

RECORDING REQUESTED BY, AND
WHEN RECORDED, MAIL TO:

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

Attn: Thomas D. Bolin
Vice President and Manager

127616

AGREEMENT TO FURTHER EXTEND PROMISSORY
NOTES, SECURE ADDITIONAL INDEBTEDNESS,
AND MODIFY DEED OF TRUST

THIS AGREEMENT is entered into as of this 23rd day of August, 1989 by and between SANWA BANK CALIFORNIA, successor in interest to Lloyds Bank California ("Bank"), and DANIEL H. RUSSELL (also known as Dan Russell) and ROBERTA A. RUSSELL (collectively "Russell").

RECITALS

A. On or about June 16, 1987 Russell executed and delivered to Bank a deed of trust of even date ("Deed of Trust"), which Deed of Trust secured indebtedness of Borrower to Bank in the principal sum of Fourteen Million Six Hundred Twenty Thousand Eight Hundred Dollars (\$14,620,800).

B. The Deed of Trust encumbers certain real property described in the attached Exhibit "A" (the "Property") and was recorded on June 30, 1987 in Book 158 at page 513 in the Office of the County Recorder of the County of Eureka, State of Nevada.

C. The Deed of Trust also secures additional advances from Bank to Russell and each of the foregoing notes and any extensions, renewals, or modifications thereof were executed by Russell in favor of Bank and are secured by the Deed of Trust:

1. A Livestock Herd Note dated January 21, 1987 in the original principal sum of \$6,950,000, which note constituted a renewal of the April 1, 1986 note for such amount ("Herd Term Note"), under which note there is an outstanding principal balance, as of August 23, 1989, of \$3,000,000.00;

2. A Livestock Operating Note dated January 21, 1987 in the original principal sum of \$6,059,800, which note constituted a renewal of various obligations of Russell to Bank including the note for \$3,506,500 dated April 1, 1986 ("3/87 NRLC

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Note"), under which note there is an outstanding principal balance, as of August 23, 1989, of \$3,683,767.22;

3. A July - October 1987 Livestock Operating Note dated September 9, 1987 in the original principal sum of \$2,238,600 ("10/87 NRLC Note"), under which note there is an outstanding principal balance, as of August 23, 1989, of \$1,472,392.70;

4. A May 1988 - August 1988 Livestock Operating Note dated August 9, 1988 in the original principal sum of \$2,836,600 ("9/88 NRLC Note"), under which note there is an outstanding principal balance, as of August 23, 1989, of \$1,717,197.57;

5. A September 1988 - April 1989 Livestock Operating Note dated January 23, 1989, in the original principal sum of \$4,879,400 ("5/89 NRLC Note"), under which note there is an outstanding principal balance, as of August 23, 1989, of \$4,035,184.55;

6. A Term Note dated January 23, 1989 in the original principal sum of \$1,500,000 ("Assign T/D Term Note") under which note there is an outstanding principal balance, as of August 23, 1989 of \$1,500,000.00;

7. A Term Loan Agreement, including note, dated April 28, 1989 in the original principal balance of \$223,000 ("Equipment Term Note"), under which note there is an outstanding principal, as of August 23, 1989 of \$223,000.00; and

8. A Promissory Note dated July 3, 1989 in the original principal amount of \$2,100,000 executed by Borrower and Bank ("Temporary Note"), which note will be paid off by a Promissory Note dated August 23, 1989 in the original principal amount of \$3,360,800 ("8/89 NRLC Note").

D. Assuming the pay off of the Temporary Note, the aggregate principal balance of the Herd Term Note, the 3/87 NRLC Note, the 10/87 NRLC Note, 9/88 NRLC Note, the 5/89 NRLC Note, the Assign T/D Term Note, the Equipment Term Note, and the 8/89 NRLC Note ("Notes") as of August 23, 1989, is \$18,992,342.04.

E. By a certain "Agreement to Extend and Modify Promissory Notes and Modify Deed of Trust" dated as of June 16, 1987 (the "First Modification Agreement"), among other things, the maturity dates of the Herd Term Note and the 3/87 NRLC Note were extended to June 30, 1987.

F. By a certain "Agreement to Further Extend Promissory Notes, Secure Additional Indebtedness, and Modify Deed of Trust" dated as of September 9, 1987 (the "Second Modification Agreement"), among other things, the indebtedness under the 10/87 NRLC Note represented, constituted and was additional indebtedness under, pursuant to and secured by the Deed of Trust,

and the maturity dates of the Herd Term Note and the 3/87 NRLC Note were extended to October 31, 1987.

G. By a certain Agreement to Further Extend Promissory Notes, Secure Additional Indebtedness and Modify Deed of Trust dated as of April 18, 1988 (the "Third Modification Agreement"), among other things, the maturity dates of the Herd Term Note, the 3/87 NRLC Note and the 10/87 NRLC Note were extended to May 1, 1988;

H. By a certain "Agreement to Further Extend Promissory Notes, Secure Additional Indebtedness and Modify Deed of Trust" dated as of August 9, 1988 (the "Fourth Modification Agreement"), among other things, the maturity dates of the Herd Term Note, the 3/87 NRLC Note and the 10/87 NRLC Note were extended to September 1, 1988;

I. By a certain "Agreement to Further Extend Promissory Notes, Secure Additional Indebtedness and Modify Deed of Trust" dated as of January 23, 1989 (the "Fifth Modification Agreement") among other things, the maturity dates of the Herd Term Note, the 3/87 NRLC Note, the 10/87 NRLC Note and the 9/88 NRLC Note were extended to May 1, 1989, and the indebtedness under the 5/89 NRLC Note and the Assign T/D Term Note represented, constituted and was additional indebtedness under, pursuant to and secured by the Deed of Trust;

J. By a certain "Addendum to Credit Agreement" dated as of March 31, 1989 ("Sixth Modification Agreement"), among other things, the maturity date of the Assign T/D Term Note was extended to August 15, 1991.

NOW, THEREFORE, Bank and Russell agree as follows:

AGREEMENT

1. Extension of Maturity Dates on Notes. The maturity dates of the Herd Term Note, the 3/87 NRLC Note, the 10/87 NRLC Note, the 9/88 NRLC Note and the 5/89 NRLC Note, and each of them, are each further extended to September 4, 1989, on which date the total outstanding principal balance under each of such notes, together with accrued and unpaid interest thereon, shall be due and payable in full.

2. Modifications to Deed of Trust. The Deed of Trust is modified to include the following language:

A. All Indebtedness Secured by Deed of Trust. The Deed of Trust shall secure, in such order of priority as Beneficiary in its absolute discretion may determine, due and prompt payment of an indebtedness in the aggregate principal sum of \$18,992,342.04 as evidenced by the following promissory notes and any and all amendments, modifications, renewals, or extensions of such notes, together with the payment of interest on such indebtedness and the payment of all other sums according to the terms of such notes:

(i) 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.

(ii) 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.

(iii) a certain promissory note dated September 9, 1987 executed by Trustor and payable to Beneficiary or order in the original principal sum of \$2,238,600.

(iv) a certain promissory note dated August 9, 1988 executed by Trustor and payable to Beneficiary or order in the original principal sum of \$2,836,600.

(v) a certain promissory note dated January 23, 1989 executed by Trustor and payable to Beneficiary or order in the original principal sum of \$4,879,400.

(vi) a certain promissory note dated January 23, 1989 executed by Trustor and payable to Beneficiary or order in the original principal sum of \$1,500,000.

(vii) a certain Term Loan Agreement, with Note included, dated April 23, 1989 executed by Trustor and payable to Beneficiary in the original principal sum of \$223,000.

(viii) a certain promissory note dated August 23, 1989 executed by Trustor and payable to Beneficiary or order in the original principal sum of \$3,360,800.

B. Granting Clause. In granting rights to the Trustee under the granting clause of this Deed of Trust, the Trustor also grants, transfers and conveys to Trustee:

(i) Any and all property which is at the time of the execution of this Deed of Trust attached in any manner whatsoever to the Property more particularly described in Exhibit "A" to the Deed of Trust, or which is used in the operating of the Property for the purposes for which the Property is improved, including but not limited to all tanks, windmills, pumping equipment, pumps, well equipment, well casing, water distribution plants, and irrigation equipment;

(ii) All water and water rights, including riparian, appropriative, prescriptive, overlying rights, rights evidenced by mutual water company stock, and all dams, ditches, canals, pipe lines, reservoirs and all other means for the diversion or use of waters appurtenant to the Property or any part thereof, or used or enjoyed in connection therewith, including use for irrigation, domestic, municipal, recreational, fish and wildlife and stock-watering purposes, irrigation and drainage rights of every kind and character, however manifested or

evidenced, and all buildings and improvements thereon or that may be placed thereon;

(iii) all grazing rights, permits, leases or allotments issued in connection with the Property by the Bureau of Land Management, U.S. Forest Service, lessors, or any other person or agency.

(iv) the above rights shall be conclusively deemed to be accessions and fixture to and a part of the Property.

C. Assignment of Rents. In addition to the rents, issues and profits assigned by Trustor to Beneficiary under this Deed of Trust, Trustor specifically assigns to Beneficiary all rents, revenues, royalties, rights and benefits accruing to Trustor under all present and future oil, gas, and mining leases and under all present and future grazing leases on the Property.

D. Additional Advances. This Deed of Trust, and all addenda, extensions and modifications thereto are governed by Nevada Revised Statutes 106.300 to 106.400. This Deed of Trust secures future advances from Beneficiary to Trustor. The maximum amount of future advances of principal to be secured by this Deed of Trust, over the total principal indebtedness of \$ 18,992,342.04, is \$10,000,000.00. Any future advances from Beneficiary to Trustor are at the option of Beneficiary and Beneficiary is in no way obligated by this provision to make any such advances.

3. No Novation. This Agreement is not a novation and is only an extension of the maturity dates of the Herd Term Note, the 3/87 NRLC Note, the 10/87 NRLC Note, the 9/88 NRLC Note, and the 5/89 NRLC Note as provided herein and a modification of the Deed of Trust. Except as provided in this Agreement, all other terms and conditions of such notes and the Deed of Trust shall remain in full force and effect.

4. Continuing Priority. Russell and Bank hereby further agree that the Deed of Trust as modified and amended hereby shall have the same effect in all respects, including priority, as if it had contained the above referenced principal sum and additional language. Russell and Bank also hereby agree that this modification shall not prejudice any present or future rights, remedies, benefits and powers belonging or accruing to Bank under the terms of the Deed of Trust.

5. Acceptance by Russell. Daniel H. Russell (also known as Dan Russell) and Roberta A. Russell accept this Agreement and, in consideration thereof, jointly and severally agree to pay

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the indebtedness evidenced by the Notes referenced herein according to the respective terms of the Notes and this Agreement.

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

BANK:

SANWA BANK CALIFORNIA

RUSSELL:

Daniel H. Russell
DANIEL H. RUSSELL
(also known as Dan Russell)

By: *Sharon Bol.*
Its: Vice Pres. & Manager

Roberta A. Russell
ROBERTA A. RUSSELL

SEB90091

STATE OF California)
COUNTY OF Sacramento) ss.

On this 23rd day of August, 1989, before me, a Notary Public in and for said County and State, duly commissioned and sworn, personally appeared Thomas D. Bolin * * * * *, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person who executed the within instrument as a Vice President on behalf of the corporation therein named, and acknowledged to me that the corporation executed it.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my Official Seal the day and year in this Certificate first above written.



Rita M. Suprenant
Notary Public
State of California
My Commission Expires: 8-23-91

STATE OF California)
COUNTY OF Sacramento) ss.

On this 23rd day of August, in the year 1989, before me, a Notary Public, for the State of California, duly commissioned and sworn, personally appeared Daniel H. Russell and Roberta A. Russell, personally known to me (or 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.

IN WITNESS WHEREOF I have hereunto set my hand and affixed my official seal in the * * * * * County of Sacramento on the date set forth above in this certificate.



Rita M. Suprenant
Notary Public,
State of California
My Commission Expires: 8-23-91

EXHIBIT "A"

DESCRIPTION OF REAL PROPERTY

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

PARCEL THREE -- Sante Fe Ranch (See Lander County also):

TOWNSHIP 20 NORTH, RANGE 49 EAST, M.D.B. & M.

Section 8: North 1/2 Southeast 1/4
Section 9: Southwest 1/4
Section 13: 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 49 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 13, 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 49 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
195, 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 FOUR -- Segura Ranch (See Nye County also):

TOWNSHIP 15 NORTH, RANGE 30 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.

PARCEL NINE -- Willow Creek Ranch (See Lander County also):

TOWNSHIP 16 NORTH, RANGE 33 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 16 NORTH, RANGE 34 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 49 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 49 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 19 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°40' West 3.44 chains to Corner No. 3; thence, North 73°35' East 22.53 chains to Corner No. 4; thence, South 63°30' East 10.92 chains to Corner No. 5; thence, South 84°24' East 21.41 chains to Corner No. 6; thence, South 0°4' East 5.98 chains to Corner No. 1, the place of beginning.

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 12.76 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.

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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 3.40 chains to Corner No. 6; thence South 79°52' East 53.00 chains to Corner No. 7; thence North 76°39' East 13.21 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

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.

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TOWNSHIP 19 NORTH, RANGE 39 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 49 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; Southeast
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°42' East 1.55 chains distant, thence North 26°42' West 69.97
chains to Corner No. 2; thence North 9°13' West 17.37 chains to Corner No.
3; thence North 87°44' East 7.72 chains to Corner No. 4; thence South
22°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 195,
Eureka County, Nevada records.

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

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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 534, 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.

The above interest in minerals by means of conveyances is in favor of
 DANIEL H. RUSSELL by those certain deeds recorded:

Recording date	Book	Page	Document No.	County
4-01-88	609	407	248663	Eiko
4-01-88	125	420	250971	White Pine
4-01-88	175	121	117501	Eureka
4-01-88	309	18		Lander
4-01-88			206511	Nye

Situate in the County of Lander, State of Nevada, described as follows, to-wit:

PARCEL ONE -- Willow Creek Ranch (See Eureka County also):

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

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

TOWNSHIP 30 NORTH, RANGE 43 EAST, M.D.R. & 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. 753), 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.

The above interest in minerals by means of conveyances is in favor of DANIEL H. RUSSELL by those certain deeds recorded:

Recording date	Book	Page	Document No.	County
4-01-68	609	407	248663	Eiko
4-01-68	125	420	250971	White Pine
4-01-68	175	121	117501	Eureka
4-01-68	309	18		Lander
4-01-68			206511	Nye

PARCEL TWO -- Sante Fe Ranch (See Eureka County also):

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

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

PARCEL TWO -- Hot Creek Ranch:

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 1/6 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 RUDNICK by Deed recorded March 17, 1957 in Book 18 of Official Records at page 190.

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 53 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

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 1600.78 feet; thence South 38 57' East, a distance of 464.46 feet; thence South 0 02' East, a distance of 239.98 feet; thence South 51 63' West, a distance of 390.20 feet; thence North 38 57' West, a distance of 651.18 feet; thence North 51 63' 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 336, 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+78.91 P.O.T.; said point of beginning further described as bearing North 84 20' 30" East a distance of 1943.83 feet from the 1/4 Section Corner common to Sections 15 and 16, Township 8 North, Range 33 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 31 EAST, M.D.B. & M.

Section 23: Southeast 1/4 Southwest 1/4
Section 36: North 1/2 Northwest 1/4; Southeast 1/4 Northwest 1/4

TOWNSHIP 11 NORTH, RANGE 32 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.

(continued)

The above interest in minerals by means of conveyances is in favor of DANIEL H. RUSSELL by those certain deeds recorded:

Recording date	Book	Page	Document No.	County
4-01-88	609	407	248663	Eiko
4-01-88	125	420	250971	White Pine
4-01-88	175	121	117501	Eureka
4-01-88	309	18		Lander
4-01-88			206511	Nye

924120

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

PARCEL THREE:

TOWNSHIP 17 NORTH, RANGE 37 EAST, M.D.S. & M.

Section 26: Northwest 1/4 Southeast 1/4

TOWNSHIP 17 NORTH, RANGE 38 EAST, M.D.S. & M.

Section 20: Southwest 1/4 Southwest 1/4
Section 30: Northeast 1/4 Northeast 1/4

RECORDED AT THE REQUEST OF

BOOK 203 PAGE 001

First American title

'89 SEP 19 P 1:50

OFFICIAL RECORDS
EUREKA COUNTY, NEVADA
P.L.N. REDEALTY RECORDER

FILE NO. FEE \$ 23.00

1:50:15
BOOK 203 PAGE 019