

EXHIBIT "A"

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

- (1) To keep said property in good condition and repair; not to remove or demolish any building thereon, to complete or restore promptly and in a 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 permit any waste thereon, not to commit or permit any act upon said property in violation of law, to cultivate, irrigate, fertilize, fumigate, prune and do all other things which from the character or use of said property may be reasonably necessary, the specific enumerations herein not excluding the general.
- (2) Trustor covenants to keep all buildings that may now or at any time be on said property during the continuance of this trust in good repair and red against loss by fire, with extended coverage endorsement, in a company or companies authorized to issue such insurance in the State of Nevada, and as may approved by Beneficiary, for such sum or sums as shall equal the total indebtedness secured by this Deed of Trust and all obligations having priority over this Deed of Trust and shall be payable to Beneficiary to the amount of the unsatisfied obligation to Beneficiary hereby secured, and to deliver the policy to Beneficiary, or to collection agent of Beneficiary, and in default thereof, Beneficiary may procure such insurance and/or make such repairs, and expend for either of such purposes such sum or sums as Beneficiary shall deem proper.
- (3) 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 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 which Beneficiary or Trustee may appear, and in any suit brought by Beneficiary to foreclose this Deed of Trust.
- (4) To pay at least ten days before delinquency all taxes and assessments affecting said property, including assessments on appurtenant water stock, or rights and grazing privileges, when due, all encumbrances, charges and liens, with interest, on said property or any part thereof, which appear to be prior or senior hereto, and all costs, fees and expenses of this trust.
- Should Trustor fail to make any payment or to do any act as herein provided, then Beneficiary or Trustee, but without obligation so to do and without any duty necessary to protect the security hereof; Beneficiary or Trustee being authorized to enter upon said property for such purposes, appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee, pay, purchase, contest or compromise any claim, charge or lien which in the judgment of either appears to be prior or superior hereto, and, in exercising any such powers, pay necessary expenses for counsel and pay his reasonable fees.
- (5) To pay immediately and without demand all sums so expended by Beneficiary or Trustee, with interest from date of expenditure at ten per cent per annum.
- (6) At Beneficiary's option, Trustor will pay a "late charge" not exceeding four per cent (4%) of any installment when paid more than fifteen (15) days after the due date thereof to cover the extra expense involved in handling delinquent payments, but such "late charge" shall not be payable out of the proceeds of any sale made to satisfy the indebtedness secured hereby, unless such proceeds are sufficient to discharge the entire indebtedness and all proper costs and expenses secured thereby.

B. IT IS MUTUALLY AGREED

- (1) That any award of damages in connection with any condemnation for public use of or injury to said property or any part thereof is hereby agreed and shall be paid to Beneficiary who may apply or release such moneys received by him in the same manner and with the same effect as above provided and disposition of proceeds of fire or other insurance.
- (2) That by accepting payment of any sum secured hereby after its due date, Beneficiary does not waive his right either to require prompt payment or to declare default for failure so to pay.
- (3) That at any time or from time to time, without liability therefor and without notice, upon written request of Beneficiary and presentation of a deed and said note for endorsement, and without affecting the personal liability of any person for payment of the indebtedness secured hereby, Trustor may convey any part of said property; consent to the making of any map or plat thereof; join in granting any easement thereon, or join in any extension agreement or agreement subordinating the lien or charge hereof.
- (4) That upon written request of Beneficiary stating that all sums secured hereby have been paid, and upon surrender of this deed and said note to Trustor, the property then held hereunder. The recitals in such reconveyance of any matters or facts shall be conclusive proof of the truthfulness thereof. With the exception of such reconveyance may be described as "the person or persons legally entitled thereto".
- (5) That as additional security, Trustor hereby gives to and confers upon Beneficiary the right, power and authority, during the continuance of this trust, to collect the rents, issues and profits of said property, reserving unto Trustor the right, power and authority, during the continuance of this trust, to collect the rents, issues and profits of any agreement hereunder, to collect and retain such rents, issues and profits as they become due and payable. Upon any such default and said note for endorsement, either in person, by agent, or by a receiver to be appointed by a court, and without regard to the adequacy of such rents, issues, and profits, including those past due and unpaid, and apply the same, less costs and expenses of operation and collection, including reasonable attorney's fees, upon any indebtedness secured hereby, and in such order as aforesaid, shall not cure or waive any default or notice of default hereunder or impede the collection of such rents, issues and profits and the application thereof as aforesaid.
- (6) That upon default by Trustor in payment of any indebtedness secured hereby or in performance of any agreement hereunder, Beneficiary may declare all sums secured hereby immediately due and payable by delivery to Trustee of written notice of default and of election to cause to be sold said property, and such notice Trustee shall cause to be recorded. Beneficiary also shall deposit with Trustee this Deed of Trust, said note and all documents evidencing expenditures made hereby.

After the lapse of such time as may then be required by law following the recording of said notice of default, and notice of sale having been given as then required by law for the sale of real property under writ of execution, Trustee, without demand on Trustor, shall sell said property or any part thereof at the time and place fixed by it in said notice of sale, either as a whole or in separate parcels, and in such order as it may determine, at public auction to the highest bidder for cash in lawful money of the United States, payable at time of sale. Trustor may postpone sale of all or any portion of said property by public announcement at such time and place of sale, and from time to time thereafter may postpone such sale by public announcement at the time fixed by the preceding postponement. In the event that any indebtedness secured hereby shall not have been fully satisfied by said sale, Trustee may give notice of sale of any property not previously notified for sale in the manner set forth above and sell the same in the manner set forth above.

Trustee shall deliver to any purchaser its deed conveying the property to sold, but without any covenant or warranty, express or implied. The terms of such deed of any matter or fact shall be conclusive proof of the truthfulness thereof. Any person, including Trustor, Trustee, or Beneficiary as herein defined, may purchase at such sale.

After deducting all costs, fees and expenses of Trustee, including a reasonable fee for the attorney of Trustee, and of this trust, including cost of evidence of title in connection with sale, Trustee shall apply the proceeds of sale to payment of all sums expended under the terms hereof, not then repaid, with interest at ten per cent per annum, all other sums then secured hereby, and the remainder, if any, to the person or persons legally entitled thereto.

(7) That Beneficiary, or his assignee, may from time to time, by instrument in writing, substitute a successor or successors to any Trustee named herein or acting hereunder, which instrument, executed and acknowledged and recorded in the office of the recorder of the county or counties where said property is situated, shall be conclusive proof of proper substitution of such successor Trustee or Trustees, who shall, without conveyance from the Trustee predecessor, succeed to all his title, estate, rights, powers and duties. Said instrument must contain the name of the original Trustor, Trustee and Beneficiary hereunder, the book and page where the instrument or document of title number under which this Deed of Trust is recorded, and the name and address of the new Trustee. If notice of default shall have been recorded, this power of substitution cannot be exercised until after the costs, fees and expenses of the then acting Trustee shall have been paid to such Trustee, who shall endorse receipt thereof upon such instrument of substitution. The procedure herein provided for substitution of Trustee shall be exclusive of all other provisions for substitution, statutory or otherwise.

(8) The following covenants Nos. 1, 3, 4, (interest 10%) 5, 6, 8, 9 and 9 of Nevada Revised Statutes 107.030, when not inconsistent with other covenants and provisions herein contained, are hereby adopted and made a part of this Deed of Trust.

(9) The rights and remedies hereby granted shall not exclude any other rights or remedies granted by law, and all rights and remedies granted hereunder or permitted by law shall be concurrent and cumulative. A violation of any of the covenants herein expressly set forth shall have the same effect as the violation of any covenant herein adopted by reference.

(10) It is expressly agreed that the trust created hereby is irrevocable by Trustor.

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

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

(13) Trustor agrees to pay any deficiency arising from any cause after application of the proceeds of the sale held in accordance with the provisions of the covenants hereinabove adopted by reference.

The undersigned Trustor requests that a copy of any notice of default and any notice of sale hereunder be mailed to him at his address hereinbefore set forth.

NOT RECORD TRUSTEE REQUEST FOR FULL RECONVEYANCE

The undersigned is the legal owner and holder of the note or notes, and of all other indebtedness secured by the foregoing Deed of Trust. Said note or notes, together with all other indebtedness secured by said Deed of Trust, have been fully paid and satisfied, and you are hereby requested and directed, on payment to you of any sum owing to you under the terms of said Deed of Trust, to cancel said note or notes above mentioned, and all other evidences of indebtedness secured by said Deed of Trust, and to reconvey, without warranty, to the parties designated by the terms of said Deed of Trust, all the estate now held by you under the same.

Date _____

see mail Deed of Trust, and Reconveyance to _____

not lose or destroy this Deed of Trust OR THE NOTE which it secures. Both must be delivered to the Trustee for cancellation before reconveyance will be made.

EXHIBIT "B"

All that certain real property situate in the County of Lincoln, State of Nevada, described as follows:

A portion of the Northwest Quarter of the Southeast Quarter of Section 34, Township 4 South, Range 60 East, M.D.S. & M., more particularly described as follows:

Parcel A of that certain Record of Survey recorded June 11, 1992, as File No. 98523, Lincoln County, Nevada Official Records.

Together with a culinary use of water from a well located in the Northwest Quarter (NW1/4) of the Northeast Quarter (NE1/4) of Section 34 until such time as water can be secured from another source.

Together with right of way for access and egress to said property.

No. 099740
 FILED AND RECORDED AT REQUEST OF
Cow County Title
December 17, 1992
 1 5 MINUTES PAST 3 O'CLOCK
 P.M. IN BOOK 104 OF OFFICIAL
 RECORDS, PAGE 310 LINCOLN
 COUNTY, NEVADA
Gerardo Setzer
 COUNTY REC. CLERK