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In the Matter of the Estate
of
GRACE M. DANBERG,
Deceased.

ORDER APPROVING FIRST AND FINAL ACCOUNT OF EXECUTOR, AND
DECREE OF FINAL DISTRIBUTION

This matter came on regularly for hearing before the Court this 28th day of July, 1987, upon the verified account and petition filed herein on July 8, 1987, by George K. FOLSOM, Executor of the last will of GRACE M. DANBERG, deceased.

It appearing to the satisfaction of the Court, and the Court finding that due and legal notice of the hearing on said account and petition has been given for the time and in the manner required by law; the Court having considered the verified account and petition, the requests contained therein and the testimony and evidence introduced in support thereof; and the Court having been fully advised in the premises; finds as follows:

1. That notice of this hearing has been given as required by law.
2. That the facts alleged in said account and petition are true and correct.

✓
GEORGE K. FOLSOM,
ATTORNEY AT LAW, LTD.
ONE EAST FIRST STREET
RENO, NEVADA 89501
(702) 329-9206

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1 3. That the matters requested by said Executor in his
2 account and petition ought to be granted.

3 IT IS THEREFORE ORDERED, ADJUDGED AND DECREED AS FOLLOWS:

4 1. That the First and Final Account of George K. Folsom, as
5 Executor of the Last Will and Testament of GRACE M. DANGBERG, de-
6 ceased, be and the same hereby is settled, allowed and confirmed,
7 and all actions taken by said Executor in connection with the
8 administration of this estate as set forth in said account and
9 petition are hereby ratified and approved.

10 2. That Kafoury, Armstrong, & Co., certified public accounts,
11 are hereby approved as preparers of the accountings filed herein,
12 and said accountants having reviewed all of the vouchers in support
13 of the expenditures set forth in the aforementioned first and final
14 account, the filing of said vouchers with the Court is hereby dis-
15 pensed with.

16 3. That the proration of Federal Estate taxes among the
17 beneficiaries of the taxable estate of the decedent shall be in
18 accordance with the stipulations signed by such beneficiaries and
19 attached as exhibits to the petition in this matter.

20 4. That the executor of this estate is hereby authorized and
21 directed to distribute the decedent's entire remaining estate, in-
22 cluding all of the decedent's property not now known or hereafter
23 discovered, and including the royalty interest in Gulf Plains
24 (Champlin Oil & Gas Co.), South Block Farm No. 34, 110, Nueces
25 County, Texas, to the residuary beneficiary of this estate, namely,
26 George K. Folsom, successor Trustee of the Grace M. Dangberg Trust
27 created by a Declaration of Trust dated the 6th day of July, 1978,
28 as last amended on October 11, 1983, to be held, administered and

1 distributed as set forth in said Declaration of Trust as restated
2 by said amendment dated October 11, 1983, a copy of said restated
3 Declaration of Trust being attached hereto and incorporated by
4 reference herein.

5 5. That this Court does hereby retain jurisdiction of the
6 above-entitled estate until the same shall be distributed and
7 closed, and that upon showing by said Executor that he has per-
8 formed all acts lawfully required of him herein, that a Decree of
9 Discharge shall be entered and filed releasing said Executor from
10 any and all liability thereafter to be incurred.

11 DATED this 28 day of July, 1987.

12
13 *David H. Soble*
14 _____

DISTRICT JUDGE

15
16 CERTIFIED COPY

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

20 DATE:

21 *B. Reed* Clerk of the *9th* Judicial District Court
22 of the State of Nevada, in and for the County of Douglas.

23 By _____

24 *Schappell* Deputy
25
26
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AMENDMENT NO. 2 TO THE GRACE M.
DANGBERG DECLARATION OF TRUST
DATED JULY 6, 1978

A DECLARATION OF TRUST made on the 6th day of July, 1978, by GRACE M. DANGBERG of Minden, Douglas County, Nevada, as amended on September 1, 1978, provides in Article II thereof that the Grantor during her lifetime reserves the right to amend the instrument in any respect, and in accordance with said provision, GRACE M. DANGBERG as Grantor hereby amends said DECLARATION OF TRUST by restating the same as follows:

W I T N E S S E T H:

This restated DECLARATION OF TRUST is made by GRACE M. DANGBERG of Minden, Douglas County, Nevada, who depending upon the context is hereafter referred to sometimes as Grantor and sometimes as Trustee:

WHEREAS, Grantor has transferred and set over to the Trustee, in trust, certain real and personal property; and

WHEREAS, Grantor desires to separate said real and personal property from all other property presently owned by her and to have the Trustee hold, manage, invest, reinvest and distribute the same in accordance with the terms and conditions of this restated DECLARATION OF TRUST; and

WHEREAS, Grantor may desire in the future to add other real or personal property to this trust subject to the same terms and conditions and as an integral part of the trust property;

NOW, THEREFORE:

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ARTICLE I. Declaration Of Trust

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I, GRACE M. DANGBERG, of Minden, Douglas County, Nevada, do hereby declare that I hold the property heretofore transferred to this trust and any additional property hereafter added to this Trust for the uses and purposes hereinafter set forth.

To have and to hold said real and personal property unto myself as said Trustee, my successors and assigns, but in Trust, and for the uses and purposes and upon the conditions hereinafter described.

The name of this Trust shall be the Dangberg Trust.

ARTICLE II. Powers Reserved To Grantor

2.1 The Grantor during her lifetime reserves the following powers:

2.1.1 To withdraw property from this Trust in any amount and at any time;

2.1.2 To add other property to the Trust;

2.1.3 To amend this instrument in any respect;

2.1.4 To revoke this Trust in its entirety by an instrument in writing filed with the Trustee.

2.2 Upon the death of the Grantor this Trust shall become irrevocable and shall not thereafter be subject to alteration or amendment by any person.

ARTICLE III. Dispositive Provisions

The Trustee shall hold, manage, invest, and reinvest the Trust Estate and shall collect the income thereof and shall dispose of the net income and principal as follows:

3.1 During the lifetime of the Grantor, the Trustee shall pay to the Grantor such portions of the net income and principal of the Trust Estate as the Grantor may direct. If, at any time during her lifetime, the Grantor shall become incompetent or for any other reason be unable to act in her own behalf, the Trustee, in his discretion, shall pay to or apply for the benefit of the Grantor such portions or all of the income and principal of the Trust Estate as the Trustee determines to be required for the Grantor's support, care, and maintenance, or for any other purpose which the Trustee determines to be to the Grantor's best interest.

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3.2 Upon the death of the Grantor the Trustee shall pay out and distribute the Trust Estate as follows:

3.2.1 Debts, Administration Expenses and Death Taxes

Unless otherwise provided for, the Trustee shall pay from the Trust Estate:

3.2.1.1 The Grantor's funeral expenses;

3.2.1.2 Legally enforceable claims against the Grantor or her estate;

3.2.1.3 Reasonable expenses of administration of Grantor's estate; and

3.2.1.4 To George K. Folsom, Attorney at Law, Reno, Nevada, as Successor Trustee hereunder, two (2%) per cent of the Grantor's gross estate as determined for United States Estate Tax purposes for fees and commissions in connection with this Trust and the administration thereof and for other estate planning services, including such legal services and advice as shall be necessary in connection with the Grantor's estate upon her death.

3.2.1.5 In addition, the Trustee shall pay from the residuary of the Trust Estate all estate, inheritance, succession or other death duties or taxes payable by reason of the Grantor's death with respect to property passing to persons other than charities whether through the dispositive provisions of this Trust Instrument or outside of this Trust Instrument. No such death taxes shall be charged to or paid from any charitable gift made at Grantor's death whether by the dispositive provisions of this trust or by Grantor outside of this trust. 158871

3.2.2 Gifts To Certain Relatives of Grantor BOOK 787 PAGE 3373

Upon the death of Grantor the Trustee shall pay the following sums to the following relatives of Grantor who survive her:

To EVALENA SMITH (niece of Grantor's deceased mother, Georgie B. Dangberg)	\$100,000.00
To GEORGE F. DANGBERG (cousin of Grantor and son of the late George F. Dangberg)	\$100,000.00
To H. FERRIS DANGBERG (cousin of Grantor and son of the late Clarence O. Dangberg)	\$100,000:00

3.2.3 Home of Grantor

At the present time Grantor's friend, EDITH A. MEREEN, is living with Grantor at her home at 119 Sixth Street, Minden, Nevada, which real property is a part of the Trust Estate. In the event EDITH A. MEREEN survives Grantor, the Trustee shall permit EDITH A. MEREEN to occupy and use Grantor's home, rent free during the remainder of her life or until she moves out of said home, provided the said EDITH A. MEREEN pay all property taxes, insurance, repairs, and upkeep of such property from her own funds during her use of the same. Upon the death of said EDITH A. MEREEN, or upon her moving from said home, whichever shall first occur, the Trustee shall thereafter sell such home and the proceeds therefrom shall be distributed to the GRACE DANGBERG FOUNDATION, INC., a Nevada non-profit corporation, to be added to its general funds and used for such purposes as the Trustees of said foundation may determine within the scope of the objects and purposes set forth in said foundation's articles of incorporation.

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3.2.4 Residue of Trust Estate

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All the rest, residue and remainder of the Trust Estate shall as soon as practicable be paid over and distributed to the GRACE DANGBERG FOUNDATION, INC., a Nevada non-profit corporation, to be added to its general funds and used for such purposes as the Trustees of said foundation may determine within the scope of the objects and purposes set forth in said foundation's articles of incorporation.

ARTICLE IV. Trustee's Powers

4.1 The Trustee (including any successor trustee) shall have the following powers, and any others that may be granted by law, with respect to the Trust estate to be exercised as the Trustee in her discretion determines to be to the best interests of the beneficiaries:

4.1.1 To retain any property or undivided interests in property received from the Grantor or from any other source, including residential property, regardless of any lack of diversification, risk, or non-productivity;

4.1.2 To invest and reinvest the Trust Estate in any property or undivided interests in property, wherever located, including bonds, notes secured or unsecured, stocks of corporations regardless of class, real estate, or any interest in real estate, and interests in trusts, including common trust funds, without being limited by any statute or rule of law concerning investments by trustees;

4.1.3 To sell any trust property, for cash or on credit, at public or private sales, with or without notice; to exchange any trust property for other property; to grant options to purchase or acquire any trust property; and to determine the prices and terms of sales, exchanges and options;

4.1.4 To make leases and subleases for terms within or beyond the termination of the Trust and for any purpose, including exploration for and removal of gas, oil, and other minerals; to subdivide or improve real estate and tear down or alter improvements; to grant easements, give consents and make contracts relating to real estate or its use; and to release or dedicate any interest in real estate;

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4.1.5 To borrow money and to mortgage or pledge any trust property;

4.1.6 To employ attorneys, accountants, depositaries,

proxies, and agents, with or without discretionary powers; and to keep any trust property in the name of herself or an agent or a trustee or nominee, with or without disclosure of any fiduciary relationship, or in bearer form;

4.1.7 To determine the manner of ascertainment of income and principal, and the allocation or apportionment between income and principal of all receipts and disbursements; and to select an annual accounting period;

4.1.8 To take any action with respect to conserving or realizing upon the value of any trust property, and with respect to foreclosures, reorganizations or other changes affecting the trust property; to collect, pay, contest, compromise or abandon demands of or against the Trust Estate, wherever situated; and to execute contracts, notes, conveyances and other instruments, including instruments containing covenants and warranties binding upon and creating a charge against the Trust Estate, and containing provisions excluding personal liability;

4.1.9 To receive additional property from any source and add it to and commingle it with the Trust Estate;

4.1.10 To enter into any transaction authorized by this Article IV with trustees, executors, or administrators of other trusts or estates in which any beneficiary hereunder has any interest, even though any such trustee or representative is also trustee hereunder; and in any such transaction to purchase property, or make loans on notes secured by property, even though similar or identical property constitutes all or a large portion of the balance of the Trust Estate, and to retain any such property or note with the same freedom as if it had been an original part of the Trust Estate;

4.1.11 To make any distribution or division of the trust property in cash or in kind or both, and to continue to

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exercise any powers and discretion hereunder for a reasonable period after the termination of the Trust, but only for so long as no rule of law relating to perpetuities would be violated;

4.1.12 To allocate different kinds or disproportionate shares of property or undivided interests in property among the beneficiaries or portions, and to determine the value of any such property.

ARTICLE V. Succession Of Trustees

5.1 Upon the death of GRACE M. DANGBERG, or in the event of her incompetency or inability to act for any reason, then GEORGE K. FOLSOM, Attorney at Law, of Reno, Nevada, shall succeed as Trustee hereunder. In the event of GEORGE K. FOLSOM'S failure or inability to so serve, LOWELL BARNARD, C.P.A., Reno, Nevada, shall be the successor trustee, or if he shall be unable to serve, then the senior member of the accounting firm of KAFOURY-ARMSTRONG & CO., Reno, Nevada, or the senior member of any successor to such firm shall be successor trustee hereunder.

The determination of the time or times Grantor shall be deemed incompetent or unable to act for herself and as Trustee, for the purposes of this Trust Instrument, shall be determined by the following persons or the survivors of them:

COLIN SOONG, M.D.
710 West Washington
Carson City, Nevada

GEORGE F. DANGBERG (Grantor's
cousin) of Gardnerville, Nevada

H. FERRIS DANGERRG (Grantor's
cousin) of Long Beach, California

GEORGE K. FOLSOM, Attorney at Law,
Reno, Nevada

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If any of said persons are not living or do not

desire to make such a determination at the time the same is necessary, then the remaining named persons shall make the

determination of the inability of Grantor to act as Trustee hereunder. It shall not be necessary for any Court to make a determination of the incompetency of the Grantor or of her incapacity or inability to act for herself with respect to the operation of the provisions of this instrument. The Grantor hereby expressly releases any and all of the aforesaid persons from any liability with respect to any determination made of Grantor's incapacity or inability to act as authorized under this Article V.

ARTICLE VI. Burial Provisions

6.1 The Grantor hereby directs that her body be cremated and that her remains be buried in the John B. Dangberg family plot at Lone Mountain Cemetery in Carson City, Nevada.

ARTICLE VII. Additional Property

7.1 The Grantor reserves the right for herself or any person to increase the Trust Estate by delivering property to the Trustee or by having the proceeds of insurance policies made payable to the Trustee, or by bequest or devise by will. Such additional property, if received, shall become a part of the Trust Estate herein and shall be held and administered in the manner provided herein and subject to all the conditions of this Trust Instrument.

ARTICLE VIII. Waivers

8.1 To the extent that any such requirement can legally be waived, no Trustee shall ever be required to give any bond as Trustee; to qualify before, be appointed by, or in the absence of breach of trust, account to any Court; or (unless expressly provided herein) to obtain the order or approval of any Court in the exercise of any power or discretion hereunder.

8.2 No person paying money or delivering any property to any Trustee need see to its application.

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ARTICLE IX. Spendthrift Provision

9.1 No interest of any beneficiary, excepting the Grantor, in the principal or income of any trust share created under this agreement, shall be subject to assignment, alienation, pledge, attachment, or claims of creditors of such beneficiary and may not otherwise be voluntarily alienated or encumbered by such beneficiary except as may be otherwise expressly provided herein.

ARTICLE X. Situs

10.1 This Trust shall be governed and construed in all respects according to the laws of the State of Nevada.

ARTICLE XI. Gender

11.1 Throughout this Trust Instrument the neuter gender shall include the masculine and feminine and the singular, the plural, and vice-versa, wherever the context and facts require such construction.

As amended by this Amendment No. 2, Grantor hereby ratifies, confirms and republishes this said DECLARATION OF TRUST dated July 6, 1978 as amended to this date.

IN WITNESS WHEREOF, the Grantor as an individual and as Trustee has executed this instrument this 11th day of October, 1983.

Grace M. Dangberg
GRACE M. DANGBERG Grantor

Grace M. Dangberg
GRACE M. DANGBERG Trustee

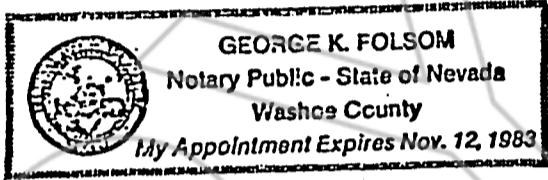
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STATE OF NEVADA)
))
COUNTY OF WASHOE)) SS.

On this 11th day of October, 1983, before me,
a Notary Public, personally appeared GRACE M. DANGBERG, Grantor
and Trustee, who acknowledged that she executed the foregoing
instrument.

George K. Folsom
NOTARY PUBLIC



REQUESTED BY
George Folsom
IN OFFICIAL RECORDS OF
DOUGLAS COUNTY, NEVADA

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SUZANNE BEAUDREAU
RECORDER

\$17.00 PAID JK DEPUTY : 158871
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