

Order No. _____

Escrow No. 43109 WP

When Recorded Mail To:

SECOND DEED OF TRUST WITH ASSIGNMENT OF RENTS

THIS DEED OF TRUST, made August 13, 1998 between DENNIS TOD PALMER AND DAWN ANNE PALMER, HUSBAND AND WIFE, TRUSTOR,

whose address is P. O. Box 304, Alamo, NV. 89001 (Number and Street) (City) (State) TRUSTEE, and MONTE LEWIS SCHLARMAN AND PATRICIA MARIE SCHLARMAN, AS CO-TRUSTEES OF THE MONTE LEWIS SCHLARMAN FAMILY LIVING TRUST, BENEFICIARY,

WITNESSETH: That Trustor grants to Trustee in trust, with power of sale, that property in the County of LINCOLN, State of NEVADA described as:

PARCEL NO. 8-3, AS SHOWN ON PARCEL MAP FOR MARY S. AND GERALD H. WILSON, FILED IN THE OFFICE OF THE COUNTY RECORDER OF LINCOLN COUNTY ON DECEMBER 21, 1987, IN BOOK A OF PLATS, PAGE 280, AS FILE NO. 88151, LOCATED IN A PORTION OF THE NORTH HALF (N1/2) OF THE SOUTHWEST QUARTER (SW1/4) OF THE NORTHWEST QUARTER (NW1/4) OF THE SOUTHWEST QUARTER (SW1/4) OF SECTION 5, TOWNSHIP 7 SOUTH, RANGE 61 EAST, M.D.B. 6M.

EXCEPTING THEREFROM ALL THE OIL AND GAS MINERAL DEPOSITS IN THE LANDS, AS RESERVED BY THE UNITED STATES OF AMERICA, IN DEED RECORDED MARCH 11, 1986, IN BOOK 70, PAGE 28, OFFICIAL RECORDS, LINCOLN COUNTY, NEVADA.

Together with the rents, issues and profits thereof, subject, however, to the right, power and authority hereinafter given to and conferred upon Beneficiary to collect and apply such rents, issues and profits.

For the purpose of securing (1) payment of the sum of \$20,000.00 with interest thereon according to the terms of a promissory note or notes of even date herewith made by Trustor, payable to order of Beneficiary, and all extensions or renewals thereof; and (2) the performance of each agreement of Trustor incorporated herein by reference or contained herein; (3) payment of additional sums and interest thereon which may hereafter be loaned to Trustor, or to his successors or assigns, when evidenced by a promissory note or notes reciting that they are secured by this Deed of Trust.

To protect the security of this Deed of Trust, and with respect to the property above described, Trustor expressly makes each and all of the agreements, and adopts and agrees to perform and be bound by each and all of the terms and provisions set forth in subdivision A, and it is mutually agreed that each and all of the terms and provisions set forth in subdivision B of the fictitious Deed of Trust recorded in the office of each County Recorder in the State of Nevada on January 30, 1968, in the book and at the page thereof, or under the document or file number, noted below opposite the name of such county, namely:

COUNTY	BOOK	PAGE	DOC. NO.	COUNTY	BOOK	PAGE	DOC. No.
Churchill	39 Mortgages	363	115384	Lincoln			66902
Clark	880 Off. Rec.		682747	Lyon	37 Off. Rec.	341	100851
Douglas	57 Off. Rec.	115	40050	Mineral	11 Off. Rec.	129	88073
Ely	92 Off. Rec.	652	35747	Nye	105 Off. Rec.	157	04823
Esmeralda	3-X Deeds	395	35922	Ormsby	72 Off. Rec.	637	32867
Eureka	22 Off. Rec.	139	45941	Parshing	11 Off. Rec.	249	68107
Humboldt	28 Off. Rec.	124	131075	Storey	"B" Mortgages	205	31505
Lander	24 Off. Rec.	188	50782	Washoe	300 Off. Rec.	517	107192
				White Pine	285 R. E. Records	258	

shall inure to and bind the parties hereto, with respect to the property above described. Said agreements, terms and provisions contained in said subdivision A and B, (identical in all counties, and printed on the reverse side hereof) are by the within reference thereto, incorporated herein and made a part of this Deed of Trust for all purposes as fully as if set forth at length herein, and Beneficiary may change foregoing statement regarding the obligation secured hereby, provided the change therefor does not exceed a reasonable amount.

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 above set forth.

STATE OF NEVADA)
County of Lincoln) ss.

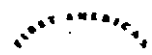
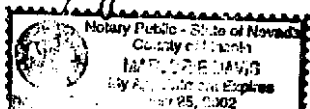
Signature of Trustor
Dennis Tod Palmer
DENNIS TOD PALMER

On August 18, 1998
personally appeared before me, a Notary Public,
DENNIS TOD PALMER AND DAWN ANNE PALMER

Dawn Anne Palmer
DAWN ANNE PALMER

who acknowledged that he executed the above instrument.

Margaret Davis Notary Public



1791 (8/71)

BOOK 137 PAGE 63

COPY

NO. 111538
FILED AND RECORDED AT REQUEST OF
First American Title
September 1, 1998
AT 20 MINUTES PAST 12 O'CLOCK
PM IN BOOK 137 OF OFFICIAL
RECORDS PAGE 63 LINCOLN
COUNTY, NEVADA
Yuriko Setzer
COUNTY RECORDER
by [Signature] deputy