

179489

A.P.N: 008-130 008-210-04  
09-371- 11-161-01  
11-161-

**RECORDING REQUESTED BY:**

Wilson and Barrows, L.  
442 Court Street  
Elko, Nevada 89801

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**DEED OF TRUST**

THIS DEED OF TRUST, made and entered into as of the 20<sup>th</sup> day of November 2002, by and between **Mid L. Woolfolk and Linda K. Woolfolk**, spouses, of Harper, Oregon, hereinafter called the Grantors; **Stewart Title of Northeastern Nevada**, a Nevada corporation, hereinafter called the Trustee; and **Fish Creek Ranch, LLC**, a Nevada limited liability company, of Las Vegas, Nevada, hereinafter called the Beneficiary; it being understood that the words used herein in any gender include all other genders, the singular number includes the plural, and the plural the singular,

07711840

**WITNESSETH:**

THAT WHEREAS, the Grantors are indebted to the Beneficiary in the sum of NINE HUNDRED TWENTY-FIVE THOUSAND DOLLARS (\$925,000.00), lawful money of the United States, and we agreed to pay the same according to the terms and tenor of a certain Promissory Note of even date herewith, and made, executed and delivered by Grantors to Beneficiary, which Note is in the words and figures as follows:

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# PROMISSORY NOTE

\$925,000.00

Elko, Nevada, November 28<sup>th</sup>, 2002.

**FOR VALUE RECEIVED**, the Makers promise to pay to the order of **Fish Creek Ranch, LLC**, a Nevada limited liability company, at Las Vegas, Nevada, or wherever payment may be demanded by the holder of this Note, the sum of **NINE HUNDRED TWENTY-FIVE THOUSAND DOLLARS** (\$925,000.00), \$900,000.00 of which shall bear interest at the rate of seven per cent (7%) annum from the date hereof until paid, all in the manner following:

\$25,000.00, without interest, on or before December 15, 2002.

Accrued interest to date of payment on or before November 15, 2003, and on or before the same day of each and every year thereafter until ten years plus one month after date hereof, at which time the entire principal and interest balance shall be paid in full.

The Makers may, at their option, make additional payments or pay the entire unpaid principal, with accrued interest, full at any time. Payments shall be applied first to accrued interest to date of payment and the remainder upon the principal. Additional payments shall not be cumulative payments, but the Makers shall in all events, pay at least the sums required by the above payment schedule.

The Makers and endorsers waive demand, diligence, presentment, protest and notice of protest and nonpayment.

In the event of default the payment of any sum of principal or interest, or both, due hereunder, according to the term and tenor hereof, or in the performance of any of the provisions of any security instruments now or hereafter securing this Note, the holder may, at its option, declare the entire amount of principal and interest due and payable. Failure to exercise such option shall not constitute a waiver of the right to exercise it in the event of any subsequent default.

In case of default in the payment of any part of the principal or interest due hereunder, the Makers promise and agree to pay the holder's reasonable attorney's fees and costs incurred in collecting the same before and during litigation or nonjudicial foreclosure.

The Makers acknowledge that late payment to payee will cause payee to incur costs not contemplated by this Note. Such costs include, without limitation, processing and accounting charges. Therefore, if any installment is not received by payee within ten (10) days when due, Makers shall pay to payee a late payment penalty of five per cent (5%) of the overdue payment as a late charge. The Makers agree that this late charge represents a reasonable sum considering

all of the circumstances existing on the date of this agreement and represents a fair and reasonable estimate of the costs that payees will incur by reason of late payment. The parties further agree that proof of actual damages would be costly or inconvenient. Acceptance of any late charge shall not constitute a waiver of the default with respect to the overdue amount, and shall not prevent payees from exercising any of the other rights and remedies available to payees.

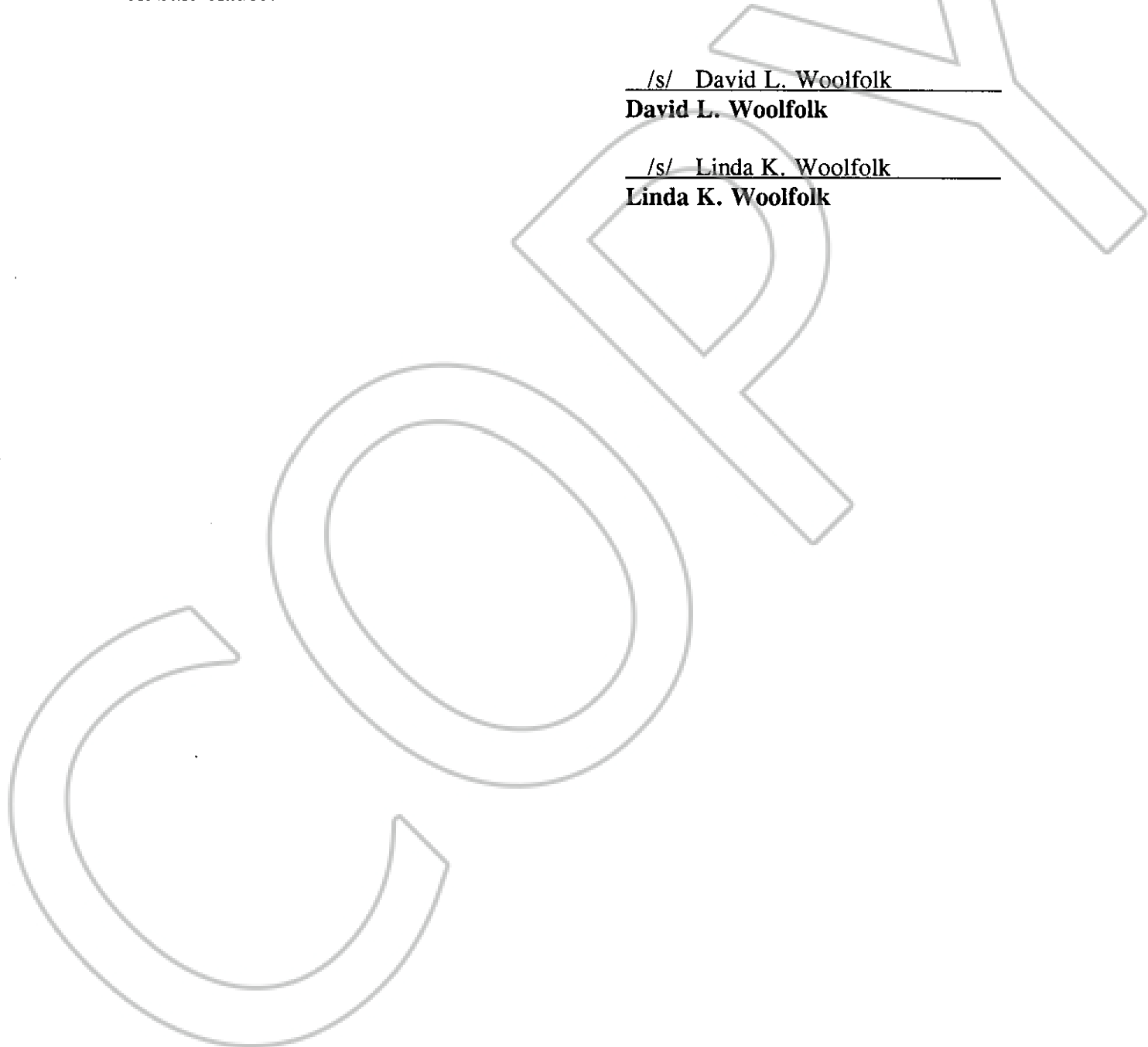
This Note is secured by deed of Trust of even date herewith which contains, among others, a Due on Sale clause.

/s/ David L. Woolfolk

**David L. Woolfolk**

/s/ Linda K. Woolfolk

**Linda K. Woolfolk**



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**NOW, IEREFORE**, the Grantors, for the purpose of securing the payment of the Promissory Note, and also the payment of all monies herein agreed or provided to be paid by the Grantors, or which may be paid out or advanced by the Beneficiary or Trustee under the provisions of this instrument, with interest in each case, do hereby grant, bargain, sell, convey and confirm unto the Trustee all of the right, title and interest, claim and demand, as well in law as in equity, which the Grantors may now have or may hereafter acquire of, in or to the following described real property in the Counties of Eureka and Nye, State of Nevada, and being more particularly described as follows:

See Exhibit A attached hereto and made a part hereof.

**TOGETHER WITH** all improvements situate thereon, or which are placed thereon during the life of this Deed of Trust.

**TOGETHER WITH** all water, water rights, rights to the use of water, dams, ditches, canals, pumps, motors, pipelines, reservoirs, and other means of the diversion or use of said waters appurtenant to all of the above-described property, or used or enjoyed in connection therewith, and together with stockwatering rights used or enjoyed in connection with the use of said lands, including the following proofs and permits:

**Permits**

76	11064	12201	13489	9096	12702	26094
77	11065	12202	13490	10859	13481	26095
78	11700	12203	13678	10904	13483	26096
79	12172	12204	17165	12187	13484	
84	12175	12205	17191	12194	13485	
85	12177	12206	17925	12195	13486	
86	12178	12207	17926	12196	13487	
87	12183	12208	17927	12197	19465	
88	12184	12209	8514	12198	19470	
92	12199	12210	8753	12211	24514	
031	12200	13488	9095	12212	24516	

**Proofs**

01160 (portion)	02460
01326	02461
02455	02462
02457	02464
02458	02465
02459	

**TOGETHER WITH** the following BLM Grazing Permit:

<u>Allotment</u>	<u>Active AUMs</u>	<u>Suspended AUMs</u>
0038 Ft Creek	4045	22835
0701 Lkwater	2481	3393
Duckwr (sheep)	2814	0

**TOGETHER WITH** the tenements, hereditaments and appurtenances thereon belonging or in anywise appertaining, and the reversion and reversions, remainder and remainders, rents, issues and profits thereof.

**TO HAVE AND TO HOLD** the premises, together with the appurtenances, unto the Trustee, and to its successors and assigns, for the uses and purposes herein mentioned.

The following covenants, Nos. 1, 2 (100% replacement cost), 3, 4 (Note Rate), 5, 6, 7 (reasonable), 8 and 9 of NRS 107.030, are hereby adopted and made a part of this Deed of Trust.

This Deed of Trust also secures payment for further sums and the Promissory Notes evidencing the same, together with interest as shall be provided for therein, as may hereafter be loaned or advanced by beneficiary to the Grantors.

The total principal and interest balance of the Promissory Note secured by this Deed of Trust shall become immediately and automatically due if and when Grantors sell, or transfer any interest in the property encumbered hereby, or enter into a contract to do so, without the prior written consent of the beneficiary.

Grantors in consideration of the premises, hereby covenant and agree that neither the acceptance nor existence, now or hereafter, of 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 or its satisfaction nor a reconveyance made hereunder operate as a waiver of any such other security now held or hereafter acquired.

Grantors hereby covenant and agree that they will operate the ranch premises according to dictates good husbandry, as defined by ranch practice in the area in which the ranch is located; that they will apply the water rights to beneficial use, all to the end that the same will not be lost by abandonment or forfeiture; that they will apply for and use the grazing rights or, if not used, they will apply for proper non-use, all to the end that the same will not be terminated by the federal government.

The Grantors expressly covenant and agree at all times during the term hereof, and with respect to the land herein described, and all buildings and other improvements now or hereafter located or placed thereon:

- A. properly care for and maintain the same in their present condition, order and repair, ordinary and reasonable wear and tear excepted;
- B. not to alter, remove or change the present use of the same without the prior written consent of the Beneficiary;
- C. not to commit or permit any waste of the same; or
- D. not to do any other act or omit to do any other act which results, or is likely to result, in a reduction or impairment of the value of the premises.

**IN WITNESS WHEREOF**, the Grantors have hereunto set their hands as of the day and year first hereabove written.

David L. Woolfolk  
David L. Woolfolk

Linda K. Woolfolk  
Linda K. Woolfolk  
K. L.K.W.

STATE OF Oregon, )  
  ) ss.  
COUNTY OF Malheur.)

This instrument was acknowledged before me on November 13<sup>th</sup>, 2002, by David L. Woolfolk and Linda K. Woolfolk.  
  K. L.K.W.

Dolores J. Adams



NOTARY PUBLIC  
My Comm. Expires 4/8/2003

02110081.PP  
November 8, 2002

# EXHIBIT A

PARCEL 1: (EUKA COUNTY) (KITCHEN MEADOWS)

TOWNSHIP 18 NCH, RANGE 51 EAST, M.D.B.&M.

Section 18: W2NE1/4; E1/2NW1/4; W1/2SE1/4; SW1/4;

Section 19: N/4NE1/4; W1/2; W1/2SE1/4;

Section 30: N2; N1/2S1/2;

PARCEL 2: (EUKA COUNTY) (SULLIVAN RANCH)

TOWNSHIP 17 NOH, RANGE 50 EAST, M.D.B.&M.

Section 31: W2NE1/4; NE1/4NE1/4;

PARCEL 3: (NYCOUNTY)

TOWNSHIP 14 NOH, RANGE 51 EAST, M.D.B.&M.

Section 24: W~~2~~ Half (W1/2) Southwest Quarter (SW1/4);  
N~~2~~theast Quarter (NE1/4) Southwest Quarter (SW1/4);  
N~~2~~hwest Quarter (NW1/4) Southeast Quarter (SE1/4)

TOWNSHIP 15 NOH, RANGE 53 EAST, M.D.B.&M.

Section 23: S~~2~~hwest Quarter (SW1/4) Northeast Quarter (NE1/4)

Section 28: N~~2~~theast Quarter (NE1/4) Northwest Quarter (NW1/4)

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OFFICIAL RECORDS  
RECORDED AT THE REQUEST  
*Stewart Title*  
02 NOV 20 PM 2:03

EUREKA COUNTY, NEVADA  
M.H. REBALEATI, RECORDER  
FILE NO. FEES 21<sup>00</sup>

**179489**