

DEED OF TRUST

THIS DEED OF TRUST, made this 2nd day of July 1971, by and between SOUTHERN UTAH FUEL COMPANY, a Utah Corporation, Trustor, FIRST COMMERCIAL TITLE, INC., Trustee, and WEST COAST LIVESTOCK COMPANY, a California Corporation, Beneficiary,

WITNESSETH:

That Trustor does hereby grant, bargain, sell, convey and confirm unto Trustee in trust with power of sale, all that certain property in the City of \_\_\_\_\_, County of \_\_\_\_\_, State of Nevada, more particularly described as follows:

See Exhibit "A" Attached hereto.

TOGETHER WITH GRAZING PRIVILEGE ALLOTMENTS attached hereto as Exhibit "B".

AND, ALSO, all the estate, interest, homestead or other claim, as well in law as in equity, which said Trustor now has or may hereafter acquire in and to said property, together with all easements and rights of way used in connection therewith or as a means of access thereto, and all and singular the tenements, hereditaments and appurtenances thereunto belonging or in anywise appertaining, and the reversion and reversions, remainder and remainders, rents, issues and profits thereof.

TO HAVE AND TO HOLD the same unto the said Trustee and its successors, for the purpose of securing:

Payment of an indebtedness in the sum of \$ 280,484.24 evidenced by a promissory note of even date herewith, with interest thereon, according to the terms of said note, which note by reference is hereby made a part hereof, executed by Trustor and delivered to Beneficiary, and payable to the order of Beneficiary, and any and all extensions or renewals thereof, payment of such additional sums with interest thereon, as may be hereafter loaned by the Beneficiary to Trustor when evidenced by the promissory note or notes of Trustor; payment of all other sums with interest thereon becoming due and payable under the provisions hereof to either Trustee or to Beneficiary, and the performance and discharge of each and every obligation, covenant and agreement of Trustor herein contained.

LAW OFFICES  
STREETER, SALA  
AND MAULIPPE  
20 COURT STREET  
RENO, NEVADA

FIRST COMMERCIAL TITLE, INC.

*Return to:*  
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BOOK 2 PAGE 99

1.  
THIS IS TO CERTIFY THAT THIS DOCUMENT IS THE DUPLICATE ORIGINAL OF THAT CERTAIN DOCUMENT FILED FOR RECORD IN THE OFFICE OF THE COUNTY RECORDER OF WHITE PINE COUNTY, CON-CURRENTLY HERWITH.

FIRST COMMERCIAL TITLE, INC.  
BY Roberta M. Griener  
Roberta M. Griener, Ass't Vice President

AND THIS INDENTURE FURTHER WITNESSETH:

**FIRST:** Trustor promises and agrees to pay when due all claims for labor performed and materials furnished for any construction, alteration or repair upon the above described premises; to comply with all laws affecting said property or relating to any alterations or improvements that may be made thereon; not to commit or permit waste thereon, not to commit, suffer or permit any acts upon said property in violation of any law, covenant, condition or restriction affecting said property; and to permit Beneficiary to enter at all reasonable times for the purpose of inspection.

**SECOND:** Trustor covenants to keep all buildings that may now or at any time be on said property during the continuance of this trust in good repair and insured against loss by fire, with extended coverage endorsement, in a company or companies authorized to issue such insurance in the State of Nevada, and as may be approved by Beneficiary, for such sum or sums as shall equal the total indebtedness secured by this Deed of Trust and all obligations having priority over this Deed of Trust and shall be payable to Beneficiary to the amount of the unsatisfied obligation to Beneficiary hereby secured, and to deliver the policy to Beneficiary or to collection agent of Beneficiary, and in default thereof, Beneficiary may procure such insurance and/or make such repairs, and expend for either of such purposes such sum or sums as Beneficiary shall deem proper.

**THIRD:** The following covenants Nos. 1, 3, 4 (interest 12%), 5, 6, 7 (counsel fees 12%), 8 and 9 of Nevada Revised Statutes 107.030, are hereby adopted and made a part of this Deed of Trust.

**FOURTH:** Trustor agrees to pay any deficiency arising from any cause after application of the proceeds of the sale held in accordance with the provisions of the covenants hereinabove adopted by reference.

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

**SIXTH:** All the provisions of this instrument shall inure to, apply to, and bind the heirs, executors, successors and assigns of the survivor of Beneficiary and shall inure to, apply to, and bind the legal representatives, successors and assigns of each of the other parties hereto, respectively. Whenever used, the singular number shall include the plural, the plural the singular, and the use of any gender shall include all other genders.

**SEVENTH:** Trustor hereby assigns to the Trustee any and all rents of the above-described premises accruing after default and hereby authorizes Trustee, or a receiver to be appointed on application of Trustee or Beneficiary, without waiving or affecting the right of foreclosure or any other right hereunder, to take possession of the premises at any time after there is a default in the payments of said debt or in the performance of any of the obligations herein contained, and to rent the premises for the account of Trustor. At any Trustee's Sale held hereunder Trustee shall sell the property herein described as a single unit unless herein otherwise specifically directed and at such sale is hereby authorized to bid for Beneficiary or other absent person.

**EIGHTH:** It is hereby expressly agreed that the trust created hereby is irrevocable by Trustor.

**NINTH:** This deed of trust is executed by Trustor and accepted

2.

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AND McAULIFFE  
30 COURT STREET  
RENO, NEVADA

by Beneficiary with the understanding and upon the express condition that if Trustor should make default in the performance of any of the covenants and agreements herein set forth, then and in that event the full amount of the principal indebtedness secured hereby shall forthwith be and become wholly due and payable, notwithstanding the fact that the same would not otherwise be due according to the terms of the promissory note secured hereby, and further, that the relationship of landlord and tenant shall exist as between the purchaser of the real property covered hereby upon foreclosure proceedings, and Trustor and its successors in interest may be removed therefrom by any proceeding authorized by law, including an unlawful detainer action, in the event the possession of said real property should not be voluntarily surrendered to such purchaser.

Provided, however, that if all or any portion of the property which is the subject of this deed of trust herein described, is conveyed from Trustor by deed, contract, execution, instrument or any other mode or means, voluntarily or involuntarily, which will effect, in law or equity, a divestiture of Trustor's interest or title in said property, the note secured hereby shall accelerate and the entire balance of principal and interest shall forthwith become due and payable without notice and demand.

SOUTHERN UTAH FUEL COMPANY,  
a Utah Corporation

By Neal J. Mortensen V.P.  
NEAL J. MORTENSEN, Vice President

By Vernal Mortensen Sec  
VERNAL MORTENSEN, Secretary  
TRUSTOR

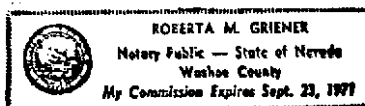
STATE OF NEVADA )  
COUNTY OF Washoe ) ss.

On this 2nd day of July, 1971, personally appeared before me, a Notary Public in and for the above County and State, Neal J. Mortensen, and Vernal Mortensen

known to me to be the person described in and who executed the foregoing instrument, and he, and each of them, duly acknowledged to me that he executed the same freely and voluntarily and for the uses and purposes therein mentioned.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

Roberta M. Griener  
Notary Public



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AND McAULIFFE  
30 COURT STREET  
RENO, NEVADA

3.

Lincoln County

All those certain pieces or parcels of land situate in the Counties of White Pine, Nye and Lincoln, State of Nevada, that are described as follows:

COUNTY OF WHITE PINE

PARCEL 1:

TOWNSHIP 10 NORTH, RANGE 63 EAST, M.D.B. & M.

- Section 8: SE $\frac{1}{4}$  of NE $\frac{1}{4}$ ; E $\frac{1}{4}$  of SE $\frac{1}{4}$
- Section 9: SW $\frac{1}{4}$  of NW $\frac{1}{4}$
- Section 16: NW $\frac{1}{4}$  of SW $\frac{1}{4}$
- Section 17: NE $\frac{1}{4}$  of NE $\frac{1}{4}$ ; S $\frac{1}{4}$  of SE $\frac{1}{4}$ ; SE $\frac{1}{4}$  of SW $\frac{1}{4}$

PARCEL 2:

TOWNSHIP 10 NORTH, RANGE 63 EAST, M.D.B. & M.

- Section 28: S $\frac{1}{4}$  of SW $\frac{1}{4}$
- Section 32: E $\frac{1}{4}$  of NE $\frac{1}{4}$ ; S $\frac{1}{4}$  of SW $\frac{1}{4}$ ; SE $\frac{1}{4}$
- Section 33: NW $\frac{1}{4}$  of NW $\frac{1}{4}$

COUNTY OF NYE

PARCEL 3:

TOWNSHIP 5 NORTH, RANGE 60 EAST, M.D.B. & M.

- Section 14: SE $\frac{1}{4}$  of NE $\frac{1}{4}$ ; E $\frac{1}{4}$  of SE $\frac{1}{4}$
- Section 23: E $\frac{1}{4}$  of E $\frac{1}{4}$
- Section 24: SW $\frac{1}{4}$  of NW $\frac{1}{4}$ ; N $\frac{1}{4}$  of SW $\frac{1}{4}$ ; SE $\frac{1}{4}$  of SW $\frac{1}{4}$
- Section 25: W $\frac{1}{4}$  of E $\frac{1}{4}$ ; E $\frac{1}{4}$  of NW $\frac{1}{4}$
- Section 35: E $\frac{1}{4}$  of E $\frac{1}{4}$

TOWNSHIP 4 NORTH, RANGE 61 EAST, M.D.B. & M.

- Section 6: NE $\frac{1}{4}$  of SW $\frac{1}{4}$ ; NW $\frac{1}{4}$  of SE $\frac{1}{4}$ ; NW $\frac{1}{4}$  of NW $\frac{1}{4}$ ; SE $\frac{1}{4}$  of SE $\frac{1}{4}$ ; E $\frac{1}{4}$  of NW $\frac{1}{4}$ .
- Section 7: E $\frac{1}{4}$  of NE $\frac{1}{4}$
- Section 8: SW $\frac{1}{4}$  of NW $\frac{1}{4}$ ; NW $\frac{1}{4}$  of SW $\frac{1}{4}$ ; SE $\frac{1}{4}$  of SW $\frac{1}{4}$
- Section 16: NW $\frac{1}{4}$  of SW $\frac{1}{4}$ ; SE $\frac{1}{4}$  of SW $\frac{1}{4}$
- Section 17: NW $\frac{1}{4}$  of NE $\frac{1}{4}$ ; SE $\frac{1}{4}$  of NE $\frac{1}{4}$
- Section 21: NW $\frac{1}{4}$  of NE $\frac{1}{4}$ ; SE $\frac{1}{4}$  of NE $\frac{1}{4}$
- Section 22: NW $\frac{1}{4}$  of SW $\frac{1}{4}$ ; SE $\frac{1}{4}$  of SW $\frac{1}{4}$
- Section 27: NE $\frac{1}{4}$  of NW $\frac{1}{4}$ ; SE $\frac{1}{4}$  of SE $\frac{1}{4}$ ; NW $\frac{1}{4}$  of SE $\frac{1}{4}$ ; NW $\frac{1}{4}$  of NE $\frac{1}{4}$ ; SE $\frac{1}{4}$  of NE $\frac{1}{4}$ ; SW $\frac{1}{4}$  of NE $\frac{1}{4}$
- Section 35: NW $\frac{1}{4}$  of NW $\frac{1}{4}$ ; SE $\frac{1}{4}$  of SE $\frac{1}{4}$ ; NW $\frac{1}{4}$  of SE $\frac{1}{4}$ ; SE $\frac{1}{4}$  of NW $\frac{1}{4}$

TOWNSHIP 9 NORTH, RANGE 61 EAST, M.D.B. & M.

- Section 2: Lot 4
- Section 13: W $\frac{1}{4}$  of SW $\frac{1}{4}$
- Section 14: SE $\frac{1}{4}$  of SE $\frac{1}{4}$
- Section 23: N $\frac{1}{4}$  of NE $\frac{1}{4}$ ; SW $\frac{1}{4}$  of NE $\frac{1}{4}$ ; SE $\frac{1}{4}$  of NW $\frac{1}{4}$ ; NE $\frac{1}{4}$  of SW $\frac{1}{4}$ ; NW $\frac{1}{4}$  of SE $\frac{1}{4}$
- Section 24: E $\frac{1}{4}$  of SE $\frac{1}{4}$
- Section 32: S $\frac{1}{4}$  of NE $\frac{1}{4}$ ; N $\frac{1}{4}$  of SE $\frac{1}{4}$ ; SW $\frac{1}{4}$  of SE $\frac{1}{4}$

TOWNSHIP 8 NORTH, RANGE 61 EAST, M.D.B. & M.

- Section 5: Lot 2

PARCEL 3 CONTINUED

TOWNSHIP 10 NORTH, RANGE 61 EAST, M.D.B. & M.

Section 27: SE $\frac{1}{4}$  of NE $\frac{1}{4}$ ; E $\frac{1}{2}$  of SE $\frac{1}{4}$   
 Section 34: E $\frac{1}{2}$  of E $\frac{1}{2}$

TOWNSHIP 9 NORTH, RANGE 62 EAST, M.D.B. & M.

Section 19: SW $\frac{1}{4}$  of NE $\frac{1}{4}$ ; W $\frac{1}{2}$  of SE $\frac{1}{4}$ ; E $\frac{1}{2}$  of SW $\frac{1}{4}$ ; Lots 3 and 4  
 Section 30: Lot 1; E $\frac{1}{2}$  of NW $\frac{1}{4}$ ; NW $\frac{1}{4}$  of NE $\frac{1}{4}$

EXCEPTING therefrom the following described Nevada State Highway Department right of way; being a parcel or strip of land two hundred (200) feet wide over and across portions of the SW $\frac{1}{4}$ NE $\frac{1}{4}$  and the NW $\frac{1}{4}$  SE $\frac{1}{4}$  of Section 19, T. 9 N. R. 62 E., M.D.B. & M.; said strip of land being one hundred (100) feet wide on each side of the highway centerline of State Route 33, as surveyed and staked in January, 1956, by the State of Nevada, Department of Highways, over and across said subdivisions, said centerline pertinent to but not limited to said parcel or strip of land, said centerline being described as follows, to-wit:

Beginning at a point on said centerline at Highway Engineer's Station "D" 778 +10.89 P.C., which point bears S. 26°06'04" W., a distance of 2115.21 feet from the East Quarter corner of Section 19, T. 9 N., R. 62 E., M.D.B. & M.; thence from a tangent which bears N. 9°02'26" W., curving to the left with a radius of 10,000 feet through an angle of 11°00'55", an arc distance of 1927.53 feet to a point; thence N. 20°03'21" W., a distance of 2894.29 feet to the point of ending at Highway Engineer's Station "D" 821 +27.71 P.O. T., which point bears N. 89°14'44" W., a distance of 2417.80 feet from the Northeast corner of Section 19, T. 9 N., R. 62 E., M.D.B. & M.

TOWNSHIP 5 NORTH, RANGE 61 EAST, M.D.B. & M.

Section 31: W $\frac{1}{2}$  of SW $\frac{1}{4}$

TOWNSHIP 7 NORTH, RANGE 61 EAST, M.D.B. & M.

Section 2: W $\frac{1}{2}$  of SW $\frac{1}{4}$   
 Section 3: E $\frac{1}{2}$  of SE $\frac{1}{4}$

TOWNSHIP 7 NORTH, RANGE 62 EAST, M.D.B. & M.

Section 20: SE $\frac{1}{4}$  of SW $\frac{1}{4}$ ; SW $\frac{1}{4}$  of SE $\frac{1}{4}$ ; E $\frac{1}{2}$  of SE $\frac{1}{4}$ ; SE $\frac{1}{4}$  of NE $\frac{1}{4}$   
 Section 21: SW $\frac{1}{4}$ ; SW $\frac{1}{4}$  of SE $\frac{1}{4}$ ; SW $\frac{1}{4}$  of NW $\frac{1}{4}$   
 Section 28: W $\frac{1}{2}$  of NE $\frac{1}{4}$ ; NW $\frac{1}{4}$   
 Section 29: N $\frac{1}{2}$ ; NE $\frac{1}{4}$  of SE $\frac{1}{4}$   
 Section 30: SE $\frac{1}{4}$  of NW $\frac{1}{4}$ ; E $\frac{1}{2}$  of NE $\frac{1}{4}$ ; SW $\frac{1}{4}$  of NE $\frac{1}{4}$

LINCOLN COUNTY

PARCEL 4:

TOWNSHIP 9 NORTH, RANGE 63 EAST, M.D.B. & M.

Section 28: SW $\frac{1}{4}$  of SE $\frac{1}{4}$ ; SE $\frac{1}{4}$  of SW $\frac{1}{4}$   
Section 33: N $\frac{1}{2}$  of NW $\frac{1}{4}$

TOWNSHIP 7 NORTH, RANGE 64 EAST, M.D.B. & M.

Section 33: NW $\frac{1}{4}$  of SW $\frac{1}{4}$

PARCEL 5:

TOWNSHIP 9 NORTH, RANGE 63 EAST, M.D.B. & M.

Section 5: Lots 3 and 4; SW $\frac{1}{4}$  of NW $\frac{1}{4}$   
Section 6: SE $\frac{1}{4}$  of NE $\frac{1}{4}$ ; NE $\frac{1}{4}$  of SE $\frac{1}{4}$

PARCEL 6:

TOWNSHIP 8 NORTH, RANGE 62 EAST, M.D.B. & M.

Section 14: S $\frac{1}{2}$  of SW $\frac{1}{4}$ ; NE $\frac{1}{4}$  of SW $\frac{1}{4}$   
Section 22: SE $\frac{1}{4}$  of NE $\frac{1}{4}$   
Section 23: NW $\frac{1}{4}$  of NW $\frac{1}{4}$

EXCEPTING FROM the 6 above described parcels all rights reserved in and to the oil, gas and mineral rights by those certain Deeds described as follows:

A) A Deed dated April 11, 1955, executed By Phillip J. Rauch and Lou Ellen Rauch, his wife, to C-B Land and Cattle Company, recorded August 30, 1952, in Book L-1, Page 320, Real Estate Deeds, Lincoln County, Nevada

B) A Deed dated July 1, 1962, executed by Clair Whipple and Lila M. Whipple, his wife, to William W. St. Clair recorded August 30, 1962, in Book 53, under File No. 47168, Official Records, Nye County, Nevada, and in Book M-1 under File No. 39581, Real Estate Deeds, Lincoln County, Nevada, and in Book 248, under File No. 121468, Real Estate Records, White Pine County, Nevada.

C) A Deed executed by Myron Adams and Erma H. Adams, husband and wife, recorded December 17, 1962, in Book M-1, Page 77, Real Estate Deeds, Lincoln County, Nevada, and recorded November 28, 1962, in Book 55, Page 286 and re-recorded January 17, 1963, in Book 56, Page 362, Official Records, Nye County, Nevada

TOGETHER WITH, all right, title and interest in the following numbered water permits: 02429, 02232, 01962, 01963, 01964, 01965, 02088, 02089, 02090, 02091, 02092, 02087; and all right, title and interest in the following certificated rights: 1216, 1977, 4130, 2105, 4053, 1175, 2135, 1969, and File #22882, all according to the records of the Nevada State Engineer's Office of the Department of Water Resources.

EXHIBIT "B"

GRAZING PRIVILEGE ALLOTMENTS:

White River Unit		
Glenn allotment	5662 AUMs active	no suspended non-use
Whipple allotment	8814 AUMs active	no suspended non-use
Blue Eagle Unit		
Glenn allotment	84 AUMs active	16 suspended non-use
Cave Valley Unit		
Shingle Pass allotment	2802 AUMs active	3428 suspended non-use
Acreage		
Glenn allotment	46,221 acres of public land	
Whipple allotment	212,315 acres of public land	
Shingle Pass allotment	86,800 acres of public land	

No. 50519  
FILED AND RECORDED AT REQUEST OF  
1st Commercial Title, Inc.  
July 7, 1971  
AT ~~11:00~~ 2 O'CLOCK  
P. M. IN BOOK 2 OF OFFICIAL  
RECORDS, PAGE 99 - 105 LINCOLN  
COUNTY, NEVADA.  
*Frank Delaney*  
COUNTY RECORDER