

1 PARCEL NO. -210-06

2 RECORDING RUESTED BY:

3 STEWART TIT OF NORTHEASTERN NEVADA  
4 P.O. Box 1514  
Ely, Nevada 89301

5 DEED OF TRUST

6 THIS DEED OF TRUST, made this 20th day of AUGUST,  
7 2001, by and between CRAIG ALLAN SMITH and SHELBA KAY SMITH,  
8 husband and wife, as joint tenants with full right of survivorship,  
9 as Trustor, and STEWART TITLE OF NORTHEASTERN NEVADA, a Nevada  
10 corporation, Trustee, and HERMAN E. SMITH and SHIRLEY E. SMITH,  
11 CO-TRUSTEES OF THE SMITH FAMILY TRUST, DATED THE 10th DAY OF  
12 MARCH, 1992, as Beneficiary. (It is distinctly  
13 understood by the words "Trustor" and "Beneficiary" and the word  
14 "his" referring to the Trustor or Beneficiary, as herein used, are  
15 intended to and do include the masculine, feminine and neuter  
16 genders and the singular and plural numbers, as indicated by the  
17 context.)

18 W I T N E S S E T H:

19 The said Trustor hereby grants, conveys and confirms  
20 unto said Trustee in trust with power of sale, the following  
21 described real property situate in the County of Eureka, State of  
22 Nevada, to-wit:

23 All the certain real property situate in the County of  
24 Eureka, State of Nevada, more particularly described as  
25 follows:

26 Township 21 North, Range 53 East, M.D.B.&M.  
27 Section 23: S1/2 and consisting of Three  
28 Hundred Twenty Acres (320) acres, more or less.

29 TOGETHER with all dwellings, buildings and  
30 improvements situate thereon.

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

TOGETHER with all water, water rights, rights  
to the use of water, dams, ditches, canals,  
pipelines, wells, reservoirs, rights of way,  
and all other means for the diversion or use  
of water appurtenant to the said property or  
any part thereof, or now or hereafter used or  
enjoyed in connection therewith, for irrigation,  
domestic or any other use, or for the drainage  
of all or any part of said lands, including  
vested water rights, permitted water rights and  
accrued water rights, together with all  
certificates of appropriation and any and all  
applications to appropriate the waters of the  
State of Nevada, which are appurtenant to the  
above described real property, or any part  
thereof, or used or enjoyed in connection

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GARY D. FAIRMAN  
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1                    therewith. Certificate Number 6482 and  
2                    Certificate Number 6483.

3                    EXCEPTING THEREFROM all oil and gas as reserved  
4                    in Patent executed by United States of America,  
5                    recorded on July 16, 1962, in Book 26, of Deeds,  
6                    at page 240, Eureka County, Nevada.

7                    SUBJECT TO: Easements and reservations contained  
8                    in the Patent from the United States of America  
9                    recorded in Book 26, Page 240, Deed Records,  
10                    Eureka County, Nevada, which recite as follows:

11                    " . . . SUBJECT to any vested and accrued water  
12                    rights for mining, agricultural, manufacturing,  
13                    for other purposes, and rights to ditches and  
14                    reservoirs used in connection with such water  
15                    rights, as may be recognized and acknowledged by  
16                    the local customs, laws, and decisions of Courts,  
17                    as there is reserved from the lands hereby  
18                    granted, a right-of-way thereon for ditches or  
19                    canals constructed by the authority of the  
20                    United States.

21                    EXCEPTING AND RESERVING, also, to the United States  
22                    all the oil and gas in the lands so patented and to  
23                    the persons authorized by it, the right to  
24                    prospect for, mine, and remove such deposits from  
25                    the same upon compliance with the conditions and  
26                    subject to the provisions and limitations of the  
27                    Act of July 17, 1914 (38 Stat. 509)."

28                    SUBJECT TO: An Easement over the westerly 33  
29                    feet of said land for a drainage ditch and incidental  
30                    purposes as granted to Ruby Hill Mining Company,  
31                    by instrument recorded November 26, 1963, in Book 2,  
32                    Page 11, Official Records, Eureka County, Nevada.

33                    SUBJECT TO: An Easement over a portion of the land  
34                    (dated undisclosed) for electric transmission and/or  
35                    distribution line or system as granted to Mt. Wheeler  
36                    Power, Inc., by Deed recorded December 1, 1971, in  
37                    Book 41, Page 65, Official Records, Eureka County,  
38                    Nevada.

39                    TO HAVE AND TO HOLD the described premises to the  
40                    Grantees, as joint tenants with right of survivorship  
41                    and not as tenants in common, their assigns, and  
42                    heirs and assigns of the survivor, forever.

43                    TOGETHER WITH all and singular the tenements,  
44                    hereditaments and appurtenances thereunto belonging or in anywise  
45                    appertaining and the reversion and reversions, remainder and  
46                    remainders, rents, issues and profits thereof, and also all the  
47                    estate, right, title and interest, homestead or other claim or  
48                    demand, as well in law as in equity, which the Trustor now has or  
49                    may hereafter acquire, or, in or to the said premises or any part  
50                    thereof, with the appurtenances.

51                    As additional security, Trustor hereby assigns all rents  
52                    from such property and gives to and confers upon Beneficiary the  
53                    right, power and authority, during the continuance of these Trusts,

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1 to collect the rents, issues, and profits of said property,  
2 reserving up Trustor the right, prior to any default by Trustor  
3 in payment of any indebtedness secured hereby or in performance of  
4 any agreement hereunder, to collect and retain such rents, issues,  
5 and profits as they become due and payable.

6 Upon any such default, Beneficiary may at any time  
7 without notice, either in person, by agent, or by a receiver to be  
8 appointed by a court, and without regard to the adequacy of any  
9 security for the indebtedness hereby secured, enter upon and take  
10 possession of said property or any part thereof, in his own name  
11 for or otherwise collect such rents, issues, and profits, including  
12 those past due and unpaid, and apply the same, less costs and  
13 expenses of operation and collection, including reasonable  
14 attorney's fees, upon any indebtedness secured hereby, and in such  
15 order as Beneficiary may determine.

16 By entering upon and taking possession of said property,  
17 the collection of such rents, issues, and profits, and the  
18 application hereof as aforesaid, shall not cure or waive any  
19 default or notice of default hereunder or invalidate any act done  
20 pursuant to such notice.

21 In the event all or any part of the property secured by  
22 this Deed of Trust be sold, conveyed, transferred, or exchanged,  
23 then the Note of even date secured hereby shall become immediately  
24 due and payable at the option of the holder of said Note.

25 TO HAVE AND TO HOLD the same unto the said Trustee and  
26 its successors, upon the trusts hereinafter expressed:

27 A security for the payment of EIGHTY NINE THOUSAND SIX  
28 HUNDRED NINETY EIGHT AND 59/100 DOLLARS (\$89,698.59) in lawful  
29 money of the United States of America, with interest thereon in  
30 like money and with expenses and counsel fees according to the  
31 terms of the Promissory Note or Notes for said sum executed and  
32 delivered by the Trustor to the Beneficiary; such additional  
amounts as may be hereafter loaned by the Beneficiary or his  
successor to the Trustor or any of them, or any successor in  
interest of the Trustor, with interest thereon, and any other  
indebtedness or obligation of the Trustor or any of them, and any  
present or future demands of any kind or nature which the  
Beneficiary or his successor, may have against the Trustor or any  
of them, whether created directly or acquired by assignment;  
whether absolute or contingent; whether due or not, or whether  
otherwise secured or not, or whether existing at the time of the  
execution of this instrument, or arising thereafter; also as  
security for the payment and performance of every obligation,  
covenant, promise or agreement herein or in said note or notes  
contained.

33 Trustor grants to Beneficiary the right to record notice  
34 that this Deed of Trust is security for additional amounts and  
35 obligations not specifically mentioned herein but which constitute  
36 indebtedness or obligations of the Trustor for which Beneficiary  
may claim this Deed of Trust as security.

37 AT THIS INDENTURE FURTHER WITNESSETH:

38 FET: The Trustor promises and agrees to pay when due  
39 all claims for labor performed and materials furnished for any  
40 construction, alteration or repair upon the above-described  
41 premises; to comply with all laws affecting said property or  
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1 relating to any alterations or improvements that may be made  
2 thereon; not to commit, suffer or permit any acts upon said  
3 property in violation of any law, covenant, condition or  
4 restriction affecting said property.

5 SOND: The Trustor promises to properly care for and  
6 keep the property herein described in first-class condition, order  
7 and repair; to care for, protect and repair all buildings and  
8 improvements situate thereon; and otherwise to protect and preserve  
9 the said premises and the improvements thereon and not to commit or  
10 permit any waste or deterioration of said buildings and  
11 improvement or of any premises. If the above-described property  
12 is farm land Trustor agrees to farm, cultivate and irrigate said  
13 premises in proper, approved and husbandmanlike manner.

14 TRD: The following covenants, Nos. 1, 2 (\$89,698.59  
15 amount of surance), 3, 4 (interest 8% per annum), 5, 6, 7  
16 (counsel fee 15%) and 8 of NRS 107.030, are hereby adopted and  
17 made a part of this Deed of Trust.

18 FQTH: Beneficiary may, from time to time, as provided  
19 by statute, or by a writing, signed and acknowledged by him and  
20 recorded in the office of the County Recorder of the County in  
21 which said land or such part thereof as is then affected by this  
22 Deed of Trust is situated, appoint another Trustee in place and  
23 stead of Trustee herein named, and thereupon, the Trustee herein  
24 named shall be discharged and Trustee so appointed shall be  
25 substituted as Trustee hereunder with the same effect as if  
26 originally named Trustee herein.

27 FTH: Trustor agrees to pay any deficiency arising from  
28 any cause after application of the proceeds of the sale held in  
29 accordance with the provisions of the covenants hereinabove adopted  
30 by reference.

31 STH: The rights and remedies hereby granted shall not  
32 exclude any other rights or remedies granted by law, and all rights  
33 and remedies granted hereunder or permitted by law shall be  
34 concurrent and cumulative. A violation of any of the covenants  
35 herein expressly set forth shall have the same effect as the  
36 violation of any covenant herein adopted by reference.

37 SENTH: In the event of any tax or assessment on the  
38 interest under this Deed of Trust it will be deemed that such taxes  
39 or assessments are upon the interest of the Trustor, who agrees to  
40 pay such tax or assessments although the same may be assessed  
41 against the beneficiary or Trustee.

42 EHTH: All the provisions of this instrument shall  
43 inure to, apply, and bind the legal representatives, successors and  
44 assigns of each party hereto respectively.

45 NTH: In the event of a default in the performance or  
46 payment under this Deed of Trust or the security for which this  
47 Deed of Trust has been executed, any notice given under Section  
48 107.080 NRS shall be given by registered letter to the Trustor(s) at  
49 the address herein, P. O. BOX 33; EUREKA, NV 89316

50 and such note shall be binding upon the Trustor(s), Assignee(s),  
51 or Grantee(s) from the Trustor(s).

52 TTH: It is expressly agreed that the trusts created  
hereby are revocable by the Trustor.

1                    IN WITNESS WHEREOF, the said Trustor has executed these  
2 presents thoday and year first above written.

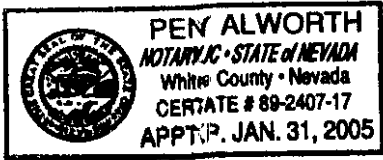
3                    Craig Allan Smith  
4                    CRAIG ALLAN SMITH

5                    Shelba Kay Smith  
6                    SHELBA KAY SMITH

7                    STATE OF NEVADA )  
8                    COUNTY OF White Pine ) ss.

9                    On August 17, 2001, personally appeared  
10 before me, notary Public, CRAIG ALLAN SMITH and SHELBA KAY SMITH,  
11 personally known or proved to me to be the persons whose names are  
12 subscribed the above instrument who acknowledged that they  
13 executed the instrument.

14                    Penny Alworth  
15                    NOTARY PUBLIC



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BOOK 342 PAGE 519  
OFFICIAL RECORDS  
RECORDED AT THE REQUEST OF  
Stewart Title Co.  
01 AUG 20 PM 2:36

EUREKA COUNTY NEVADA  
M.N. REBALEATI, RECORDER  
FILE NO.                    FEES 11.00

**176823**