

CLAIM TO POSSESSORY INTERESTS

POSSESSORY INTEREST RIGHT FOR GRAZING LIVESTOCK
for UNDERWOOD LIVESTOCK INC.

This right is based on all articles and clauses applicable in the Constitution of the United States and the constitution of the state of Nevada. And what ever other Nevada state statutes apply to state ownership of land or ground within Nevada state lines, specifically Lander and Eureka Counties.

This is not a claim to title of land or ground. See recorded map for legal description and boundaries of area grazing rights to be Exhibit I.

Terms to be paid, as a possessory interest right, the same as tax payments. Each right to be subject to the same default and redemption rules as taxes with the County Assessor. Totally eliminate non-use.

Using the Underwood Allotment for an example, I valued it at 15 cents per acre, approximately 1800 acres in Eureka County @ \$270 per year, approximately 19200 acres in Lander County @ \$2800 per year. If this tax would be collected by the counties, it would be approximately \$3150 for an allotment of 21000 acres. It is understandable that some allotments are worth more and some less than the 15 cents per acre. The wood and post cutting could be valued the same way. (See enclosed map of Underwood Allotment).

The purpose of this possessory interest grazing right is to guarantee the ability to permanently use valid personal property stockwater rights to graze livestock within the boundaries of this right, and to establish a marketable value for these personal property rights based upon permanent ability and right to graze livestock.

History of Right

The area within the boundaries of this right has been used by predecessors of Underwood Livestock Inc. prior to 1900 to graze livestock. The personal property stockwater rights date back to 1917 and are recorded with the State Engineers Office in Carson City, NV. All waters, springs, streams, of any source is the personal property of Underwood Livestock Inc. within the boundaries of this possessory right.

This possessory interest grazing right is open to the public to be entered upon at their own risk for any valid recreational, hunting, or fishing purpose recognized by Nevada statutes or state law.

Disclaimer of Liability to the Public

Underwood Livestock Inc. will not be liable for any accidents suffered by any person of the public within the boundaries of this possessory right.

Underwood Livestock Inc.

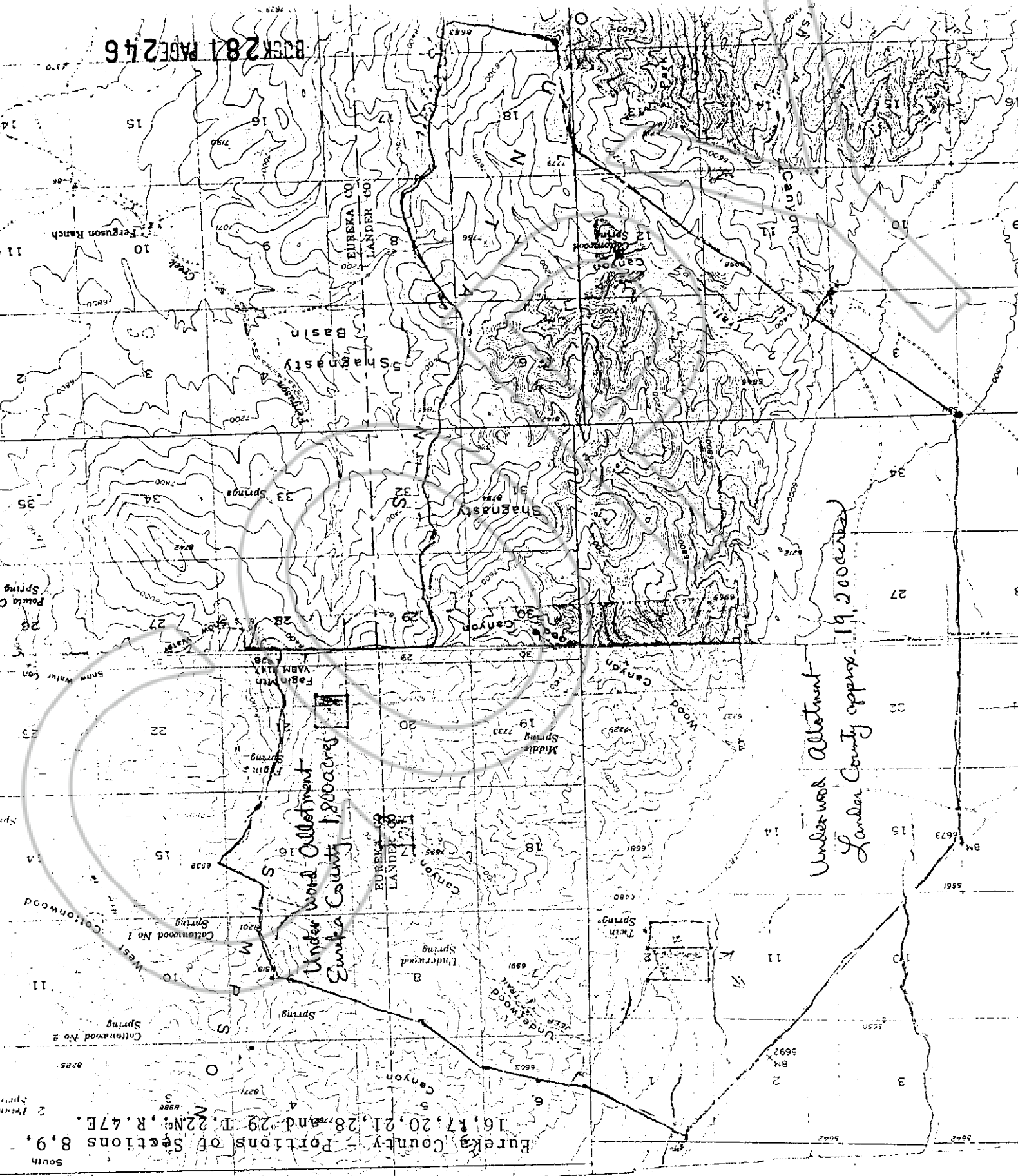
President
Dalton Wilson



Legal description - Lander County - All of Sections 13, 14, 22, 23, 24,

25, 26, 27, 34, 35, 36, T22N. R. 47E. Portions of Sections 1, 2, 10, 11, 12, 15, T22N. R. 47E. All of Sections 7, 18, 19, 30, 31, T. 22N., R. 48E. Portions of Sections 5, 6, 8, 17, 20, 29, 32, T. 22N., R. 48E. All of Sections 1, T21N., R. 47E. Portions of Sections 2, 3, 11, 12, 13, T. 21N., R. 47E. All of Sections 7, T. 21N., R. 48E. Portions of Sections 5, 6, 8, 17, 18, 19, 20, T. 21N., R. 48E.

Eureka County - Portions of Sections 8, 9, 16, 17, 20, 21, 28, and 29, T. 22N., R. 47E.



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OFFICIAL RECORDS
RECORDED AT THE REQUEST OF
Debra Goicoechea
95 MAR - 6 PM 1:27
EUREKA COUNTY NEVADA
M.N. REBALZATI, RECORDER
FILE NO. _____
FEES \$2.00

COPIED

GLADY GOICOECHEA
Notary Public State of Nevada
Appointment Recorded in Eureka County
MY APPOINTMENT EXPIRES OCT. 28, 1998



Debra Goicoechea
NOTARY PUBLIC

STATE OF NEVADA)
COUNTY OF EUREKA)
SUBSCRIBED AND SWORN to before me this 6th day of March, 1995.
: ss.
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