

115560

R.P.T.T. \$0.00 (exempt)

CB Thornton

When Recorded Mail To: C. B. Thornton, Jr.
Thornton Corporation
523 W. Sixth St., Suite 636
Los Angeles, CA 90014

GRANT, BARGAIN AND SALE DEED

THIS INDENTURE is made and entered into as of this 1st day of January, 1988 by THORNTON PARTNERS, formerly known as T Lazy S Ranch, a general partnership organized under the laws of the State of California ("Grantor"), the sole partners of which are Charles B. Thornton, Jr., a married man, as his sole and separate property, and W. Laney Thornton, a married man, as his sole and separate property, in favor of, and for the benefit of CHARLES B. THORNTON, JR. AS TRUSTEE OF THE GOLD QUARRY ROYALTY TRUST ("Grantee") established simultaneously herewith by and pursuant to that certain Agreement of Trust dated the 1st day of January 1988 between Grantor and Charles B. Thornton, Jr. (the "Gold Quarry Royalty Trust").

W I T N E S S E T H:

WHEREAS Grantor represents to Grantee that
(i) Grantor owns an undivided FORTY-FIVE PERCENT (45%)

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R.P.T.T. \$0.00 (exempt)

When Recorded Mail To: Stuart B. Wilson
Wilson & Barrows, Ltd.
575 Court Street
P.O. Box 389
Elko, Nevada 89801

GRANT, BARGAIN AND SALE DEED

THIS INDENTURE is made and entered into as of this ____ day of January, 1988 by THORNTON PARTNERS, formerly known as T Lazy S Ranch, a general partnership organized under the laws of the State of California ("Grantor"), the sole partners of which are Charles B. Thornton, Jr., a married man, as his sole and separate property, and W. Laney Thornton, a married man, as his sole and separate property, in favor of, and for the benefit of CHARLES B. THORNTON, JR. AS TRUSTEE OF THE GOLD QUARRY ROYALTY TRUST ("Grantee") established simultaneously herewith by and pursuant to that certain Agreement of Trust dated the ____ day of January 1988 between Grantor and Charles B. Thornton, Jr. (the "Gold Quarry Royalty Trust").

W I T N E S S E T H:

WHEREAS Grantor represents to Grantee that
(i) Grantor owns an undivided FORTY-FIVE PERCENT (45%)

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interest (the "Mineral Estate Interest") in and to the mineral estate appurtenant to the lands described on Exhibit "A" hereto, situated in the County of Eureka, State of Nevada (the "Lands"), including, but not limited to, all metals minerals, industrial minerals, oil, gas and hydrocarbons, and geothermal rights, of whatever kind and nature; (ii) Grantor owns all of the interest (the "Lessor's Estate") of Lessor under that certain Mining Lease dated August 20, 1982, between Grantor and Carlin Gold Mining Company, a Delaware corporation (the "Mining Lease"), and such interest has not been assigned, encumbered or in any way transferred; and (iii) Grantor is the owner of one hundred percent (100%) of the beneficial interest in the Gold Quarry Royalty Trust.

NOW THEREFORE, for and in consideration of Ten Dollars (\$10.00) and other valuable consideration, the receipt of which is hereby acknowledged, Grantor does hereby GRANT, BARGAIN, SELL and CONVEY to Grantee and to Grantee's successors and assigns, forever, all of the following (the "Premises"):

The Mineral Estate Interest, and all other right, title and interest which Grantor has or may hereafter acquire in and to the Lands. (SUBJECT TO THE RESERVATION HEREINAFTER SET FORTH).

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TOGETHER WITH all minerals and all veins and lodes of mineral-bearing rock therein, including all broken ores and minerals situated thereon, and all dips, spurs and angles thereof. (SUBJECT TO THE RESERVATION HEREINAFTER SET FORTH).

TOGETHER WITH the Lessor's Estate.

TOGETHER WITH the tenements, hereditaments and appurtenances thereunto belonging or in anywise appertaining, and the reversion or reversions, remainder or remainders, rents, issues and profits thereof, and all right, title and interest of Grantor therein or thereto, or which it may hereafter acquire. (SUBJECT TO THE RESERVATION HEREINAFTER SET FORTH).

RESERVING UNTO GRANTOR, ITS SUCCESSORS AND ASSIGNS, ALL GRANTOR'S RIGHT, TITLE AND INTEREST IN AND TO OIL, GAS, ASSOCIATED HYDROCARBON SUBSTANCES AND GEOTHERMAL RESOURCES, TOGETHER WITH THE TENEMENTS, HEREDITAMENTS AND APPURTENANCES THEREUNTO BELONGING OR IN ANYWISE APPERTAINING, AND THE REVERSION OR REVERSIONS, REMAINDER OR REMAINDERS, RENTS, ISSUES AND PROFITS THEREOF, AND ANY INTEREST IN SUCH OIL, GAS, ASSOCIATED HYDROCARBON SUBSTANCES AND GEOTHERMAL RESOURCES AS GRANTOR, ITS SUCCESSORS AND ASSIGNS, MAY HEREAFTER ACQUIRE.

This Deed is expressly subject to the Mining Lease, and it is intended that the Premises conveyed hereby include

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all of the Leased Interests (as defined in the Mining Lease) leased under the Mining Lease (subject to the Mining Lease).

FURTHER, Grantor covenants and agrees that until August 1, 2019 (i) Grantor shall not explore for, develop, mine or extract any oil, gas, associated hydrocarbons or geothermal resources lying in or under the Lands in any manner which will in any way interrupt, interfere with or hinder the operations of Grantee, its lessees or its agents, present or future, with respect to the Premises; (ii) upon notice from Grantee that such activities will interrupt, interfere with or hinder the operations of Grantee, its lessees or its agents with respect to the Premises, Grantor will cease all such operations until such matter is adjudicated by a court of final jurisdiction; and (iii) Grantor will use its best effort to utilize slant drilling and to otherwise locate all such operations off the Lands.

FURTHER, Grantor agrees and covenants to execute such other documents and perform such other acts as may be necessary or desirable to effectuate the intent of this conveyance.

TO HAVE AND TO HOLD the said Premises, together with the appurtenances, unto Grantee, and to Grantee's successors and assigns, forever.

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IN WITNESS WHEREOF, Grantor has executed these
presents the day and year first above written.

"GRANTOR"

THORNTON PARTNERS, a California
general partnership

By

CB Thornton
Charles B. Thornton, Jr.
General Partner

By

W. Laney Thornton
W. Laney Thornton
General Partner

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STATE OF California)
COUNTY OF Los Angeles) ss.

On this 12th day of January, 1988, personally appeared before me, a Notary Public, Charles B. Thornton, Jr., General Partner of THORNTON PARTNERS, a California general partnership, who acknowledged that he executed the foregoing instrument on behalf of said partnership.



Christy I. Gowdy
NOTARY PUBLIC

STATE OF New York)
COUNTY OF New York) ss.

On this 13th day of Jan, 1988 personally appeared before me, a Notary Public, W. Laney Thornton, General Partner of THORNTON PARTNERS, a California general partnership, who acknowledged that he executed the foregoing instrument on behalf of said partnership.

Mitchell P. Marcinauskas
NOTARY PUBLIC

MITCHELL P. MARCINAUSKAS
NOTARY PUBLIC, State of New York
No. 31-4904386
Qualified in New York County
Commission Expires August 21, 1989

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EXHIBIT "A"

Township 34 North, Range 51 East, M.D.B.&M.:

Section 35: Lots 1, 2, 4, 5, 7, 8, 9, 10, 11;
E 1/2 NW 1/4 SW 1/4; NE 1/4 SW 1/4;
NW 1/4 NE 1/4; E 1/2 SW 1/4 NE 1/4;
E 1/2 NE 1/4 NW 1/4; NW 1/4 SE 1/4
Eureka County, Nevada

Containing 522.36 acres, more or less.

RECORDED AT THE REQUEST OF
Thornin Partners
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88 JUN 19 AM 40

OFFICIAL RECORDS
EUREKA COUNTY, NEVADA
M.M. REBALEA - RECORDER
FILE NO. 113560
FEE \$ 12.00

EXHIBIT A

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