

DEED OF TRUST

THIS DEED OF TRUST, made this 15th day of July,

1997, by and between JEFFREY A. LYNN, a single man, and JUDITH C. MAYER-LYNN, a single woman, as Trustors, and FIRST AMERICAN TITLE COMPANY OF NEVADA, a Nevada Corporation, as Trustee, and CLIFFORD A. BERG and EVELYN S. BERG, as Trustees for the CLIFFORD A. and EVELYN S. BERG REVOCABLE TRUST, TTDT, April 8, 1992, and their successors in interest, as Beneficiaries;

W I T N E S S E T H :

That the said Trustors hereby grant, bargain, sell, convey and confirm 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:

Township 30 North, Range 49 East, MDB&M.

Section 17: SE $\frac{1}{4}$ NE $\frac{1}{4}$.

TOGETHER with any and all buildings and improvements situate thereon.

SUBJECT to a prior reservation for an easement of 30 feet along the southerly and easterly boundaries for ingress and egress, with power to dedicate; and excepting any and all oil rights, including the right of entry for exploration and production of oil or other carbohydrates and subject to rights, rights of way, easements, restrictions and conditions of record, if any.

EXCEPTING THEREFROM all petroleum oil, natural gas and

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ROSS P. EARDLEY
ATTORNEY AT LAW
469 IDAHO STREET
ELKO, NEVADA 89801

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products derived therefrom, within or underlying said land or they may be produced therefrom, and all rights thereto, together with the exclusive right at all time to enter upon or in said land to prospect for and to drill, bore, recover and remove the same as reserved by the Southern Pacific Land Co. in Deed recorded September 24, 1951, in Book 24, page 168, Official Records Eureka County, Nevada.

TOGETHER with the tenements, hereditaments and appurtenances thereunto belonging or appertaining, and the reversion and reversions, remainder and remainders, rents, issues and profits thereof.

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 \$1,900.00, bearing interest from the August 1, 1997 at the rate of 8% 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 Trustors herein to the said Beneficiaries and payable at Eureka, Nevada, or wherever else said Beneficiaries in writing designate. 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 Beneficiaries and Trustee, or either of them, may or shall hereafter loan or advance to the Trustors, or either of them, or advance for their 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 Trustors, or either of them, from any cause whatsoever,

including the payment of all other monies hereby agreed or provided to be paid by the Trustors, or which may be paid out, or advanced, by the Trustee, or by the Beneficiaries, under the provisions of this Deed of Trust.

The Trustors hereby covenant and agree:

1. The Trustors promise and agree 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 otherwise protect and maintain said premises and not to commit nor permit any waste or deterioration thereof. The Trustors may make such alterations or improvements as they may desire on said premises, so long as they do not lessen the value of said property, and the Trustors shall pay, when due, all claims for labor performed or material furnished thereon.

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

3. The Trustors covenant, warrant and represent that the title conveyed is a fee simple absolute title, free and clear of all encumbrances; that they will forever warrant and defend the title to the premises above mentioned to the Trustee and Beneficiaries and their successors and assigns, against all lawful claims and demands of all persons whatsoever.

4. The following covenants Nos. 1, 2 (\$ _____), 3,

4(88), 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 Trustors, or such other persons entitled to

reconveyance.

6. The acceptance by said Beneficiaries of any payment of the

indebtedness hereby secured shall not operate as a waiver by the

Beneficiaries of any default by the Trustors made previously to such

payment in any of the covenants or agreements to be made, kept and

performed by the Trustors herein provided.

7. The Trustors hereby covenant and agree 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 respec-

tive parties hereto, and it is distinctly understood and agreed that

the words Trustors, Grantors, Trustee or Beneficiaries, 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

Trustors or Grantors herein shall be construed to be the joint and

several covenants and agreements of all persons who sign this instru-

ment; 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 Beneficiaries to be invalid, such sale shall not exhaust the power of sale, and the Trustee, at the request of the Beneficiaries, may proceed anew with the sale of this property, in order to enforce fully the provisions of this Deed of Trust.

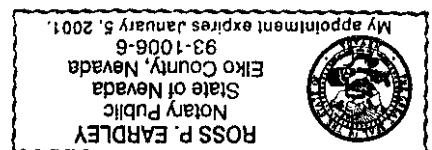
9. Said Trustors agree that the said Trustee, or its successors in interest, shall not incur any liability on account of any act done or omitted to be done, in good faith, under the provisions of this Deed of Trust, and that said Trustee shall be fully protected in acting upon any statement, report, order, notice, request, consent or other paper or document believed to be genuine and signed by the proper parties.

IN WITNESS WHEREOF, the said Trustors have executed these presents the day and year first above written.

Jeffrey A. Lynn Judith C. Mayer-Lynn
JEFFREY A. LYNN JUDITH C. MAYER-LYNN

STATE OF NEVADA)
:)
SS.)
COUNTY OF Elko)

1997, by JEFFREY A. LYNN.



This instrument was acknowledged before me on

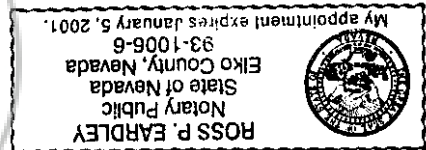
July 15

NOTARY PUBLIC

Ross P. Eardley

STATE OF NEVADA)
:)
SS.)
COUNTY OF Elko)

1997, by JUDITH C. MAYER-LYNN.



This instrument was acknowledged before me on

July 15

NOTARY PUBLIC

Ross P. Eardley

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BOOK 312 PAGE 178
OFFICIAL RECORDS
RECORDED AT THE REQUEST OF
Ross P. Eardley, atty.
97 AUG 29 PM 12:56
EUREKA COUNTY NEVADA
M.H. REBALEATI, RECORDER
FILE NO. 168327
BOOK 312 PAGE 183
FEES 12.00