

WHEN RECORDED MAIL TO:
STEWART TITLE
94211494

1 COOPER & SMITH
2 W. AUSTIN COOPER, #030652
3 ROBERT D. TOKUNAGA, #100380
4 PHILIP J. RHODES, #161537
5 2535 Capitol Oaks Dr., Suite 100
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9 Attorneys for Daniel H. Russell
10 and Roberta A. Russell

11 UNITED STATES BANKRUPTCY COURT
12 EASTERN DISTRICT OF CALIFORNIA
13 (Sacramento Division)

14 In re

15 Case No. 93-25103-B-11
16 (Master File)

17 DANIEL H. RUSSELL, aka DAN
18 RUSSELL, dba RUSSELL RANCHES,

19 Debtor.

20 In re

21 ROBERTA A. RUSSELL, aka
22 ROBERTA HICKS, aka ROBERTA A.
23 HICKS, aka ROBERTA ALAMEDA
24 HICKS,

25 Debtor.

26 Date: June 14, 1994
27 Time: 9:30 a.m.
28 Dept: B

29 ORDER AUTHORIZING SALE OF REAL PROPERTY
30 FREE AND CLEAR OF LIENS AND OTHER INTERESTS
31 [SADLER RANCH]

32 The Motion of Daniel H. Russell and Roberta A. Russell, the

33 debtors and debtors-in-possession in the above-captioned cases

34 (the "Debtors") for an Order Authorizing Sale of Real Property

35 Free and Clear of Liens and Other Interests to James L. and Nellie

36 R. Eckhardt (the "Motion"), came on for hearing on its regular

37 hearing date before the Honorable Jane Dickson Mckeag, United

38 States Bankruptcy Judge. Phillip J. Rhodes of Cooper & Smith

39 appeared on behalf of the debtor. Nancy Hotchkiss of Trainor,

40 CLERK, U.S. BANKRUPTCY COURT
41 EASTERN DISTRICT OF CALIFORNIA

42 JUN 29 1994

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44 BOOK 271 PAGE 282

45 ORIGINAL FILED
46 JUN 28 1994
47 R.G. HELTZEL, CLERK
48 United States Bankruptcy Court
49 Eastern District of Calif.

50 153661

1 Robertson, Smits & Wade appeared on behalf of creditor Gail
2 Phillips. Gregory Hughes and Kurt Ramlo of Pillsbury, Madison &
3 Sutro appeared on behalf of secured creditor Intermountain Federal
4 Land Bank. Other appearances were made as noted on the record.
5 Having considered the motion and all other pleadings filed in
6 support of and in opposition to the Motion, and the oral arguments
7 of the parties, and good cause appearing,

IT IS HEREBY ORDERED as follows:

8
9 1. The Debtors are authorized to sell the real property
10 located in Eureka County, Nevada, commonly known as the Sadler
11 Ranch (the "Property"), the legal description of which is attached
12 as Schedule "A" to that certain Preliminary Title Report No.
13 94210871 dated as of May 26, 1994, at 7:30 a.m. issued by Frontier
14 Title of Elko, Nevada, a copy of which is attached as EXHIBIT "A"
15 (the "Preliminary Title Report") and incorporated by reference
16 herein, together with all fixtures; growing crops; water rights;
17 cut hay; BLM and/or USFS grazing rights, licenses and permits;
18 irrigation equipment; and the mobile home located thereon,
19 appurtenant to, used in connection with or upon which the Debtors
20 have any claim against and associated with the real property to be
21 sold.

22 a. First, to Ezra C. Lundahl, Inc. (the "Primary
23 Purchaser") for the total sum of \$579,153 (\$290,847 of the
24 \$870,000 bid shall be allocated to the Brown Ranch owned by RJD
25 cattle company) in accordance with the terms and conditions of an
26 agreement of purchase and sale, which the Debtors may enter into
27 and execute, subject to the terms of the Agreement for Purchase

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1 and Sale of Property attached as Exhibit "B" and incorporated by
2 reference herein as conditioned by this Order.

3 b. Second, if the Primary Purchaser elects not to
4 proceed with the purchase at the end of the due diligence period
5 or does not close by July 11, 1994, to James L. and Nellie R.
6 Eckhardt (the "Secondary Purchaser") for the total sum of \$562,933
7 (\$286,167 of the \$849,100 bid shall be allocated to the Brown
8 Ranch owned by RJD Cattle Company) in accordance with the terms
9 and conditions set forth in that certain Agreement of Purchase and
10 Sale, a copy of which is attached to the Motion as Exhibit "2"
11 (the "Agreement"), as conditioned or modified by the terms of this
12 Order.

13 2. Upon close of escrow, the Property shall become and
14 hereby is deemed to be sold free and clear of all liens,
15 encumbrances and other interests against the Property pursuant to
16 11 U.S.C. §363(f) except items 1 through 16, 22 and 24 of the
17 Preliminary Title Report. The liens, encumbrances or other
18 interests shall be paid through escrow or removed from the
19 Property as follows:

20 a. All delinquent and current property taxes due and
21 payable, represented by items 2 and 3 of the
22 Preliminary Title Report shall be paid directly
23 from escrow pursuant to paragraph 3 of this order,
24 infra;

25 b. The liens, encumbrances or other interests
26 represented by items 17, 18, 19, 20, 21, 23 and 25
27 of the Preliminary Title Report shall attach to
28 the net proceeds of the sale of the Property
29 pursuant to paragraphs 4 and 7 of this order,
30 infra;

1 The proceeds of the sale of the Property are authorized
2 and directed to be disbursed by Frontier Title of Reno, Nevada
3 ("Frontier") in the following order:

- a. To pay the required closing costs and other escrow costs in accordance with the terms of the applicable purchase agreement;
- b. To pay all delinquent and current property taxes due and payable represented by items 2 and 3 of the Preliminary Title Report;
- c. To pay real estate broker commissions of the seller of 4%, or \$34,800, jointly to Jim Valentine and Lisa Wetzel of Coldwell Banker Ittido, Inc. and John Gourtley of United National/Claridge and Associates and real estate broker commissions of the primary purchaser's broker of 3%, or \$26,100, or, if sold to the secondary purchaser, real estate broker commissions of 7%, or \$60,900, jointly to Jim Valentine and Lisa Wetzel of Coldwell Banker Ittido, Inc. and John Gourtley of United National/Claridge and Associates;

- d. To deposit \$10,000 with Sacramento Commercial Bank, Sacramento, California, in a blocked account entitled "Daniel H. Russell, Debtor-in-Possession-Sadler Ranch Proceeds," which shall not be disbursed except upon further order of this court pending the resolution of the claim of creditor Gail Phillips to title of certain irrigation pipe being sold with the Property;

- e. To pay directly to Intermountain Federal Land Bank ("Intermountain") the remaining proceeds of the sale towards the balance of the claim secured by the deed of trust represented by item 17 of the Preliminary Title Report.

4. Any valid liens against the Property, which have not been released, paid or expressly allowed to remain as a lien against the Property after sale, shall attach to the funds in their order of priority without prejudice to any claims or defenses which may be asserted by any party in interest.

///

1 The Debtors are authorized and directed to execute and

2 deliver, or join in the execution and delivery of any and all

3 documentation necessary to consummate the sale of the Property and

4 the transfer of the grazing permits in accordance with all

5 applicable laws, regulations and agreements governing the permits,

6 as set forth in the agreement, and the Debtors are further

7 authorized to perform any other act that is necessary for the

8 consummation of this sale.

9 6. The Debtors shall have no further obligation to sell the

10 Property to either the Primary Purchaser or the Secondary

11 Purchaser if the sale does not close escrow by July 11, 1994,

12 provided, however, that the Debtors may elect to proceed with the

13 sale after that date.

14 7. This order shall in no way alter, perfect or otherwise

15 modify the validity, enforceability or priority of any lien or

16 encumbrance other than to substitute the net proceeds received

17 from the sale for the Property pursuant to the authority conferred

18 by this order.

19 8. This order is made without prejudice to any party-in-

20 interest's rights to assert a claim against the fund described in

21 paragraph 4, supra, or to challenge in any way the amount,

22 enforceability, validity, priority or extent of any lien,

23 encumbrance or other claim asserted by a claimant to the fund.

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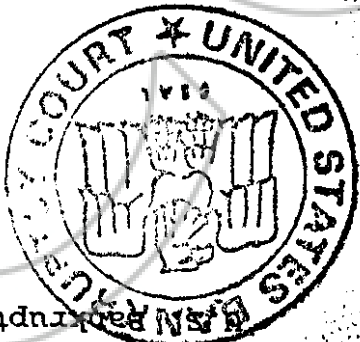
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1 The Court hereby retains jurisdiction for the purpose of
2 expeditiously determining any action or proceeding in law or
3 equity arising out of this order or the agreement or otherwise
4 arising out of the sale.

5 Dated: JUN 28 1994

JANE DICKSON MCKEAG

JANE DICKSON MCKEAG
Bankruptcy Judge



This is to certify that this is a true and
correct copy of the original thereof on file
in the office of the Clerk, U.S. Bankruptcy
Court.

RICHARD G. HEITZEL
U.S. Bankruptcy Court
By Richard G. Heitzel
Deputy Clerk

6 Gregory J. Hughes
7 PILLSBURY, MADISON & SUTRO
8 Attorney for Intermountain
9 Federal Land Bank

10 Approved as to Form:

11 Nancy Hotchkiss
12 TRAINOR, ROBERTSON,
13 SMITS & WADE
14 Attorney for Gail Phillips

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1 provided, however, that the Debtors may elect to proceed with the

2 sale after that date.

3 7. This order shall in no way alter, perfect or otherwise

4 modify the validity, enforceability or priority of any lien or

5 encumbrance other than to substitute the net proceeds received

6 from the sale for the property pursuant to the authority conferred

7 by this order.

8 8. This order is made without prejudice to any party-in-

9 interest's rights to assert a claim against the fund described in

10 paragraph 4, supra, or to challenge in any way the amount,

11 enforceability, validity, priority or extent of any lien,

12 encumbrance or other claim asserted by a claimant to the fund.

13 9. The court hereby retains jurisdiction for the purpose of

14 expeditiously determining any action or proceeding in law or

15 equity arising out of this order or the agreement or otherwise

16 arising out of the sale.

17 Dated: _____

JANE DICKSON MCKEAG
U.S. Bankruptcy Judge

20 Approved as to form:

Gregory S. Hughes
Gregory S. Hughes
PILLSBURY, MADISON & SUTRO
Attorney for Intermountain
Federal Land Bank

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Nancy Holzkies
TRAINOR, ROBERTSON,
SMITH & WADE
Attorney for Gail Phillips

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1 provided, however, that the Debtors may elect to proceed with the

2 sale after that date.

3 7. This order shall in no way alter, perfect or otherwise

4 modify the validity, enforceability or priority of any lien or

5 encumbrance other than to substitute the net proceeds received

6 from the sale for the property pursuant to the authority conferred

7 by this order.

8 8. This order is made without prejudice to any party-in-

9 interest's rights to assert a claim against the fund described in

10 paragraph 4, supra, or to challenge in any way the amount,

11 enforceability, validity, priority or extent of any lien,

12 encumbrance or other claim asserted by a claimant to the fund.

13 9. The court hereby retains jurisdiction for the purpose of

14 expeditiously determining any action or proceeding in law or

15 equity arising out of this order or the agreement or otherwise

16 arising out of the sale.

17

18 Dated: _____

JANE DICKSON MCKEAG
U.S. Bankruptcy Judge

20 Approved as to Form:

22 Gregory J. Hughes
PILLSBURY, MADISON & SUTRO
Attorney for InterMountain
Federal Land Bank

25 *Nancy Holchkiss*
Nancy Holchkiss
TRAINOR, ROBERTSON,
SMITS & MADE
Attorney for call Phillips

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PROPERTY ADDRESS:



ES. 3W OFFICE:

FRONTIER TITLE COMPANY
445 Fifth Street
PO Box 228
Eiko, Nevada 89601

STEWART TITLE

of Northeastern Nevada
d/b/a Frontier Title Company

445 Fifth Street Eiko, Nevada 89601 (702-738-6181)

PRELIMINARY REPORT

When replying please contact
Escrow Officer: PAM AGUIRRE

Our Order No. 94210871
Your Reference:
RUSSELL/ECKHARDT

This Preliminary Report on Title is delivered and accepted upon the understanding that you have no personal knowledge or information of any defect, objection, lien, or encumbrance affecting said premises other than those shown on succeeding pages hereof, and your failure to disclose any such personal knowledge or information shall render this Preliminary Report on Title and any policy issued based thereon, null and void as to such defect, objection, lien or encumbrance.

Nothing herein contained shall be construed as a guarantee against the consequences of the exercise and enforcement or attempted enforcement of governmental "police power" over the property described herein.

This report (and any supplements or amendments thereto) is issued solely for the purpose of facilitating the issuance of a policy of title insurance and no liability is assumed hereby. If it is desired that liability be assumed prior to the issuance of a policy of title insurance, a Binder or Commitment should be requested.

Dated as of: May 26, 1994 at 7:30 a.m.

Kelly Watson
KELLY WATSON, Title Officer

The estate or interest in the land hereinafter described or referred to covered by this Report is:
A FEE

Title to said estate or interest is vested in:
PARCELS 1 and 2:
DANIEL H. RUSSELL and ROBERTA A. RUSSELL, husband and wife as community property

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EXHIBIT A

LEGAL DESCRIPTION

The land referred to herein is situated in the State of Nevada County of BOREKA, described as follows:

PARCEL 1:

TOWNSHIP 23 NORTH, RANGE 52 EAST, M.D.B.&M.

Section 36: An undivided 1/2 interest in and to SW1/4 NE1/4; SW1/4 NW1/4;

TOWNSHIP 24 NORTH, RANGE 52 EAST, M.D.B.&M.

Section 12: E1/2 NE1/4;

Section 13: NE1/4; SW1/4; NW1/4 SE1/4; S1/2 SE1/4;

Section 23: E1/2 E1/2; W1/2 SE1/4;

Section 24: All;

Section 25: N1/2; N1/2 S1/2;

Section 26: E1/2 NE1/4; W1/2 NE1/4; NW1/4 SE1/4; E1/2 SE1/4;

TOWNSHIP 24 NORTH, RANGE 53 EAST, M.D.B.&M.

Section 17: SW1/4 SW1/4;

Section 18: Lots 3 and 4, E1/2 SW1/4; W1/2 SE1/4; SE1/4 SE1/4;

Section 19: Lots 1, 2, 3 and 4; E1/2 W1/2; W1/2 E1/2;

Section 29: NW1/4; W1/2 SE1/4; N1/2 SW1/4; W1/2 NE1/4; SE1/4 SE1/4;

Section 30: Lots 1 and 2; E1/2 NW1/4; NE1/4; N1/2 SE1/4;

Section 32: N1/2 NE1/4;

TOWNSHIP 25 NORTH, RANGE 53 EAST, M.D.B.&M.

Section 5: SE1/4 SE1/4;

EXCEPTING THEREFROM an undivided 1/2 interest in and to all

coal, oil, gas and other minerals of every kind and nature

whatsoever lying in and under said lands as reserved by REINHOLD

SADLER, et al, in deed recorded February 6, 1976, in Book 53,

Page 583, Official Records, Eureka County, Nevada.

PARCEL 2:

TOWNSHIP 24 NORTH, RANGE 52 EAST, M.D.B.&M.

Section 13: SE1/4 NW1/4;

Section 25: S1/2 SW1/4;

EXCEPTING THEREFROM all mineral deposits lying in and under said land as reserved by the United States of America, in Patent recorded January 25, 1979, in Book 68, Page 392, Official Records, Eureka County, Nevada.

SCHEDULE A

CLTA PRELIMINARY REPORT

(17/89)

STEWART TITLE
Surety Company

At the date hereof, exceptions to coverage in addition to the printed exceptions and exclusions in a Policy of Title Insurance are as follows:

1. THE FACT THAT RECORD ACCESS TO AND FROM A REGULARLY DEDICATED ROAD IS NOT REFLECTED IN THE PUBLIC RECORDS OF EUREKA COUNTY, NEVADA.

2. Delinquent taxes for the fiscal year 1992 - 1993, plus penalties and costs, amount due : \$2,504.96 Assessor Parcel No. : 6-320-04

3. Taxes for the fiscal year July 1, 1993 to June 30, 1994, including any secured personal property taxes and any special or district assessments collected therewith, and any other assessments levied by City or County authorities, a lien now due and payable, Total amount : \$2,525.86 1st installment : \$636.10 PAID 2nd installment : \$629.92 PAID 3rd installment : \$629.92 4th installment : \$629.92 Assessor Parcel No. : 6-320-04

4. The lien, if any, of supplemental taxes, assessed pursuant to provisions adopted by the Nevada Legislature, and as disclosed by the Nevada Revised Statutes.

5. The fact that said land was approved for agricultural use assessment for taxation purposes by the Eureka County Assessor and lien for any deferred taxes which may be levied against said land by reason of a change in use of said land for purposes other than agricultural, as evidenced by document Recorded : October 8, 1991 : In Book 226 Page 467, as Document No. 138009 : Official Records of Eureka County, Nevada.

6. Reservations and exceptions contained in various patents from the United States of America, recorded in the Office of the County Recorder of Eureka County, Nevada.

Said reservation and exception recites as follows: ". . . subject to any vested and accrued water rights for mining, agricultural, manufacturing or other purposes, and rights to ditches and reservoirs used in connection with such water rights, as may be recognized and acknowledged by the local customs, laws and decisions of courts; and there is reserved from the lands hereby granted a right of way thereon for ditches or canals constructed by authority of the United States." Affects the following described land:

TOWNSHIP 24 NORTH, RANGE 52 EAST, M.D.B.&M.

Continued on next page

STEWART TITLE - GUARANTY COMPANY

SCHEDULE B
CITY PRELIMINARY REPORT

Section 23: W1/2 S21/4; S21/4 S21/4;
Section 26: NW1/4 NE1/4; SE1/4 NE1/4; NW1/4 SE1/4; E1/2 S21/4;

TOWNSHIP 24 NORTH, RANGE 53 EAST, M.D.B.&M.

Section 29: S21/4 S21/4;
Section 32: N1/2 NE1/4;

7. Reservations and exceptions contained in various patents from the United States of America, recorded in the Office of the County Recorder of Eureka County, Nevada.

Said reservation and exception recites as follows:

"... subject to any vested and accrued water rights for mining, agricultural, manufacturing, or other purposes, and rights to ditches and reservoirs used in connection with such water rights, as may be recognized and acknowledged by the local customs, laws and decisions of courts; and also subject to the right of the proprietor of a vein or lode to extract and remove his ore therefrom, should the same be found to penetrate or intersect the premises hereby granted, as provided by law."

Affects the following described land:

TOWNSHIP 24 NORTH, RANGE 53 EAST, M.D.B.&M.

Section 19: W1/2 E1/2; E1/2 W1/2 and lot 4;

8. Reservations and exceptions contained in various patents from the State of Nevada, recorded in the Office of the County Recorder of Eureka County, Nevada.

Said reservation and exception recites as follows:

"... provided that all mines of gold, silver, copper, lead, cinnabar and other valuable minerals which may exist in said tract are hereby expressly reserved."

Affects the following described land:

TOWNSHIP 24 NORTH, RANGE 52 EAST, M.D.B.&M.

Section 13: S21/4 S21/4;
Section 23: NE1/4 S21/4;
Section 24: E1/2 NW1/4; NE1/4; S1/2;
Section 25: N1/2; N1/2 S1/2;
Section 26: E1/2 NE1/4;

TOWNSHIP 24 NORTH, RANGE 53 EAST, M.D.B.6M.

Section 17: SW1/4 SW1/4;
Section 18: SW1/4 SW1/4; S1/2 SW1/4; Lot 4; NE1/4 SW1/4;
Section 19: Lots 1, 2 and 3;
Section 29: SW1/4 NW1/4; SW1/4 NW1/4; NE1/4 SW1/4; W1/2 SW1/4;
Section 30: Lots 1 and 2; NE1/4; E1/2 NW1/4;

9. Reservations and exceptions contained in various patents from
The State of Nevada, recorded in the Office of the County
Recorder of Eureka County, Nevada.

Said reservation and exception recites as follows:

" . . . provided that all mines of gold, silver, copper, lead,
cinnabar and other valuable minerals which may exist in said
tract, except gas, coal, oil and oil shale (Chap. 172 Stats.
1921); and also the right of way for ditches, tunnels and
telephone and transmission lines constructed by authority of the
United States are hereby expressly reserved."

Affects the following described land:

TOWNSHIP 23 NORTH, RANGE 52 EAST, M.D.B.6M.

Section 36: SW1/4 NW1/4; SW1/4 NE1/4;

TOWNSHIP 24 NORTH, RANGE 53 EAST, M.D.B.6M.

Section 18: Lot 3;

Section 29: W1/2 NE1/4;

TOWNSHIP 25 NORTH, RANGE 53 EAST, M.D.B.6M.

Section 5: SW1/4 SW1/4;

10. Reservations and exceptions contained in various patents from
The State of Nevada, recorded in the office of the County
Recorder of Eureka County, Nevada.

Said reservation and exception recites as follows:

" . . . provided that all mines of gold, silver, copper, lead,
cinnabar and other valuable minerals which may exist in said
tract are hereby expressly reserved, except gas, coal, oil and
oil shales (Chap. 172, Stats. 1921)."

Affects the following described land:

TOWNSHIP 24 NORTH, RANGE 52 EAST, M.D.B.6M.

Section 12: E1/2 NE1/4;

Section 13: NE1/4; SW1/4; W1/2 SW1/4;

Section 23: E1/2 NE1/4;
Section 24: W1/2 NW1/4;
TOWNSHIP 24 NORTH, RANGE 53 EAST, M.D.B.&M.

Section 29: NW1/4 NW1/4; NW1/4 SW1/4; NE1/4 NW1/4;
Section 30: N1/2 SE1/4;

11. Reservations and exceptions contained in Patents from The United States of America,
Recorded : January 25, 1979
: In Book 68, Page 392
: Official Records, Eureka County, Nevada.
Affects : Parcel 5

Said reservation and exception recites as follows:

"EXCEPTING AND RESERVING TO THE UNITED STATES:

1. A right-of-way thereon for ditches and canals constructed by the authority of the United States, Act of August 30, 1890, 26 Stat. 391; 43 U.S.C. 945;

2. All mineral deposits in the lands so patented, and to it, or persons authorized by it, the right to prospect, mine, and remove such deposits from the same under applicable law and such regulations as the Secretary of the Interior may prescribe."

12. Rights incidental to the ownership and development of the mineral interests excepted from the land described herein.

13. The interest, if any, of MRS. MITILDA ECCLES acquired by patent from The State of Nevada, dated August 22, 1949, recorded December 5, 1949, in Book 24, Page 11, Deed Records, Eureka County, Nevada.

A conveyance from said party does not appear of record in the office of the County Recorder of said County. (Affects the W1/2 NE1/4 of Section 29, TOWNSHIP 24 NORTH, RANGE 53 EAST, M.D.B.&M.)

14. The interest, if any, of EDGAR SADLER acquired by patent from The State of Nevada, dated October 1, 1954, recorded October 12, 1954, in Book 24, Page 367, Deed Records, Eureka County, Nevada.

A conveyance from said party does not appear of record in the

Office of the County Recorder of said County. (Affects the undivided 1/2 interest of S1/4 NW1/4 and SW1/4 of section 36, TOWNSHIP 23 NORTH, RANGE 52 EAST, M.D.B.M.)

15. An easement for electric transmission and/or distribution line or system, and incidental purposes, as granted to MT. WHEELER POWER CO., by instrument, recorded September 13, 1971

: in Book 40, Page 363,
: Official Records, Eureka County, Nevada.

Affects the following described land:

TOWNSHIP 24 NORTH, RANGE 52 EAST, M.D.B.M.

Section 12: E1/2 NE1/4;

Section 13: NE1/4; SW1/4; W1/2 SW1/4; SE1/4 SW1/4;

Section 23: E1/2 NE1/4; SE1/4;

Section 24: Portion

Section 25: N1/2; N1/2 S1/2;

Section 26: NE1/4; N1/2 SW1/4; SW1/4 SE1/4;

16. Release and Waiver, dated June 24, 1971, executed by SADBEN BROS., INC., to MT. WHEELER POWER INC., recorded September 13, 1971, in Book 40, of Official Records, at page 367, Eureka County, Nevada, from any effect upon the use of existing telephone lines due to the construction of electrical transmission lines.

17. A deed of Trust to secure an indebtedness in the original amount stated herein, and/or other obligations secured thereby,

Dated September 26, 1983

Amount

: \$540,000.00

Trustor

: F. DONALD SOKOL, a married man dealing with his sole

and separate property

: FEDERAL LAND BANK OF SACRAMENTO, a corporation

: FEDERAL LAND BANK OF SACRAMENTO, a corporation

Recorded

: in Book 116, Page 70, as Document No. 89982,

: Official Records of Eureka County, Nevada.

A Request for Notice in accordance with The Nevada Revised

Statutes, by NEVADA LIVESTOCK PRODUCTION CREDIT ASSOCIATION,

with an address of P.O. BOX 2124, ELKO, NEVADA 89801,

Recorded

: July 23, 1985

: in Book 137, Page 224, as Document No. 99801,

and Re-recorded: August 2, 1985,

: in Book 137, Page 294, File Number 99835,

Continued on next page

: Official Records of Eureka County, Nevada.

A Request for Notice in accordance with The Nevada Revised Statutes, by SANWA BANK, ATTN: AGRICULTURE BUSINESS, REF: DAN RUSSELL, with an address of 601 J STREET, SACRAMENTO CA 95814, : April 1, 1988

: in Book 175, Page 129, as Document No. 117509, : Official Records of Eureka County, Nevada.

The beneficial interest under said Deed of Trust was assigned

: September 1, 1991 : November 19, 1991

: in Book 228, Page 172, as Document No. 138481, : Official Records of Eureka County, Nevada.

Assignee : INTERMOUNTAIN FEDERAL LAND BANK ASSOCIATION, FICA

An instrument which substitutes the Trustee in and to said Deed

: January 5, 1993 : January 12, 1993

: in Book 243, Page 244, as Document No. 143557, : Official Records of Eureka County, Nevada.

New Trustee : STEWART TITLE OF NORTHEASTERN NEVADA, a Nevada

: corporation dba FRONTIER TITLE COMPANY

Notice of Default under the terms and conditions of the above

referenced Deed of Trust by the alleged owner and holder of the

Note secured by said Deed of Trust,

Alleged owner : INTERMOUNTAIN FEDERAL LAND BANK ASSOCIATION, FICA

The holder of this note/indebtedness should be contacted for

all pertinent information.

18. A Deed of Trust to secure an indebtedness in the original amount

stated herein, and/or other obligations secured thereby,

: May 1, 1985 : \$256,700.00

Trustor : DANIEL H. RUSSELL and ROBERTA A. RUSSELL, his wife

Trustee : NEVADA LIVESTOCK PRODUCTION CREDIT ASSOCIATION, a

Beneficiary : NEVADA LIVESTOCK PRODUCTION CREDIT ASSOCIATION, a

Recorded : May 1, 1985 : in Book 135, Page 203, as Document No. 98803,

: Official Records of Eureka County, Nevada.

A Request for Notice in accordance with The Nevada Revised

Statutes, by SANWA BANK, ATTN: AGRICULTURE BUSINESS, REF: DAN RUSSELL,

Continued on next page

with an address of 601 J STREET, SACRAMENTO CA 95814,
Recorded : April 1, 1988
: In Book 175, Page 127, as Document No. 117507,
: Official Records of Eureka County, Nevada.

The holder of this note/Indebtedness should be contacted for
all pertinent information.

19. A Deed of Trust to secure an indebtedness in the original amount
stated herein, and/or other obligations secured thereby,

Dated : April 1, 1986
Amount : \$10,556,500.00
Trustor : DANIEL H. RUSSELL and ROBERTA A. RUSSELL, Husband
and Wife

Trustee : FIRST BANCORP., a California corporation
Beneficiary : LLOYDS BANK CALIFORNIA, a California corporation

Recorded : April 7, 1986
: In Book 143, Page 265, as Document No. 102268,
: Official Records of Eureka County, Nevada.

An instrument which substitutes the Trustee in and to said Deed
of Trust,

Dated : June 16, 1987
Recorded : June 30, 1987
: In Book 158, Page 501, as Document No. 109235,
: Official Records of Eureka County, Nevada.

New Trustee : FIRST AMERICAN TITLE COMPANY OF NEVADA

An agreement to modify the terms and provisions of said Deed of
Trust as therein provided, executed by SANWA BANK CALIFORNIA,
successor in interest to LLOYDS BANK CALIFORNIA and DANIEL H.
RUSSELL and ROBERTA A. RUSSELL was recorded June 30, 1987, in
Book 158, Page 502, File Number 109236, Official Records, Eureka
County, Nevada.

An agreement to modify the terms and provisions of said Deed of
Trust as therein provided, executed by SANWA BANK CALIFORNIA,
successor in interest to LLOYDS BANK CALIFORNIA and DANIEL H.
RUSSELL (also known as DAN RUSSELL) and ROBERTA A. RUSSELL, was
recorded September 30, 1987, in Book 164, Page 566, File Number
112359, Official Records, Eureka County, Nevada.

An agreement to modify the terms and provisions of said Deed of
Trust as therein provided, executed by SANWA BANK CALIFORNIA,
successor in interest to LLOYDS BANK CALIFORNIA and DANIEL H.
RUSSELL (also known as DAN RUSSELL) and ROBERTA A. RUSSELL, was
recorded May 11, 1988, in Book 177, Page 1, File Number 118222,
Official Records, Eureka County, Nevada.

Continued on next page

An agreement to modify the terms and provisions of said Deed of Trust as therein provided, executed by SANWA BANK CALIFORNIA, successor in interest to LLOYDS BANK CALIFORNIA and DANIEL H. RUSSELL (also known as DAN RUSSELL) and ROBERTA A. RUSSELL, was recorded September 2, 1988, in Book 183, Page 124, File Number 121023, Official Records, Eureka County, Nevada.

An agreement to modify the terms and provisions of said Deed of Trust as therein provided, executed by SANWA BANK CALIFORNIA, successor in interest to LLOYDS BANK CALIFORNIA and DANIEL H. RUSSELL (also known as DAN RUSSELL) and ROBERTA A. RUSSELL, was recorded February 17, 1989, in Book 194, Page 202, File Number 126455, Official Records, Eureka County, Nevada.

An agreement to modify the terms and provisions of said Deed of Trust as therein provided, executed by SANWA BANK CALIFORNIA, successor in interest to LLOYDS BANK CALIFORNIA and DANIEL H. RUSSELL (also known as DAN RUSSELL) and ROBERTA A. RUSSELL, was recorded September 19, 1989, in Book 202, Page 595, File Number 129615, Official Records, Eureka County, Nevada.

An agreement to modify the terms and provisions of said Deed of Trust as therein provided, executed by SANWA BANK CALIFORNIA, successor in interest to LLOYDS BANK CALIFORNIA and DANIEL H. RUSSELL (also known as DAN RUSSELL) and ROBERTA A. RUSSELL, was recorded May 18, 1990, in Book 210, Page 263, File Number 132352, Official Records, Eureka County, Nevada.

An agreement to modify the terms and provisions of said Deed of Trust as therein provided, executed by SANWA BANK CALIFORNIA, successor in interest to LLOYDS BANK CALIFORNIA and DANIEL H. RUSSELL (also known as DAN RUSSELL) and ROBERTA A. RUSSELL, was recorded October 5, 1990, in Book 214, Page 580, File Number 133842, Official Records, Eureka County, Nevada.

An agreement to modify the terms and provisions of said Deed of Trust as therein provided, executed by SANWA BANK CALIFORNIA, successor in interest to LLOYDS BANK CALIFORNIA and DANIEL H. RUSSELL (also known as DAN RUSSELL) and ROBERTA A. RUSSELL, was recorded July 19, 1991, in Book 224, Page 151, File Number 137337, Official Records, Eureka County, Nevada.

An instrument which substitutes the Trustee in and to said Deed of Trust, Dated November 27, 1992 : December 16, 1992 : In Book 243, Page 45, as Document No. 143420, : Official Records of Eureka County, Nevada.

Continued on next page

New Trustee : T.D. SERVICE COMPANY

Notice of Default under the terms and conditions of the above referenced Deed of Trust by the alleged owner and holder of the Note secured by said Deed of Trust,
Alleged owner : SANWA BANK CALIFORNIA, successor in interest to LLOYDS BANK CALIFORNIA
Recorded : December 16, 1992
: In Book 243, Page 46, as Document No. 143421,
: Official Records of Eureka County, Nevada.

The holder of this note/indebtedness should be contacted for all pertinent information.

20. A Deed of Trust to secure an indebtedness in the original amount stated herein, and/or other obligations secured thereby,
Dated : May 15, 1992
Amount : \$22,841,495.82
Trustor : DANIEL H. RUSSELL and ROBERTA A. RUSSELL, Husband and Wife
Trustee : COM COUNTY TITLE CO., a Nevada corporation
Beneficiary : MONFORT FINANCE COMPANY INC.
Recorded : May 28, 1992
: In Book 234, Page 512, as Document No. 140887,
: Official Records of Eureka County, Nevada.

Includes other lands

21. A judgement for \$5,204.90, and any other amounts due thereunder, against DANIEL H. RUSSELL, in favor of TEXOMA CATTLE FEEDERS, recorded June 1, 1992, in Book 234, Page 528, Official Records, Eureka County, Nevada.

22. An easement affecting a portion of said land for the purposes stated herein, together with incidental rights thereto, granted to : NEVADA BELL
Purpose : for communication facilities
Recorded : February 8, 1993
: In Book 245, Page 151, as Document No. 144517,
: Official Records of Eureka County, Nevada.

Affects : S&1/4 S&1/4 of Section 5, TOWNSHIP 25 NORTH, RANGE 53 EAST, M.D.B.M.

23. An Abstract of Judgement for \$1,989,109.48 and any other amounts due thereunder, against DANIEL H. RUSSELL, ROBERTA A. RUSSELL, DANIEL H. RUSSELL dba RUSSELL RANCHES, RUSSELL LAND & CATTLE COMPANY, in favor of LINDA J. CARLETT, GAIL PHILLIPS and DIANE RUSSELL, recorded February 19, 1993, in Book 245, Page 241, Official Records, Eureka County, Nevada.

24. An Oil and Gas Lease, dated May 3, 1993, executed by DANIEL H. RUSSELL and ROBERTA A. RUSSELL, Husband and Wife, as Lessor, and FORELAND CORPORATION as Lessee, for the terms, covenants and conditions set forth therein, recorded on next page

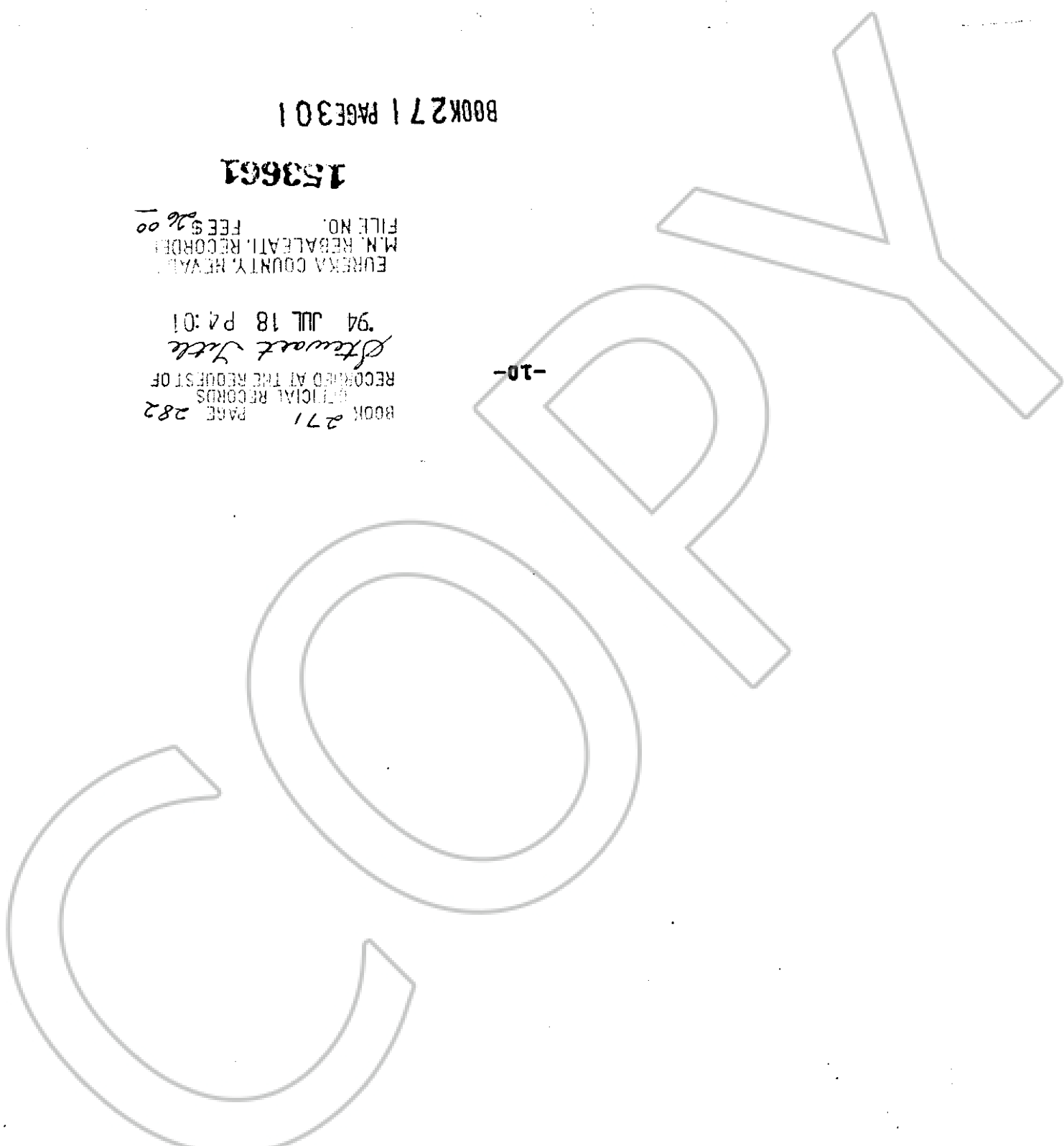
conditions therein provided,
Recorded : MAY 3, 1993

: In Book 247, page 140, File No. 145314,
: Official Records, Eureka County, Nevada.

Includes other lands

The present ownership of said leasehold and other matters
affecting the interest of the lessee are not shown in this
Report/policy.

25. The effect of bankruptcy proceedings filed by or on behalf of
DANIEL H. RUSSELL aka DAN RUSSELL dba RUSSELL RANCHES.



BOOK 271 PAGE 282
OFFICIAL RECORDS
RECORDED AT THE REQUEST OF
Stewart Title
94 JUL 18 P4:01

EUREKA COUNTY, NEVADA
M.N. REBALANCE, RECORDED
FILE NO. FEES \$26.00

153661

BOOK 271 PAGE 301