

DEED OF TRUST

THIS DEED OF TRUST, made this 24th day of June, 1996, by and between BRETT ROSECRANS, an unmarried man, as grantor, and FIRST AMERICAN TITLE COMPANY OF NEVADA as Trustee, and LUCILLE "SANDY" BURDEN, Trustee of THE LOUISE WATERS TRUST, dated January 21, 1994, Beneficiary,

W I T N E S S E T H :

That grantor hereby grants, transfers and assigns 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 30 NORTH, RANGE 48 EAST, MDB&M

Section 33: NEWSWASEX

EXCEPTING THEREFROM all petroleum, oil, natural gas and products derived therefrom within or underlying said land or that may be produced therefrom and all right thereto, together with the right at all times to enter upon or in said land to prospect for to drill, recover and remove the same as reserved by SOUTHERN PACIFIC LAND COMPANY in deed recorded September 24, 1951, in Book 24, Page 168, Deed Records, Eureka County, Nevada.

TOGETHER WITH all buildings and improvements thereon.

TOGETHER WITH all and singular the tenements, hereditaments, easements, and appurtenances therunto belonging or in anywise appertaining, and the reversions, remainders, rents, issues and profits thereof, or of any part thereof.

SUBJECT TO all taxes and assessments, reservations, exceptions, easements, rights of way, limitations, covenants, conditions, restrictions, terms, liens, charges and licenses affecting the property of record.

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 payments of the following debts:

ONE: Payment of an indebtedness evidenced by a certain Promissory Note dated June 24th, 1996, in the principal amount of THIRTY EIGHT AND NO/100THS DOLLARS (\$38,000.00) with ten percent (10.0%) interest, expenses, attorney fees and other payments

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ATTORNEY AT LAW
950 IDAHO STREET
ELKO, NEVADA 89801

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therein provided, executed and delivered by the Grantor payable to the Beneficiary or other, and any and all extensions or renewals thereof, which Promissory Note is made a part hereof.

TWO: Payment of all other sums with interest thereon becoming due and payable under the provisions hereof to either Trustee or Beneficiary.

THREE: Payment, performance, and discharge of each and every obligation, covenant, promise and agreement of Grantor herein or in said Promissory Note contained and of all renewals, extensions, revisions and amendments of the above-described Promissory Note and any other indebtedness or obligation secured hereby.

FOUR: Obtaining and paying the premiums on hazard insurance and paying all taxes on the subject property.

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

1. The following covenants, Nos. 1, 2-(insurable value), 3, 4 (10.0%), 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 N.R.S. 107.030, are hereby adopted and made a part of this Deed of Trust.

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

3. The Beneficiary and any persons authorized by the Beneficiary shall have the right to enter upon and inspect the premises at all reasonable times.

4. 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 Beneficiary, who is 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.

5. Any notices to be given Grantor shall be given by registered or certified mail to Grantor at the address set forth near the signatures in this Deed of Trust or at such substitute address as Grantor may designate in writing duly delivered to Beneficiary and the Trustee, and 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 limited, to giving of notices permitted or required by statute to be mailed to Grantor.

6. All the provisions of this instrument shall inure to the benefit of and bind the heirs, legal representatives, successors and assigns of each party hereto respectively as the context permits. The word "Grantor" and any reference thereto shall include the masculine, feminine and neuter genders and the singular and plural as indicated by the context and number of parties hereto.

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

8. The grantor shall properly care for, protect and keep the property and all landscaping, buildings and improvements thereon in at least the same state and condition of repair and order as it is on the date of the execution of this Deed of Trust, and not remove, damage or demolish any buildings or other improvements on the property unless the Beneficiary gives prior consent thereto or the building or improvement is immediately replaced with one of equal value or more.

9. At any time or from time to time, without liability therefor and without notice, on written request to Beneficiary and presentation of this Deed of Trust and the Promissory Note secured thereby for endorsement and without affecting the personal liability of any person for payment of the indebtedness secured hereby, Trustee may: reconvey all or any part of such property; consent to the making of any map or plat thereof; join in granting any easement thereon; or join in any extension agreement or any agreement subordinating such Deed of Trust to subsequent liens, encumbrances or charges therein.

10. Grantor shall not sell, convey or alienate the premises or any portion thereof unless; (1) full payment is made of the Promissory Note and all other payments secured hereby, or, (2) the Beneficiary hereby gives its prior written consent.

IN WITNESS THEREOF, the Grantor had executed these presents the day and year first above written.

GRANTOR:

Bret Rosegrans
BRET ROSEGRANS

JAMES M. COPENHAVER
ATTORNEY AT LAW
950 IDAHO STREET
ELKO, NEVADA 89801

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EUREKA COUNTY NEVADA
M.H. REBALATI, RECORDER
FILE NO. FEES 10.00

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OFFICIAL RECORDS
RECORDED AT THE REQUEST OF
Walter...
96 JUN 27 AM 11:37

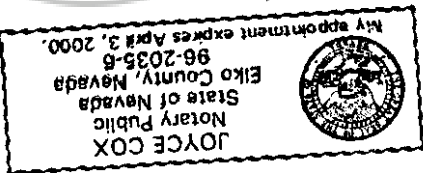
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A.P.N. 05-240-12

Grantor's Address:

NOTARY PUBLIC

George Cox



1996, by BRETT ROSECRANS.

This instrument was acknowledged before me on June 24,

State of Nevada
County of Elko