

Lincoln County

REAL ESTATE MORTGAGE

THIS MORTGAGE, made this 10 day of March, 1982, between ELDON G. CRAWFORD, GEORGE C. CRAWFORD and EDRA B. CRAWFORD, of the County of Lincoln, State of Nebraska (hereinafter called "Mortgagors") and WELLS FARGO AG CREDIT CORP, a California corporation, 7801 East Bellevue Avenue, Englewood, Colorado 80111 (hereinafter called "WFAC").

WITNESSETH, THAT WHEREAS, the Mortgagors executed their Continuing Guaranty on even date herewith guaranteeing the obligations of Crawford Farms a Nevada General Partnership, under that First Addendum to the Credit Agreement of August 28, 1981, which Agreement may be extended and modified from time to time hereafter, and which Agreement entitles Crawford Farms to borrow principal sums from WFAC according to the terms thereof, which indebtedness is and shall be evidenced by the Promissory Notes of Crawford Farms, executed on this date and to be executed from time to time hereafter, with interest thereon and payable according to the terms thereof.

NOW THEREFORE, said Mortgagors, in consideration of these premises, and to secure in part the prompt payment of said Promissory Notes, and any other sums that may be added to the principal indebtedness under the terms of this instrument, and to secure the prompt performance of all promises, conditions and covenants related thereto, do hereby mortgage the hereinafter described real property for the sum of One Million Nine Hundred Eighty-Three Thousand Two Hundred Thirty-Five Dollars (\$1,983,235) and hereby warrant unto WFAC, its successors and assigns forever, all the following described property, lands and premises situate in the County of Lincoln, State of Nevada, to-wit:

That real property described and set forth in Exhibit A attached hereto and made a part hereof, together with all and singular the privileges and appurtenances thereunto belonging, including, but not limited to, all water, water rights, water privileges, ditches, ditch rights, ditch privileges, rights of way, headgates, flumes, wells, well equipment, pumps, pumping equipment, pumping accessories, sprinkler systems, fences, corrals, silos, warehouses, buildings, building fixtures, and building equipment, along with all other fixtures and equipment now or hereafter installed in, attached to or used in connection with the premises herein described.

In addition to the real property herein described, this Mortgage covers the rent, issues and profits derived and to be derived out of said real property. It is stipulated and agreed, however, that under the foregoing assignment and pledge of the rents, issues and profits from said real estate, collection of rents will be enforced only upon delinquency of the Mortgagors in complying with the terms and provisions of their Continuing Guarantees and this Real Estate Mortgage, or in the event that taxes assessed against said real estate become delinquent, WFAC is authorized and directed to assume the management and control of said property and is hereby directed to let, lease and collect the rents therefrom, without Process of Law or Order of Court, and upon receipt of written request from WFAC, all tenants of said premises hereby are directed to pay promptly all rent as it falls due, at the current place designated for payments in the said Credit Agreement and Promissory Notes, without further notice from the Mortgagors.

Lincoln County

THE SAID MORTGAGORS EXPRESSLY COVENANT AND AGREE:

To pay promptly when due, all taxes and assessments of every type or nature levied or assessed against the premises and any claim, lien or encumbrance against the premises which may be or may become prior to this Mortgage.

To maintain insurance on all improvements, fixtures and equipment on all premises against loss by fire, extended coverage, and other hazards commonly insured against by owners of like property, for the benefit of WFAC, in an amount of not less than the replacement value and in a Company acceptable to WFAC. In the event that an insurer elects to pay a fire or other hazard loss as damages in cash, rather than to repair, rebuild or replace the property lost or damaged, WFAC shall have the option to apply the proceeds of such cash settlement of fire or other hazard loss upon the sum hereby secured.

To waive all Homestead Exemptions and all other similar rights now vested or to be acquired.

Not to alienate nor to encumber to the prejudice of WFAC, or commit, permit, or suffer any waste, impairment or deterioration of said property and, regardless of natural depreciation, to keep said property and the improvements thereon at all times in good condition and repair. That WFAC shall have the right to have their authorized representative or representatives enter upon and inspect such premises at reasonable times, after notice of such proposed inspection has been given to said Mortgagors, and, in the event of any sale or transfer of the title to the property herein described, such purchaser or new owner shall be deemed to have assumed and agreed to pay the indebtedness owing to WFAC hereunder, whether or not the instrument evidencing such sale or transfer expressly so provides, and this covenant shall run with said real property and remain in full force and effect until said indebtedness is liquidated.

That if there shall be any conveyance of any nature or change of ownership, either legal or equitable, whether recorded or not, of the premises covered hereby, WFAC may declare the entire principal and all accrued interest due and payable at once, at the sole option and election of WFAC, and foreclosure proceedings may be instituted as for any other default hereunder.

That in the event of the refusal or neglect by Mortgagors to keep said property and the improvements thereon at all times in good repair, to pay promptly all taxes, fire and other hazard insurance premiums, assessments, levies, liabilities, obligations, principal or interest on this or any other encumbrance on said real property, or to perform any other agreement, condition, stipulation, or covenant as herein provided, WFAC may procure such things to be done at Mortgagors' expense and may make any reasonable expenditure or outlay thereon and add such amounts to the unpaid principal indebtedness then due WFAC and secured by the within Mortgage of Real Estate.

That WFAC shall have the right to file and defend suits at the expense of Mortgagors and in their names for the recovery of damages to the within described real property, or, at the expense of Mortgagors, to uphold the lien of this encumbrance and preserve its right hereunder, but shall incur no personal liability by their acts or omissions in managing, improving and conserving said security hereunder, or otherwise.

Lincoln County

That all sums expended as costs of such litigation, or advanced by WFAC, in any other contingency herein mentioned (including any attorney's fees reasonably incurred), shall be repaid by Mortgagors upon demand, or as may be expressly arranged with WFAC, and such sums with interest at the rate provided in and of the said Promissory Notes shall become so much additional indebtedness secured by this Mortgage of Real Estate and shall be a lien on said premises, prior to any right, title or interest attaching or accruing subsequent to such advances and expenditures, and shall be paid out of the proceeds of the sale of the property aforesaid, if not otherwise paid by the Mortgagors.

That if any portion of the encumbered property shall be condemned or taken for public use under the power of eminent domain, or in the event that the property shall be damaged either by public works or private acts, all damages and compensation therefor, to the extent of the remaining indebtedness under said Credit Agreement, Promissory Notes and this Mortgage of Real Estate, shall be paid to WFAC and shall be applied upon the obligations guaranteed.

Upon default by Mortgagors, under the terms of this Mortgage or the terms of any other instrument or document evidencing the obligations secured hereby, WFAC shall have the power to sell the aforesaid real property in accordance with §106.020 Nevada Revised Statutes.

That in the event of foreclosure and sale hereunder, the Mortgagors agree to pay a reasonable attorney's fee for legal services rendered in such foreclosure proceedings or suit.

It is further expressly understood and agreed that in the event of foreclosure and sale hereunder, the obligations of Mortgagors as set forth herein shall continue and remain in full force and effect during any applicable redemption period and during such period, the purchaser at the foreclosure sale may procure such things be done and make any reasonable expenditure or outlay thereon to fulfill said obligations, which amounts shall be an additional lien on the premises covered hereby.

That in the event the ownership of the encumbered property, or any part thereof, becomes vested in a person other than the Mortgagors, WFAC may, without notice to the Mortgagors, extend the time of payment of any or all of the installments or other payments herein covenanted to be made, and may deal with such new owner or owners with reference to this Mortgage of Real Estate and the debt hereby secured in the same manner as with the Mortgagors, without in any way vitiating or discharging the Mortgagors' liability hereunder, or upon the indebtedness hereby secured.

That no waiver, express or implied, of the performance of any obligation, agreement or covenant hereof, shall be deemed or taken to be a waiver of any other term, condition, obligation, agreement or covenant hereof and the indulgence of WFAC to the Mortgagors or their grantees in not exercising their option to declare the entire amount secured hereby to be due and payable upon the happening of any one of the events or conditions herein described, shall not, even though such indulgence be repeated or extended, be construed as a waiver of the right of WFAC to exercise such option at any time thereafter and without notice to the Mortgagors.

This Mortgage constitutes a Security Agreement under the Uniform Commercial Code of the State of Nevada (herein called the "Code") with respect to any part of the premises which may or

Lincoln County

might now hereafter be deemed to be personal property, fixtures or property other than real estate (for the purposes of this paragraph called "Collateral"); all of the terms, provisions, conditions and agreements contained in this Mortgage should pertain and apply to the Collateral as fully and to the same extent as to any other property covered; and, the following provisions of this paragraph shall not limit the generality or applicability of any other provision of this Mortgage but shall be an addition thereto.

It is further expressly understood and agreed that all covenants and agreements herein described shall extend to and be binding upon the heirs, executors, legal representatives, successors and assigns (voluntary and involuntary by operation of law) of the respective parties hereto.

IN WITNESS WHEREOF, the said Mortgagors have hereunto set their hands and seals the day and year first above written.

Eldon G. Crawford
Eldon G. Crawford

George C. Crawford
George C. Crawford

Edra B. Crawford
Edra B. Crawford

STATE OF COLORADO)
) ss.
County of DENVER)

Before me, the undersigned, a Notary Public, in and for said County and State, on this 10 day of March, 1982, personally appeared Eldon G. Crawford, George C. Crawford and Edra B. Crawford, to me known to be the identical persons who executed the within and foregoing instrument and acknowledged to me that they executed the same as their free and voluntary act and deed for the uses and purposes therein set forth.

In witness whereof I have hereunto set my official seal and affixed my notarial seal the day and year above written.

My commission expires: 5-1-85

Thomas J. Hamberger
Notary Public
Address: Box 274
THORPE CO. 80134

Signature for UCC only:

WELLS FARGO AG CREDIT CORP

By: David L. Noffsinger
David L. Noffsinger,
Vice President and Manager,
Denver Region

Lincoln County

EXHIBIT A

Situate in the County of Lincoln, State of Nevada, to-wit:

All of the Southwest quarter of the Southeast quarter (SW1/4 SE1/4) of Section 34, T1N., R69E., MDB 14., containing 40 acres, of land.

Also lots 2 and 3, and the South half of the Northwest quarter (S1/2 NW1/4) of Section 2, T1S., R69E., M.D.B. 4 N., Nevada, containing 117.79 acres, more or less.

Together with all of the waters of Flat Nose Creek, the waters of which have heretofore been used to irrigate the lands above described, saving and excepting therefrom the right to water, not to exceed 3100 head of sheep, or not to exceed 620 head of cattle at what is commonly known as the Sheep Pond Reservoir, which reservoir is filled from the waters of Flat Nose Creek located at the mouth of Gleason Canyon Wash, and at a point where said wash intersects with Flat Nose Wash in Lincoln County, Nevada, and also reserving sufficient of the waters of said Flat Nose Creek to keep said reservoir filled during the period from October 15 to April 30 of each year, which said exception and reservations are reserved unto the grantor of that Deed now recorded in book "H-1" of Real Estate Deeds at page 471 in the office of the County Recorder of Lincoln County, Nevada, and their grantees, successors and assigns.

Lots 1 and 2; South half Northeast quarter (S1/2 NE1/4) Section 3, T1S., R69E., M.D.B. 4 N., Nevada containing 117.64 acres;

Subject however to the restrictions and reservations set forth in that certain deed dated March 24, 1946 and recorded in book "X-1" of Real Estate Deeds, page 77, in the office of the Lincoln County Recorder, Lincoln County, Nevada;

Together with Deer Lodge Grazing Allotment No. 1026 consisting of 648 AUs (421 AUs suspended non-use and 167 active AUs);

Together with the interest of the Grantor in and to certificate of Appropriation No. 7596 (application No. 22240 being situate in Section 34, T1N., R69E., M.D.B. 14.);

Together with proof of appropriation No. 01795 (an undetermined right) for 36.3 acres filed in 1922.

No. 74871

FILED AND RECORDED AT REQUEST OF
WELLS Fargo & Co. +
Nov 18, 1982
AT 20 MINUTES PAST 3 O'CLOCK
P.M. IN BOOK 49 OF OFFICIAL
RECORDS, PAGE 211 LINCOLN
COUNTY, NEVADA
YURIKO SETZER
COUNTY RECORDER
Karen Henderson