

132350

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

AGREEMENT TO RENEW PROMISSORY
NOTES AND MODIFY DEED OF TRUST

THIS AGREEMENT TO RENEW PROMISSORY NOTES AND MODIFY DEED OF TRUST ("Eighth Modification Agreement") is entered into as of this 30 day of April, 1990, 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"). This Eighth Modification Agreement is entered into with respect to the following:

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DNR
JK*

RECITALS

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A. On or about April 1, 1986, Russell executed and delivered to Bank the following promissory notes in the original principal sums of: (1) \$3,506,500, (2) \$6,950,000 and (3) \$100,000, respectively, for an aggregate amount of \$10,556,500 (collectively, "Notes"). The Notes and all renewals, extensions and modifications thereof, along with any additional advances from Bank to Russell were secured by various deeds of trust ("Deeds of Trust"). All of the loans secured by the Deeds of Trust are collectively referred to herein as the "Loans."

B. As of December 31, 1989, the aggregate due Bank on the Loans was the principal sum of \$17,461,752.04, without offset, setoff, defense claim or demand by Russell.

C. One of the Deeds of Trust is the deed of trust, dated August 23, 1989, by and between Russell, as Trustor, First American Title Company of Nevada, a Nevada corporation, as Trustee, and Sanwa Bank California, a California corporation, as Beneficiary ("Deed of Trust"), which encumbers real property commonly known as J D Ranch and described in Exhibit "A," attached hereto and incorporated herein by this reference, ("Property"). The Deed of Trust was recorded in Book 202 at Page 563 in the Office of the County Recorder of the County of Eureka, State of Nevada on September 19, 1989.

D. Bank and Russell have executed seven modifications of the Deed of Trust prior to the date hereof, (collectively, "Mesne Modification Agreements"), providing in part for (i) modifications in the maturity dates and payments under the Notes; (ii) Russell's assumption of additional indebtedness; and (iii) the execution of additional deeds of trust securing the indebtedness. The Mesne Modification Agreements are described in the AGREEMENT TO FURTHER EXTEND PROMISSORY NOTES, SECURE ADDITIONAL INDEBTEDNESS, AND MODIFY DEED OF TRUST, dated August 23, 1989 ("Seventh Modification Agreement"), attached hereto as Exhibit "B," and in Recitals E through J of the Seventh Modification Agreement. All terms used herein are defined in the Seventh Modification Agreement, unless specifically defined herein.

E. Bank and Russell have executed an AMENDED AND RESTATED CREDIT AGREEMENT (the "Credit Agreement"), dated August 23, 1989 which was amended by a FIRST ADDENDUM TO AMENDED AND RESTATED CREDIT AGREEMENT ("Addendum"), of even date, and attached hereto as Exhibit "C." The Addendum referred to certain omitted parcels from the Credit Agreement which were to be acquired by Russell and which were also to be encumbered by the Deed of Trust when acquired.

F. Bank and Russell have executed a SECOND ADDENDUM TO AMENDED AND RESTATED CREDIT AGREEMENT ("Second Addendum"), dated concurrently herewith, providing in part for (i) a renewal of the Loans; (ii) a consolidation of the Loans into two new promissory notes (nominally referred to as the "Livestock Note" and the "Real Estate Note," and, collectively as the "New Notes"); and (iii) a modification of the maturity date and payment terms of the Loans pursuant to the New Notes.

G. Bank and Russell desire to modify the Deed of Trust to secure, in addition to the indebtedness and other obligations presently secured thereby, the indebtedness and other obligations of Russell to Bank under the Second Addendum and the New Notes.

NOW, THEREFORE, in consideration of the foregoing, the Loans, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Bank and Russell agree as follows:

1. The Deed of Trust is hereby amended to secure, in addition to all other indebtedness and obligations now or hereafter secured thereby, in such order of priority as Bank in its absolute discretion may determine, the due, prompt and complete payment, observance, performance and discharge of each and every condition, obligation, covenant and agreement set forth in the New Notes and the Second Addendum, and all modifications, amendments, extensions, renewals or replacements thereof, including without limitation, the due, prompt and complete payment of the Indebtedness, as defined in the Second Addendum, and all interest thereon.

2. Except as expressly provided herein, the terms, conditions, first priority lien and charge of the Deed of Trust and the terms and conditions of all Mesne Modification Agreements, together with all amendments, extensions, renewals or replacements thereof, are hereby reaffirmed and ratified, and shall remain in full force and effect. The Deed of Trust, the Mesne Modification Agreements, the Credit Agreement, the First Addendum, the Second Addendum, the New Notes and the Recitals hereto are hereby incorporated by this reference and made a part hereof.

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

BANK:

SANWA BANK CALIFORNIA

By: Thomas A. Bol

Its: Vice Pres. & Manager

RUSSELL:

Daniel H. Russell

DANIEL H. RUSSELL
(also known as Dan Russell)

Roberta A. Russell
ROBERTA A. RUSSELL

STATE OF CALIFORNIA)
) SS.
COUNTY OF Sacramento)

On this 30th day of April 1990, 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 V. P. & Manager 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)
) SS.
COUNTY OF Sacramento)

On this 30th day of April 1990, before me, a Notary Public, in and for said County and State, 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 persons whose names are subscribed to this instrument, and acknowledged that they 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



Exhibit "A"

D E S C R I P T I O N

KNIGHT RANCH (North Half of JO RANCH)

All that certain real property situate in the County of Eureka, State of Nevada, more particularly described as follows:

PARCEL ONE:

TOWNSHIP 26 NORTH, RANGE 50 EAST, M.D.B. & M.

Section 1: SE $\frac{1}{4}$ of the NE $\frac{1}{4}$; W $\frac{1}{2}$ of the SW $\frac{1}{4}$; E $\frac{1}{2}$ of the SE $\frac{1}{4}$
Section 11: NE $\frac{1}{4}$ of the NE $\frac{1}{4}$
Section 12: E $\frac{1}{2}$ of the NE $\frac{1}{4}$; NE $\frac{1}{4}$ of the SE $\frac{1}{4}$

TOWNSHIP 26 NORTH, RANGE 51 EAST, M.D.B. & M.

Section 6: Lots 3, 4, 5, 6 and 7; SE $\frac{1}{4}$ of the NW $\frac{1}{4}$; E $\frac{1}{2}$ of the SW $\frac{1}{4}$
Section 7: Lots 1, 2, 3 and 4
Section 18: Lots 1, 2, 3 and 4

TOWNSHIP 27 NORTH, RANGE 51 EAST, M.D.B. & M.

Section 30: S $\frac{1}{2}$ of the NE $\frac{1}{4}$; Lot 4; E $\frac{1}{2}$ of the SW $\frac{1}{4}$; N $\frac{1}{2}$ of the SE $\frac{1}{4}$
Section 31: Lot 1

PARCEL TWO:

TOWNSHIP 27 NORTH, RANGE 51 EAST, M.D.B. & M.

Section 30: Lots 9 and 10; SW $\frac{1}{4}$ of the SE $\frac{1}{4}$ of the SE $\frac{1}{4}$ of the NW $\frac{1}{4}$; E $\frac{1}{2}$ of the SE $\frac{1}{4}$ of the SE $\frac{1}{4}$ of the NW $\frac{1}{4}$
Section 31: N $\frac{1}{2}$ of the NW $\frac{1}{4}$ of the NE $\frac{1}{4}$ of the NW $\frac{1}{4}$; SW $\frac{1}{4}$ of the NW $\frac{1}{4}$ of the NE $\frac{1}{4}$ of the NW $\frac{1}{4}$

EXCEPTING THEREFROM all oil and gas as reserved in Patent executed by United State of America to Liberty Livestock recorded December 6, 1972 in Book 44, page 180 of Official Records, Eureka County, Nevada and FURTHER EXCEPTING a right of way thereon for ditches and canals constructed by the United States.

314388-*Handwritten*

FILED 12 00711 263412 2-13-82

RECORDING REQUESTED BY, AND WHEN RECORDED, MAIL TO:

First American Title
89 SEP 19 P1 33 *mm*

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

155 231-240

*White Pine Co. Nevada
John Nanda Bank
Warm Springs RANCHO*

Attn: Thomas D. Bolin
Vice President and Manager

Exhibit "B"

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 E. RUSSELL (also known as Dan Russell) and ROBERTA A. RUSSELL (collectively "Russell").

RECITALS

A. On or about April 1, 1986 Russell executed and delivered to Bank a promissory note in the original principal sum of \$3,506,500; a promissory note in the original principal sum of \$6,950,000; and a promissory note in the original principal sum of \$100,000 for an aggregate amount of \$10,556,500, which notes, along with any additional advances from Bank to Russell, were secured by a deed of trust of even date ("Deed of Trust").

B. The Deed of Trust encumbers certain real property described in the attached Exhibit "A" (the "Property") and was recorded on April 7, 1986, in Book 94 at page 385 in the Office of the County Recorder of the County of White Pine, 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 25, 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 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 \$3,360,600 ("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 Berd 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, 1987 (the "Third Modification Agreement"), among other things, the maturity dates of the Berd 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 Berd 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 Berd 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 Berd 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 6, 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 \$18,857,327.04 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 to and a part of the Property.

C. Maintenance of the Property. In addition to Trustor's other maintenance obligations with respect to the Property, 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, in accordance with the best standards practiced by others engaged in similar operations and, if the Property is agricultural property, Trustor shall farm and harvest, and prepare for farming and harvesting, the Property in an approved and husbandlike manner.

D. 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.

E. Performance of Obligations by Beneficiary or Trustee. Should Trustor fail to make any payment, perform any obligation or do any act as set forth in this Deed of Trust, then in addition to the other rights of Beneficiary and Trustee set forth in this Deed of Trust, Beneficiary and/or Trustee are authorized to enter upon the Property and, if agricultural property, prepare for harvest, harvest, store, remove and sell any crops that may be growing on the Property and apply the proceeds thereof to the indebtedness secured by this Deed of Trust. Beneficiary and/or Trustee may employ Trustor's employees and use Trustor's equipment at the Property in accomplishing the foregoing. Trustor agrees that any action by Beneficiary or Trustee described above shall be deemed to be authorized by Trustor and shall not be a breach of the peace, provided Beneficiary and/or Trustee makes reasonable effort to safeguard all of the Trustor's Property.

F. 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 ~~\$10,000,000.00~~ 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.

G. Incorporation of Fictitious Deed of Trust. The reference in the Deed of Trust to the Fictitious Deeds of Trust recorded in various counties in California is deleted. The following language is added in its place:

To protect the security of this Deed of Trust, and with respect to the Property above described, Trustor expressly makes each and all of the agreements, and adopts and agrees to perform and be bound by each and all of the terms and provisions set forth in subdivision A, and it is mutually agreed that each and all of the terms and provisions contained in subdivision B of the fictitious Deed of Trust recorded at Book 295, Page 258, in the Real Estate Records for the County of White Pine, State of Nevada, on January 30, 1968, shall inure to and bind the parties hereto with respect to the Property described above. Said agreements, terms and provisions contained in said subdivision A and B, are by this reference incorporated and made a part of this Deed of Trust for all purposes as fully as if set forth at length herein, and Beneficiary may charge for a statement regarding the obligation secured hereby, provided the charge does not exceed a reasonable amount.

3. No Novation. This Agreement is not a novation and is only an extension of the maturity dates of the Berd 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 E. Russell (also known as Dan Russell) and Roberta A. Russell accept this Agreement

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G. Incorporation of Fictitious Deed of Trust. The reference in the Deed of Trust to the Fictitious Deeds of Trust recorded in various counties in California is deleted. The following language is added in its place:

To protect the security of this Deed of Trust, and with respect to the Property above described, Trustor expressly makes each and all of the agreements, and adopts and agrees to perform and be bound by each and all of the terms and provisions set forth in subdivision A, and it is mutually agreed that each and all of the terms and provisions contained in subdivision B of the fictitious Deed of Trust recorded at Book 295, Page 258, in the Real Estate Records for the County of White Pine, State of Nevada, on January 30, 1968, shall inure to and bind the parties hereto with respect to the Property described above. Said agreements, terms and provisions contained in said subdivision A and B, are by this reference incorporated and made a part of this Deed of Trust for all purposes as fully as if set forth at length herein, and Beneficiary may charge for a statement regarding the obligation secured hereby, provided the charge does not exceed a reasonable amount.

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 E. Russell (also known as Dan Russell) and Roberta A. Russell accept this Agreement

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and, in consideration thereof, jointly and severally agree to pay 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.

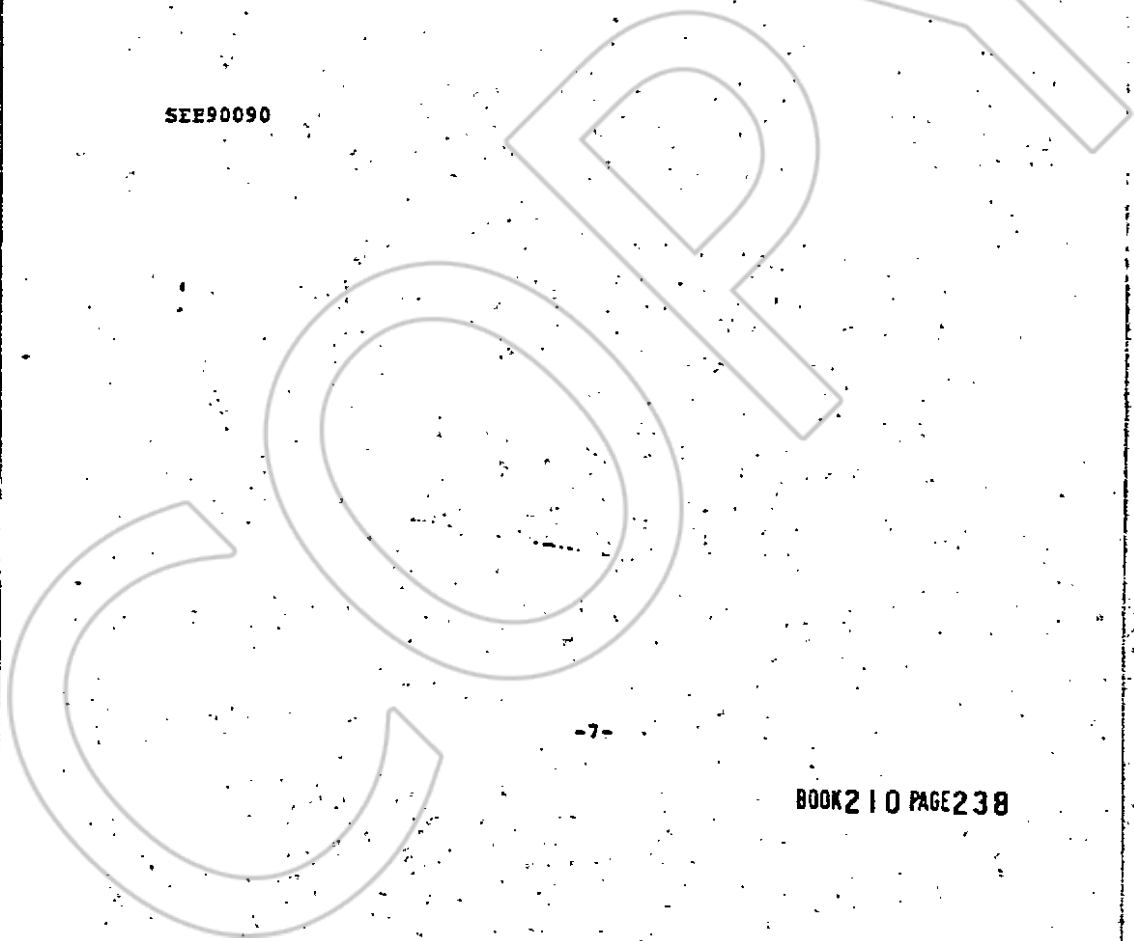
BANK:
SANWA BANK CALIFORNIA

RUSSELL:
Daniel B. Russell
DANIEL B. RUSSELL
(also known as Dan Russell)

By: *Thomas A. ...*
Its: Vice Pres. & Manager

Roberta A. Russell
ROBERTA A. RUSSELL

SEE90090



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

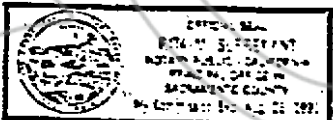
My Commission Expires: 8-21-91

STATE OF California)
COUNTY OF Sacramento)

ss.

On this 22nd day of August, in the year 1988, before me, a Notary Public, for the State of California, duly commissioned and sworn, personally appeared James R. Russell and Robert 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: 8-21-91

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

PARCEL TWO -- Warm Springs Ranch:

TOWNSHIP 27 NORTH, RANGE 55 EAST, M.D.R. & M.

- Section 1: South 1/2 South 1/2; Southwest 1/4 Northwest 1/4; Northwest 1/4 Southwest 1/4
- Section 2: Southeast 1/4; Southeast 1/4 Northeast 1/4; East 1/2 Southwest 1/4
- Section 11: East 1/2; Southwest 1/4; East 1/2 Northwest 1/4
- Section 12: West 1/2; North 1/2 Northeast 1/4
- Section 14: North 1/2 North 1/2

TOWNSHIP 21 NORTH, RANGE 56 EAST, M.D.R. & M.

- Section 1: Southeast 1/4 Northeast 1/4
- Section 5: Northeast 1/4 Northwest 1/4 or Lot 3
- Section 8: Southeast 1/4 Northeast 1/4, Southwest 1/4 Northeast 1/4; North 1/2 Southeast 1/4, Southeast 1/4 Southeast 1/4
- Section 9: Northwest 1/4 Southwest 1/4; South 1/2 Northwest 1/4

TOWNSHIP 22 NORTH, RANGE 56 EAST, M.D.R. & M.

- Section 1: Southeast 1/4 Northeast 1/4 and Lots 1, 2, 3 and 4
- Section 2: North 1/2 South 1/2 Northwest 1/4 and Lots 1, 2, 3 and 4; Southwest 1/4 Southwest 1/4
- Section 3: North 1/2 South 1/2 North 1/2; Lots 1, 2, 3 and 4
- Section 4: North 1/2
- Section 5: Northeast 1/4
- Section 7: Lots 2 and 3
- Section 15: Northwest 1/4 Northwest 1/4
- Section 16: Northeast 1/4 Northeast 1/4
- Section 21: Southeast 1/4 Northwest 1/4; Southwest 1/4 Southwest 1/4
- Section 22: Northeast 1/4 Southeast 1/4; Northwest 1/4 Northeast 1/4

TOWNSHIP 22 NORTH, RANGE 56 EAST, M.D.R. & M.

- Section 23: Northeast 1/4 Southeast 1/4; South 1/2 Southeast 1/4
- Section 24: South 1/2; South 1/2 North 1/2
- Section 25: North 1/2 Northeast 1/4; South 1/2; South 1/2 North 1/2
- Section 26: All (Except Northeast 1/4 Northeast 1/4)

TOWNSHIP 21 NORTH, RANGE 57 EAST, M.D.R. & M.

- Section 6: North 1/2 Northwest 1/4 or Lots 3 and 4
- Section 8: Northeast 1/4 Northwest 1/4

TOWNSHIP 22 NORTH, RANGE 57 EAST, M.D.R. & M.

- Section 20: Northeast 1/4 Southeast 1/4; Southeast 1/4 Northwest 1/4
- Section 22: Southeast 1/4 Northeast 1/4

TOWNSHIP 22 NORTH, RANGE 57 EAST, M.D.R. & M.

- Section 22: Northwest 1/4 Southwest 1/4; Southwest 1/4 Northwest 1/4

TOWNSHIP 22 NORTH, RANGE 58 EAST, M.D.B. & M.

Section 25: Southwest 1/4 Southwest 1/4
Section 26: West 1/2 Northwest 1/4, Northwest 1/4 Southwest 1/4

EXCEPTING FROM Sections 25 and 26, Township 22 North, Range 58 East, M.D.B. & M., an undivided one-half (1/2) interest in all coal, oil, gas and petroleum products of every name and nature in and under said land reserved by Mildred D. McBride, in Deeds recorded December 5, 1935 in Book 182, pages 243 and 247, Real Estate Records, White Pine County, Nevada.

FURTHER EXCEPTING FROM Sections 15, 16 and 21, Township 22 North, Range 58 East, M.D.B. & M., all minerals of every kind and nature including oil and gas, in and under said land as reserved by George A. Moore and Mildred M. Moore, recorded January 2, 1939 in Book 223, page 233, Real Estate Records, White Pine County, Nevada.

FURTHER EXCEPTING FROM Sections 25 and 26, Township 22 North, Range 58 East, M.D.B. & M., all minerals of every kind and nature including oil and gas, in and under said land, reserved by Pete Ellis, Leonie Ellis, Genevieve Church Bryant, formerly Genevieve Church and Charles A. Bryant, in Deed recorded May 15, 1969 in Book 307, page 215, Real Estate Records, White Pine County, Nevada.



Exhibit "C"

FIRST ADDENDUM TO
AMENDED AND RESTATED CREDIT AGREEMENT

THIS ADDENDUM is made to that certain Amended and Restated Credit Agreement made August 23, 1989 between DANIEL H. RUSSELL and ROBERTA A. RUSSELL (together "Borrower") and SANWA BANK CALIFORNIA ("Bank").

RECITALS

A. It is the intent of the Borrower and Bank that this Addendum together with its terms and conditions be incorporated in and treated as a part of the Amended and Restated Credit Agreement entered into between Borrower and Bank on August 23, 1989 (hereinafter referred to as "Credit Agreement").

B. As a part of the Credit Agreement Borrower did agree at Paragraph 3.2.2(a) and (b) to execute in favor of Bank deeds of trust on the Silver Creek Ranch located in Fresno and San Benito Counties, California and Ashurst Ranch located in San Benito County, California.

C. As a result of title insurance investigations done on behalf of Bank pursuant to the Credit Agreement it has come to the mutual attention of Borrower and Bank that certain real property intended to be included as part of the purchases from predecessors in interest to the Silver Creek and Ashurst Ranches by Borrower may not have actually been included in said purchases.

may not have actually been included in said purchases.

D. Notwithstanding the effect of Recital C above, Borrower and Bank wish to proceed with and consummate transaction identified by the Credit Agreement with the understanding that Borrower will use his best efforts to cause any property omitted from said purchases to be transferred to him and will thereafter execute the proper documents to cause that added property to be added to the deeds of trust referred to in Paragraphs 3.2.2(a) and (b).

AGREEMENT

1. The parties incorporate Recitals A through D above by reference into this Agreement.

2. Borrower will use best efforts to identify and cause to be transferred to him any real property which was intended to be transferred in conjunction with the purchases of the Silver Creek and Ashurst Ranches by Borrower. In the event that he is successful in causing any such property to be transferred to him, Borrower will execute those documents necessary to assure that said additional real property is included in that real property encumbered by deeds of trust executed in favor of Bank pursuant to Paragraph 3.2.2(a) and (b) of the Credit Agreement.

Notwithstanding the above, Borrower makes no representations or warranties as to his ability to cause to be transferred the property mentioned therein nor the existence of any such property.

IN WITNESS WHEREOF, this Addendum to Amended and Restated

Credit Agreement is executed by the parties hereto on
August 23, 1989.

BANK:

SANWA BANK CALIFORNIA

By: Thomas A. Bol
Its Vice Pres. & Manager

BORROWER:

Daniel H. Russell
DANIEL H. RUSSELL

Roberta A. Russell
ROBERTA A. RUSSELL

OFFICIAL RECORDS
RECORDED AT THE REQUEST OF 13th American
BOOK PAGE Title

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EURCA COUNTY RECORDER
P.M. REBALEATI RECORDER
FILE NO. FEE \$ 23.00

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BOOK 210 PAGE 244