

✓ *Alford, Harris & Morrison*  
*P.O. Box 70250*  
*Reno, NV 89570-0250*

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Case No. 85-1011

Dept. No. 3

JUDI BAILEY, CLERK

BY J. Manna  
DEPUTY

IN THE SECOND JUDICIAL DISTRICT COURT OF THE STATE OF NEVADA  
IN AND FOR THE COUNTY OF WASHOE

ENERGY EXPLORATION DRILLING, INC.,  
a Nevada corporation,

Plaintiff,

vs.

FINAL JUDGMENT

ESTES ENTERPRISES, INC, a  
Nevada corporation,

Defendant.

On April 18, 1985, this Court entered an initial judgment in the above referenced matter in favor of Plaintiff. The initial judgment awarded compensatory damages and ordered that a further hearing be held with respect to that portion of Plaintiff's complaint pertaining to exemplary damages and to the award of attorneys fees. Pursuant to notice timely given to Defendant, the hearing on such matters was scheduled for 10:00 o'clock a.m. on July 12, 1985. The record reflects through affidavit of service that the Defendant had notice of the time and place for the exemplary damage and attorney fee hearing.

The scheduled hearing came on regularly before this Court at the noticed time. Plaintiff appeared through its President, Sam Woods, and was

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1 represented by its counsel, M. Craig Haase of Haase, Harris & Morrison.  
2 The Defendant did not appear nor did anyone appear on its behalf. Mr.  
3 Woods testified that the Defendant obtained the loaned monies from  
4 Plaintiff upon the representation that the monies would be held in  
5 Defendant's bank account for a short period of time, would not otherwise be  
6 expended, and were to be used solely for the purpose of demonstrating a  
7 bank account which held at least \$30,000.00 in it for government  
8 contracting purposes. The Defendant, through its President, Timothy Estes,  
9 stated to Mr. Woods that the monies would only need to be held in the  
10 Defendant's bank account for 30 to 60 days but that he preferred a somewhat  
11 longer time to hold the monies just in case he needed the extra time. The  
12 Plaintiff loaned Defendant the sum of \$15,000.00 on June 8, 1984 and the  
13 Defendant signed a promissory note stating that repayment would be made on  
14 September 1, 1984. Mr. Woods testified that, having not been paid on  
15 September 1, 1984, and after making numerous attempts to contact the  
16 Defendant, the Defendant, through Timothy Estes, stated that the Defendant  
17 did not have the money but usually stated that the Defendant would have  
18 money "next Friday". This evidence demonstrates that the monies acquired  
19 by Defendant from Plaintiff were not placed in the Defendant's bank account  
20 and held pursuant to the representations made by Defendant to Plaintiff.  
21 Mr. Woods also testified that as of the end of May, 1985, the Plaintiff had  
22 incurred and paid attorneys fees in the amount of \$563.00 plus court costs,  
23 none of which had been reimbursed. Exhibit 1 admitted into evidence was a  
24 copy of attorney bills paid by Plaintiff. M. Craig Haase, counsel for  
25 Plaintiff, represented to the Court, as an officer of the Court, that ulti-  
26 mately attorneys fees would amount to approximately \$800 which would

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1 include the additional time used for preparing for the hearing, attending  
2 the hearing, and preparing any orders entered by the Court as a result of  
3 the hearing.

4 Based upon the above-recited facts and representations of counsel, the  
5 Court finds that the Defendant misrepresented to and defrauded the  
6 Plaintiff with respect to the loan transaction. Based upon the undisputed  
7 facts in this case, the Court believes that an award of exemplary damages  
8 in the amount of \$5,000.00 would be appropriate under the circumstances.  
9 The Court also finds that an award of attorneys fees in the amount \$800.00  
10 would be appropriate under the circumstances. Costs have been awarded  
11 under the initial judgment.

12 Based thereon, and good cause appearing therefore,

13 IT IS HEREBY ORDERED, ADJUDGED AND DECREED that Plaintiff is awarded a  
14 judgment against Defendant, in addition to the judgment entered April 18,  
15 1985, in the amount of \$5,000.00 as and for exemplary damages and \$800.00  
16 as and for attorneys fees, together with interest thereon at the rate of  
17 12% per annum from the date of entry of judgment until paid.

18 DATED this 12 day of July, 1985.

*Deborah A. Agosto*

DISTRICT JUDGE

SEAL

CERTIFIED COPY

The document to which this certificate is attached is a full, true and correct copy of the original on file and of record in my office.

DATE July 16, 1985  
JUDI BAILEY, Clerk of the Second Judicial District Court, in and for the County of Washoe, State of Nevada.

By [Signature] Deputy.

RECORDED JUDGMENT DOCKET

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JUDI BAILEY, Clerk

By L SNOW Deputy

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OFFICE  
JUL 19 1985

COPY

REQUESTED BY

*Kaase, Harris & Morrison*

IN OFFICIAL RECORDS OF  
DOUGLAS CO., NEVADA

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SUZANNE BEAUDREAU  
RECORDER

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