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DEED OF TRUST

AND FIXTURE FILING

THIS DEED OF TRUST, made as of the 2nd day of February, 1996, by and

between Berg Land & Livestock, LLC, as Grantor, and Stewart Title Insurance Company of
Northeastern Nevada, as Trustee, and Weld Agricultural Credit, Inc., a Colorado corporation;

as Beneficiary.

WITNESSETH:

That Grantor hereby grant, transfer, and assign to the Trustee in trust, with power of
sale, all of the following described real property situate in the County of Eureka, State of
Nevada, more particularly described as follows:

Township 21 North, Range 53 East, MDB&M

Section 20: W $\frac{1}{2}$

Excepting therefrom that portion thereof conveyed to Corporation of The Presiding Bishop of
the Church of Jesus Christ of Latter Day Saints, a Utah corporation, in deed recorded
September 7, 1984, in Book 127, Page 467, Official Records, Eureka County, Nevada.

Section 29: N $\frac{1}{2}$

Township 21 North, Range 53 East, MDB&M

Section 20: E $\frac{1}{2}$

Excepting therefrom all potassium, oil, and gas as reserved by The United States of America
in patent recorded May 3, 1963, in Book 26, Page 426, Deed Records, Eureka County,
Nevada.

Township 21 North, Range 53 East, MDB&M

Section 22: E $\frac{1}{2}$

Section 27: E $\frac{1}{2}$

Excepting therefrom all the oil, gas, potash, and sodium as reserved by the United States of
America in patents recorded April 9, 1964, in Book 3, Page 555, Official Records, Eureka
County, Nevada, and recorded December 30, 1964, in Book 6, Page 348, Eureka County,
Nevada.

Excepting therefrom all the oil and gas as reserved by The United States of America in deed recorded December 30, 1964, in Book 6, Pages 349 and 350, Official Records, Eureka County, Nevada.

Together with all buildings and improvements thereon situate and appurtenances thereonto belonging, SUBJECT TO all reservations, rights-of-way, easements and restrictions of record or apparent upon the ground.

Together with the tenements, hereditaments and appurtenances thereunder belonging or in anywise appertaining, and the reversion and reversions, remainder and remainders, rents, issues, and profits of said ranch lands.

Together with the following on or appurtenant to each parcel:

All buildings, fixtures, and improvements of Grantor thereon.

All springs, wells, water, and water rights adjudicated, appropriated, decreed, vested, or appurtenant to each parcel including all permits, applications, proofs, and maps therefore, and all dams, ditches, diversions, canals, pipelines, well casings, well pumping equipment, pivots, troughs, and all other means, methods, systems of using water and water rights and applying them to beneficial use on each parcel and including, but not limited to, all stockwater and stockwater rights for use on the described lands.

The permitted water rights include, but are not limited to:

- 19541 19542
- 19904 20087
- 20088 21929
- 21930 22315
- 22316 22982
- 23480 23481
- 24606 24607
- 24608 24609
- 24610 47304

All easements, rights of way and licenses appurtenant to or used in connection with said lands.

All corrals, fences, stockwater troughs, water tanks, and pipelines and stockwater and domestic water systems on said lands.

All right, title, interest, and estate Grantor has in and to all geothermal resources, geothermal energy, coal, oil, gas, oil shales and minerals of every kind and nature whatsoever (including, but not limited to, barium sulfate, uranium, fissionable materials, metals, and other minerals), existing upon, beneath the surface of, or with in above described lands, and all mines thereof, with all leases of Grantor interests therein, and all rentals, royalties, and other consideration payable to Grantor therefore.

TO HAVE AND TO HOLD the same unto the said Trustee and its successors, in trust,

to secure the performance of the following obligations and payment of the following debts:

ONE: Payment of an indebtedness evidenced by a certain Promissory Note dated

Feb. 2, 1996, in the principal amount of \$892,500.00, with the interest thereon, expenses,

G. The Grantor shall not do nor permit to be done, by act or omission, anything which shall impair, lessen, diminish, devalue or deplete the value of the

F. Graze and manage the grazing areas of the lands subject to this Deed of Trust in the manner recognized as good range management in the grazing unit or area in which the lands subject hereto are located;

E. Properly maintain, put to beneficial use and utilized all wells and water rights appurtenant, appropriated or decreed to, or used in connection, with any portion of the premises so as not to allow any water rights to be jeopardized, diminished, reduced, damaged, or lost;

D. Farm, maintain, irrigate, harvest, and graze the meadow and pasture areas of the premises for which water rights exist in at least the same ranching and husbandmanlike manner as is the common ranch practice in the area of the ranch;

C. Not mine or commit or permit any waste of the land, buildings, improvements, and fixtures on said premises;

B. Not remove or demolish all or any portion of any buildings, fences, gates, corrals, watering troughs, windmills, bridges, cattergards, other fixtures or improvements now situate thereon or hereafter placed thereon unless: (1) the same is replaced, improved, or substituted therefore by a like item of at least equal value, quality, and use; or (2) Beneficiaries give written consent in advance;

A. Maintain, care for and keep the property herein described and all buildings, fences, corrals, stock watering facilities, dams, ditches, diversions, wells, pumping equipment, and all other structures, improvements, and fixtures now thereon or hereafter placed thereon in at least the condition, order, and repair existing on the date of this Deed of Trust, subject to reasonable normal wear and depreciation, and replacement, substitution or improvement as herein provided;

2. The Grantor, jointly and severally, shall:

the Deed of Trust as security:

1. The Beneficiaries have the right to record notice that this Deed of Trust is security for additional amounts and obligations not specifically mentioned herein but which constitute indebtedness or obligations of the Grantor for which the Beneficiaries may claim

To protect the security of this Deed of Trust, it is agreed as follows:

indebtedness or obligation secured hereby.

renewals, extensions, revisions and amendments of the above described Note and any other covenant, promise, and agreement of Grantors' herein or in said Note contained and of all

THREE: Payment, performance, and discharge of each and every obligation,

under the provisions hereof to either Trustee or Beneficiaries.

TWO: Payment of all other sums with interest thereon becoming due or payable

payable to the Beneficiaries or order, and any and all extensions or renewals thereof.

attorney fees, and other payments therein provided, executed and delivered by the Grantor

security hereby given.

H. Operate the ranch according to the dictates of good ranch, soil, plant, water and range management common in the area of the ranch.

3. The following covenants, Nos. 1, 2 (replacement cost), 3, 4, (10%), 5, 6, (which covenant is deemed to include and apply to all conditions, covenants and agreements contained herein in addition to those adopted by reference, and to any and all defaults or deficiency in performance of this Deed of Trust), 7 (reasonable), and 8 and 9 of the N.R.S. 107.030, are hereby adopted and made a part of this Deed of Trust.

4. All payments secured hereby shall be paid in lawful money of the United States of America.

5. The Beneficiaries and any persons authorized by the Beneficiaries shall have the right to enter upon the premises at all reasonable time for the purposes of: inspecting them; determining Grantors' performance hereof; and taking all reasonable actions they are authorized to perform under the terms of this Deed of Trust.

6. In case of condemnation of the property subject hereto, or any part thereof, by paramount authority, all of any condemnation award to which the Grantor shall be entitled less costs and expenses of litigation is hereby assigned by the Grantor to the Beneficiaries, who are hereby authorized to receive and receipt for the same and apply such proceeds as received toward the payment of the indebtedness hereby secured, whether due or not.

7. Grantor hereby give to and confer upon Beneficiaries the right, power, and authority, during the continuance of these trust, to collect the rents, issues, and profits of the property, RESERVING UNTO Grantor, HOWEVER, the right, prior to any default by Grantor in payment of any indebtedness secured hereby or in performance of any agreement hereunder, to collect and retain such rents, issues, and profits as they become due and payable. Upon any such default, Beneficiaries may at any time with or without notice, either in person, by agent, or by a receiver to be appointed by a court, and without regard to the adequacy of any security for the indebtedness hereby secured, enter upon and take possession of said property or any part thereof, in the Beneficiaries' own name sue for or otherwise collect such rents, issues, and profits, (including those past due and unpaid), and apply the same less costs and expenses of operation and collection, including reasonable attorneys' fees,

upon any indebtedness secured hereby, and in such order as Beneficiaries may determine. The entering upon and taking possession of said property, the collection of such rents, issues, and profits and the application thereof as aforesaid, shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice.

8. If default be made in the payment of the obligations, note or debt secured hereby or in the performance of any of the terms, conditions, or covenants of this Deed of Trust, or the payment of any sum payable hereunder, or upon the occurrence of any act or event of default hereunder, and such default is not cured within thirty-five (35) days after written notice of default and of election to sell said property given in the manner provided by N.R.S. 107.080 as in effect on the date of this Deed of Trust, Beneficiaries may declare all notes, debts, and sums secured hereby or payable hereunder immediately due and payable although the date of maturity has not arrived.

9. The Promissory Note secured by this Deed of Trust is made a part hereof as if fully herein set out.

10. The commencement of any proceeding under the bankruptcy or insolvency laws by or against any of the Grantor, or against any of the Makers of the Note secured hereby, or the appointment of a receiver for any of the assets of any Grantor hereof or any Maker of the Note secured hereby, or the making by any of the e Grantor or any Maker of the Note secured hereby of a general assignment for the benefit of creditors, shall constitute a default under this Deed of Trust.

11. To the extent permitted by the laws of the State of Nevada, Grantor, jointly and severally, agree to pay any deficiency arising from any cause after application of the proceeds of any sale held in accordance with the provisions hereof and agrees to pay all costs and reasonable attorney's fees incurred in any action brought to collect said deficiency.

12. Any notices to be given Grantor shall be given by registered or certified mail to Grantor at the address set forth near the signature on this Deed of Trust or at such substitute address as Grantor may designate in writing duly delivered to Beneficiaries and to the Trustee, at such address set forth in this Deed of Trust, or such substitute address as is designated in writing duly served as aforesaid, shall be deemed conclusively to be the correct address of Grantor for all purposes in connection with said Deed of Trust, including, but not

improvements now on or hereafter built, placed, constructed, or installed or any portion of the

which shall, for all purposes, be deemed to be fixtures: (a) all buildings, structures, and in this Deed of Trust, the following are included in the property subject to this Deed of Trust

19. In addition to the fixtures described or referred to in the description of property

the validity of this Deed of Trust.

provision shall be deemed separate from the remaining provisions and shall in no way affect

18. If any provision hereof should be held unenforceable or void, then such

to subsequent liens, encumbrances or charges therein.

thereon; or join in any extension agreement or any agreement subordinating such Trust Deed

property; consent to the making of any map or plat thereof; join in granting any easement

payment of the indebtedness secured hereby, Trustee may: reconvey all or any part of such

thereby for endorsement and without affecting the personal liability of any person for

on written request of Beneficiaries and presentation of this Trust Deed and the Note secured

17. At any time or from time to time, without liability therefore and without notice,

operate as a waiver of any such other security now held or hereafter acquired.

Trust, nor shall this Deed of Trust nor its satisfaction nor reconveyance made hereunder

or partial release or discharge hereof, shall operate as a waiver of the security of this Deed of

existence, now, or hereafter, of other security for the indebtedness secured hereby, or the full

16. The Grantor hereby covenant and agree that neither the acceptance nor

Grantor.

15. It is expressly agreed that the trusts created hereby are irrevocable by the

genders and the singular and plural, as indicated by the context and number of parties hereto.

word "Grantor" and any reference thereto shall include the masculine, feminine and neuter

context permits. All obligations of each Grantor hereunder shall be joint and several. The

heirs, legal representatives, successors, and assigns, of each party hereto respectively as the

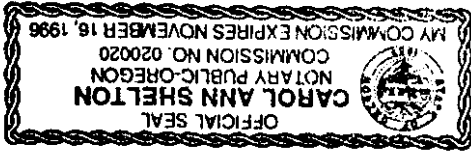
14. All the provisions of this instrument shall inure to the benefit of and bind the

shall be concurrent and cumulative.

remedies granted by law, and all rights or remedies granted hereunder, or permitted by law,

13. The rights and remedies herein granted shall not exclude any other rights or

limited to, giving notices permitted or required by statute to be mailed to Grantor.



Notary Public

Carol Ann Shelton

Personally appeared the above-named person and acknowledged the foregoing instrument to be his voluntary act and deed.

January 25, 1996

State of Oregon
County of *Washington*

ATTACH NOTARY ACKNOWLEDGEMENT HERE.

By: Arthur Berg,

BERG LAND & LIVESTOCK, LLC

first above written.

IN WITNESS WHEREOF, the Grantor has executed these presents the day and year

Commercial Code.

security interest in the personal property and fixtures pursuant to the Nevada Uniform

intended to be a fixture filing, financing statement and security agreement and to perfect a

20. To the extent this Deed of Trust contains fixtures and personal property, it is

subject to any Security Agreement.

part of the real property conveyed under this Deed of Trust, whether or not the same may be

land contained in the described real property and to such buildings or improvements, and a

furnishings, equipment and improvements are, and shall become a permanent accession to the

domestic water systems; all storage tanks; and (e) all corrals. All of such fixtures,

equipment, pivots and water distribution equipment, troughs, tanks, and stockwater and

cattleguards and gates; and (d) all pipelines, well casings, well pumps and pumping

installations; all plumbing, plumbing fixtures and equipment; (c) all fences, culverts, bridges,

compressors; all wiring, panels, lighting fixtures, other electrical or electronic equipment and

heaters, heating and air conditioning installations with equipment, appliances and

of the described real property, including but not limited to all furnaces, boilers, hot water

attached to or installed, in, or place in or upon, any building or improvement or any portion

premises; (b) all building fixtures, appliances, and equipment that now or hereafter are

COPY

161292

BOOK 293 PAGE 279
OFFICIAL RECORDS
RECORDED AT THE REQUEST OF
Shirley Anderson
96 FEB - 2 AM 11:14
EUREKA COUNTY HEVADA
M.N. REBALVATI, RECORDER
FILE NO. FEES \$14.00