

126488

FILED

FEB 16 1989

THE FOREGOING INSTRUMENT IS A CORRECT COPY OF THE
ORIGINAL AS THE SAME APPEARS OF RECORD.

ATTEST
THOMAS R. FALLOUSEY, COUNTY CLERK AND CLERK OF THE
SUPERIOR COURT IN AND FOR THE COUNTY OF SPOKANE STATE
OF WASHINGTON

THOMAS R. FALLOUSEY
SPOKANE COUNTY
CLERK

BY: _____ DEPUTY

IN THE SUPERIOR COURT OF THE STATE OF WASHINGTON

IN AND FOR THE COUNTY OF SPOKANE

WINCHESTER GOLD CORPORATION; GREAT
BASIN ENERGIES, INC., GOLD RESERVE
CORPORATION, a Montana Corporation,
and U.S. MINING LIMITED PARTNERSHIP,
a Washington Limited Partnership.

NO. 88-202289-0

Plaintiffs,

v.

AMERICAN MINING COMPANY, a
Washington Corporation; FRANK DUVAL
and JANICE DUVAL, husband and wife;
GARY HEBENER; NOVA GOLD CORPORATION;
CARRIGAN GOLD CORPORATION; MEGAGOLD
CORPORATION; GOLD COIN MINING,
INC.; PATHFINDER RESOURCES, INC.,

ORDER APPOINTING BARRY
W. DAVIDSON AS RECEIVER
PENDENTE LITE OF U.S.
MINING LIMITED
PARTNERSHIP,
A WASHINGTON LIMITED
PARTNERSHIP

Defendants.

This matter came on for hearing on February 6, 7, and 8, 1989,
on the Plaintiffs' Motion for the Appointment of a Receiver
Pendente Lite. The Plaintiffs appeared by and through their
counsel, John P. Giesa and Timothy J. Giesa of Reed & Giesa, P.S.
The Defendants Duval and AMC appeared by and through their counsel
of record, Christopher B. Wells and Michael B. King of Lane,
Powell, Moss & Miller. The Defendant Gold Coin appeared through
its attorney, Claude F. Bailey of Lukins & Annis, P.S. The
Defendant Gary Hebener appeared by and through his attorney,
Laurel H. Siddoway of Randall & Danskin, P.S. The Third Party

ORDER APPOINTING BARRY W. DAVIDSON
AS RECEIVER PENDENTE LITE OF USMLP - 1

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89-9-00652-9

REED & GIESA, P.S.
ATTORNEYS AT LAW
410 GREAT NORTHWEST BUILDING
228 NORTH WALL STREET
SPOKANE, WASHINGTON 99201
TELEPHONE (509) 638-8341

1 Defendants, Rockne Timm, Douglas Belanger, and Hobart Teneff,
2 appeared by and through their attorneys, Robert H. Whaley and
3 Stephen L. Farnell of Winston & Cashatt.

4 The Court heard and considered the testimony of the witnesses
5 for the purposes set forth in the Order Permitting Oral Testimony
6 dated February 6, 1989, the exhibits, and the argument and
7 memoranda and affidavits filed by the parties.

8 No party objected to the appointment of a Receiver Pendente
9 Lite. The parties who appeared at the Motion at the hearing
10 agreed to the appointment of Barry W. Davidson as Receiver
11 Pendente Lite.

12 The Court finds that good cause has been shown for the
13 appointment of a Receiver Pendente Lite in this action, and IT IS
14 HEREBY ORDERED, ADJUDGED, AND DECREED AS FOLLOWS:

15 1. Barry W. Davidson of Barry W. Davidson & Associates,
16 Attorneys at Law, is hereby appointed as the Receiver Pendente
17 Lite of U.S. Mining Limited Partnership, a Washington limited
18 partnership.

19 2. A Receiver Bond in the amount of \$100,000.00 shall be
20 posted by the Receiver with this Court for the duration of this
21 receivership unless the amount of the bond is increased by further
22 order of this Court upon good cause shown.

23 3. The Receiver shall conduct the business and affairs of
24 U.S. Mining Limited Partnership until further order of this Court.
25 He shall have full powers necessary to enable him to do so
26 including, but not limited to, the gathering of assets and
27

28 ORDER APPOINTING BARRY W. DAVIDSON
AS RECEIVER PENDENTE LITE OF USMLP - 2

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1 negotiating claims between the Partnership and third parties, and
2 bringing suit or responding to litigation with respect to
3 obligations of the Partnership. He shall be authorized to hire
4 his law firm and the members thereof to act as the attorney for
5 the Receiver in such matters.

6 4. Wherever possible, the Receiver shall attempt to operate
7 the business within the bounds of the written Limited Partnership
8 Agreement. If the Receiver determines that action should be taken
9 which is not specifically authorized by the Partnership agreement,
10 he shall first apply to the Court for additional authorization
11 prior to taking such action.

12 5. The Receiver shall make a preliminary report to the
13 Court within forty-five (45) days which shall include an assess-
14 ment of what the Receiver has determined must be done to conduct
15 the business of the Partnership during the pendency of this action
16 and his role in connection therewith. The report should also
17 include the recommendation of the Receiver with regard to his
18 views on the need for, the frequency of, and the contents of
19 future reports. The report should be provided within forty-five
20 (45) days of February 9, 1989, if possible.

21 6. The Receiver shall conduct the affairs and business of
22 the Partnership as an officer of the court and not as an agent for
23 any of the parties or partners.

24 DATED this 16th day of February, 1989.

25
26 *Kathleen M. O'Connor*
27 KATHLEEN M. O'CONNOR
28 Superior Court Judge

ORDER APPOINTING BARRY W. DAVIDSON
AS RECEIVER PENDENTE LITE OF USMLP - 3

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1
2
3 PRESENTED BY:

4 REED & GIESA, P.S.

5 *JPG*
6 John P. Giesa
7 Attorneys for Plaintiffs
8
9

10 APPROVED AS TO FORM AND
11 NOTICE OF PRESENTMENT WAIVED:

12 RANDALL & DANSKIN

13 *telephonic approval 2/16/89 JPG*
14 Laurel H. Siddoway
15 Attorneys for Gary Hebener

16 APPROVED AS TO FORM AND
17 NOTICE OF PRESENTMENT WAIVED:

18 LANE, POWELL, MOSS & MILLER

19 *telephonic approval 2/16/89 JPG*
20 Christopher B. Wells
21 Attorneys for Duvals and
22 American Mining Company

23 APPROVED AS TO FORM AND
24 NOTICE OF PRESENTMENT WAIVED:

25 WINSTON & CASHATT

26 *telephonic approval 2/16/89 JPG*
27 Stephen L. Farnell
28 Attorneys for Teneff, Timm,
and Belanger

ORDER APPOINTING BARRY W. DAVIDSON
AS RECEIVER PENDENTE LITE OF USMLP - 4

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1
2 APPROVED AS TO FORM AND
3 NOTICE OF PRESENTMENT WAIVED:

4 LUKINS & ANNIS.

5 *Claude F. Bailey*
6 Claude F. Bailey
7 Attorneys for Gold Coin

8 APPROVED AS TO FORM AND
9 NOTICE OF PRESENTMENT WAIVED:

10 *Telephone Approval 2/16/89 JPL*
11 Megagold Pro Se
12 By Mark Bantz, President

13 APPROVED AS TO FORM AND
14 NOTICE OF PRESENTMENT WAIVED:

15 *no approval -*
16 *calls not returned JPL 2/16/89*
17 Bartley J. Campbell
18 Attorney for Nova Gold, Inc.

19
20
21
22 RECORDED AT THE REQUEST OF

23 BOOK 194 PAGE 302

24 *Barry W. Davidson & Assoc.*
25 89 FEB 23 PM 12

26 OFFICIAL RECORDS
27 EUREKA COUNTY, NEVADA
28 H.N. REBALLEN RECORDER
29 FILE NO. FEE \$9.00

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30 ORDER APPOINTING BARRY W. DAVIDSON
31 AS RECEIVER PENDENTE LITE OF USMLP - 5

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