

SC 21024

SUBORDINATION AGREEMENT

WHEREAS, BRADSHAW INC., a Nevada Corporation; Don L. Bradshaw, Also known as Don Bradshaw, and Barbara J. Bradshaw, his wife; Joseph Bradshaw, also known as R.J. Bradshaw, Jr.; Thomas A. Foley and Lucy S. Foley, his wife; John P. Foley and Phyllis Foley, his wife; Joseph M. Foley and Betty Jean Foley, his wife, as Trustors, delivered to UTAH FARM PRODUCTION CREDIT ASSOCIATION OF CEDAR CITY, UTAH as Beneficiary, that certain trust deed dated January 6, 1976 recorded on January 29, 1976, in Book 16 of Trust Deed, page 290-292, Records of Lincoln County, Nevada which Trust Deed secured an indebtedness of \$90,110.00, and

WHEREAS, BRADSHAW, INC., a Nevada corporation as Trustors, delivered to the FEDERAL LAND BANK OF BERKELEY as Beneficiary, that certain Trust Deed dated November 9, 1977, recorded on December 5, 1977, in Book 23 of Trust Deed, page 229, Records of Lincoln County, Nevada, which Trust Deed secured and indebtedness of \$140,000.00 and,

WHEREAS, at the time of delivery and recordation of the attached described Trust Deed in favor of the undersigned, it was, and now is, the intention of the undersigned that the lien of said Trust Deed be subsequent and subordinate to the lien of the attached described Trust Deed in favor of the FEDERAL LAND BANK OF BERKELEY.

NOW, THEREFORE, the undersigned hereby subordinates the lien of the attached described Trust Deed, recorded in Book 16 of Trust Deed, page 290-292, Records of Lincoln County, Nevada: to the lien of the Trust Deed owned and held by the FEDERAL LAND BANK OF BERKELEY, recorded in Book 23 of Trust Deed, page 229, Records of Lincoln County, Nevada, so that the lien of the Trust Deed owned and held by the undersigned shall be, and is hereby made subordinate and subsequent to the Trust Deed owned and held by said bank.

The legal description, Exhibit A, is made a part hereof.

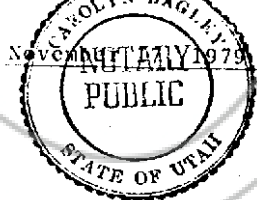
Dated: November 28, 1977 UTAH FARM PRODUCTION CREDIT ASSOCIATION OF CEDAR CITY, UTAH

BY: Leslie W. Childs  
Leslie W. Childs, Assistant Treasurer

State of )  
          ) ss  
County of )

On this 28 day of November, 1977 A.D., personally appeared before me, Leslie W. Childs, and being by me duly sworn, stated to me that he is, and who is known to me to be Assistant Treasurer of UTAH FARM PRODUCTION CREDIT ASSOCIATION and that the above and foregoing instrument was signed in behalf of said UTAH FARM PRODUCTION CREDIT ASSOCIATION and that by authority of its bylaws, acknowledged to me that said Association executed the same.

My Commission Expires:



Carolyn Bagley  
Notary Public in and for said County and State  
Residing at Cedar City, Utah

Lincoln County

EXHIBIT "A"

Situated in the County of Lincoln, State of Nevada, towit:

PARCEL 1: The Southeast Quarter of the Northwest Quarter and the East Half of the Southwest Quarter of Section 11, Township 9 South, Range 67 East, M.D.B. & M.

PARCEL 2: The East Half of the Southwest Quarter, Lots 3 and 4 of Section 7, Township 7 South, Range 67 East, M.D.B. & M. The East Half of the Southeast Quarter of Section 12, Township 7 South, Range 66 East, M.D.B. & M.

EXCEPTING THEREFROM: The land so conveyed to Utah, Nevada, and California Railroad Company by Deed recorded in Book "T" of Deeds pages 347-8 to Trustees of Kiernan School District by Deed recorded in Book C-1 of Deeds, pages 32-3 of Los Angeles and Salt Lake Railroad Company by Deeds recorded in Book C-1 of Deeds, pages 245-6, to Los Angeles and Salt Lake Railroad Company by Deed recorded in Book C-1 of Deeds, page 287 also the land conveyed to Rachael Schlarman by Deed recorded in Book F-1 of Real Estate Deeds, page 461 all recorded in the Office of the County Recorder of Lincoln County, Nevada.

PARCEL 3: The Southwest Quarter of the Northwest Quarter and the West Half of the Southwest Quarter of Section 11, the Northwest Quarter of the Northwest Quarter; the South Half of the Northwest Quarter and the Northeast Quarter of the Southwest Quarter of Section 14, Township 9 South, Range 67 East, M.D.B. & M.

PARCEL 4: The Northeast Quarter of the Northwest Quarter of Section 14, Township 9 South, Range 67 East, M.D.B. & M. Containing 680 acres, more or less. Subject to existing rights of way.

TOGETHER WITH the following water rights as more fully described under filings in the State Engineer's Office of Nevada:

(a) Application 5461, Certificate 2017, being a right to waters of Meadow Valley Wash for the irrigation of 38.8 acres of land in the Southeast Quarter of the Northwest Quarter and the East Half of the Southwest Quarter of Section 11, Township 9 South, Range 67 East, Mount Diablo Base and Meridian.

(b) Proof of Appropriation 02274, being a right to the waters of Meadow Valley Wash for the irrigation of 87 acres of land in Section 7, Township 7 South, Range 67 East, and Section 12, Township 7 South, Range 66 East, Mount Diablo Base and Meridian.

(c) Application 10346, Certificate 2702, being a right to waters of Rock Seeps for stock watering purposes in the Northeast Quarter of the Southeast Quarter of Section 30, Township 7 South, Range 66 East, Mount Diablo Base and Meridian.

(d) Application, Permit 10062, being a right to waters of Mud Springs for stock watering purposes in the Southwest Quarter of the Northwest Quarter of Section 33, Township 6 South, Range 67 East, Mount Diablo Base and Meridian.

ALSO TOGETHER WITH the following water rights as more fully described under filings made in the State Engineer's office of Nevada:

(a) A portion of water rights under Application, Permit 18419, being a right to the waters of Meadow Valley Wash Creek for storage for the irrigation of land in the Southeast Quarter of the Northwest Quarter and the East Half of the Southwest Quarter of Section 11, Township 9 South, Range 67 East, Mount Diablo Base and Meridian.

(b) All of the water rights under Application, Permit 20212, Certificate #6030, being a right to underground water from a well located near the Northeast Corner of the Southwest Quarter of the Northwest Quarter of Section 11 and used for the irrigation of land in the South Half of the Northwest Quarter and the Southwest Quarter of Section 11, Township 9 South, Range 67 East, Mount Diablo Base and Meridian.

Lincoln County

54 (Rev. 5-74)

RECORDED AS REQUIRED BY

AND WHEN RECORDED FILE TO

NAME  
STREET ADDRESS  
CITY  
STATE  
ZIP

Utah Farm PCA  
P. O. Box 459  
Cedar City, Utah 84720

57714

FILED AND RECORDED AS ORDER OF  
Utah Farm Prod. Credit Ass'n.  
Jan. 29, 1976

AT 1 MINUTE P.M. 1 O'CLOCK  
P.M. IN BOOK 16 BY OFFICIAL  
RECORDS PAGE 290-292 LINCOLN  
COUNTY, NEVADA

*[Signature]*  
COUNTY RECORDER

SPACE ABOVE THIS LINE FOR RECORDED USE

DEED OF TRUST

Bradshaw Inc., a Nevada Corporation;  
Don L. Bradshaw, Also known as Don  
Bradshaw, and Barbara J. Bradshaw, his wife; Joseph Bradshaw, also known as R. J. Bradshaw, Jr.  
Thomas A. Foley and Lucy S. Foley, his wife; John F. Foley and Phyllis Foley, his wife; Joseph  
M. Foley and Betty Jean Foley, his wife  
as Grantor,

and UTAH FARM PRODUCTION CREDIT ASSOCIATION, a corporation, having its principal place  
of business in CEDAR CITY, UTAH as Trustee, and UTAH FARM  
PRODUCTION CREDIT ASSOCIATION, a corporation existing and operating under the provisions of Title II of the Farm Credit  
Act of 1971, and amendments thereto, Beneficiary.

WITNESSETH: That the said Grantor hereby grants, conveys and confirms unto said Trustee, with power of sale the following  
described real property situate in the County of LINCOLN State of NEVADA  
To-WIT:

FOR DESCRIPTION OF REAL PROPERTY SEE EXHIBIT "A" ATTACHED HERETO.

TOGETHER WITH all of Grantor's existing and future rights, however evidenced, to the use of water for irrigating said lands  
and for domestic stock watering uses, including ditches, laterals, conduits, and rights of way used to convey such water or to drain  
said land, all of which rights are hereby made appurtenant to said land, and all pumping plants now or hereafter used in connection  
therewith and all wind machines used on said land, which pumping plants and wind machines are hereby declared to be fixtures;  
all grazing leases, permits, and licenses used with said land, all tenements, hereditaments, easements, rights of way and appurtenances  
to said land; and all rents, issues and profits of said land with the right, but not the obligation, to collect the same, which right may  
be exercised by the Beneficiary while in or out of possession and either prior to or after any default by the Grantor.

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BOOK 23 PAGE 234

Lincoln County

TO HAVE AND TO HOLD the same unto the Trustee and to its successors and assigns upon the trusts, covenants and agreements herein expressed, to-wit:

This Deed of Trust is given for the purpose of securing the payment of: (A) All indebtedness evidenced by a promissory note executed by Grantor prior to or concurrently herewith, payable to Beneficiary in the sum of \$90,110.00; (B) All existing and future indebtedness owed by Grantor to Beneficiary evidenced by a promissory note, guaranty, or otherwise; (C) All additional sums and future advances which Beneficiary at its option may hereafter lend to or on behalf of the Beneficiary, including the additional parties named immediately below; (D) All interest accrued on indebtedness secured hereby at the rate established under the Beneficiary's interest rate program including any variable interest rate provision which increases or decreases said rate from time to time pursuant to authority granted in the Farm Credit Act of 1971, and amendments thereto; (E) All substitute notes, renewals, reamortizations, and extensions of indebtedness secured by this Deed of Trust; (F) All other obligations of Grantor under this document, the promissory note(s) evidencing the indebtedness secured hereby and any loan document executed by Grantor in favor of Beneficiary. The term "Grantor", as used in this Deed of Trust to refer to the indebtedness, loan, or obligations being secured, means and includes any or all of the parties named as Grantor or the following additional parties:

Advances made by the Beneficiary after discount or assignment of this Deed of Trust shall be secured hereby but shall be subject to prior payment of the indebtedness discounted or assigned.

As additional security, Grantor assigns, without obligation on Beneficiary to effect collection, all damages, rentals, royalties and other revenue from all present and future oil, gas, and mineral leases, rights and operations affecting said premises, and all money payable to Grantor in the event of cancellation of any grazing leases, permits, or licenses used with said land.

Grantor hereby covenants and agrees that:

(1) Grantor will pay all taxes, assessments and liens now subsisting or which may hereafter be imposed by national, state, county, city or other authority upon the property hereby conveyed and said Grantor agrees that said Beneficiary may pay such taxes, assessments or liens without notice and that said Grantor will repay the Beneficiary on demand all sums so paid with interest at the same rate in effect for Grantor's loan and this Deed of Trust shall be security for all sums so paid by the Beneficiary, together with interest thereon, and the Beneficiary shall be the sole judge of the legality or validity of such taxes, assessments or liens;

(2) Grantor will comply with the Farm Credit Act of 1971 and amendments thereto; will pay, when due and payable, all obligations secured by judgment or other liens against said property; will, at Grantor's expense: (a) forever warrant and defend title to said security; (b) protect the security and lien in any litigation; (c) care for the security in a farmerlike manner; and (d) maintain fire insurance on the improvements as required by Beneficiary;

(3) Upon default or breach of any debt or obligation secured hereby Beneficiary may: (a) take possession of said premises with all rights of mortgagee in possession or have a receiver appointed; (b) at its option accelerate the maturity of the indebtedness, have the power of sale exercised in accordance with law then in force; (c) have the security sold in one parcel; (d) purchase at any Trustee's sale;

(4) Beneficiary may: (a) change any Trustee by certificate referring specifically to any deed of trust or referring in general terms to all deeds of trust held by Beneficiary, which upon recordation shall be conclusive proof of a proper substitution of the successor, and such new Trustee shall have all the estate, powers and duties of said Trustee predecessor without the necessity of a deed from the retiring to the new Trustee; (b) litigate any matters, and appear in any condemnation or bankruptcy proceeding, affecting the security or lien, incur necessary costs, expenses and attorney fees therefor, and advance money for payment thereof and of all Grantor's obligations incurred hereunder, which, together with interest at the same rate in effect for Grantor's loan, shall be immediately payable and a part of the debt secured hereby. All condemnation awards and damages shall be paid to Beneficiary;

(5) The Trustee may: (a) at any time reconvey, without warranty, any portion of the security and consent to subdivide; (b) upon full payment reconvey, without warranty, to "the person or persons legally entitled thereto" and such reconveyance shall be at the cost and expense of such person; (c) postpone sales by proclamation at time and place of sale; (d) apply sale proceeds to expenses thereof, attorney fees, title expenses, indebtedness secured hereby, and any surplus to parties entitled thereto. Resales in full and in partial reconveyances and in any trustee's deed shall be conclusive;

(6) Acceptance by Beneficiary of any payment shall not operate as a waiver of any prior default, and the release of any portion of said security or any release from personal liability shall not affect the personal liability of any person not specifically released, nor the lien of this Deed of Trust upon the remainder of said premises for the full amount of said indebtedness then remaining;

(7) Each Grantor is jointly and severally liable for all obligations secured hereby, which obligations shall extend to and bind the heirs, executors, administrators, successors, and assigns of each Grantor;

Grantor requests that a copy of any notice of default and of any notice of sale hereunder be mailed to Grantor at his address herein set forth:

Address Calliente, Nevada 89008

BRADSHAW, INC.  
Donald L. Bradshaw Pres.  
(Donald L. Bradshaw)

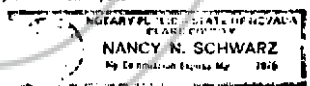
Barbara J. Bradshaw  
(Barbara J. Bradshaw)

Joseph M. Foley Sec.  
(Joseph M. Foley)

State of Nevada  
County of Clark

On Jan. 13, 1976 before me, the undersigned Notary Public in and for said County and State, personally appeared Donald L. Bradshaw, Pres., Joseph M. Foley, sec., and Barbara J. Bradshaw, directors, constituting the entire board of Bradshaw, Inc.

Known to me to be the person(s) described in and whose name(s) is/are subscribed to the within instrument, and acknowledged to me that they executed the same.  
My commission expires:



[Signature]  
Notary Public in and for said County and State

BOOK 16 PAGE 291

Lincoln County

Lincoln County

**DESCRIPTION:**

**EXHIBIT "A"**

Situate in the County of Lincoln, State of Nevada

**PARCEL I:**

The Southeast Quarter (SE 1/4) of the Northwest Quarter (NW 1/4) and the East Half (E 1/2) of the Southwest Quarter (SW 1/4) of Section 11, Township 9 South, Range 67 East, M. D. B. & M.

**PARCEL II:**

The East Half (E 1/2) of the Southwest Quarter (SW 1/4), Lots Three (3) and Four (4) of Section 7, Township 7 South, Range 67 East, M. D. B. & M. The East Half (E 1/2) of the Southeast Quarter (SE 1/4) of Section 12, Township 7 South, Range 66 East, M. D. B. & M.

EXCEPTING the land so conveyed to Utah, Nevada, and California Railroad Company, by Deed recorded in Book "T" of Deeds, pages 347-8, to Trustees of Kiernan School District by Deed recorded in Book C-1 of Deeds, pages 32-3 to Los Angeles and Salt Lake Railroad Company by Deed recorded in Book C-1 of Deeds, pages 245-6, to Los Angeles and Salt Lake Railroad Company by Deed recorded in Book C-1 of Deeds, page 287, also the land conveyed to Rachael Schlarman by Deed recorded in Book F-1 of Real Estate Deeds, page 461, all recorded in the Office of the County Recorder of Lincoln County, Nevada.

**PARCEL III:**

The Southwest Quarter (SW 1/4) of the Northwest Quarter (NW 1/4) AND the West Half (W 1/2) of the Southwest Quarter (SW 1/4) of Section 11; the Northwest Quarter (NW 1/4) of the Northwest Quarter (NW 1/4); the South Half (S 1/2) of the Northwest Quarter (NW 1/4) and the Northeast Quarter (NE 1/4) of the Southwest Quarter (SW 1/4) of Section 14, Township 9 South, Range 67 East, M. D. B. & M.

**PARCEL IV:**

The Northeast Quarter (NE 1/4) of the Northwest Quarter (NW 1/4) of Section 14, Township 9 South, Range 67 East, M. D. B. & M.

Containing 680 acres, more or less.

Subject to existing rights of way.

TOGETHER with the following water rights as more fully described under filings in the State Engineer's Office of Nevada:

- (a) Application 3402, Certificate 2017, being a right to waters of Meadow Valley Wash for the irrigation of 39.8 acres of land in the Southeast quarter of the Northwest quarter and the East half of the Southwest quarter of Section 11, Township 9 South, Range 67 East, Mount Diablo Base and Meridian.
- (b) Proof of Appropriation 02274, being a right to the waters of Meadow Valley Wash for the irrigation of 87 acres of land in Section 7, Township 7 South, Range 67 East, and Section 12, Township 7 South, Range 66 East, Mount Diablo Base and Meridian.
- (c) Application 10346, Certificate 2702, being a right to waters of Rock Scaup for stock watering purposes in the Northeast quarter of the Southeast quarter of Section 20, Township 7 South, Range 66 East, Mount Diablo Base and Meridian.
- (d) Application, Permit 10062, being a right to the waters of Mud Springs for stock watering purposes in the Southwest quarter of the Northwest quarter of Section 13, Township 6 South, Range 67 East, Mount Diablo Base and Meridian.

ALSO TOGETHER with the following water rights as more fully described under filings made in the State Engineer's office of Nevada:

- (a) A portion of the water rights under Application, Permit 18410, being a right to the waters of Meadow Valley Wash Creek for storage for the irrigation of land in the Southeast quarter of the Northwest quarter and the East half of the Southwest quarter of Section 11, Township 9 South, Range 67 East, Mount Diablo Base and Meridian.
- (b) All of the water rights under Application, Permit 20212, Certificate #0039, being a right to underground water from a well located near the Northeast corner of the Southwest quarter of the Northwest quarter of Section 11 and used for the irrigation of land in the South half of the Northwest quarter and the Southwest quarter of Section 13, Township 9 South, Range 67 East, Mount Diablo Base and Meridian.

No. **60946**

FILED AND RECORDED AT REQUEST OF  
Title Ins. & Trust Co.  
Dec. 5, 1977

BOOK 16 PAGE 292

AT 1 MINUTES PAST 1 O'CLOCK  
P.M. IN BOOK 23 OF OFFICIAL  
RECORDS, PAGE 232 LINCOLN  
COUNTY, NEVADA  
DOMINICK BELINGHERI

*[Signature]* COUNTY RECORDER Deputy

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