

CASE NO. 5507

20 1978

Stewart Wilson

IN THE DISTRICT COURT OF THE SEVENTH JUDICIAL DISTRICT
OF THE STATE OF NEVADA, IN AND FOR THE COUNTY OF LINCOLN

MARK WOOD, individually,
MEADOW VALLEY LAND AND CATTLE)
COMPANY, a limited partner-)
ship, et al,)

Plaintiffs,)

vs.)

STEPHEN M. HARMSEN,
individually and as General)
Partner of the HARMSEN FAMILY)
LTD. Partnership, et al,)

Defendants.)

FINDINGS OF FACT
AND CONCLUSIONS OF LAW

This Motion for Preliminary Injunction having come on for hearing on November 9, 1984 and November 16, 1984, the Plaintiffs represented by the firm of Jones, Jones, Close & Brown, Chartered through Melvin D. Close, Jr., and the Defendants represented by the firm of Wilson & Barrows, Ltd. through Stewart Wilson, and the Court being fully advised, the Court now makes the following findings of fact and conclusions of law:

FINDINGS OF FACT

1. MARK A. WOOD (hereinafter referred to as "WOOD") and the CHURCH OF JESUS CHRIST OF LATTER DAY SAINTS (hereinafter referred to as "CHURCH") entered into a real estate sales contract (hereinafter referred to as "Contract") on September 27, 1978.

2. That Contract contained the following provisions, among others:

1
2 (a) WOOD would pay to the CHURCH the sum of two
3 million dollars (\$2,000,000.00) in cash;

4 (b) The CHURCH would convey certain water rights,
5 mineral rights, AUM's, personal property, approximately 1,470
6 acres of real property and approximately one thousand six hundred
7 (1,600) cattle, including approximately 800 cows, 100 bulls and
8 700 calves, heifers and steer, which were to be of the seller's
9 choosing;

10 (c) That said cattle were to be of "representative
11 quality, age and condition of the cattle presently on the ranch".

12 3. The CHURCH had two sub-ranches which were operated as
13 one ranch. The sub-ranches were known as the Conaway Ranch,
14 which included the Cliff Springs and Oak Springs AUM allotment,
15 and the Warm Springs Ranch which included the Warm Springs AUM
16 allotment.

17 4. Meadow Valley Land and Cattle Company (hereinafter
18 referred to as "Meadow Valley") was conveyed by Deed and Bill of
19 Sale the water rights, mineral rights, AUM's, personal property,
20 approximately 1,470 acres of real property and approximately
21 1,600 head of cattle which were of "seller's choosing" on or
22 about June 29, 1979. WOOD paid the CHURCH \$1,250,000 in cash and
23 the CHURCH agreed to take back a Note in the amount of \$750,000.
24 The Note was dated June 29, 1979 and was secured by a Deed of
25 Trust dated June 29, 1979 which was recorded on June 29, 1979 in
26 Book 30, Official Records, Page 471, Lincoln County, Recorder's
27 Office, Pioche, Nevada, file number 64610, and Security Agreement
28 dated June 28, 1979. The Deed of Trust covered approximately 500
29 acres and certain water rights and the Security Agreement covered
30 700 cows and 100 bulls.

31 5. Meadow Valley is now solely owned by WOOD.

32 6. Meadow Valley shipped approximately 52 head of cattle
to market in December 1979, and during that process one of the

Lincoln County

1 animals was found to be infected with a disease known as brucel-
2 losis (hereinafter referred to as "disease"). The slaughterhouse
3 notified Nevada Federal authorities. Meadow Valley was orally
4 notified by Dr. Robert Lynch, of the United States Department of
5 Agriculture, that due to the diseased animal the entire Meadow
6 Valley herd was under quarantine.

7
8 7. On or about January 20, 1980, a formal written Notice
9 of Quarantine was issued to Meadow Valley by the Nevada State
10 Department of Agriculture through Dr. Ronald Anderson.

11 8. On February 8, 1980 and February 19, 1980, 159 head of
12 cattle were tested at the Home Ranch for the disease. None of
13 the animals were found to be diseased.

14 9. On February 20, 1980, Meadow Valley and the CHURCH
15 modified the Note and Deed of Trust dated June 29, 1979 whereby
16 WOOD and his wife, Nella B. Wood, on February 20, 1980 executed a
17 Note in the amount of \$200,000 secured by a Deed of Trust on a
18 specific portion of Meadow Valley property which was released by
19 the CHURCH from the Deed of Trust dated June 29, 1979. The
20 Meadow Valley Note dated June 29, 1979 was reduced to \$550,000,
21 the interest rate increased and the term of the Note extended.
22 The Deed of Trust dated February 20, 1980 was recorded February
23 21, 1980 in Book 35 of Official Records, Page 474, Lincoln
24 County, Recorder's Office, Pioche, Nevada, file number 67513.

25 10. WOOD testified that on or about February 20, 1980, he
26 notified Clair Bankhead, a representative of the CHURCH, that the
27 entire herd was in quarantine due to the disease.

28 11. On June 4, 5, 6, 1980, 638 animals tested at the Home
29 Ranch and Oak Springs, 6 were found to be diseased (approximately
30 1%), and 10 were suspected of being diseased.

31 12. On June 19 and 20, 1980, 215 animals were tested at
32 Cliff Springs, 79 were found to be diseased (approximately 39%)
and 6 were suspected of being diseased.

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1
2 13. On July 15, 1980, 109 animals were tested at Cliff
3 Springs and 11 were found to be diseased (approximately 10%).

4 14. Due to the pervasiveness and spread of the disease at
5 Cliff Springs, the Federal representatives strongly advised that
6 all of the animals at Cliff Springs be sent to slaughter and that
7 the Cliff Springs Ranch allotment be held barren and without any
8 cattle thereon for a period of one year. The recommendation was
9 followed by Meadow Valley.

10 15. From July 16, 1980 to December 23, 1980, the cattle at
11 the Home Ranch and Oak Springs were rounded up and tested 11
12 times. Twenty-three animals were found to be diseased and 32
13 were suspected of being diseased.

14 16. Meadow Valley was released from quarantine on December
15 27, 1981, but Meadow Valley remained subject to a "Hold Order"
16 pending assurance tests by State and Federal authorities.

17 17. All diseased animals upon detection were branded with a
18 "B" and sent forthwith to slaughter. Suspects were branded with
19 an "S" but could remain in the herd pending confirmation of the
20 disease.

21 18. Following the release from quarantine and during the
22 "Hold Order" period, the herd at Oak Springs was retested several
23 times and 22 suspects were found but no diseased animals.

24 19. On December 17, 1982, the "Hold Order" on Meadow Valley
25 was released.

26 20. Dr. Robert Lynch, the Federal Veterinarian who per-
27 formed the tests at Meadow Valley, tested the cattle on each
28 adjacent ranch and partially on the remaining cattle owned by the
29 CHURCH at Warm Springs. All of the cattle tested were found to
30 be disease-free.

31 21. Previous to June 29, 1979, Meadow Valley, then known as
32 the Conaway Ranch, and the Warm Springs Ranch and all of the
cattle, were owned by Summa Corporation. Summa Corporation sold

1 the cattle and the Warm Springs Ranch and Conaway Ranch to the
2 CHURCH. The CHURCH sold that portion of their ranch known as the
3 Conaway Ranch to Meadow Valley.
4

5 22. Kimmer Jensen was the Conaway sub-ranch cow foreman for
6 Summa Corporation, the CHURCH and Meadow Valley until 1984. Both
7 WOOD and Jensen testified that Meadow Valley introduced no cattle
8 into the Meadow Valley herd after June 29, 1979, the date of
9 transfer to Meadow Valley.

10 23. The disease is transmitted by direct contact with
11 brucellosis bacteria.

12 24. Dr. Robert Lynch and Dr. Ronald Anderson, the State of
13 Nevada Veterinarian, both testified, and this Court finds, that
14 the cattle were diseased prior to June 29, 1979, the date of
15 transfer to Meadow Valley.

16 25. That as of November 15, 1984, the inventory of animals
17 on Meadow Valley shows 866 breedable cows and heifers and 62
18 yearling and older bulls. There are 366 calves, heifers, steer
19 and other cattle which should be culled from the herd.

20 26. That it was the intention of the parties in executing
21 the Security Agreement to provide security rights to the CHURCH
22 to approximately 800 cows and 100 bulls, and that the calves,
23 steer and heifers could be sold in the market as well as other
24 cattle, as may be required by good ranching practice to eliminate
25 diseased, sterile or infirm cattle.

26 27. That the Security Agreement provides in Article IV,
27 paragraph 1, that "the debtor (Meadow Valley) waives all right to
28 assert against the assignee of the secured party (Harmsen) or any
29 subsequent assignee any defense, counterclaim, or set off which
30 he could assert against the secured party (CHURCH)."

31 28. That the CHURCH assigned all of its right, title and
32 interest to Harmsen and/or the Harmsen Family Ltd. Partnership,
and that Harmsen substituted Dayle R. Robertson as trustee under

Lincoln County

1 the Deeds of Trust.

2 29. Dayle R. Robertson, as substituted trustee, has
3 recorded "Notice of Breach and Election to Sell Under Deed of
4 Trust" on that Deed of Trust dated June 29, 1979. That Notice
5 was recorded on July 16, 1984 in in Book 60, Official Records,
6 Page 517, Lincoln County, Recorder's Office, Lincoln County,
7 Nevada, file number 80376. Dayle R. Robertson has recorded
8 "Notice of Breach and Election to Sell Under Deed of Trust" on
9 that Deed of Trust dated February 20, 1980. That Notice was
10 recorded on July 17, 1984 in Book 60, Official Records, Page 519,
11 file number 80377. Dayle R. Robertson has given "Trustee's
12 Notice of Sale" on both Deeds of Trust, and that said sale is
13 scheduled to take place on November 26, 1984 at 2:00 P.M. at the
14 Lincoln County Courthouse.

15 30. During a previous hearing between the Harmsen Family
16 Ltd. Partnership and WOOD, testimony was adduced that the cattle
17 on the ranch were unique in that they were accustomed to the
18 range, forage and water holes. The Meadow Valley land is unique
19 and is adjacent to other property owned by WOOD. The loss of
20 cattle and the real property by sale under the Deed of Trust and
21 the Security Agreement would result in irreparable harm and
22 damage to WOOD.

23 Based on the foregoing findings of fact, the Court concludes
24 as a matter of law:

25 1. That WOOD and the CHURCH entered into a contract
26 on September 27, 1978;

27 2. That on or about June 29, 1979, the terms of
28 payment of the purchase price to the CHURCH were modified and
29 Meadow Valley paid \$1,250,000 in cash and executed a Note in the
30 amount of \$750,000 secured by a Deed of Trust and Security
31 Agreement;

32 3. That the June 29, 1979 Note and Deed of Trust were

1 modified on February 20, 1980 by the release of certain land from
2 the Deed of Trust dated June 29, 1979, the execution of a Note in
3 the amount of \$200,000 by MARK A. WOOD and NELLA B. WOOD dated
4 February 20, 1980, secured by a Deed of Trust on the released
5 parcel, a reduction in principal of the \$750,000 Note to
6 \$550,000, an increase of interest and an extension of the time of
7 payment of the Note dated June 29, 1979;

8 4. That the Harmsen Family Ltd. Partnership is the
9 assignee of both of the Notes, Deeds of Trust and Security
10 Agreement from the CHURCH and that WOOD is the assignee from
11 Meadow Valley;

12 5. That on June 29, 1979, the CHURCH breached its
13 Contract with Meadow Valley when it sold diseased cattle to
14 Meadow Valley;

15 6. That WOOD is not required to introduce evidence
16 during the motion for preliminary injunction, to show his ability
17 to pay the undetermined amount of principal and interest, if any,
18 which may be found to be owing on the Notes following trial on
19 the merits;

20 7. That the provisions in Article IV, paragraph 1, of
21 the Security Agreement which purport to prevent WOOD from assert-
22 ing "any defense, counterclaim or set off" against the Harmsen
23 Family Ltd. Partnership, the assignee from the CHURCH, is uncon-
24 scionable, an adhesion contract, and against the public policy of
25 the State of Nevada and as a matter of law is unenforceable;

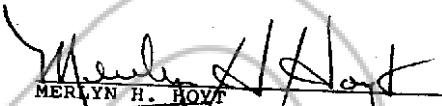
26 8. That the Harmsen Family Ltd. Partnership is
27 subject to the defenses, counterclaims or set offs which WOOD may
28 have against the CHURCH;

29 9. That WOOD can sell the cattle on the ranch in
30 excess of approximately 700 cows and 100 bulls but that the adult
31 herd shall be maintained at those approximate levels. WOOD shall
32 make an accounting to the Court and to Stewart Wilson, attorney

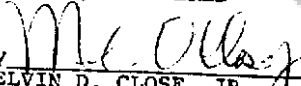
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for all defendants, of any sale which is made pending the trial on the merits on further order of this Court. The use of the proceeds of any sale shall be used for the operation and maintenance of Meadow Valley.

DATED this 20th day of November, 1984.


MERVYN H. HOYT
District Court Judge

JONES, JONES, CLOSE
& BROWN, CHARTERED

By 
MELVIN D. CLOSE, JR.
Attorneys for Plaintiffs
300 So. Fourth Street, #700
Las Vegas, Nevada 89101-6064

RECEIPT OF COPY

RECEIPT OF A COPY of the foregoing FINDINGS OF FACT AND CONCLUSIONS OF LAW is hereby acknowledged this 20th day of November, 1984.

WILSON & BARROWS, LTD.

By 
Attorneys for Defendants

Lincoln County

THIS DEED OF TRUST, made this 29th day of June, 1979, between Meadow Valley Land & Cattle Company, a general partnership

herein called GRANTOR or TRUSTOR, whose mailing address is c/o 300 South Fourth Street, Suite 700, Las Vegas, NV 89101

LAND TITLE OF NEVADA INC. a NEVADA corporation, herein called Trustee, and The Corporation of the Presiding Bishop of the Church of Jesus Christ of Latter Day Saints, a Utah corporation sole

herein called BENEFICIARY. Seven Hundred Fifty Thousand and no/100 DOLLARS. WITNESSETH THAT WHEREAS Trustor has borrowed and received from Beneficiary in lawful money of the United States the sum of 750,000.00 and has agreed to repay the same, with interest, to Beneficiary in lawful money of the United States according to the terms of a promissory note of even date here-with, executed and delivered therefor by Trustor;

NOW THEREFORE for the purpose of securing each agreement of the Trustor herein contained including payment of the said promissory note and of any money with interest thereon that may be advanced by or otherwise become due to Trustee or Beneficiary under the provisions hereof and for the purpose of securing payment of such additional sums as may hereafter be advanced for the account of Trustor by Beneficiary with interest thereon, TRUSTOR irrevocably GRANTS AND TRANSFERS TO TRUSTEE, IN TRUST WITH POWER OF SALE, all that property in Lincoln County, Nevada, described as:

All of that property described in Exhibit A attached hereto and incorporated herein.

Trustor agrees to the terms and provisions contained in the Rider attached hereto and incorporated herein as Exhibit B.

TOGETHER WITH all appurtenances in which Trustor has any interest, including water rights benefiting said realty whether represented by shares of a company or otherwise and TRUSTOR ALSO ASSIGNS to Beneficiary all rents, issues and profits of said realty, reserving the right to collect and use the same except during continuance of some default hereunder and during continuance of such default, authorizing Beneficiary to collect and enforce the same by any lawful means in the name of any party herein.

TO HAVE AND TO HOLD said property upon and subject to the trusts and agreements herein set forth and incorporated herein by reference. The following covenants, Nos. 1, 2, 3, 4, 5, 6, 7, 8 and 9 of NRS 107.030 are hereby adopted and made a part of this deed of trust, EXCEPT ONLY that the amounts agreed upon by the parties to this instrument with respect to covenants Nos. 2, 4 and 7 incorporated by reference of such trusts and agreements is respectively as follows: Covenant No. 2, for replacement; Covenant No. 4, for (10) %; Covenant No. 7, reasonable. Such provisions so incorporated shall have the same force and effect as though specifically set forth and incorporated verbatim in this deed of trust.

THE UNDERSIGNED TRUSTOR REQUESTS that a copy of any notice of default and any notice of sale hereunder be mailed to him at the address hereinbefore set forth.

IN WITNESS WHEREOF, Grantor has executed this instrument.

Signature of Trustor:

By: Mark and Nella B. Wood Trust R 501, General Partner
Gordon J. Leenerts Nella B. Wood Trustee
Gordon J. Leenerts, General Partner Mark A. Wood, Trustee
Kent H. Swensen, General Partner

STATE OF NEVADA,

COUNTY OF Clark

On this 29th day of June, 1979

personally appeared before me, a Notary Public in and for said County, Gordon J. Leenerts, Nella B. Wood and Mark A. Wood

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

WITNESS my hand and official seal.

Arthur J. No. 100
Notary Public in and for said County and State.

(If executed by a corporation, the corporation form of acknowledgment must be used)

(NOTARIAL SEAL)

Notary Public State of Nevada
CLARK COUNTY
D. J. [unclear]
[unclear]

Order No. 78-8370 PH
LAND TITLE OF NEVADA, INC.
823 SOUTH THIRD STREET
LAS VEGAS NEVADA 89101

61610
LAND TITLE OF Nev.
JUNE 29, 1979
P. 30
471

Guillermo Lopez

Lincoln County

EXHIBIT "A"

The East Half (E $\frac{1}{2}$) of the Southeast Quarter (SE $\frac{1}{4}$) and the Southwest Quarter (SW $\frac{1}{4}$) of the Southeast Quarter (SE $\frac{1}{4}$) of Section 13, Township 4 South, Range 66 East, M. D. B. & M., and all that portion of the West Half (W $\frac{1}{2}$) of Section 18, Township 4 South, Range 67 East, M. D. B. & M., lying West of State Highway No. 55 and all that portion of the West Half (W $\frac{1}{2}$) of the Northwest Quarter (NW $\frac{1}{4}$) of Section 19, Township 4 South, Range 67 East, lying West of State Highway No. 55 and the East Half (E $\frac{1}{2}$) of the Northeast Quarter (NE $\frac{1}{4}$) and Southeast Quarter (SE $\frac{1}{4}$) of the Southwest Quarter (SW $\frac{1}{4}$) of Section 24, Township 4 South, Range 66 East, M. D. B. & M., and that portion of the Southeast Quarter (SE $\frac{1}{4}$) of Section 24, Township 4 South, Range 66 East, M. D. B. & M., lying West of State Highway No. 55 and all that portion of the East Half (E $\frac{1}{2}$) of the Northwest Quarter (NW $\frac{1}{4}$) of Section 25, Township 4 South, Range 66 East, M. D. B. & M., lying West of the Union Pacific Railroad right of way.

Excepting therefrom that portion of the above described land heretofore conveyed to the incorporated City of Caliente by Deed recorded in Book "L-1" of R.E. Deeds, page 345.

Also excepting therefrom that portion of the above described land heretofore conveyed to Lincoln County Post No. 23 American Legion, the Hugh Jacobson Post No. 7114 V.F.W and Barracks No. 2287 Veterans of World War I of U.S.A., by Deed recorded in Book "L-1" of R.E. Deeds at page 346.

Also excepting that portion of the above described land heretofore conveyed to Ronal Young and Betty Young, husband and wife by Deed recorded in Book "K-1" of Real Estate Deeds at page 356.

Also, except that portion conveyed to the United States of America by Deed recorded July 26, 1963 in Book "M-1" of Real Estate Deeds at page 163.

Also except that portion conveyed to Ronal Young et ux by Deed recorded September 3, 1969 in Book "N-1" of R.E. Deeds at page 440.

Also except those portions conveyed to the Board of Co. Commissioners by Deed recorded May 27, 1936 in Book "E-1" of R.E. Deeds at page 91 and recorded May 27, 1936 in Book "E-1" of R.E. Deeds at page 90.

Also except an undivided 1/2 interest in that portion of the Southwest Quarter (SW $\frac{1}{4}$) of the Southeast Quarter (SE $\frac{1}{4}$) of said Section 7 lying within the Meadow Valley Wash.

Also except that portion of the Southwest Quarter (SW $\frac{1}{4}$) of the Southeast Quarter (SE $\frac{1}{4}$) of said Section 7 lying South of U.S. Highway 93.

Also except that portion of Section 7 beginning at a point on the East boundary of the Northwest Quarter (NW $\frac{1}{4}$) of the Southeast Quarter (SE $\frac{1}{4}$) of Section 7, Township 4 South, Range 67 East, M.D.B. & M., a point common with the Southwest corner of the Holt Addition to the City of Caliente, Nevada thence South 44°29' West 208.71 feet; thence North 45°31' West 208.71 feet; thence North 44°29' East 422.10 feet; thence South 00°07' West 298.49 feet to the Point of Beginning.

Except the interest in that portion of said land conveyed to County of Lincoln State of Nevada by Deed recorded January 6, 1975 in Book "12" of Official Records at page 41.

Excepting from the entire of the above described any and all rights of way heretofore granted by the Grantors herein or their predecessors in interest to the Union Pacific Railroad Co., and its predecessors in interest and to the State of Nevada for Highway purposes, which said rights of way are on file and of record in the Office of the County Recorder of said Lincoln County, Nevada.

EXHIBIT A

Lincoln County

MEADOW VALLEY LAND & CATTLE COMPANY

WATER RIGHTS

	<u>Name of Water</u>	<u>Identification</u>	
1	Indian Spring No. 1	Proof 01022	Cert. 61
2	Indian Spring No. 2	Proof 01022	Cert. 62
3	George Blythe Spring	Proof 01022	Cert. 57
4	Oak and Grassy Spring	Proof 01027	Cert. 5
5	Meadow Valley Creek	Proof 01284	
6	Robinson Seeps	Proof 01398	
7	Rabbit Spring	Proof 01549	
8	South Willow Spring	Proof 02321	
9	Nelson Well	Proof 02350	
10	Cliff Spring	Permit 780 ✓	Cert. 566
11	Cyclone & Redrock Spring	Permit 780	Cert. 566
12	Meadow Valley Creek	Permit 2873	Cert. 237
13	Cottonwood Spring	Permit 3270	Cert. 269
14	Bristol Lake Reservoir #1	Permit 3875 ✓	Cert. 724
15	Bristol Lake Reservoir	Permit 3876 ✓	Cert. 725
16	Bristol Lake Reservoir #2	Permit 3878	Cert. 726
17	Point of Rock Spring	Permit 3879	Cert. 1090
18	Delamar Flat Reservoir (also known as Mackie Reservoir)	Permit 4462 (Amended Cert. 3186)	Cert. 1759
19	Canyon Spring No. 2	Permit 4696	Cert. 732
20	Canyon Spring No. 1	Permit 4697	Cert. 733
21	Dana Spring	Permit 4972	Cert. 734
22	Cedar Wash	Permit 5011	Cert. None
23	Point of Rock Reservoir	Permit 5316	Cert. 581
24	Theriot Reservoir (also known as Knoll Pond Reservoir and Watershed of Pahroc and Boulder Range)	Permit 5318	Cert. 582
25	West Side Spring	Permit 6094	Cert. 105(3)
26	Pace Spring (also known as Conaway Spring)	Permit 6095	Cert. 1054
27	Cedar Wash Reservoir No. 1	Permit 8800	Cert. None
28	Abandoned Spring	Permit 8921	Cert. 170(0)
29	Cliff Spring Reservoir	Permit 9618	Cert. 2107
30	Meadow Valley Wash	Permit 9935	Cert. 2483
31	Grassy Spring	Permit 10189	Cert. 2403
32	Seven Oaks Seep	Permit 10551	Cert. 259(5)
33	Mona Spring	Permit 10629	Cert. 259(6)
34	Buckboard Spring	Permit 10655	Cert. 261(1)
35	Willow Spring	Permit 10656	Cert. 26(12)
36	West Oak Spring	Permit 10747	Cert. 280(5)
37	Bishop Spring	Permit 10897	Cert. 2770
38	Horn Spring	Permit 11378	Cert. 404(7)
39	Tunnel Spring #1 (an undivided 1/4 interest)	Permit 12388	Cert. 4085
40	Underground Well	Permit 18910	Cert. 7014
41	Underground Well	Permit 28558	Cert. 9055
42	Underground Well	Permit 28559	Cert. 9056
43	Underground Well	Permit 28560	Cert. 9057
44	Underground Well	Permit 29338	Cert. 9059
45	Underground Well	Permit 31044	
46	Underground Well	Permit 31045	

EXHIBIT A

Lincoln County

DEED OF TRUST

THIS DEED OF TRUST, made this 20th day of February, 1980, between MARK A. WOOD and NELLA A. WOOD, husband and wife, herein called Grantor or Trustor, whose mailing address is c/o 300 South Fourth Street, Suite 700, Las Vegas, Nevada, 89101, LAND TITLE OF NEVADA, INC., a Nevada corporation, herein called Trustee, and CORPORATION OF THE PRESIDING BISHOP OF THE CHURCH OF JESUS CHRIST OF LATTER-DAY SAINTS, herein called Beneficiary,

W I T N E S S E T H:

THAT, WHEREAS Trustor has borrowed and received from Beneficiary, in lawful money of the United States, the sum of TWO HUNDRED THOUSAND DOLLARS (\$200,000.00), and has agreed to repay the same, with interest, to Beneficiary in lawful money of the United States according to the terms of a promissory note of even date herewith, executed and delivered therefor by Trustor,

NOW, THEREFORE, for the purpose of securing each agreement of the Trustor herein contained, including payment of the said promissory note and of any money with interest thereon that may be advanced by or otherwise become due to Trustee or Beneficiary under the provision hereof and for the purpose of securing payment of such additional sums as may hereafter be advanced for the account of Trustor by Beneficiary with interest thereon, TRUSTOR irrevocably GRANTS AND TRANSFERS TO TRUSTEE, in TRUST WITH POWER OF SALE, all that property in Lincoln County, Nevada, described as:

The South 1/2 of the South 1/2 of the Northwest 1/4 of the Northwest 1/4 of Section 18, excluding the Union Pacific Railroad Right-of-Way, approximately 9.9 acres. The North 1/2 of the Southwest 1/4 of the Northwest 1/4 of Section 18 west of the Union Pacific Railroad Right-of-Way, approximately 17.3 acres. The North 1/2 of the South 1/2 of the Southwest 1/4 of the Northwest 1/4 of Section 18 west of the Union Pacific Railroad Right-of-Way, approximately 6.8 acres. The South 1/2 of the South 1/2 of the Northeast 1/4 of the Northwest 1/4 west of the Union Pacific Railroad Right-of-Way, approximately 1.7 acres. All a part of Township 4 South, Range 67 East, M.D.B. & M.

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Lincoln County

Trustor agrees to the terms and provisions contained in the Rider attached hereto and incorporated herein as Exhibit "B".

TOGETHER with all appurtenances in which Trustor has any interest, including water rights benefiting said realty whether represented by shares of a company or otherwise; and

TRUSTOR ALSO ASSIGNS to Beneficiary all rents, issues and profits of said realty, reserving the right to collect and use the same except during continuance of some default hereunder and during continuance of such default, authorizing Beneficiary to collect and enforce the same by any lawful means in the name of any party hereto.

TO HAVE AND TO HOLD said property upon and subject to the trusts and agreements herein set forth and incorporated herein by reference. The following covenants, Nos. 1,2,3,4,5, 6,7,8 and 9 of NRS 107.030 are hereby adopted and made a part of this Deed of Trust, EXCEPT ONLY that the amounts agreed upon by the parties to this instrument with respect to covenants Nos. 2, 4 and 7 incorporated by reference of such trusts and agreements is respectively as follows: Covenant No. 2, \$ replacement value; Covenant No. 4, twelve and one-half percent (12-1/2%); Covenant No. 7, reasonable %. Such provisions so incorporated shall have the same force and effect as though specifically set forth and incorporated verbatim in this Deed of Trust.

IT IS AGREED that this Deed of Trust shall not be reconveyed unless that Deed of Trust dated and recorded June 29, 1979, as document No. 64610 in Book 30 of Official Records, at Page 471, in the Office of the County Recorder of Lincoln County, Nevada, is reconveyed contemporaneously therewith.

THE UNDERSIGNED TRUSTOR REQUESTS that a copy of any notice of default and any notice of sale hereunder be mailed to him at the address hereinabove set forth.

Lincoln County

IN WITNESS WHEREOF, Grantor has executed this instrument.

Mark A. Wood
MARK A. WOOD

Nella B. Wood
NELLA B. WOOD

STATE OF NEVADA)
) ss.
COUNTY OF CLARK)

On the 2nd day of February, 1980, personally appeared before me MARK A. WOOD and NELLA B. WOOD, husband and wife, the signers of the within instrument, who duly acknowledged to me that they executed the same.

Wanda Humphreys
NOTARY PUBLIC in and for said
County and State
Residing in Las Vegas, Nevada



Notary Public - State of Nevada
CLARK COUNTY
Wanda Humphreys
My Comm. Expires, Aug. 29, 1981

NOTICE OF BREACH AND ELECTION TO SELL
UNDER DEED OF TRUST

NOTICE IS HEREBY GIVEN:

That DAYLE R. ROBERTSON is the substituted Trustee under a Deed of Trust dated June 29, 1979, executed by MEADOW VALLEY LAND AND CATTLE COMPANY, a General Partnership, as Trustor, to secure a Note secured by Deed of Trust, in favor of THE CORPORATION OF THE PRESIDING BISHOP OF THE CHURCH OF JESUS CHRIST OF LATTER DAY SAINTS, a Utah corporation sole, as Beneficiary, recorded June 29, 1979, in Book 30, Official Records, page 471, Lincoln County Recorder's Office, Pioche, Nevada, File No. 64610.

That a breach of the obligation for which such Deed of Trust is security, has occurred in that:

The Trustor has failed to make the principal balance of the Note Secured By Deed of Trust. The principal balance is \$550,000 due in full on or before July 1, 1982, together with accrued interest from July 1, 1980 until date hereof.

(By specifying the foregoing default, the Beneficiary is in no way waiving any and all other known or unknown defaults of any name or nature which may now exist or accrue in the future.)

That by reason thereof, the Trustee under said Deed of Trust, does hereby declare all sums secured thereby immediately due and has elected and does hereby elect to cause the trust property to be sold to satisfy the obligations secured thereby.

DATED: July 5, 1984

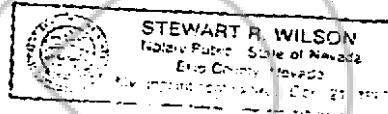

DAYLE R. ROBERTSON

Lincoln County

STATE OF NEVADA,)
) SS.
COUNTY OF ELKO.)

On July 5, 1984, personally appeared before me,
a Notary Public, DAYLE R. ROBERTSON, who acknowledged that he
executed the above instrument.

[Signature]
NOTARY PUBLIC



64376

No. 64376
FILED AND RECORDED AT REQUEST OF
Wilson & Barrows, Ltd.
July 16, 1984
AT 1 MINUTES PAST 1 O'CLOCK
P.M. IN BOOK 60 OF OFFICIAL
RECORDS, PAGE 517 LINCOLN
COUNTY, NEVADA.
YIPKO SEITZER
COUNTY RECORDER

[Signature], Deputy

BOOK 60 PAGE 518

WILSON AND BARROWS, LTD.
ATTORNEYS AT LAW
P. O. BOX 300
ELKO, NEVADA 89801-0300

NOTICE OF BREACH AND ELECTION TO SELL
UNDER DEED OF TRUST

NOTICE IS HEREBY GIVEN:

That DAYLE R. ROBERTSON is the substituted Trustee under a Deed of Trust dated February 20, 1980, executed by MARK A. WOOD and NELLA A. WOOD, Husband and Wife, as Trustors, to secure a Note secured by Deed of Trust, in favor of the CORPORATION OF THE PRESIDING BISHOP OF THE CHURCH OF JESUS CHRIST OF LATTER DAY SAINTS, a Utah corporation sole, as Beneficiary, recorded February 21, 1980, in Book 35, Official Records, page 474, Lincoln County Recorder's Office, Pioche, Nevada, File No. 67513.

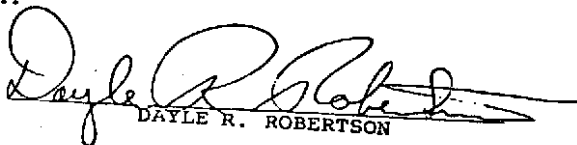
That a breach of the obligation for which such Deed of Trust is security, has occurred in that:

The Trustor has failed to make the principal balance of the Note Secured By Deed of Trust. The principal balance is \$200,000.00 due in full on or before July 1, 1982, together with accrued interest from February 21, 1980 until date hereof.

(By specifying the foregoing default, the Beneficiary is in no way waiving any and all other known or unknown defaults of any name or nature which may now exist or accrue in the future.)

That by reason thereof, the Trustee under said Deed of Trust, does hereby declare all sums secured thereby immediately due and has elected and does hereby elect to cause the trust property to be sold to satisfy the obligations secured thereby.

DATED: July 5, 1984.


DAYLE R. ROBERTSON

WILSON AND BARNOWS, LTD.
ATTORNEYS AT LAW
P. O. BOX 389
ELKO, NEVADA 89801-0389

BOOK 60 PAGE 519

EXHIBIT A 1.

Lincoln County

STATE OF NEVADA,)
) SS.
COUNTY OF ELKO.)

On July 5, 1984, personally appeared before me, a Notary Public, DAYLE R. ROBERTSON, who acknowledged that he executed the above instrument.

[Handwritten Signature]
NOTARY PUBLIC

STEWART R. WILSON
Notary Public - State of Nevada
Elko County Nevada
My appointment expires Dec. 21, 1987

No. 86377
FILED AND RECORDED AT REQUEST OF
Wilson & Barrows, Ltd.
July 16, 1984
AT 1 MINUTES PAST 1 O'CLOCK
P. M. IN BOOK 60 OF OFFICIAL
RECORDS, PAGE 519 LINCOLN
COUNTY, NEVADA.

YVETTE SEIZER
COUNTY RECORDER
By [Handwritten Signature], Deputy

WILSON AND BARROWS, LTD.
ATTORNEYS AT LAW
P. O. BOX 300
ELKO, NEVADA 89601-0300

BOOK 60 PAGE 520

2.

BOOK 63 PAGE 168

TRUSTEE'S NOTICE OF SALE

On November 26, 1984, at 2:00 p.m., DAYLE R. ROBERTSON, as Trustee under Deed of Trust dated June 29, 1979, recorded June 29, 1979, in Book 30, Official Records, page 471, File No. 64610, in the Office of the Recorder of Lincoln County, Nevada, and securing, among other obligations, a note in the amount of \$750,000.00, dated June 29, 1979, in favor of THE CORPORATION OF THE PRESIDING BISHOP OF THE CHURCH OF JESUS CHRIST OF LATTER DAY SAINTS, a Utah corporation sole, by reason of now continuing default in the payment or performance of obligation secured by said Deed of Trust, including the breach or default notice of which was recorded in the Office of the County Recorder of Lincoln County, Nevada, and mailed to the Trustors by the Beneficiary and the Trustee more than three months prior to the date hereof, will sell at public auction to the highest bidder for cash, lawful money of the United States of America, in the Lincoln County Court House, Pioche, Nevada, all right, title and interest now held by him under said Deed of Trust in the property situate in the County of Lincoln, Nevada, described as follows:

(See Exhibit A attached hereto.)

TOGETHER WITH all appurtenances, water rights and rights of way, including all shares, of which Trustor has any interest, of the capital stock of any water company, the water represented by which stock is used on or is in anywise appurtenant to aforesaid premises.

Said sale will be made (without covenant, or warranty, express or implied, regarding title, possession, or encumbrances) to pay the unpaid principal of said note, to-wit: \$550,000.00, with interest from July 1, 1980, as in said note provided, advances, if any, under the terms of said Deed of Trust, and

WILSON, WILSON AND BARROWS, LTD.
ATTORNEYS AT LAW
P. O. BOX 345
ELKO, NEVADA 89801-0345

1. 0

Lincoln County

fees, charges and expenses of the Trustee and of the trusts
created by said Deed of Trust.

DATED: October 23, 1984.

DAYLE R. ROBERTSON, TRUSTEE

COPY

WILSON, WILSON AND BARROWS, LTD.
ATTORNEYS AT LAW
P. O. BOX 399
ELKO, NEVADA 89601-0399

Lincoln County

the East Half (E $\frac{1}{2}$) of the Southeast Quarter (SE $\frac{1}{4}$) and the Southwest Quarter (SW $\frac{1}{4}$) of the Southeast Quarter (SE $\frac{1}{4}$) of Section 13, Township 4 South, Range 66 East, M. D. B. & M., and all that portion of the West Half (W $\frac{1}{2}$) of Section 18, Township 4 South, Range 67 East, M. D. B. & M., lying West of State Highway No. 55 and all that portion of the West Half (W $\frac{1}{2}$) of the Northwest Quarter (NW $\frac{1}{4}$) of Section 19, Township 4 South, Range 67 East, lying West of State Highway No. 55 and the East Half (E $\frac{1}{2}$) of the Northeast Quarter (NE $\frac{1}{4}$) and the Southeast Quarter (SE $\frac{1}{4}$) of the Southwest Quarter (SW $\frac{1}{4}$) of Section 24, Township 4 South, Range 66 East, M. D. B. & M., and that portion of the Southeast Quarter (SE $\frac{1}{4}$) of Section 24, Township 4 South, Range 66 East, M. D. B. & M., lying West of State Highway No. 55 and all that portion of the East Half (E $\frac{1}{2}$) of the Northwest Quarter (NW $\frac{1}{4}$) of Section 25, Township 4 South, Range 66 East, M. D. B. & M., lying West of the Union Pacific Railroad Right of Way.

Excepting therefrom that portion of the above described land heretofore conveyed to the incorporated City of Caliente by Deed recorded in Book "L-1" of R.E. Deeds, page 45.

Also excepting therefrom that portion of the above described land heretofore conveyed to Lincoln County Post No. 23 American Legion, the Hugh Jacobson Post No. 7114 V.F.W and Branch No. 2287 Veterans of World War 1 of U.S.A., by Deed recorded in Book "L-1" of R.E. Deeds at page 346.

Also excepting that portion of the above described land heretofore conveyed to Ronald Young and Betty Young, husband and wife by Deed recorded in Book "K-1" of Real Estate Deeds at page 356.

Also, except that portion conveyed to the United States of America by Deed recorded July 26, 1963 in Book "M-1" of Real Estate Deeds at page 163.

Also except that portion conveyed to Ronald Young et ux by Deed recorded September 3, 1966 in Book "N-1" of R.E. Deeds at page 440.

Also except those portions conveyed to the Board of Co. Commissioners by Deed recorded May 27, 1936 in Book "E-1" of R.E. Deeds at page 91 and recorded May 27, 1936 in Book "E-1" of R.E. Deeds at page 90.

Also except an undivided 1/2 interest in that portion of the Southwest Quarter (SW $\frac{1}{4}$) of the Southeast Quarter (SE $\frac{1}{4}$) of said Section 7 lying within the Meadow Valley Wash.

Also except that portion of the Southwest Quarter (SW $\frac{1}{4}$) of the Southeast Quarter (SE $\frac{1}{4}$) of said Section 7 lying South of U.S. Highway 93.

Also except that portion of Section 7 beginning at a point on the East boundary of the Northwest Quarter (NW $\frac{1}{4}$) of the Southeast Quarter (SE $\frac{1}{4}$) of Section 7, Township 4 South, Range 67 East, M.D.B. & M., a point common with the Southwest corner of the Holt Addition to the City of Caliente, Nevada thence South 44°29' West 208.71 feet; thence North 45°31' West 208.71 feet; thence North 44°29' East 422.10 feet; thence South 00°07' West 298.49 feet to the Point of Beginning.

Except the interest in that portion of said land conveyed to County of Lincoln State of Nevada by Deed recorded January 6, 1975 in Book "12" of Official Records at page 41.

Excepting from the entire of the above described any and all rights of way heretofore granted by the Grantors herein or their predecessors in interest to the Union Pacific Railroad Co., and its predecessors in interest and to the State of Nevada for Highway purposes, which said rights of way are on file and of record in the Office of the County Recorder of said Lincoln County, Nevada.

Further excepting from the above description the following described parcel of land:

The South 1/2 of the South 1/2 of the Northwest 1/4 of the Northwest 1/4 of Section 18, excluding the Union Pacific Railroad Right-of-Way, approximately 9.9 acres.
The North 1/2 of the Southwest 1/4 of the Northwest 1/4 of Section 18 west of the Union Pacific Railroad Right-of-Way, approximately 17.3 acres. The North 1/2 of the South 1/2 of the Southwest 1/4 of the Northwest 1/4 of Section 18 west of the Union Pacific Railroad Right-of-Way, approximately 6.8 acres. The South 1/2 of the South 1/2 of the Northeast 1/4 of the Northwest 1/4 west of the Union Pacific Railroad Right-of-Way, approximately 1.7 acres. All a part of Township 4 South, Range 67 East, M.D.B. & M.

Lincoln County

MEAD VALLEY LAND & CATTLE COMPANY

WATER RIGHTS

	<u>Name of Water</u>	<u>Identification</u>	
1	Indian Spring No. 1	Proof 01022	Cert. 61
2	Indian Spring No. 2	Proof 01022	Cert. 62
3	George Blythe Spring	Proof 01022	Cert. 57
4	Oak and Grassy Spring	Proof 01027	Cert. 5
5	Meadow Valley Creek	Proof 01284	
6	Robinson Seeps	Proof 01398	
7	Rabbit Spring	Proof 01549	
8	South Willow Spring	Proof 02321	
9	Nelson Well	Proof 02350	
10	Cliff Spring	Permit 780	Cert. 566
11	Cyclone & Redrock Spring	Permit 780	Cert. 566
12	Meadow Valley Creek	Permit 2873	Cert. 237
13	Cottonwood Spring	Permit 3270	Cert. 269
14	Bristol Lake Reservoir #1	Permit 3875	Cert. 724
15	Bristol Lake Reservoir	Permit 3876	Cert. 725
16	Bristol Lake Reservoir #2	Permit 3878	Cert. 726
17	Point of Rock Spring	Permit 3879	Cert. 1090
18	Delamar Flat Reservoir (also known as Mackie Reservoir)	Permit 4462 (Amended Cert. 3186)	Cert. 1759
19	Canyon Spring No. 2	Permit 4696	Cert. 732
20	Canyon Spring No. 1	Permit 4697	Cert. 733
21	Dana Spring	Permit 4972	Cert. 734
22	Point of Rock Reservoir	Permit 5316	Cert. 581
23	Theriot Reservoir (also known as Knoll Pond Reservoir and Watershed of Pahroc and Boulder Range)	Permit 5318	Cert. 582
24	West Side Spring	Permit 6094	Cert. 105(3)
25	Pace Spring (also known as Conaway Spring)	Permit 6095	Cert. 1054
26	Abandoned Spring	Permit 8921	Cert. 170(0)
27	Cliff Spring Reservoir	Permit 9618	Cert. 2107
28	Meadow Valley Wash	Permit 9935	Cert. 2483
29	Grassy Spring	Permit 10189	Cert. 2403
30	Seven Oaks Seep	Permit 10551	Cert. 259(5)
31	Mona Spring	Permit 10629	Cert. 259(6)
32	Buckboard Spring	Permit 10655	Cert. 261(1)
33	Willow Spring	Permit 10656	Cert. 26(12)
34	West Oak Spring	Permit 10747	Cert. 280(5)
35	Bishop Spring	Permit 10897	Cert. 2770
36	Horn Spring	Permit 11378	Cert. 404(7)
37	Tunnel Spring #1 (an undivided 1/4 interest)	Permit 12388	Cert. 4085
38	Underground Well	Permit 18910	Cert. 7014
39	Underground Well	Permit 28558	Cert. 9055
40	Underground Well	Permit 28559	Cert. 9056
41	Underground Well	Permit 28560	Cert. 9057
42	Underground Well	Permit 29338	Cert. 9059
43	Underground Well	Permit 31044	
44	Underground Well	Permit 31045	

TRUSTEE'S NOTICE OF SALE

On November 26, 1984, at 2:00 p.m., DAYLE R. ROBERTSON, as Trustee under Deed of Trust dated February 20, 1980, recorded February 21, 1980, in Book 35, Official Records, page 474, File No. 67513, in the Office of the Recorder of Lincoln County, Nevada, and securing, among other obligations, a note in the amount of \$200,000.00, dated February 20, 1980, in favor of THE CORPORATION OF THE PRESIDING BISHOP OF THE CHURCH OF JESUS CHRIST OF LATTER DAY SAINTS, a Utah corporation sole, by reason of now continuing default in the payment or performance of obligation secured by said Deed of Trust, including the breach or default notice of which was recorded in the Office of the County Recorder of Lincoln County, Nevada, and mailed to the Trustors by the Beneficiary and the Trustee more than three months prior to the date hereof, will sell at public auction to the highest bidder for cash, lawful money of the United States of America, in the Lincoln County Court House, Pioche, Nevada, all right, title and interest now held by him under said Deed of Trust in the property situate in the County of Lincoln, Nevada, described as follows:

(See Exhibit A attached hereto.)

TOGETHER WITH all appurtenances, water rights and rights of way, including all shares, of which Trustor has any interest, of the capital stock of any water company, the water represented by which stock is used on or is in anywise appurtenant to aforesaid premises.

Said sale will be made (without covenant, or warranty, express or implied, regarding title, possession, or encumbrances) to pay the unpaid principal of said note, to-wit: \$200,000.00, with interest from February 21, 1980, as in said note provided, advances, if any, under the terms of said Deed of Trust, and

WILSON AND BARROWS, LTD.
ATTORNEYS AT LAW
P. O. BOX 366
ELMO, NEVADA 89401-0366

1.

Lincoln County

fees, charges and expenses of the Trustee and of the trusts
created by said Deed of Trust.

DATED: October 23, 1984.

~~DAYLE R. ROBERTSON, TRUSTEE~~

COPY

Lincoln County

The South 1/2 of the South 1/2 of the Northwest 1/4 of the Northwest 1/4 of Section 18, excluding the Union Pacific Railroad Right-of-Way, approximately 9.9 acres. The North 1/2 of the Southwest 1/4 of the Northwest 1/4 of Section 18 west of the Union Pacific Railroad Right-of-Way, approximately 17.3 acres. The North 1/2 of the South 1/2 of the Southwest 1/4 of the Northwest 1/4 of Section 18 west of the Union Pacific Railroad Right-of-Way, approximately 6.8 acres. The South 1/2 of the South 1/2 of the Northeast 1/4 of the Northwest 1/4 west of the Union Pacific Railroad Right-of-Way, approximately 1.7 acres. All a part of Township 4 South, Range 67 East, M.D.B. & M.

81600

FILED AND RECORDED AT REQUEST OF
Mark Wood

November 20, 1984

AT 15 MINUTES PAST 2 O'CLOCK

P. M. IN BOOK 63 OF OFFICIAL

RECORDS, PAGE 151 LINCOLN
COUNTY, NEVADA.

YURIKO SETZER

COUNTY RECORDER

By *Mara Bondie*, Deputy

EXHIBIT A