

WHEN RECORDED, MAIL TO:

Frontier Title Company

P. O. Box 1078

Battle Mountain, NV 89820

DEED OF TRUST

149994

THIS DEED OF TRUST, made this 20th day of December,

1993, by and between DONALD McNAB, an unmarried man, as Trustor, and

STEWART TITLE OF NORTHEASTERN NEVADA, a Nevada Corporation, as

Trustee, and LANDER COUNTY DEVELOPMENT CORPORATION, a Nevada Corpora-

tion, as Beneficiary;

W I T N E S S E T H:

That the said Trustor hereby grants, bargains, sells, conveys

and confirms unto the said Trustee, and to its successors and

assigns, with power to sell, the following described real property

situate in the County of Eureka, State of Nevada, more particularly

described as follows:

PARCEL 1

TOWNSHIP 26 NORTH, RANGE 48 EAST, MDB&M.

Section 13: Lot 4; SW $\frac{1}{4}$ SE $\frac{1}{4}$; SW $\frac{1}{4}$ NW $\frac{1}{4}$; N $\frac{1}{2}$ SW $\frac{1}{4}$; SE $\frac{1}{4}$ SW $\frac{1}{4}$

EXCEPTING THEREFROM all the oil and gas in and under
said land, reserved by THE UNITED STATES OF AMERICA,
in Patent recorded March 7, 1967, in Book 18, Page
245, Official Records, Eureka County, Nevada.

PARCEL 2

TOWNSHIP 24 NORTH, RANGE 48 EAST, MDB&M.

Section 13: W $\frac{1}{2}$ SW $\frac{1}{4}$; SE $\frac{1}{4}$ SW $\frac{1}{4}$

Section 14: NE $\frac{1}{4}$ SE $\frac{1}{4}$

Section 15: N $\frac{1}{2}$ NW $\frac{1}{4}$; SE $\frac{1}{4}$ NW $\frac{1}{4}$; SW $\frac{1}{4}$ NE $\frac{1}{4}$

TOWNSHIP 25 NORTH, RANGE 48 EAST, MDB&M.

Section 24: SE $\frac{1}{4}$; E $\frac{1}{2}$ SW $\frac{1}{4}$

-1-

ROSS P. EARDLEY

ATTORNEY AT LAW

489 IDAHO STREET

ELKO, NEVADA 89801

TELEPHONE (702) 738-4046 - FAX (702) 738-6286

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TOWNSHIP 24 NORTH, RANGE 48 EAST, MDB&M.

Section 13: SE1/4NW1/4; S1/4NE1/4; SE1/4

Section 24: N1/4NE1/4

TOWNSHIP 25 NORTH, RANGE 48 EAST, MDB&M.

Section 25: E1/4SW1/4; SE1/4; Lots 3 and 4

Section 36: N1/4NE1/4

TOWNSHIP 24 NORTH, RANGE 49 EAST, MDB&M.

Section 18: Lots 2, 3, 4; E1/4SW1/4

Section 19: NE1/4NW1/4; Lot 1

TOWNSHIP 26 NORTH, RANGE 49 EAST, MDB&M.

Section 6: Lots 6, 7 and 8
Section 7: Lots 1, 2, 3 and 4
Section 18: Lots 1, 2, 3 and 4
Section 19: Lots 1, 2, 3 and 4

EXCEPTING FROM SE1/4NW1/4; S1/4NE1/4; SE1/4; Section 13; N1/4NE1/4; Section 24; Township 24 North, Range 48 East, and Lots 2, 3 and 4: E1/4SW1/4; Section 18; NE1/4NW1/4; Lot 1, Section 19, Township 24 North, Range 49 East, SE1/4; E1/4SW1/4; Section 24, Township 25 North, Range 48 East; and E1/4SW1/4; SE1/4; Lots 3 and 4, Section 25; N1/4NE1/4; Section 36, Township 25 North, Range 48 East, all coal and other minerals in and under said land, reserved by the United States of America, in Patents recorded in Book 20, Page 400, and Book 21, Page 307, Deed Records, Eureka County, Nevada.

PARCEL 3

TOWNSHIP 24 NORTH, RANGE 48 EAST, MDB&M.

Section 10: W1/4NE1/4

PARCEL 4

TOWNSHIP 24 NORTH, RANGE 48 EAST, MDB&M.

Section 13: S1/4SW1/4SE1/4

Section 24: N1/4NW1/4NE1/4

TOWNSHIP 26 NORTH, RANGE 48 EAST, MDB&M.

Section 13: SW1/4NW1/4SE1/4

TOWNSHIP 26 NORTH, RANGE 49 EAST, MDB&M.

Section 30: Lot 1; N1/4 of Lot 6

EXCEPTING FROM SW $\frac{1}{4}$ NW $\frac{1}{4}$ SE $\frac{1}{4}$, Section 13, Township 26 North, Range 48 East; and Lot 1; N $\frac{1}{2}$ of Lot 6, Section 30, Township 26 North, Range 49 East, all oil and gas in and under said land, reserved by the United States of America, in Patent recorded November 7, 1974, in Book 50, Page 246, Official Records, Eureka County, Nevada.

EXCEPTING FROM S $\frac{1}{4}$ SW $\frac{1}{4}$ SE $\frac{1}{4}$, Section 13; N $\frac{1}{2}$ NW $\frac{1}{4}$ NE $\frac{1}{4}$, Section 24, Township 24 North, Range 48 East, all the geothermal steam and associated resources in and under said land, reserved by the United States of America, in Patent recorded November 7, 1974, in Book 50, Page 246, Official Records, Eureka County, Nevada.

FURTHER EXCEPTING FROM Parcels 1, 2 and 3, an undivided 50% interest into any and all mineral rights, oil or gas owned by the Seller, in and under said land reserved by Walter E. Baumann and Jeanette Baumann, in Deed recorded May 5, 1977, in Book 59, Page 60, Official Records, Eureka County, Nevada.

FURTHER EXCEPTING FROM Parcels 1, 2, 3 and 4 an undivided one-half interest in and to all of Walter E. Baumann's right, title and interest in and to all coal, oil, gas and minerals of every kind and nature whatsoever and geothermal rights, lying in and under said land as reserved in Deed recorded August 9, 1988, in Book 182, Page 150, Official Records, Eureka County, Nevada.

TOGETHER with all buildings, fences, gates, corrals, and other structures and improvements situate thereon or used in connection with any or all of the above parcels.

TOGETHER with all water, water rights, dams, ditches, canals, pipelines, headgates, diversions, reservoirs, springs, wells, pumps, pumping stations, rights of way, easements and all other means for the diversion or use of water appurtenant to the said property or any part thereof, or now or hereafter used or enjoyed in connection therewith, for irrigation, stock watering, domestic or any other use, or drainage of all or any part of said lands, including vested water rights, permitted water rights, decreed water rights and certificated water rights arising under the laws of the State of Nevada, together with all certificates of appropriation, applications, proofs, permits and maps relating to such water and water rights which are appurtenant to any or all of the above described parcels of real property or any part thereof, or used or enjoyed in connection therewith.

TOGETHER with all stockwatering rights vested, decreed, certificated or permitted now or heretofore or hereafter used in connection with the use of said land or public domain grazing lands, including all stockwatering sources located on the above-described real property or on any public domain or other lands, but used in connection with the foregoing described lands or the grazing permits, rights and privileges described herein.

TOGETHER with all BLM grazing privileges consisting of approximately 5,600 AUM's active use, and 25 AUM's suspended non-use, comprising Trustor's federal range permit in the Grass Valley, Buckhorn and Horse Ranch Allotments and Keystone Seeding.

TOGETHER with the tenements, hereditaments and appurtenances thereunto belonging or appertaining, and the reversion and reversions, remainder and remainders, rents, issues and profits thereof, in connection with any or all of the above parcels.

TO HAVE AND TO HOLD the same unto the Trustee, and to its

successors and assigns, upon the trusts, covenants and agreements herein expressed and as security for the payment of a certain Promissory Note of even date herewith, for the principal sum of \$97,500.00, bearing interest from the date thereof at the rate of 7% per annum, said principal sum and interest being payable in monthly installments, as more specifically set forth in said Note; said Note being executed by the Trustor herein to the said Beneficiary and payable in care of Frontier Title Company, Elko, Nevada, or wherever else said Beneficiary in writing designates. Said Note is hereby referred to and incorporated herein as though set forth in full herein.

This Deed of Trust is also given as security for the payment of any and all monies which the Beneficiary and Trustee, or either of them, may or shall hereafter loan or advance to the Trustor, or advance for his account, even though the said loan or advance may be secured by other mortgage or Deed of Trust and as security for the

payment of all other monies that may become due from the Trustor from any cause whatsoever, including the payment of all other monies hereby agreed or provided to be paid by the Trustor, or which may be paid out, or advanced, by the Trustee, or by the Beneficiary, under the provisions of this Deed of Trust.

The Trustor hereby covenants and agrees:

1. The Trustor promises and agrees to properly care for and keep the property herein described, including any fences, buildings and other improvements thereon, in at least as good a condition of repair and maintenance as the same now are, subject to normal wear and tear, and to care for, protect and maintain any and all buildings situate thereon, and to otherwise protect and maintain said premises and not to commit nor permit any waste or deterioration thereof. Trustors shall water and keep in good condition all cultivated land and shall properly irrigate all irrigable land, utilize all water rights, and put the same to beneficial use, and pay all fees in connection with the preservation of water rights. Trustor shall utilize and protect all grazing rights and privileges had in connection with said property and shall at all times make the necessary applications and pay the necessary fees to the Bureau of Land Management and/or the U. S. Forest Service, or other federal agencies, to preserve and maintain all grazing rights and privileges, all to the end that the premises and property shall be properly kept and maintained and in no way diminished during the term of this Deed of Trust and that no water rights or grazing rights or privileges shall be lost by abandonment, non-use or otherwise, due to the default, failure or act of Trustor. The Trustor may make such alterations or

improvements as he may desire on said premises, so long as they do not lessen the value of said property, and the Trustor shall pay, when due, all claims for labor performed or material furnished thereon.

2. That the Beneficiary, or its duly authorized agents, shall at all reasonable times have the right to enter upon said premises and inspect the same.

3. The Trustor covenants, warrants and represents that the title conveyed is a fee simple absolute title, free and clear of all encumbrances; that he will forever warrant and defend the title to the premises above mentioned to the Trustee and Beneficiary and their successors and assigns, against all lawful claims and demands of all persons whomsoever.

4. The following covenants Nos. 1, 2 (\$ Replacement), 3, 4(7%), 5, 6, 7 (Reasonable), 8 and 9 of Section 107.030 NRS are hereby adopted and made a part of this Deed of Trust.

5. The reconveyance of this Deed of Trust shall be at the cost and expense of the Trustor, or such other persons entitled to reconveyance.

6. The acceptance by said Beneficiary of any payment of the indebtedness hereby secured shall not operate as a waiver by the Beneficiary of any default by the Trustor made previously to such payment in any of the covenants or agreements to be made, kept and performed by the Trustor herein provided.

7. The Trustor hereby covenants and agrees that neither the acceptance nor existence, now or hereafter, of any other security for the indebtedness secured hereby, nor the release thereof, shall

operate as a waiver of the security of this Deed of Trust, nor shall this Deed of Trust, nor its satisfaction, nor a reconveyance made hereunder, operate as a waiver of such other security now held or hereafter acquired.

8. All the provisions of this instrument shall apply to and

bind the legal representatives, successors and assigns of the respective parties hereto, and it is distinctly understood and agreed that the words Trustor, Grantor, Trustee or Beneficiary, as used in this instrument, and any pronoun referring thereto, is intended to and does include the masculine, feminine and neuter genders, and the singular and plural numbers; that the covenants and agreements of the Trustor or Grantor herein shall be construed to be the joint and

several covenants and agreements of all persons who sign this instrument; that if any provision of this Deed of Trust be judicially

declared invalid, such decision shall not affect the validity of the remaining provisions, and if any sale made hereunder shall be judicially declared invalid or deemed by the Beneficiary to be invalid, such sale shall not exhaust the power of sale, and the Trustee, at the request of the Beneficiary, may proceed anew with the sale of this property, in order to enforce fully the provisions of this Deed

of Trust.

9. Said Trustor agrees that the said Trustee, or its succe-

sors in interest, shall not incur any liability on account of any act done or omitted to be done, in good faith, under the provisions of

this Deed of Trust, and that said Trustee shall be fully protected in acting upon any statement, report, order, notice, request, consent or

other paper or document believed to be genuine and signed by the proper parties.

10. The Trustor, so long as there is any balance owing in

connection with this Deed of Trust, shall not sell, assign or transfer any interest in the property described herein, nor permit any

assumption of the debt herein secured, without first obtaining the

written consent of the Beneficiary. If all or any part of the

property herein described, or any interest therein, is sold or

transferred by the Trustor without the Beneficiary's prior written

consent, the Beneficiary may, at its option, declare all sums secured

by this Deed of Trust to be immediately due and payable.

IN WITNESS WHEREOF, the said Trustor has executed these

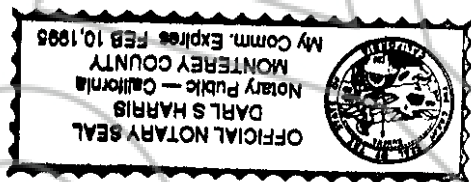
presents the day and year first above written.

DONALD McNAB

STATE OF CALIFORNIA)
: SS.)
COUNTY OF Monterey)

This instrument was acknowledged before me on December 20, 1993

1993, by DONALD McNAB.



NOTARY PUBLIC

149994

EUREKA COUNTY, NEVADA
M.N. REBALEATI. RECORDER
FILE NO. FEE \$ 14.00

'93 DEC 27 AM 1:42

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OFFICIAL RECORDS
RECORDED AT THE REQUEST OF
Franklin J. Jell

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