

1 When recorded mail to:
2 Russ Reid
3 Chemical Distributors
4 P. O. Box 21537
5 Phoenix, Arizona 85036
6

7 DEED OF TRUST

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9 THIS DEED OF TRUST, made this 1st day of April, 1976,
10 between WEATHERLY CHEMICAL PRODUCTS CORP., herein called Trustor, whose
11 address is 766 Aultman Street, Ely, Nevada, and CHEMICAL DISTRIBUTORS,
12 herein called Beneficiary, whose address is P. O. Box 21537, Phoenix,
13 Arizona 85036, and CHEMICAL DISTRIBUTORS, a California corporation, herein
14 called Trustee.

15 WITNESSETH: That Trustor irrevocably grants, transfers, and assigns
16 to Trustee, in trust, with power of sale, all that property in Lincoln
17 County, State of Nevada, described in Exhibit "A" attached hereto and made
18 a part hereof, together with the rents, issues, and profits thereof, subject,
19 however, to the right power, and authority given to and conferred upon
20 Beneficiary to collect and apply such rents, issues, and profits; for the
21 purpose of securing:

- 22 1. Performance of each agreement of Trustor herein contained;
23 2. Payment of the indebtedness evidenced by one promissory note of
24 even date herewith, and any extension or renewal thereof, in the principal
25 sum of \$114,461.76, executed by Trustor in favor of Beneficiary or order; and
26 3. Payment of such further sums as the then record owner of said
27 property hereafter may borrow from Beneficiary when evidenced by another
28 note or notes reciting it is so secured.

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TO PROTECT THE SECURITY OF THIS DEED OF TRUST, TRUSTOR AGREES:

1. Maintenance and Repair

To keep said property in good condition and repair; not to remove or demolish any building thereon; to complete or restore promptly and in good and workmanlike manner any building which may be constructed, damaged or destroyed thereon and to pay when due all claims for labor performed and materials furnished therefor; to comply with all laws affecting said property or requiring any alterations or improvements to be made thereon; not to commit or permit waste thereof; not to commit, suffer, or permit any act upon said property in violation of law; to cultivate, irrigate, fertilize, fumigate, prune, and do all other acts which from the character or use of said property may be reasonably necessary, the specific enumerations herein not excluding the general.

2. Fire Insurance

To provide, maintain, and deliver to Beneficiary fire insurance satisfactory to and with loss payable to Beneficiary. The amount collected under any fire or other insurance policy may be applied by Beneficiary upon any indebtedness secured hereby and in such order as Beneficiary may determine, or at option of Beneficiary the entire amount so collected or any part thereof may be released to Trustor. Such application or release shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice.

3. Defense of Security

To appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee; and to pay all costs and expenses, including cost of evidence of title and attorney's fees in a reasonable sum, in any such action or proceeding in

1 which Beneficiary or Trustee may appear, and in any suit brought by
2 Beneficiary to foreclose this Deed.

3 4. Payment of Liens and Taxes

4 To pay, at least ten (10) days before delinquency, all taxes and
5 assessments affecting said property, including assessments on appurtenant
6 water stock; when due, all incumbrances, charges, and liens, with interest,
7 on said property or any part thereof, which appear to be prior or superior
8 hereto; all costs, fees, and expenses of this Trust.

9 Should Trustor fail to make any payment or to do any act as herein
10 provided, then Beneficiary or Trustee, but without obligation so to do
11 and without notice to or demand upon Trustor and without releasing Trustor
12 from any obligation hereof, may: make or do the same in such manner and
13 to such extent as either may deem necessary to protect the security hereof,
14 Beneficiary or Trustee being authorized to enter upon said property for
15 such purposes; appear in and defend any action or proceeding purporting
16 to affect the security hereof or the rights or powers of Beneficiary or
17 Trustee; pay, purchase, contest, or compromise any incumbrance, charge,
18 or lien which in the judgment of either appears to be prior or superior
19 hereto; and, in exercising any such powers, pay necessary expenses, employ
20 counsel, and pay his reasonable fees.

21 5. Reimbursement of Costs

22 To pay immediately and without demand all sums so expended by Beneficiary
23 or Trustee, with interest from date of expenditure at the amount allowed by
24 law in effect at the date hereof, and to pay for any statement provided for
25 by law in effect at the date hereof regarding the obligation secured here-
26 by any amount demanded by the Beneficiary not to exceed the maximum allowed
27 by law at the time when said statement is demanded.

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1 6. Condemnation Award

2 That any award of damages in connection with any condemnation for
3 public use of or injury to said property or any part thereof is hereby
4 assigned and shall be paid to Beneficiary who may apply or release such
5 moneys received by him in the same manner and with the same effect as above
6 provided for disposition of proceeds of fire or other insurance.

7 7. Waiver of Late Payments

8 That by accepting payment of any sum secured hereby after its due date,
9 Beneficiary does not waive his right either to require prompt payment when
10 due of all other sums so secured or to declare default for failure so to pay.

11 8. Release and Subordination

12 That at any time or from time to time, without liability therefor
13 and without notice, upon written request of Beneficiary and presentation
14 of this Deed and said note for endorsement, and without affecting the
15 personal liability of any person for payment of the indebtedness secured
16 hereby, Trustee may: reconvey any part of said property; consent to the
17 making of any map or plat thereof; join in granting any easement thereon;
18 or join in any extension agreement or any agreement subordinating the lien
19 or charge hereof.

20 9. Full Reconveyance

21 That upon written request of Beneficiary stating that all sums secured
22 hereby have been paid, and upon surrender of this Deed and said note to
23 Trustee for cancellation and retention and upon payment of its fees, Trustee
24 shall reconvey, without warranty, the property then held hereunder. The
25 recitals in such reconveyance of any matters or facts shall be conclusive
26 proof of the truthfulness thereof. The grantee in such reconveyance may
27 be described as "the person or persons legally entitled thereto." Five (5)
28 years after issuance of such full reconveyance, Trustee may destroy said

1 note and this Deed (unless directed in such request to retain them).

2 10. Assignment of Rents

3 That as additional security, Trustor hereby gives to and confers upon
4 Beneficiary the right, power, and authority, during the continuance of these
5 Trusts, to collect the rents, issues, and profits of said property, reserving
6 unto Trustor the right, prior to any default by Trustor in payment of any
7 indebtedness secured hereby or in performance of any agreement hereunder,
8 to collect and retain such rents, issues, and profits as they become due
9 and payable. Upon any such default, Beneficiary may at any time without
10 notice, either in person, by agent, or by a receiver to be appointed by
11 a court, and without regard to the adequacy of any security for the indebted-
12 ness hereby secured, enter upon and take possession of said property or any
13 part thereof, in his own name due for or otherwise collect such rents,
14 issues, and profits, including those past due and unpaid, and apply the
15 same, less costs and expenses of operation and collection, including reason-
16 able attorney's fees, upon any indebtedness secured hereby, and in such order
17 as Beneficiary may determine. The entering upon and taking possession of
18 said property, the collection of such rents, issues, and profits and the
19 application thereof as aforesaid, shall not cure or waive any default or
20 notice of default hereunder or invalidate any act done pursuant to such notice.

21 11. Default and Foreclosure

22 That upon default by Trustor in payment of any indebtedness secured
23 hereby or in performance of any agreement hereunder, Beneficiary may declare
24 all sums secured hereby immediately due and payable by delivery to Trustee
25 of written declaration of default and demand for sale and of written notice
26 of default and of election to cause to be sold said property, which notice
27 Trustee shall cause to be filed for record. Beneficiary also shall deposit
28 with Trustee this Deed, said note, and all documents evidencing expenditures

1 secured hereby.

2 After the lapse of such time as may then be required by law following
3 the recordation of said notice of default, and notice of sale having been
4 given as then required by law, Trustee, without demand on Trustor, shall
5 sell said property at the time and place fixed by it in said notice of
6 sale, either as a whole or in separate parcels, and in such order as it
7 may determine, at public auction to the highest bidder for cash in lawful
8 money of the United States, payable at time of sale. Trustee may postpone
9 sale of all or any portion of said property by public announcement at such
10 time and place of sale, and from time to time thereafter may postpone such
11 sales by public announcement at the time fixed by the preceding postponement.
12 Trustee shall deliver to such purchaser its deed conveying the property so
13 sold, but without any covenant or warranty, express or implied. The
14 recitals in such deed of any matters or facts shall be conclusive proof
15 of the truthfulness thereof. Any person, including Trustor, Trustee, or
16 Beneficiary as hereinafter defined, may purchase at such sale.

17 After deducting all costs, fees, and expenses of Trustee and of this
18 Trust, including cost of evidence of title in connection with sale, Trustee
19 shall apply the proceeds of sale to payment of: all sums expended under
20 the terms hereof, not then repaid, with accrued interest at the amount
21 allowed by law in effect at the date hereof; all other sums then secured
22 hereby; and the remainder, if any, to the person or persons legally entitled
23 thereto.

24 12. Substitution of Trustees

25 Beneficiary, or any successor in ownership of any indebtedness secured
26 hereby, may from time to time, by instrument in writing, substitute a suc-
27 cessor or successors to any Trustee named herein or acting hereunder, which
28 instrument, executed by the Beneficiary and duly acknowledged and recorded

1 in the office of the recorder of the county or counties where said property
2 is situated, shall be conclusive proof of proper substitution of such
3 successor Trustee or Trustees, who shall, without conveyance from the
4 Trustee predecessor, succeed to all its title, estate, rights, powers, and
5 duties. Said instrument must contain the name of the original Trustor,
6 Trustee, and Beneficiary hereunder, the book and page where this Deed is
7 recorded, and the name and address of the new Trustee.

8 13. Inurement

9 That this Deed applies to, inures to the benefit of, and binds all
10 parties hereto, their heirs, legatees, devisees, administrators, executors,
11 successors, and assigns. The term Beneficiary shall mean the owner and
12 holder, including pledgees, of the note secured hereby, whether or not
13 named as Beneficiary herein. In this Deed, whenever the context so requires,
14 the masculine gender includes the feminine and/or neuter, and the singular
15 number includes the plural.

16 14. Acceptance by Trustee

17 That Trustee accepts this Trust when this Deed, duly executed and
18 acknowledged, is made a public record as provided by law. Trustee is not
19 obligated to notify any party hereto of pending sale under any other Deed
20 of Trust or of any action or proceeding in which Trustor, Beneficiary, or
21 Trustee shall be a party unless brought by Trustee.

22 15. Request for Notice

23 The undersigned Trustor requests that a copy of any notice of default
24 and of any notice of sale hereunder be mailed to him at his address herein-
25 before set forth.

26 WEATHERLY CHEMICAL PRODUCTS CORP.
27 (Trustor)

28 By: Guy L. Weatherly
Guy L. Weatherly, President

Lincoln County

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State of Nevada)
)
County of Clark) ss.

On April 1, 1976, before me, Mary J. Carew,
a Notary Public for the State of Nevada, personally appeared
Guy L. Weatherly, known to me to be the President
of the corporation that executed the within instrument and acknowledged to
me that such corporation executed the same.

(Notarial Seal) Mary J. Carew
Notary Public for the State of _____
My Commission Expires: _____

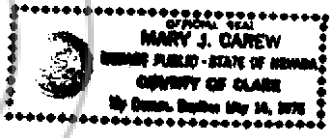


EXHIBIT A

Commencing at the intersection of the Hoover Dam-Pioche Power Line and the Union Pacific Railroad Branch to Prince Mine which intersection is South 27°57' West, 4756.0 feet from Section Cor. 20-21/29-28, Township 1 North, Range 67 East, Mt. Diablo B.M.; thence North 75° East, 67 feet to Corner No. 1; thence North 26°24' East, 1753 feet to Corner No. 2; thence due East 140 feet to Corner No. 3; thence due South 2000 feet to Corner No. 4; thence due West 278 feet to Corner No. 5; thence North 56°10'30" West, 772.15 feet to Corner No. 1 and closure of said area, being in and a part of Section 29, in said Township and Range.

Constituting a portion of that patented claim known as MONARCH NO. 2 LODE MINING CLAIM, Patent No. 463517, designated as U.S. Survey No. 4033 and portions of other unpatented claims.

GLW

No. 57955
FILED AND RECORDED AT REQUEST OF
Frontier Title Co.
April 26, 1976
AT 1 MINUTES PAST 9 O'CLOCK
P. M. IN BOOK 16 OF OFFICIAL
RECORDS, PAGE 662 LINCOLN
COUNTY, NEVADA

James R. ...

ADR