

NOTICE of Memorandum of Agreement

The following, Leon Mark Kizer, (KIZER), and F. Scott Gordon and Janelle T. Gordon, Husband and Wife, (GORDON), have an agreement between them :

The Agreement is dated May 1, 1997, and affects the real properties described as follows:

Parcel L: Parcel L of Section 5, Township 11 North, Range 21 East, M.D.B.&M. as shown on the Record of Survey Map for the U.S. Dept. of the Interior, BLM, recorded in the office of the Douglas County Recorder on March 20, 1992 in Book 392 at Page 3301 as File No. 273678, Official Records.A.P.N. 35-360-06

Parcel M: Parcel M of Section 5, Township 11 North, Range 21 East, M.D.B.&M. as shown on the Record of Survey Map for the U.S. Dept. of the Interior, BLM, recorded in the office of the Douglas County Recorder on March 20, 1992 in Book 392 at Page 3301 as File No. 273678, Official Records.A.P.N. 35-360-05

The Agreement contains, among other things, the following:

1. At the close of escrow for Parcel M GORDON shall be deemed to have given option consideration to KIZER and KIZER shall be deemed to have granted to GORDON the option to buy Parcel L upon KIZER obtaining a patent from the BLM for Parcel L at a price agreed to in the Agreement.
2. KIZER shall notify GORDON in writing immediately when a patent has been issued at which time GORDON shall have 30 (thirty) days in which to deliver the full purchase price and all closing costs to the escrow holder and to close the escrow.
3. In the event GORDON does not deposit funds, execute the appropriate escrow documents, and close escrow, through no fault of KIZER, within the 30 (thirty) day time frame following the receipt of the notice of the patent having been issued then KIZER shall have no further obligation to GORDON in any way for the sale of Parcel L.
4. The right to buy Parcel L is not transferable and shall be canceled if GORDON sells Parcel M prior to the close of escrow of Parcel L.
5. In the event any of the following occurs an easement shall be granted as per the terms of Item 7 hereof:
 - a. GORDON does not close on Parcel L whether by his own choice or by a default cancellation of his right to purchase the property per the terms of this agreement,
 - b. KIZER is unable to remove Parcel L from Trust Status through no fault of his own, rather because of a decision by the Bureau of Indian Affairs that is not caused by or related to actions of KIZER. Item 5.b. shall only occur following a decision by the BIA that the property shall not be removed and KIZER has exhausted all rights he may have to appeal the decision, or after 3 (three) years from the date of recording of Parcel M.
6. The option to purchase Parcel L shall become null and void should any of the situations in Items 3, 4, or 5 occur unless extended in writing by recorded document.
7. Should one of the situations in Item 5 hereof occur GORDON, his heirs, assigns, or any successor in interest shall grant to KIZER an easement as follows:
 - a. Easement shall be a private access easement.
 - b. Easement shall be 30 (thirty) feet in width from Jolie Way to the base of the hill from which it shall be 50 (fifty) feet in width.

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F. Scott Gordon
F. Scott Gordon

Janelle T. Gordon
Janelle T. Gordon

State of NEVADA
County of DOUGLAS

State of NEVADA
County of DOUGLAS

On MAY 2, 1997 before me, the undersigned, a Notary Public in and for said County and State, personally appeared F. Scott Gordon known to me to be the person described in and who executed the foregoing instrument, who acknowledged to me that he executed the same freely and voluntarily and for the uses and purposes therein mentioned.

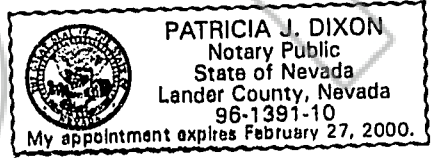
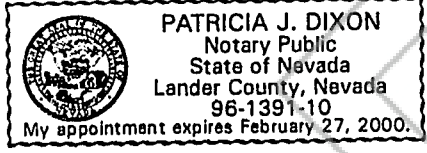
On MAY 2, 1997 before me, the undersigned, a Notary Public in and for said County and State, personally appeared Janelle T. Gordon known to me to be the person described in and who executed the foregoing instrument, who acknowledged to me that he executed the same freely and voluntarily and for the uses and purposes therein mentioned.

WITNESS my hand and official seal

WITNESS my hand and official seal

Patricia J. Dixon
My commission Expires: 2-27-2000

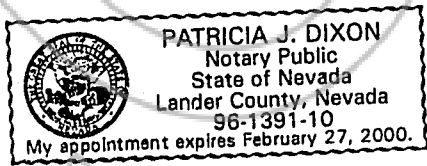
Patricia J. Dixon
My commission Expires: 2-27-2000



Leon Mark Kizer
Leon Mark Kizer

State of NEVADA
County of DOUGLAS

On MAY 1, 1997 before me, the undersigned, a Notary Public in and for said County and State, personally appeared Leon Mark Kizer known to me to be the person described in and who executed the foregoing instrument, who acknowledged to me that he executed the same freely and voluntarily and for the uses and purposes therein mentioned.



When Recorded Mail to:
Jim Valentine
P.O. Box 2320
Minden, NV 89423

REQUESTED BY
Northern Nevada Title Company
IN OFFICIAL RECORDS OF
DOUGLAS CO., NEVADA

'97 MAY -2 P2:39

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LINDA SLATER
RECORDER
\$ 2.00 PAID DEPUTY