

1-27

CONTRACT OF SALE

This Agreement, made and entered into this 1st day of August, 1981, by and between COMBINED METALS REDUCTION COMPANY, a Utah corporation, (hereinafter referred to as "Seller"), whose address for the purpose of this contract is 1865 South Main Street, Salt Lake City, Utah, 84115, and James and Sharon Devlin as joint tenants with right of survivorship, (hereinafter referred to as "Purchaser"), whose address is Casleton Heights Pioche, Nevada 89043

1. The Property. Exhibit A attached hereto depicts 30 individually numbered parcels of land located in Lincoln County, Nevada. Parcel 27 on said Exhibit A is the subject of this Contract of Sale and will hereinafter be referred to as the "Property".
2. Purchase and Sale. Purchaser hereby agrees to purchase and Seller hereby agrees to sell the Property, together with the right to use the surface of said Parcel 27 for so long as Seller's right to such use of the surface, reserved from its predecessor Trustee's sale of the property to Kerr McGee Corporation, remains in effect.
3. Purchase Price. The purchase price shall be \$ 22,500.00, payable as follows:
 - a. \$ 2,500.00 cash down;
 - b. The remaining balance of \$ 20,000.00 shall be payable in monthly installments of principal and interest at the rate of 10 3/4 % per annum, in the sum of \$ 272.69 or more per month for a period of 120 months, with the first monthly payment being due and payable on the 1st day of August, 1981. Notwithstanding the provisions hereof, the entire remaining balance of principal and interest shall be due and payable upon a contract to sell, or a sale or transfer of title or of possession of the subject property by the Purchaser, at the option of Seller. All payments shall be made at Seller's address.
4. Possession Date. Seller shall deliver possession of the Property to Purchaser on or before the 1st day of August, 1981. From and after that date, the risk of loss in the event of damage by fire or otherwise shall be borne by Purchaser.
5. Insurance. Purchase shall, at the time it takes possession, deliver to Seller a certificate of fire insurance covering the real and personal property for not less than \$ 22,500.00 with the necessary endorsement showing the interest of Seller. It shall be the Purchaser's responsibility to maintain said insurance in effect at all times and to assure that Seller has evidence of such insurance at all times.

6. Prorations. Taxes, insurance and all other proratable items shall be prorated as of the day of delivery of possession.
7. Acknowledgements by Purchaser. Purchaser acknowledges and affirms to Seller that, (i) Purchase understands that the Property being purchased hereunder consist solely of the structure, in its "as-is" condition, located on the Parcel, together with such right as the Seller has to the use of the surface of said Parcel, that Purchaser is not obtaining ownership of the land underlying said Parcel by virtue of this Contract of Sale, and that Seller makes no warranties or representations, express or implied, with respect to such surface right; and, (ii) that Seller makes no representations or warranties, express or implied, with respect to, nor is Seller in any way responsible to Purchaser for, any services to the Property, including, but not limited to, common roads, fire protection, utilities (gas, water, electricity, telephone) or security.
8. Taxes and Insurance. From and after delivery of possession by Seller to Purchaser, Purchaser shall pay all taxes and any increase thereon, assessments and insurance premiums and all other expenses applicable to the operation and maintenance of the Property.
9. Delivery of Deed By Seller. Upon Purchaser's complying with all the terms hereof, including, but not limited to the payment of all of the principal and interest hereunder, Seller shall immediately deliver a Quitclaim Deed to Purchaser conveying whatever title to the Property that Seller may have.
10. Escrow. Simultaneously with Seller's execution hereof, Seller shall also make and execute a Quitclaim Deed to the Property wherein Seller is Grantor and the Purchaser is Grantee and, simultaneously with the Purchasers execution hereof, Purchaser shall make and execute a Quitclaim Deed to the Property running from Purchaser to Seller. A copy of this Contract of Sale and both of said Deeds shall be forwarded to First Commercial Title, Inc., 690 East Plumb Lane, Reno, Nevada, to the attention of Ray O'Brien, Manager, together with the sum of \$20.00 which shall be paid by Purchaser. Said First Commercial Title, Inc., shall be the escrow holder of said Deeds and said escrow holder shall have no liability or responsibility whatsoever, except to keep and hold said Deeds in a safe place and to deliver said Deeds to Seller or to Purchaser upon receipt of written instructions from Seller. Seller and Purchaser hereby agree that said escrow holder shall be held free and harmless and they further indemnify it from any and all demands, claims, or liability of any kind or nature whatsoever arising out of or in connection with said escrow or in connection with the sale of said Property.

11. Default by Purchaser. Payment of all monies becoming due hereunder by the Purchaser and the performance of all covenants and conditions precedent to the performance by the Seller of the covenants and conditions of this contract are to be kept and performed by the Seller. In the event the Purchaser after written notice of default, addressed to the Purchaser at the address of the Property herein, shall fail for a period of ten (10) days after they become due, to pay any of the sums in this contract agreed to be paid by the Purchaser, or should the Purchaser fail to comply with any of the covenants or conditions of this contract on its part to be performed, then fifteen (15) days after delivery of said written notice:
 - a. The Seller shall be released from all obligations in law or equity to convey the Property to the Purchaser;
 - b. The Purchaser shall forfeit all rights to the Property or to possession thereof;
 - c. Seller shall have an immediate right to take possession of the Property, it being agreed that the relationship between the parties shall be that of landlord and tenant, with the Seller authorized to maintain summary proceedings for the removal of the Purchaser from the Property.
 - d. Payments theretofore made by the Purchaser pursuant to this contract shall be credited by the Seller to the reasonable rental value of the Property during the period the Purchaser had the use and occupancy of the Property and to any repairs, expenses, costs and legal fees as a result of Purchaser's default.
12. Time of Essence. Time is hereby expressly declared to be the essence of this contract.
13. Attorneys Fees. In case either Seller or Purchaser should be required to institute litigation for violation of any covenant or condition of this Agreement, then the prevailing party shall be entitled to all costs incurred in connection therewith, including reasonable attorneys' fees.
14. Binding Effect. This Agreement shall be binding upon and shall inure to the benefit of the heirs, personal representatives, successors and assigns of the parties hereto, but nothing in this paragraph shall be construed as a consent by Seller to any assignment of this Agreement or any interest therein by Purchaser.
15. Waiver. The waiver of any breach of this Agreement by either party shall not constitute a continuing waiver of a

waiver of any subsequent breach either of the same or another provision of this Agreement.

In Witness Whereof, the parties hereto have set their hands the year and day first above written.

PURCHASER:

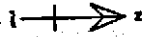
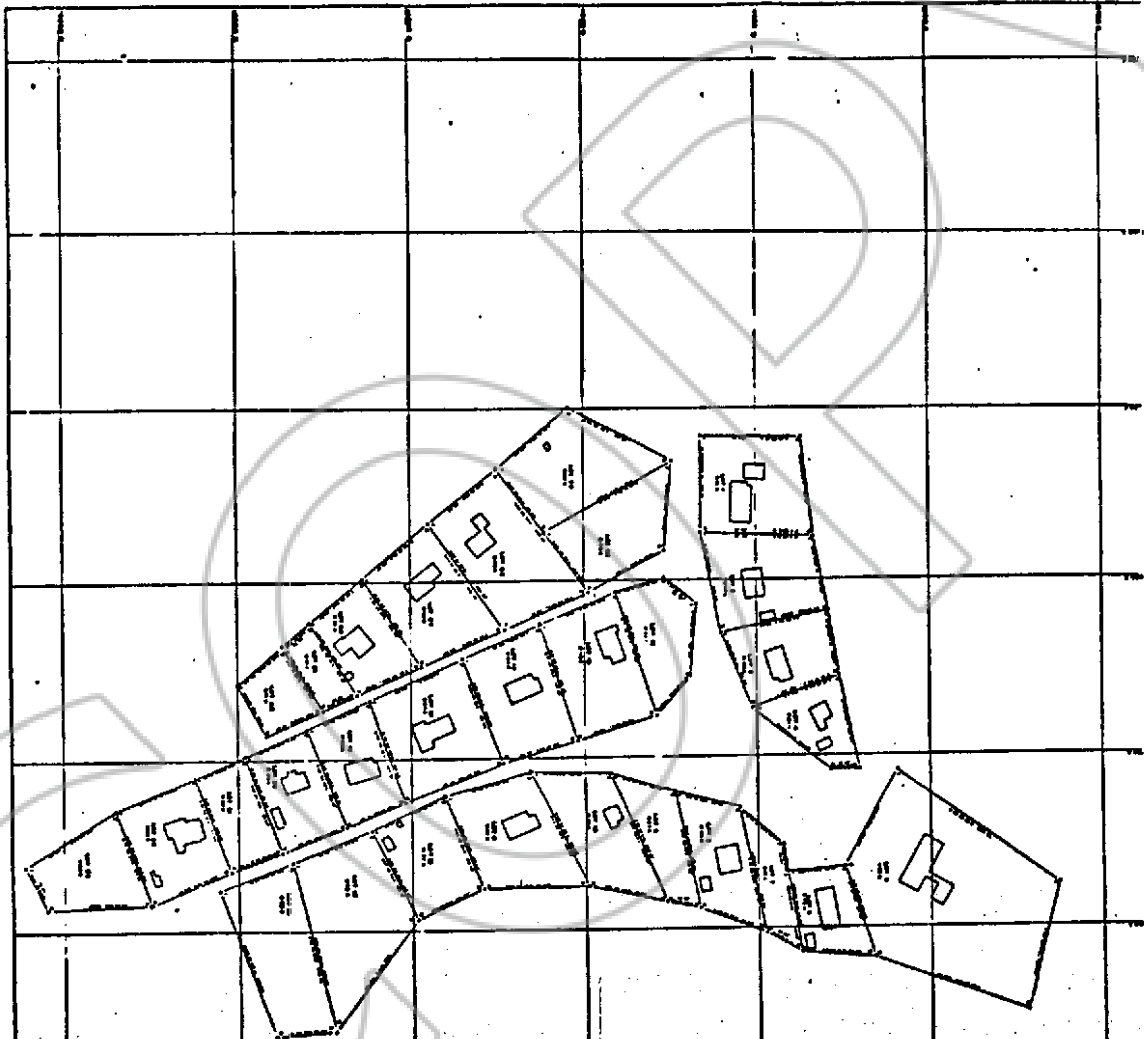
SELLER:

COMBINED METALS REDUCTION COMPANY
A Utah corporation

James M. Dewhirst

BY L. C. Hutchinson

Charles W. Cochran



CASSELL TOWN RECORDS
APR 1911

BOOK 76 PAGE 83

Exhibit "A"

ACKNOWLEDGEMENT

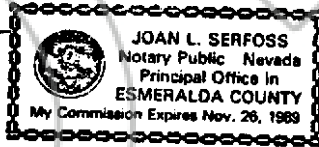
The undersigned, Lawrence T. Atkinson hereby certifies that the signature on the attached copy of the Contract of Sale dated August 1, 1981 by and between Combined Metals Reduction Company, a Utah corporation as "Seller" and James and Sharon Devlin, residents of Pioche, Nevada as "Purchaser" is his signature which was affixed to said document on August 1, 1981.

L. T. Atkinson
Lawrence T. Atkinson

STATE OF NEVADA)
) SS:
COUNTY OF ESMERALDA)

On this 2nd day of July, 1987 personally appeared before me, a Notary Public, Lawrence T. Atkinson who executed the above instrument in my presence.

Joan L. Serfoos
Notary Public



The undersigned, James M. Devlin and Sharon M. Devlin hereby certify that the signatures on the attached copy of the Contract of Sale dated August 1, 1981 by and between Combined Metals Reduction Company, a Utah corporation as "Seller" and James and Sharon Devlin, residents of Pioche, Nevada as "Purchaser" are their signatures which were affixed to said document on or about August 1, 1981.

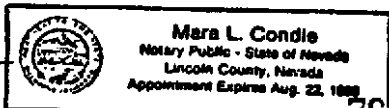
James M. Devlin
James M. Devlin

Sharon M. Devlin
Sharon M. Devlin

STATE OF NEVADA)
) SS:
COUNTY OF)

On this 18 day of July, 1987 personally appeared before me, a Notary Public, James M. Devlin and Sharon M. Devlin who executed the above instrument in my presence.

Mara L. Condie
Notary Public



No. 87242
FILED AND RECORDED AT REQUEST OF
James M. Devlin
21 July 1987
AT 40 MINUTES PAST 2 O'CLOCK
P.M. IN BOOK 76 OF OFFICIAL
RECORDS, PAGE 79 LINCOLN
COUNTY, NEVADA

Frank C. Hulse
COUNTY RECORDER
Frank C. Hulse