

DEED OF TRUST

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THIS DEED OF TRUST, made this 5 day of June, 1998, by and between WHITNEY A. CUDE JR. and MARILYN ANN FLESKES CUDE, husband and wife, as joint tenants with full right of survivorship, as Trustor, and STEWART TITLE OF NORTHEASTERN NEVADA, a Nevada corporation, dba FRONTIER TITLE COMPANY, as Trustee, and CURT PHILLIPS and GERRI G. PHILLIPS, husband and wife, as joint tenants, Beneficiary. (It is distinctly understood that the words "Trustor" and "Beneficiary" and the word "his" referring to the Trustor or Beneficiary, as herein used, are intended to and do include the masculine, feminine and neuter genders and the singular and plural numbers, as indicated by the context.)

WITNESSETH:

That said Trustor hereby grants, conveys and confirms unto said Trustee in trust with power of sale, the following described real property situate in the County of Lincoln, State of Nevada, to-wit:

Parcel No. 4c as shown on parcel map recorded on page 409 of Platsm Lincoln County, Nevadam Records, and being situated in the South Half (SEL\4) of the Southwest Quarter (SWL\4) of Section 15, Township 1 North, Range 67 East, M.D.B.&M., Lincoln Couty, Nevada.

TOGETHER WITH all and singular the tenements, hereditaments and appurtenances thereunto belonging or anywise appertaining, and the reversion and reversions, remainder and remainders, rents, issues and profits thereof, and also all the estate, right, title and interest, homestead or other claim or demand, as well in law as in equity, which the Trustor now has or may hereafter acquire, or, in or to the said premises or any part thereof, with the appurtenances.

As additional security, Trustor hereby assigns all rents from such property and gives to and confers upon Beneficiary the right, power and authority, during the continuance of these Trusts, to collect the rents, issues, and profits of said property, reserving unto Trustor the right, prior to any default by Trustor in payment of any indebtedness secured hereby or in performance of any agreement hereunder, to collect and retain such rents, issues, and profits as they become due and payable.

Upon any such default, Beneficiary may at any time without notice, either in person, by agent, or by a receiver to be appointed by a court, and without regard to the adequacy of any security for the indebtedness hereby secured, enter upon and take possession of said property or any part thereof, in his own name for or otherwise collect 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 Beneficiary may determine.

The entering upon and taking possession of said property, the collection of such rents, issues, and profits, and the application thereof as aforesaid, shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice.

LAW OFFICES
GARY D. FAIRMAN
A PROFESSIONAL CORPORATION
488 FIFTH STREET - P.O. BOX 8
ELY, NEVADA 89301
(702) 298-4422

1 In the event all or any part of the property secured by
2 this Deed of Trust be sold, conveyed, transferred, or exchanged,
3 then the Note of even date secured hereby shall become immediately
4 due and payable at the option of the holder of said Note.

5 TO HAVE AND TO HOLD the same unto the said Trustee and
6 its successors, upon the trusts hereinafter expressed:

7 As security for the payment of FIFTY TWO THOUSAND NINE
8 HUNDRED SIXTY FIVE DOLLARS AND THIRTY NINE CENTS (\$52,965.39) in
9 lawful money of the United States of America, with interest thereon
10 in like money and with expenses and counsel fees according to the
11 terms of the Promissory Note or Notes for said sum executed and
12 delivered by the Trustor to the Beneficiary; such additional
13 amounts as may be hereafter loaned by the Beneficiary or his
14 successor to the Trustor or any of them, or any successor in
15 interest of the Trustor, with interest thereon, and any other
16 indebtedness or obligation of the Trustor or any of them, and any
17 present or future demands of any kind or nature which the
18 Beneficiary, or his successor, may have against the Trustor or any
19 of them, whether created directly or acquired by assignment;
20 whether absolute or contingent; whether due or not, or whether
21 otherwise secured or not, or whether existing at the time of the
22 execution of this instrument, or arising thereafter; also as
23 security for the payment and performance of every obligation,
24 covenant, promise or agreement herein or in said note or notes
25 contained.

26 Trustor grants to Beneficiary the right to record notice
27 that this Deed of Trust is security for additional amounts and
28 obligations not specifically mentioned herein but which constitute
29 indebtedness or obligations of the Trustor for which Beneficiary
30 may claim this Deed of Trust as security.

31 AND THIS INDENTURE FURTHER WITNESSETH:

32 FIRST: The Trustor promises and agrees to pay when due
all claims for labor performed and materials furnished for any
construction, alteration or repair upon the above-described
premises; to comply with all laws affecting said property or
relating to any alterations or improvements that may be made
thereon; not to commit, suffer or permit any acts upon said
property in violation of any law, covenant, condition or
restriction affecting said property.

SECOND: The Trustor promises to properly care for and
keep the property herein described in first-class condition, order
and repair; to care for, protect and repair all buildings and
improvements situate thereon; and otherwise to protect and preserve
the said premises and the improvements thereon and not to commit or
permit any waste or deterioration of said buildings and
improvements or of any premises. If the above-described property
is farm land, Trustor agrees to farm, cultivate and irrigate said
premises in a proper, approved and husbandmanlike manner.

THIRD: The following covenants, Nos. 1, 2 (\$52,965.39),
3, 4 (interest 8% per annum), 5, 6, 7 (counsel fees 15%) and 8 of
NRS 107.030, are hereby adopted and made a part of this Deed of
Trust.

FOURTH: Beneficiary may, from time to time, as provided
by statute, or by a writing, signed and acknowledged by him and
recorded in the office of the County Recorder of the County in

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1 which said land or such part thereof as is then affected by this
2 Deed of Trust is situated, appoint another Trustee in place and
3 stead of Trustee herein named, and thereupon, the Trustee herein
4 named shall be discharged and Trustee so appointed shall be
5 substituted as Trustee hereunder with the same effect as if
6 originally named Trustee herein.

7 FIFTH: Trustor agrees to pay any deficiency arising from
8 any cause after application of the proceeds of the sale held in
9 accordance with the provisions of the covenants hereinabove adopted
10 by reference.

11 SIXTH: The rights and remedies hereby granted shall not
12 exclude any other rights or remedies granted by law, and all rights
13 and remedies granted hereunder or permitted by law shall be
14 concurrent and cumulative. A violation of any of the covenants
15 herein expressly set forth shall have the same effect as the
16 violation of any covenant herein adopted by reference.

17 SEVENTH: In the event of any tax or assessment on the
18 interest under this Deed of Trust it will be deemed that such taxes
19 or assessments are upon the interest of the Trustor, who agrees to
20 pay such taxes or assessments although the same may be assessed
21 against the Beneficiary or Trustee.

22 EIGHTH: All the provisions of this instrument shall
23 inure to, apply, and bind the legal representatives, successors and
24 assigns of each party hereto respectively.

25 NINTH: In the event of a default in the performance or
26 payment under this Deed of Trust or the security for which this
27 Deed of Trust has been executed, any notice given under Section
28 107.080 NRS shall be give by registered letter to the Trustors at
29 the address herein, Curt Phillips, P.O. Box 563 Pioche Nevada
30 89043 and such notice shall be binding upon the Trustors,
31 Assignees, or Grantees from the Trustors.

32 TENTH: It is expressly agreed that the trusts created
hereby are irrevocable by the Trustor.

IN WITNESS WHEREOF, the said Trustor has executed these
presents the day and year first above written.

Whitney A. Cude, Jr.
WHITNEY A. CUDE, JR.

Marilyn Ann Fleskes Cude
MARILYN ANN FLESKES CUDE

STATE OF NV)
COUNTY OF Lincoln) ss.

On June 5th, 1998, personally appeared
before me, a Notary Public, WHITNEY A. CUDE, JR. personally known
or proved to me to be the persons whose names are subscribed to the
above instrument who acknowledged that he executed the instrument.

Alyson Hammond

NOTARY PUBLIC
STATE OF NEVADA
County of Lincoln
ALYSON HAMMOND
My Appointment Expires Aug. 25, 1999

BOOK 135 PAGE 153

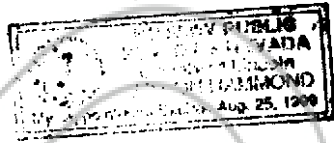
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STATE OF NV)
COUNTY OF Lincoln) ss.

On June 5th, 1998, personally appeared before me, a Notary Public, MARILY ANN FLESKES CUDE personally known or proved to me to be the persons whose names are subscribed to the above instrument who acknowledged that she executed the instrument.

[Signature]
NOTARY PUBLIC



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NO. 111090
FILED AND RECORDED AT REQUEST OF
CURT PHILLIPS
JUNE 5, 1998
AT 23 MINUTES PAST 10 O'CLOCK
AM IN BOOK 135 OF OFFICIAL
RECORDS OF CLERK 151 COUNTY
OF NEVADA
YURIKO SETZER
BY [Signature] DEPUTY