rights, rights-of-way, privileges, franchises and appurtenances now or hereafter belonging to, or in any way appertaining, or in any way being a means of access, to said property; all rents, issues, profits, royalties, revenue, income and other benefits of or arising from the use or enjoyment of all or any portion of the property or the buildings and improvements now or hereafter erected thereon (subject however to the right, reserved to TRUSTOR, to collect, receive and retain such rents, issues, profits, royalties, revenue, income and other benefits prior to any default hereunder or under the note referenced below or other evidence of debt secured hereby); all gas, oil, water and mineral rights, profits and stock now or hereafter derived from, appurtenant to, or pertaining to the property (and any and all shares of stock evidencing the same); all crops now or hereafter grown on the property; and all equipment, machinery, appliances and fixtures (including replacements and additions thereto) now or hereafter erected thereon; and

All of the foregoing shall be deemed to be and shall remain a part of the property encumbered by this Deed of Trust, and all of the foregoing, together with the property (or the leasehold estate, if this Deed of Trust encumbers a leasehold interest in the land comprising such property), are hereinafter referred to as the "premises";

FOR THE PURPOSE OF SECURING, in such order of priority as BENEFICIARY, in its absolute discretion, may determine:

1. Payment of an indebtedness in the aggregate principal sum of \$14,620,800 as evidenced by:
 - a. a certain promissory note dated January 21, 1987 executed by TRUSTOR and payable to BENEFICIARY or order in the original principal sum of \$6,950,000.
 - b. a certain promissory note dated January 21, 1987 executed by TRUSTOR and payable to BENEFICIARY or order in the original principal sum of \$6,059,800.
 - c. a certain promissory note dated January 21, 1987 executed by TRUSTOR and payable to BENEFICIARY or order in the original principal sum of \$390,000.
 - d. a certain promissory note dated March 27, 1987 executed by TRUSTOR and payable to BENEFICIARY or order in the original principal sum of \$200,000.
 - e. a certain promissory note dated June 16, 1987 executed by TRUSTOR and payable to BENEFICIARY or order in the original principal sum of \$1,021,000.

(herein collectively referred to as the "note"), and any and all amendments, modifications, extensions or renewals of the note (whether evidenced by the note or otherwise); together with the payment of interest on such indebtedness and the payment of all other sums (with interest as therein provided) according to the terms of the note (and any and all amendments, modifications, extensions, or renewals thereof);

2. Payment of all other sums, with interest as herein provided, becoming due or payable, under the provisions of this Deed of Trust, to TRUSTEE or BENEFICIARY;

3. Due, prompt and complete observance, performance and discharge of each and every condition, obligation, covenant and agreement contained in this Deed of Trust, the note and any document or instrument modifying or amending this Deed of Trust

or the note, or otherwise evidencing, securing or pertaining to the indebtedness evidenced by the note;

4. Payment of such additional sums (with interest thereon) as may hereafter be borrowed from BENEFICIARY, or its successors or assigns, by TRUSTOR or the then record owner of the premises and evidenced by one or more instruments or agreements (other than the note) which are by their terms secured by this Deed of Trust.

TO PROTECT AND MAINTAIN THE SECURITY OF THIS DEED OF TRUST, TRUSTOR AGREES:

1. Payment of Obligations When Due. TRUSTOR shall promptly pay, when due and in lawful money of the United States of America which shall be legal tender for public and private debts at the time of payment, each and every indebtedness and obligation for which this Deed of Trust has been given as security as provided hereinabove; and TRUSTOR shall promptly perform, observe and discharge each and every condition, obligation, covenant and agreement for which this Deed of Trust has been given as security as provided herein.

2. Maintenance of Premises. TRUSTOR shall maintain and keep the premises in good condition and repair and shall not commit or permit waste of the whole or part or any item consisting of a part of the premises. TRUSTOR shall not alter, remove or demolish any buildings, improvements, machinery, equipment, appliances or fixtures now or hereafter on the property without the prior written consent of BENEFICIARY.

TRUSTOR shall promptly repair, replace or restore (in good, workmanlike manner and in compliance with all laws, ordinances, governmental rules and regulations, easements, agreements, covenants, conditions and restrictions affecting the premises) all buildings, improvements, machinery, equipment, appliances and fixtures now or hereafter on the property, in the event of damage to or destruction of such buildings, improvements, machinery, equipment, appliances and fixtures.

TRUSTOR shall perform, in the event all or any portion of the premises constitutes a leasehold estate belonging to TRUSTOR, each and every obligation of TRUSTOR under the terms of the lease agreement relating to the demise of the premises. TRUSTOR shall not commit, suffer or permit any act upon the premises in violation of law, ordinance, governmental rules and regulations, easements, agreements, covenants, conditions and restrictions affecting the premises or use of the premises.

TRUSTOR shall cultivate, irrigate, fertilize, fumigate, spray, prune and do any other acts which from the character or use of the property may be reasonably necessary, and, if the property is agricultural property, TRUSTOR shall farm and

harvest, and prepare for farming and harvesting, the property in an approved and husbandmanlike manner.

In the performance of all acts required of TRUSTOR under the above paragraphs describing maintenance of the premises, TRUSTOR shall promptly pay when due all expenses incurred therefor and shall promptly pay, discharge or otherwise release all claims for labor performed and materials furnished therefor.

3. Insurance. TRUSTOR shall provide, maintain and keep policies of insurance (with companies and in form, content, policy limits and terms satisfactory to BENEFICIARY, with loss payable to BENEFICIARY) insuring the premises against: fire (with an extended coverage endorsement), public liability, loss of rents or business interruption, flood damage (if the property is located in a flood hazard area and if such insurance is available) and such other hazards and coverages, including earthquake, as BENEFICIARY from time to time may reasonably require.

TRUSTOR shall promptly pay when due all premiums for such insurance, shall deliver copies of all such insurance policies, renewals of such policies and premium receipts therefor to BENEFICIARY, and shall do all things necessary to obtain prompt settlement or disposition of any claim or loss covered under such policies.

All such policies shall name BENEFICIARY as an additional insured and shall include such endorsements as BENEFICIARY shall deem necessary to protect its interest in the premises. All such policies shall not be cancellable nor subject to substantial change without at least thirty (30) days' prior written notice to, and approval by, BENEFICIARY, and BENEFICIARY shall receive at least thirty (30) days' prior written notice of the termination of any such policy.

Without waiving or curing any default in the performance of any obligation under this Deed of Trust and/or without waiving notice of any such default, BENEFICIARY may, in its absolute discretion: apply the proceeds of such insurance upon any indebtedness or obligation secured under this Deed of Trust; and/or, in such order, in such manner and according to such terms and conditions as BENEFICIARY may determine, release all or portions of such proceeds to TRUSTOR for the repair, replacement, or restoration of the premises.

4. Payment of Taxes and Assessments. TRUSTOR shall pay and discharge, at least ten (10) days prior to delinquency: all taxes, assessments and charges of every kind and nature (including real and personal property taxes); all general and special assessments, including common area maintenance assessments and assessments on appurtenant water stock; all levies and all permit, inspection and license fees; all water and sewer rents, connection fees and charges and all other public and

private charges whether of a like or different nature) imposed upon or assessed against TRUSTOR or the premises, or any part thereof or upon the revenues, rents, issues, income, or profits thereof or upon the inventory of goods maintained or stored thereon or therein. TRUSTOR shall, within ten (10) days following such payment or discharge, provide BENEFICIARY with receipts therefor.

Notwithstanding the foregoing, TRUSTOR shall have the right to contest the validity or amount of any such tax, assessment or charge; provided that the validity or amount thereof is contested diligently and in good faith and provided further that TRUSTOR shall protect the premises against any lien arising out of any such tax, assessment or charge, or out of any such contest thereof, by obtaining a bond, in form, substance, amount, and issued by a surety, satisfactory to BENEFICIARY.

5. Litigation. TRUSTOR shall appear in and defend any action or proceeding purporting to affect the security of this Deed of Trust and/or the rights and/or powers of BENEFICIARY and/or TRUSTEE hereunder, and TRUSTOR shall pay all costs and expenses (including costs of evidence of title and attorneys' fees) in any action or proceeding in which BENEFICIARY or TRUSTEE may so appear and/or in any suit brought by BENEFICIARY to foreclose this Deed of Trust, to enforce any obligation secured by this Deed of Trust and/or to prevent the breach thereof.

6. Performance of Obligations by Beneficiary or Trustee. Should TRUSTOR fail to make any payment, perform any obligation or do any act set forth in or secured by this Deed of Trust, BENEFICIARY or TRUSTEE (at the request of BENEFICIARY), without obligation to do so, without notice to or demand upon TRUSTOR and without releasing TRUSTOR from making such future payments, performing such future obligations or doing such future acts, may make such payment, perform such obligation or do such act in such manner and to such extent as BENEFICIARY or TRUSTEE may deem necessary to protect the security of this Deed of Trust. For any and all such purposes, BENEFICIARY and/or TRUSTEE are authorized to enter upon the premises, and, if the premises consists of agricultural property, BENEFICIARY and/or TRUSTEE are authorized to prepare for harvest, harvest, remove, and sell any crops that may be growing upon the premises and apply the proceeds thereof to the indebtedness secured by this Deed of Trust.

Without limiting the foregoing, BENEFICIARY or TRUSTEE may pay, purchase, contest or compromise any encumbrance, charge or lien which, in the sole judgment of BENEFICIARY or TRUSTEE, appears to be prior or superior to this Deed of Trust. In exercising any such power, BENEFICIARY or TRUSTEE may pay all necessary expenses incurred therefor and employ legal counsel and pay its fees.

TRUSTOR agrees to and shall pay, immediately and without demand, all sums so expended by BENEFICIARY or TRUSTEE, with interest, from the date of expenditure, at a rate which is three percent (3%) per annum in excess of the rate otherwise payable on such date according to the terms of the note.

7. Condemnation. Any award of damages or other form of compensation awarded in connection with any condemnation for public use of, or injury to, the property and/or the buildings and improvements now or hereafter erected thereon (or any part thereof) are hereby assigned and shall be paid direct to BENEFICIARY, to be used, held, paid, applied or released in the absolute discretion of BENEFICIARY and without regard to the adequacy of its security, in the same manner and with the same effect as provided herein for the disposition of insurance proceeds. In this regard, TRUSTOR hereby waives the benefit of any statute, rule or law which may be contrary thereto, and TRUSTOR hereby agrees to execute such further assignments therefor as BENEFICIARY may require.

8. Acceptance of Late and Partial Payments. The acceptance by BENEFICIARY of the payment of any sum secured by this Deed of Trust after its due date shall not constitute a waiver of the right to require prompt payment when due of all other and future sums so secured, or to declare a default as herein provided for any failure to so pay, or to proceed with foreclosure or sale for any other default then existing. The acceptance by BENEFICIARY of the payment of a portion of any sum secured by this Deed of Trust at such time that such sum in its entirety is due and payable shall neither cure nor excuse the default caused by failure to pay the whole of such installment or affect any notice of default recorded prior to such acceptance, unless such notice of default is expressly revoked in writing by BENEFICIARY. Such acceptance shall not constitute a waiver of BENEFICIARY's rights to require full payment when due of all other and future sums so secured.

9. General Rights of Beneficiary and Trustee. At any time or from time to time, without liability therefor, without notice and without affecting the liability of any person (including TRUSTOR) for the payment of any indebtedness, or the performance of any obligation secured by this Deed of Trust or the lien of this Deed of Trust on the premises or any portion thereof:

a. BENEFICIARY may: release any person liable for the payment of any such indebtedness or for the performance of any such obligation; extend the time or otherwise alter the terms of payment of any such indebtedness; accept additional security therefor of any kind, including deeds of trust and mortgages; and/or alter, substitute and/or release any portion of the premises securing such indebtedness;

b. TRUSTEE may, upon the written consent of BENEFICIARY: consent to the making of any map or plot of the property; join in granting any easements or creating any restrictions on the property and/or join in any extension agreement or any agreement subordinating the lien or charge of this Deed of Trust.

10. Reconveyance of this Deed of Trust. Upon written request of BENEFICIARY stating that all indebtedness secured by this Deed of Trust has been paid, upon surrender of this Deed of Trust and all notes evidencing such indebtedness to TRUSTEE for cancellation and retention and upon payment to TRUSTEE of its fee, costs and expenses incurred or to be incurred thereby, TRUSTEE shall reconvey, without warranty, the premises then held hereunder. The recitals in such reconveyance of any matters or facts shall be conclusive proof of the truthfulness thereof. The grantee in such reconveyance may be described as "the person or persons legally entitled thereto".

11. Assignment of Rents. TRUSTOR absolutely and unconditionally hereby assigns, transfers, conveys, and sets over to BENEFICIARY all of the rents, royalties, issues, profits, revenue, income, and other benefits of the premises arising from the use or enjoyment of all or any portion thereof or from any lease or agreement pertaining thereto (hereinafter collectively referred to as the "rents"); reserving to TRUSTOR only the right, prior to any default by TRUSTOR hereunder, to collect, receive and retain the rents as they become due and payable, but not otherwise. TRUSTOR shall, at the request of BENEFICIARY, execute such further assignments to BENEFICIARY of any or all such leases, agreements and rents as BENEFICIARY may require.

Upon any such default by TRUSTOR hereunder, BENEFICIARY may, at any time and without notice (either in person, by agent or representative, or by a receiver appointed by a court) and without regard to the adequacy of any security for the indebtedness and/or obligations secured by this Deed of Trust: enter upon and take possession of the premises or any part thereof, in its own name or in the name of TRUSTOR; sue for or otherwise collect the rents (including those past due and unpaid) and apply such rents (less costs and expenses of operation and collection, including attorneys' fees and expenses) to the payment of such indebtedness secured under this Deed of Trust in such order and in proportions as BENEFICIARY in its absolute discretion may determine. The entering upon and taking of possession of the premises and the collection and application of the rents shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice.

12. Sale by Trustee of the Premises. Upon a default in the payment of any indebtedness, or the performance of any obligation, secured by this Deed of Trust, or in the event that any representation, covenant or warranty contained in this Deed

of Trust or in any other document evidencing or securing the loan for which any such indebtedness is evidenced shall be or become untrue, BENEFICIARY may (without notice to or demand upon TRUSTOR): declare all indebtedness secured by this Deed of Trust immediately due and payable; and/or execute and record (or cause TRUSTEE to execute and record) a notice of default and election to cause the premises to be sold to satisfy the indebtedness and obligations secured hereby; and/or commence an action to foreclose this Deed of Trust and/or take any other action permitted by law to enforce its rights and remedies hereunder as it may deem to be appropriate. Upon the recordation of such notice of default, BENEFICIARY shall deposit this Deed of Trust and all notes and documents evidencing such indebtedness and/or such obligations with TRUSTEE.

After the lapse of such time as may then be required by law following the recordation of the notice of default, and after the notice of the sale of the premises has been given by TRUSTEE as then required by law, TRUSTEE (without demand on TRUSTOR) shall sell the premises at the time and place fixed in such notice of sale, either as a whole or in separate parcels, and in such order as TRUSTEE may determine, at public auction to the highest bidder for cash in lawful money of the United States of America, payable at the time of sale. TRUSTEE may postpone the sale of all or any portion of the premises by public announcement at such time and place of sale and from time to time thereafter may postpone such sale by public announcement at the time and place fixed by the preceding postponement.

TRUSTEE shall deliver to the purchaser a deed conveying the premises (or such portion thereof) so sold, but without any covenant or warranty, express or implied. The recitals in such deed of any matters or facts shall be conclusive proof of the truthfulness thereof.

Any person, including TRUSTOR, TRUSTEE or BENEFICIARY, may purchase at such sale.

Upon such sale by TRUSTEE, and after deducting all costs, expenses, and fees of TRUSTEE and of this Trust (including the cost of evidence of title in connection with the sale), TRUSTEE shall apply the proceeds from the sale to the payment of: the indebtedness and obligations secured by this Deed of Trust, whether evidenced by the note or otherwise; sums representing advances made or expenditures made and incurred by, and not then repaid to, BENEFICIARY or TRUSTEE under this Deed of Trust or under any other document evidencing or securing any indebtedness secured hereby, together with accrued interest thereon at the rate specified in paragraph 6 of this Deed of Trust; all other sums then secured by this Deed of Trust, together with interest as provided in any document pertaining thereto; and the remainder, if any, to the person or persons legally entitled thereto.

If this Deed of Trust or any note secured hereby provides for any charge for prepayment of any indebtedness secured hereby, TRUSTOR agrees to pay said charge if any of such indebtedness shall be paid prior to the normal due date thereof stated in such note or in this Deed of Trust; this result shall obtain even if and notwithstanding TRUSTOR shall have defaulted in the payment thereof or in the performance of any obligation hereunder, and BENEFICIARY, by reason of such default, shall have declared all indebtedness secured hereby immediately due and payable.

13. Acceleration of Indebtedness Upon Sale of the Premises. In the event TRUSTOR, or any successor in interest to TRUSTOR in the premises secured by this Deed of Trust, sells, conveys, alienates, assigns, transfers, or disposes of the premises, or any part thereof or any interest therein, or becomes divested of its title or any interest therein in any manner or way, or enters into a master lease covering all or any portion thereof or an undivided interest therein, whether voluntary, involuntary, or otherwise, or enters into an agreement to do so, without the prior written consent of BENEFICIARY, then BENEFICIARY may, at its election, declare the note and such other indebtedness and obligations secured by this Deed of Trust, irrespective of the maturity date specified in the note or in any written agreement pertaining to the note and/or such other indebtedness and obligations, immediately due and payable without notice. No waiver of this right shall be effective unless in writing. Consent by BENEFICIARY to one such transaction shall not constitute nor be deemed to be a waiver of the rights of BENEFICIARY provided herein, or a waiver of the requirement of the prior written consent of BENEFICIARY, as to future or succeeding transactions.

14. Acceleration of Indebtedness Upon Change in Ownership, Control, or Membership of Trustor. If TRUSTOR is a corporation, trust, limited or general partnership, or joint venture, should there occur a sale, conveyance, transfer, disposition or encumbrance (whether voluntary or involuntary, or otherwise), or should an agreement be entered into to do so, with respect to more than ten percent (10%) of the issued and outstanding capital stock of TRUSTOR (if a corporation), of the beneficial interest of TRUSTOR (if a trust), or of any general or limited partnership or joint venture interest (if TRUSTOR be a general or limited partnership or joint venture), or if there shall occur a change in any general partner or any joint venturer, or a change affecting the ownership, control, or membership of TRUSTOR (if TRUSTOR is a general or limited partnership or a joint venture), then BENEFICIARY may, at its election, declare the note and such other indebtedness and obligations secured by this Deed of Trust, irrespective of the maturity date specified in the note or in any written agreement pertaining to the note and/or such other indebtedness and obligations, immediately due and payable, without notice, unless BENEFICIARY shall have given its prior written consent thereto. Consent to one such transaction shall not constitute nor be

deemed to be a waiver of the right to require such consent as to future or succeeding transactions.

15. Acceleration of Indebtedness Upon an Event of Bankruptcy or Insolvency. TRUSTOR agrees that BENEFICIARY may, at its election, declare the note and such other indebtedness and obligations secured by this Deed of Trust, irrespective of the maturity date specified in the note or in any written agreement pertaining to the note and/or such other indebtedness and obligations, immediately due and payable, without notice: if any proceeding under the Bankruptcy Code, or under any present or future federal, state or other statute, law or regulation pertaining to bankruptcy, insolvency or other relief for debtors shall be instituted by or against TRUSTOR or any other person who may be liable (by way of guaranty, assumption, endorsement or otherwise) upon the note and/or such other indebtedness and obligations secured hereby; and/or if a receiver, trustee or custodian shall be appointed for TRUSTOR or such other person shall make an assignment for the benefit of creditors and if such proceeding or receiver, trustee or custodian shall not be dismissed, or such assignment shall not be voided, within sixty (60) days of such institution, appointment or making.

16. Successor Trustees. BENEFICIARY, acting alone, may, from time to time, by instrument in writing, substitute a successor or successors to any Trustee named herein or acting hereunder. Such instrument, executed, acknowledged and recorded in the manner required by law, shall be conclusive proof of proper substitution of such successor Trustee or Trustees, who shall (without conveyance from the preceding Trustee) succeed to all of the title, estate, rights, powers and duties of such preceding Trustee. Such instrument must contain the name of the original Trustor, Trustee and Beneficiary hereunder, the book and page where this Deed of Trust is recorded and the name and address of the new Trustee. If a notice of default has been recorded, this power of substitution cannot be exercised until after the costs, fees, and expenses of the then acting Trustee have been paid to such Trustee, who shall endorse receipt thereof upon such instrument or substitution.

17. Cumulative Remedies; Additional Security. No remedy herein conferred upon or reserved to the parties to this Deed of Trust is intended to be exclusive of any other remedy provided herein or by law. Each such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute. No delay or omission of TRUSTEE or BENEFICIARY in the exercising of any right or power accruing upon any event of default hereunder shall impair such right or power or any other right or power, nor shall such delay or omission be construed or deemed to be a waiver of any default or any acquiescence therein.

If there exists additional security for the indebtedness and obligations secured by this Deed of Trust, BENEFICIARY, at its election and without limiting or affecting any of its rights or remedies hereunder, may exercise any of the rights and remedies to which BENEFICIARY may be entitled hereunder -- either concurrently with whatever rights or remedies BENEFICIARY may have in connection with such other security or in such order and in such manner as BENEFICIARY may deem fit -- without waiving any rights or remedies with respect to any other security.

18. Partial Invalidity of this Deed of Trust. In the event any one or more of the provisions of this Deed of Trust, the note, or any other document evidencing the indebtedness and obligations secured hereby shall for any reason be held to be invalid, illegal and/or unenforceable in any respect, such invalidity, illegality and/or unenforceability shall not affect any other provision of this Deed of Trust, the note, or any such other document, and such other provisions shall remain binding and enforceable and shall continue in effect.

19. Application of California Law. This Deed of Trust has been executed and delivered in the State of California and is to be construed, enforced and governed according to and by the laws of California.

20. Miscellaneous Provisions.

a. This Deed of Trust applies to, inures to the benefit of and binds all parties hereto and their respective heirs, legatees, devisees, administrators, executors, successors, and assigns. The term "Beneficiary" as used herein shall mean the owner and holder, including pledgees, of the note or any other indebtedness secured hereby, whether or not named as Beneficiary herein.

b. The headings and captions of the paragraphs of this Deed of Trust are for reference purposes only and shall not be construed or deemed to define or limit any of the terms and provisions contained thereunder. Whenever in this Deed of Trust the content so requires, the gender used includes the masculine, feminine, and/or neuter and the number so used includes the singular and/or the plural.

c. Any Trustor who is married hereby expressly agrees that recourse may be had against such person's separate property, but without thereby creating any lien or charge thereon for any deficiency after sale of the premises as herein provided.

d. The pleading of any statute of limitations as a defense to any and all indebtedness and/or obligations secured by this Deed of Trust is hereby waived to the fullest extent permissible by law.

e. In the event of the passage, after the date of this Deed of Trust, of any law deducting from the value of real property, for tax purposes, any lien or charge thereon, or changing in any way the laws now existing for the taxation of deeds of trust or indebtedness secured by deeds of trust for federal, state or local purposes, or changing the manner of collection of any such taxes as to affect this Deed of Trust or the indebtedness secured hereby, TRUSTOR agrees to pay such tax arising from such new law; and if TRUSTOR fails to do so or if it would be illegal for TRUSTOR to do so, BENEFICIARY may, at its election and without demand or notice, declare the entire indebtedness secured by this Deed of Trust (together with accrued interest thereon) immediately due and payable.

f. TRUSTEE accepts this Trust when this Deed of Trust, duly executed and acknowledged, is made a public record as provided by law. TRUSTEE is not obligated to notify any party to this Deed of Trust of pending sale under any other deed of trust or of any action or proceeding in which TRUSTOR, BENEFICIARY and/or TRUSTEE is a party, unless brought by TRUSTEE hereunder.

g. To the extent that this Deed of Trust encumbers a leasehold interest in the land comprising the property, if at any time hereafter TRUSTOR shall acquire fee title to the property and the leasehold interest of TRUSTOR shall become extinguished by reason of the merger of title or otherwise by operation of law, this Deed of Trust shall thereupon encumber TRUSTOR's feehold interest in the property without the necessity of executing (by TRUSTOR and BENEFICIARY and/or TRUSTEE) or recording any further documents or instruments pertaining to such event, it being the purpose and intent of TRUSTOR that whatever interest which TRUSTOR may herenow or hereafter have in the property shall be encumbered by this Deed of Trust.

h. TRUSTOR requests that a copy of any notice of default or any notice of sale hereunder be mailed to TRUSTOR at the address first referenced and set forth herein, or at such other address as TRUSTOR may, from time to time, notify TRUSTEE by certified United States mail.

21. This Deed of Trust encumbers real property located in the Counties of Eureka, Lander, Nye and White Pine, State of Nevada and will be recorded in each of such counties in counterpart. Each counterpart of this Deed of Trust shall constitute and be one Deed of Trust for the purpose of securing the indebtedness referenced herein and encumbering the real property described herein.

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IN WITNESS WHEREOF, this Deed of Trust is executed as of the date first hereinabove written.

TRUSTOR:

Daniel H. Russell
DANIEL H. RUSSELL

Roberta A. Russell
ROBERTA A. RUSSELL

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: -- 1

TOWNSHIP 20 NORTH, RANGE 40 EAST, M. D. B. & M.

Section 8: North 1/2 Southeast 1/4
Section 9: Southwest 1/4
Section 15: South 1/2 Northwest 1/4; North 1/2 Southwest 1/4;
Northwest 1/4 Southeast 1/4
Section 16: Northeast 1/4; Northeast 1/4 Northwest 1/4

TOWNSHIP 21 NORTH, RANGE 48 EAST, M. D. B. & M.

Section 10: Northeast 1/4 Southwest 1/4; Northwest 1/4 Southeast
1/4; South 1/2 Southeast 1/4
Section 35: Northeast 1/4 Southwest 1/4; Northwest 1/4 Southeast 1/4

TOWNSHIP 22 NORTH, RANGE 48 EAST, M. D. B. & M.

Section 36: Northeast 1/4; North 1/2 Southeast 1/4, Lot 4

TOWNSHIP 22 NORTH, RANGE 40 EAST, M. D. B. & M.

Section 31: Lots 1 and 2

EXCEPTING FROM the West 1/2 of the Northeast 1/4 of Section 36,
Township 22 North, Range 48 East, M. D. B. & M., all the oil and gas as
reserved in Patent executed by United States of America, recorded February
5, 1962 in Book 26 of Deeds at page 175, Eureka County, Nevada records

EXCEPTING FROM the South 1/2 of the Northwest 1/4; North 1/2 of the
Southwest 1/4; Northwest 1/4 of the Southeast 1/4 of Section 15, the
Northeast 1/4 of the Northeast 1/4 and the South 1/2 of the Northeast 1/4
of Section 16, Township 20 North, Range 40 East, M. D. B. & M., all the oil,
gas, potash and sodium as reserved in Patent executed by United States of
America, recorded December 2, 1965 in Book 9 of Official Records at page
185, Eureka County, Nevada.

FURTHER EXCEPTING from all of the above described lands one-half of
all oil, gas or mineral rights of any name or nature as reserved by
PIETRINA ETCHEGARAY, et al, in Deed recorded June 20, 1966 in Book 11 of
Official Records at page 37, Eureka County, Nevada.

PARCEL TWO: -- 2

TOWNSHIP 15 NORTH, RANGE 50 EAST, M. D. B. & M.

Section 4: Lots 1 and 2; South 1/2 Northeast 1/4; Southeast 1/4

EXCEPTING all oil and gas as reserved in Patent executed by UNITED
STATES OF AMERICA.

(continued)

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PARCEL THREE

TOWNSHIP 15 NORTH, RANGE 53 EAST, M. D. B. & M.

- Section 7: Southeast 1/4 Northeast 1/4
- Section 8: East 1/2; Northwest 1/4 Northwest 1/4; South 1/2 Northwest 1/4; North 1/2 Southwest 1/4; Southeast 1/4 Southwest 1/4
- Section 9: Northeast 1/4 Northeast 1/4; South 1/2 Northeast 1/4; Northwest 1/4 Northwest 1/4; South 1/2 Northwest 1/4; South 1/2
- Section 10: North 1/2; North 1/2 South 1/2; Southwest 1/4 Southeast 1/4; South 1/2 Southwest 1/4
- Section 11: South 1/2 Northeast 1/4; Northwest 1/4; North 1/2 Southwest 1/4
- Section 12: North 1/2

TOWNSHIP 15 NORTH, RANGE 54 EAST, M. D. B. & M.

- Section 6: South 1/2 Southwest 1/4
- Section 7: Lots 1 and 2 of the Northwest 1/4

TOWNSHIP 17 NORTH, RANGE 40 EAST, M. D. B. & M.

- Section 24: Homestead Entry No. 174, comprising Tracts A and B, embracing a portion of, approximately Section 24 in Township 17 North of Range 40 East of the Mount Diablo Meridian, Nevada, more particularly described as follows

Beginning for the description of Tract A at corner No. 1, identical with the southwest corner to Section 10 in Township 17 North, Range 50 East of the Mount Diablo Meridian; thence, North 87° West 43.66 chains to Corner No. 2, thence, North $2^{\circ}40'$ West 3.44 chains to Corner No. 3; thence, North $73^{\circ}35'$ East 22.53 chains to Corner No. 4; thence, South $63^{\circ}30'$ East 10.92 chains to Corner No. 5; thence, South $24^{\circ}24'$ East 21.41 chains to Corner No. 6; thence, South $0^{\circ}4'$ East 5.98 chains to Corner No. 1, the place of beginning

(Continued)

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Beginning for the description of Tract B at Corner No. 7, from which Corner No. 2 of said Tract A bears South 87° East 50 links distant; thence North 87° West 27.75 chains to Corner No. 8; thence North 39° 12' East 12.73 chains to Corner No. 9; thence North 39° 29' West 16.96 chains to Corner No. 10; thence North 47° East 4.48 chains to Corner No. 11; thence South 33° 44' East 4.99 chains to Corner No. 12; thence South 48° 30' East 30.75 chains to Corner No. 13; thence North 73° 35' East 1.24 chains to Corner No. 14; thence South 2° 40' East 3.28 chains to Corner No. 7; the place of beginning, containing in the aggregate 61.83 acres, according to the official plat of the Survey of said land, returned to the General Land Office by the Surveyor-General.

TOWNSHIP 17 NORTH, RANGE 50 EAST, M. D. B. & M.

Sections 7 and 8: Homestead Entry No. 98 embracing portions of said Sections 7 and 8 is described more particularly as follows:

Beginning at Corner No. 1 from which the quarter corner to Sections 8 and 9 in Township 17 North of Range 50 East of the Mount Diablo Meridian, bears North 82° 35' East 57.53 chains distant; thence South 73° 52' West 17.72 chains to Corner No. 2; thence North 76° 18' West 27.40 chains to Corner No. 3; thence South 66° 29' West 3.30 chains to Corner No. 4; thence North 76° 43' West 30.88 chains to Corner No. 5; thence North 56° 9' East 5.40 chains to Corner No. 6; thence South 70° 52' East 55.00 chains to Corner No. 7; thence North 78° 59' East 15.21 chains to Corner No. 8; thence South 37° 41' East 5.41 chains to Corner No. 1, the place of beginning, containing 35.65 acres, according to the official plat of survey of said land, returned to the General Land Office by the Surveyor-General.

Section 19: Lot 4; Southeast 1/4 Southwest 1/4
 Section 29: North 1/2 Northwest 1/4; West 1/2 Northeast 1/4
 Section 30: Northeast 1/4 Northwest 1/4; North 1/2 Northeast 1/4,
 East 1/2 Southwest 1/4; North 1/2 Southeast 1/4
 Section 31: West 1/2 Northeast 1/4; Northeast 1/4 Northeast 1/4

TOWNSHIP 18 NORTH, RANGE 49 EAST, M. D. B. & M.

Section 25: North 1/2 Northeast 1/4

TOWNSHIP 18 NORTH, RANGE 50 EAST, M. D. B. & M.

Section 28: Southwest 1/4 Northeast 1/4; Northwest 1/4 Southeast 1/4
 Section 30: Northwest 1/4 Northeast 1/4; Northeast 1/4 Northwest 1/4

TOWNSHIP 18 NORTH, RANGE 51 EAST, M. D. B. & M.

Section 18: West 1/2 Northeast 1/4; East 1/2 Northwest 1/4; West 1/2
 Southeast 1/4; Southwest 1/4
 Section 19: Northwest 1/4 Northeast 1/4; West 1/2; West 1/2 Southeast
 1/4
 Section 30: North 1/2, North 1/2 South 1/2

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TOWNSHIP 18 NORTH, RANGE 54 EAST, M. D. B. & M.

- Section 18: Southeast 1/4 Northwest 1/4, Northeast 1/4 Southwest 1/4,
Northwest 1/4 Southeast 1/4; South 1/2 Southeast 1/4,
Lot 2
Section 19: Northeast 1/4; Southeast 1/4 Northwest 1/4; North 1/2
Southeast 1/4
Section 20: West 1/2 Northwest 1/4; North 1/2 Southwest 1/4,
Southeast 1/4 Northwest 1/4, Lot 1

EXCEPTING from all of those parcels shown in Township 18 North, Range 54 East, M.D.B. & M., except the Northeast 1/4 Northeast 1/4 of Section 19, the Southeast 1/4 Northwest 1/4, Lot 1, Northwest 1/4 Northwest 1/4 and the Northeast 1/4 Southwest 1/4 of Section 20, all the coal and other minerals as reserved in Patent executed by the UNITED STATES OF AMERICA, recorded August 17, 1932 in Book 21 of Deeds at page 89, Eureka County, Nevada records.

TOWNSHIP 19 NORTH, RANGE 50 EAST, M. D. B. & M.

- Section 16: West 1/2 Northeast 1/4; East 1/2 Northwest 1/4;
Southwest 1/4 Northwest 1/4; Northwest 1/4 Southwest 1/4
Section 17: Southeast 1/4 Northeast 1/4; Northeast 1/4 Southeast 1/4

TOWNSHIP 18 NORTH, RANGE 48 EAST, M. D. B. & M.

- Section 14: East 1/2 Southwest 1/4 Northwest 1/4 Southwest 1/4; West
1/2 Southeast 1/4 Northwest 1/4 Southwest 1/4; Southeast
1/4 Southeast 1/4 Northwest 1/4 Southwest 1/4; Southwest
1/4 Southeast 1/4 Southwest 1/4; Southwest 1/4 Southeast
1/4 Southeast 1/4 Southwest 1/4; South 1/2 Northwest 1/4
Southeast 1/4 Southwest 1/4; Northwest 1/4 Northwest 1/4
Southeast 1/4 Southwest 1/4; Southeast 1/4 Southeast 1/4
Southwest 1/4 Southwest 1/4; North 1/2 Southeast 1/4
Southwest 1/4 Southwest 1/4; Northeast 1/4 Southwest 1/4
Southwest 1/4; Northeast 1/4 Northwest 1/4 Southwest 1/4
Southwest 1/4
Section 23: Northeast 1/4 Southeast 1/4 Northeast 1/4; Northeast 1/4
Southwest 1/4 Northeast 1/4 Northwest 1/4, Northwest 1/4
Southeast 1/4 Northeast 1/4 Northwest 1/4

AND a parcel of land existing within a portion of Section 27 and Section 34, known as Homestead Entry No. 86 and is described as follows:

Beginning at Corner No. 1, from which U.S. Location Monument No. 253 bears South $26^{\circ}42'$ East 1.55 chains distant, thence North $26^{\circ}42'$ West 66.97 chains to Corner No. 2; thence North $9^{\circ}13'$ West 17.37 chains to Corner No. 3, thence North $87^{\circ}44'$ East 7.72 chains to Corner No. 4; thence South $22^{\circ}51'$ East 86.81 chains to Corner No. 5; thence west 7.36 chains to Corner No. 1, the place of beginning, containing 78.92 acres, and being the same parcel conveyed by the UNITED STATES OF AMERICA to GEORGE WILLIAMS by Land Patent dated May 19, 1916 and recorded in Book 18 of Deeds at page 105, Eureka County, Nevada records.

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TOWNSHIP 18 NORTH, RANGE 49 EAST, M D R & M

Section 5: Northwest 1/4 Southwest 1/4; Southwest 1/4 Southwest 1/4
Section 6: Northeast 1/4 Southeast 1/4; Southeast 1/4 Southeast 1/4
Section 8: Northwest 1/4 Northwest 1/4; South 1/2 Northwest 1/4;
Northeast 1/4 Southwest 1/4

TOWNSHIP 19 NORTH, RANGE 49 EAST, M D R & M

Section 5: West 1/2 East 1/2; East 1/2 West 1/2; West 1/2 Southwest
1/4; Southwest 1/4 Northwest 1/4
Section 6: Southeast 1/4; Southeast 1/4 Northeast 1/4

EXCEPTING THEREFROM all coal and other valuable minerals as reserved
in Patent executed by UNITED STATES OF AMERICA, recorded July 6, 1950 in
Book 24 of Deeds at page 79, Eureka County, Nevada records.

Section 18: Northwest 1/4 Northeast 1/4; Northeast 1/4 Southwest 1/4,
Southeast 1/4 Northwest 1/4; Southwest 1/4 Southeast 1/4
Section 19: East 1/2 Southeast 1/4; Northwest 1/4 Southeast 1/4,
Northeast 1/4

EXCEPTING from all of the subject property in Section 18 and the North
1/2 Northeast 1/4, Southwest 1/4 Northeast 1/4 and Northwest 1/4 Southeast
1/4 of Section 19, all the oil and gas as reserved in Patent executed by
UNITED STATES OF AMERICA, recorded October 5, 1966 in Book 12 of Official
Records at page 209, Eureka County, Nevada.

Section 20: West 1/2 Southwest 1/4; Southwest 1/4 Northwest 1/4

EXCEPTING from the Southeast 1/4 Southeast 1/4 of Section 19 and the
Southwest 1/4 Southwest 1/4 of Section 20 all minerals as reserved in
Patent executed by UNITED STATES OF AMERICA, recorded January 2, 1969 in
Book 26 of Official Records at page 554, Eureka County, Nevada

Section 29: Southwest 1/4 Northwest 1/4; Northwest 1/4 Southwest 1/4,
Southwest 1/4 Southwest 1/4
Section 30: East 1/2 Northeast 1/4; Northeast 1/4 Southeast 1/4

EXCEPTING from all of the subject property in Sections 29 and 30 all
of the oil and gas as reserved in Patent executed by UNITED STATES OF
AMERICA, recorded February 21, 1969 in Book 28 of Official Records at page
12, Eureka County, Nevada.

EXCEPTING FROM the above described parcels, all mineral rights and
interest, including coal, oil, gas and other hydrocarbons, and all other
metallic and non-metallic mineral ores and substances, and geothermal
steam, hot water, hot brines, thermal energy and gasses as conveyed by
VALIANT FARMS-EUREKA, INC., to APAL, a Limited Partnership, by various
documents of record.

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BOOK 158 PAGE 530

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

PARCEL ONE --

TOWNSHIP 18 NORTH, RANGE 48 EAST, M. D. B. & M.

Section 7: Southeast 1/4 Northwest 1/4; Southwest 1/4 Northeast 1/4;
West 1/2 Southeast 1/4
Section 18: Northwest 1/4 Northeast 1/4

EXCEPTING an undivided one-half of all oil, petroleum, gas and minerals
as reserved in Deed executed by CONLAN LAND & LIVESTOCK, INC., recorded
November 7, 1962 in Book 26 of Deeds at page 300, Eureka County, Nevada and
recorded November 13, 1962 in Book 69 of Deeds at page 250, Lander County,
Nevada.

TOWNSHIP 29 NORTH, RANGE 43 EAST, M. D. B. & M.

Section 35: North 1/2 Northeast 1/4; Southwest 1/4 Northeast 1/4

TOWNSHIP 30 NORTH, RANGE 43 EAST, M. D. B. & M.

Section 36: Southeast 1/4

EXCEPTING AND RESERVING, also, to the UNITED STATES, pursuant to the
provisions of the Act of August 1, 1946 (60 Stat. 755), all uranium,
thorium, or any other material which is or may be determined to be
peculiarly essential to the production of fissionable material, whether or
not of commercial value, together with the right of the United States
through its authorized agents or representatives at any time to enter upon
the land and prospect for, mine, remove the same.

EXCEPTING FROM the above described parcels all mineral rights and
interest, including coal, oil, gas and other hydrocarbons, and all other
metallic and non-metallic mineral ores and substances, and geothermal
steam, hot water, hot brines, thermal energy and gasses as conveyed by
VALIANT FARMS-EUREKA, INC., to APAL, a Limited Partnership, by various
documents of record.

PARCEL TWO --

TOWNSHIP 21 NORTH, RANGE 48 EAST, M. D. B. & M.

Section 19: Southeast 1/4 Southwest 1/4; South 1/2 Southeast 1/4
Section 29: North 1/2 North 1/2; South 1/2 Northwest 1/4; Southwest
1/4 Northeast 1/4
Section 30: East 1/2 Northwest 1/4; Northeast 1/4; Northwest 1/4
southeast 1/4

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

TOWNSHIP 14 NORTH, RANGE 48 EAST, M. D. B. & M.

Section 23: West 1/2 Southeast 1/4

TOWNSHIP 14 NORTH, RANGE 51 EAST, M. D. B. & M.

Section 10: North 1/2 Northeast 1/4

Section 11: North 1/2 Northwest 1/4

Section 24: West 1/2 Southwest 1/4; Northeast 1/4 Southwest 1/4;
Northwest 1/4 Southeast 1/4

TOWNSHIP 15 NORTH, RANGE 53 EAST, M. D. B. & M.

Section 23: Southwest 1/4 Northeast 1/4

Section 28: Northeast 1/4 Northwest 1/4

EXCEPTING FROM the West 1/2 Southeast 1/4 of Section 23, Township 14 North, Range 48 East, M.D.B. & M., and the Southwest 1/4 Northeast 1/4 of Section 23 and the Northeast 1/4 Northwest 1/4 of Section 28, Township 15 North, Range 53 East, M.D.B. & M., an undivided 1/8 of all minerals, oil, gas, and hydrocarbon substances, as granted to JOHN I. BROWN by Deed recorded February 20, 1954 in Book 56 of Deeds, page 70.

ALSO EXCEPTING from the West 1/2 Southwest 1/4 of Section 23, Township 14 North, Range 48 East, M.D.B. & M., and the Southwest 1/4 Northeast 1/4 of Section 23, and the Northeast 1/4 Northwest 1/4 of Section 28, Township 15 North, Range 53 East, M.D.B. & M., an undivided 23-1/3 interest in and to all oil, gas, hydrocarbon substances within said land, as granted to SAM RUDWICK by Deed recorded March 11, 1957 in Book 18 of Official Records at page 190.

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ALSO EXCEPTING from the West 1/2 Southwest 1/4 of Section 23, Township 14 North, Range 48 East, M.D.B. & M., and the Southwest 1/4 Northeast 1/4 of Section 23, and the Northeast 1/4 Northwest 1/4 of Section 28 in Township 15 North, Range 53 East, M.D.B. & M., an undivided 40% interest in and to all mineral rights, including but not limited to 'crude oil', petroleum, gas ore, asphaltum, or any kindred substance with and underlying as reserved in the Deed executed by EUREKA LIVESTOCK COMPANY, recorded June 2, 1958 in Book 25 of Official Records, page 482.

TOWNSHIP 7 NORTH, RANGE 50 EAST, M. D. B. & M.

Section 3: Lots 3 and 4 (North 1/2 Northwest 1/4)
Section 4: Lot 1 (Northeast 1/4 Northeast 1/4)

TOWNSHIP 8 NORTH, RANGE 50 EAST, M. D. B. & M.

Section 13: Northwest 1/4 Northeast 1/4; Northeast 1/4 Northwest 1/4
Section 33: Northeast 1/4; North 1/2 Northwest 1/4
Section 34: West 1/2 Northwest 1/4; Southeast 1/4 Northwest 1/4;
North 1/2 Southwest 1/4; Southeast 1/4 Southwest 1/4,
Lot 1

TOWNSHIP 6 NORTH, RANGE 51 EAST, M. D. B. & M.

Section 5: Southwest 1/4 Northeast 1/4
Section 9: Southwest 1/4 Southwest 1/4
Section 16: Northwest 1/4 Northwest 1/4

TOWNSHIP 8 NORTH, RANGE 55 EAST, M. D. B. & M.

Section 14: South 1/2 Northwest 1/4; Northwest 1/4 Northwest 1/4;
North 1/2 Southwest 1/4
Section 15: Southwest 1/4 Northeast 1/4; Southeast 1/4, Northeast 1/4
Southwest 1/4

EXCEPTING THEREFROM that portion of land conveyed to the STATE OF NEVADA for highway and incidental purposes by Deed recorded June 18, 1936, in Book 45, page 356 of Deeds, Nye County, Nevada records.

FURTHER EXCEPTING THEREFROM that portion of said land conveyed to the STATE OF NEVADA for highway and incidental purposes by Deed recorded November 9, 1940 in Book 48 of Deeds, page 59 under File No. 12440, Nye County, Nevada records.

FURTHER EXCEPTING an undivided 3-1/2% interest in the mineral rights in and to the Northwest 1/4 Southwest 1/4 of Section 12 and the East 1/2 Southeast 1/4 and the Southwest 1/4 Southeast 1/4 of said Section 15, Township 8 North, Range 55 East, M.D.B. & M., as granted to J.P. JOHANSEN and LOLA H. JOHANSEN, husband and wife, by Deed dated August 25, 1958 recorded in Book 35, page 481, Official Records of Nye County, Nevada.

TOWNSHIP 8 NORTH, RANGE 55 EAST, M. D. B. & M.

Section 15: Southeast 1/4 Northwest 1/4

(Continued)

EXCEPTING THEREFROM that portion described as follows:

Beginning at a point in the Southeast 1/4 Northwest 1/4 of said Section 15, from which the North quarter corner of said Section 15 bears North 10°28'10" East, a distance of 1300.78 feet; thence South 38°37' East, a distance of 464.46 feet; thence South 0°02' East, a distance of 230.98 feet; thence South 51°53' West, a distance of 300.20 feet; thence North 35°57' West, a distance of 651.18 feet; thence North 51°03' East, a distance of 540.95 feet to the point of beginning.

EXCEPTING THEREFROM that portion of said land conveyed to the State of Nevada for highway and incidental purposes by Deed recorded June 18, 1936 in Book 45, page 356, Deed Records, Nye County, Nevada, described as follows:

BEGINNING at a point which bears South 32°39' East a distance of 50.00 feet from the center line of the State Highway at approximately Engineer's Station "B" 450+78.01 P.O.T.; said point of beginning further described as bearing North 84°20'30" East a distance of 1945.83 feet from the 1/4 Section Corner common to Sections 15 and 16, Township 8 North, Range 55 East, M.D.B. & M.; thence North 57°21' East along the southeasterly 50 foot Highway right of way line a distance of 21.09 feet to a point, thence from a tangent whose bearing is the last described course curving to the left along said highway right of way line with a radius of 5050 feet through an angle of 2°19' a distance of 204.19 feet to a point; thence South 32°39' East a distance of 291.60 feet to a point; thence South 22°35' West a distance of 273.90 feet to a point; thence North 32°39' West a distance of 443.50 feet to the point of beginning.

FURTHER EXCEPTING THEREFROM that portion of said land conveyed to the STATE OF NEVADA for highway and incidental purposes by Deed recorded November 9, 1940 in Book 48 of deeds, page 53 under File No. 12440, Nye County, Nevada records.

TOWNSHIP 10 NORTH, RANGE 51 EAST, M. D. B. & M.

Section 25: Southeast 1/4 Southwest 1/4
Section 36: North 1/2 Northwest 1/4; Southeast 1/4 Northwest 1/4

TOWNSHIP 11 NORTH, RANGE 52 EAST, M. D. B. & M.

Section 19: East 1/2 Northeast 1/4; Southwest 1/4 Northeast 1/4;
Southeast 1/4 Northwest 1/4

EXCEPTING FROM the above described parcels, all mineral rights and interest, including coal, oil, gas and other hydrocarbons, and all other metallic and non-metallic mineral ores and substances, and geothermal steam, hot water, hot brines, thermal energy and gasses as conveyed by VALIANT FARMS-EUREKA, INC., to APAL, a Limited Partnership, by various documents of record.

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

PARCEL / ONE

TOWNSHIP 17 NORTH, RANGE 57 EAST, M. D. R. & M.

Section 26: Northwest 1/4 Southeast 1/4

TOWNSHIP 17 NORTH, RANGE 58 EAST, M. D. R. & M.

Section 20: Southwest 1/4 Southwest 1/4

Section 30: Northeast 1/4 Northeast 1/4

RECORDED AT REQUEST OF
Fuel America Title of Nr.
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87 JUN 30 P11:00

OFFICIAL RECORDS
BUREAU COUNTY, NEVADA
JAMES DALE ATI, RECORDER
FR # 109239
FEE # 271.00

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DHR