

RECORDATION REQUESTED BY:

First Interstate Bank  
4 South Main  
P.O. Box 2007  
Sheridan, WY 82801

RECORDED DECEMBER 15, 1998 BK 399 PG 395 NO 303919 RONALD L. DAILEY, COUNTY CLERK  
WHEN RECORDED MAIL TO:

First Interstate Bank  
4 South Main  
P.O. Box 2007  
Sheridan, WY 82801

SEND TAX NOTICES TO:

NORMATIVE SERVICES, INC.  
5 Lane Lane  
Sheridan, WY 82801

SPACE ABOVE THIS LINE IS FOR RECORDER'S USE ONLY

MORTGAGE

THIS MORTGAGE IS DATED DECEMBER 14, 1998, between NORMATIVE SERVICES, INC., whose address is 5 Lane Lane, Sheridan, WY 82801 (referred to below as "Grantor"); and First Interstate Bank, whose address is 4 South Main, P.O. Box 2007, Sheridan, WY 82801 (referred to below as "Lender").

**GRANT OF MORTGAGE.** For valuable consideration, Grantor mortgages and conveys to Lender all of Grantor's right, title, and interest in and to the following described real property, together with all existing or subsequently erected or affixed buildings, improvements and fixtures; all easements, rights of way, and appurtenances; all water, water rights, watercourses and ditch rights (including stock in utilities with ditch or irrigation rights); and all other rights, royalties, and profits relating to the real property, including without limitation all minerals, oil, gas, geothermal and similar matters, located in Sheridan County, State of Wyoming (the "Real Property"):

See Attached Exhibit "A"

The Real Property or its address is commonly known as 5, 7, 12, 13, 14, 17, and 18 Lane Lane and 27, 28, and 33 Brayton Lane,, Sheridan, WY 82801.

Grantor presently assigns to Lender all of Grantor's right, title, and interest in and to all leases of the Property and all Rents from the Property. In addition, Grantor grants to Lender a Uniform Commercial Code security interest in the Personal Property and Rents.

**DEFINITIONS.** The following words shall have the following meanings when used in this Mortgage. Terms not otherwise defined in this Mortgage shall have the meanings attributed to such terms in the Uniform Commercial Code. All references to dollar amounts shall mean amounts in lawful money of the United States of America.

**Existing Indebtedness.** The words "Existing Indebtedness" mean the indebtedness described below in the Existing Indebtedness section of this Mortgage.

**Grantor.** The word "Grantor" means NORMATIVE SERVICES, INC.. The Grantor is the mortgagor under this Mortgage.

**Guarantor.** The word "Guarantor" means and includes without limitation each and all of the guarantors, sureties, and accommodation parties in connection with the Indebtedness.

**Improvements.** The word "Improvements" means and includes without limitation all existing and future improvements, buildings, structures, mobile homes affixed on the Real Property, facilities, additions, replacements and other construction on the Real Property.

**Indebtedness.** The word "Indebtedness" means all principal and interest payable under the Note and any amounts expended or advanced by Lender to discharge obligations of Grantor or expenses incurred by Lender to enforce obligations of Grantor under this Mortgage, together with interest on such amounts as provided in this Mortgage.

**Lender.** The word "Lender" means First Interstate Bank, its successors and assigns. The Lender is the mortgagee under this Mortgage.

**Mortgage.** The word "Mortgage" means this Mortgage between Grantor and Lender, and includes without limitation all assignments and security interest provisions relating to the Personal Property and Rents.

**Note.** The word "Note" means the promissory note or credit agreement dated December 14, 1998, in the original principal amount of \$650,000.00 from Grantor to Lender, together with all renewals of, extensions of, modifications of, refinancings of, consolidations of, and substitutions for the promissory note or agreement. **NOTICE TO GRANTOR: THE NOTE CONTAINS A VARIABLE INTEREST RATE.**

**Personal Property.** The words "Personal Property" mean all equipment, fixtures, and other articles of personal property now or hereafter owned by Grantor, and now or hereafter attached or affixed to the Real Property; together with all accessions, parts, and additions to, all replacements of, and all substitutions for, any of such property; and together with all proceeds (including without limitation all insurance proceeds and refunds of premiums) from any sale or other disposition of the Property.

**Property.** The word "Property" means collectively the Real Property and the Personal Property.

**Real Property.** The words "Real Property" mean the property, interests and rights described above in the "Grant of Mortgage" section.

**Related Documents.** The words "Related Documents" mean and include without limitation all promissory notes, credit agreements, loan agreements, environmental agreements, guaranties, security agreements, mortgages, deeds of trust, and all other instruments, agreements and documents, whether now or hereafter existing, executed in connection with the Indebtedness.

**Rents.** The word "Rents" means all present and future rents, revenues, income, issues, royalties, profits, and other benefits derived from the Property.

**THIS MORTGAGE, INCLUDING THE ASSIGNMENT OF RENTS AND THE SECURITY INTEREST IN THE RENTS AND PERSONAL PROPERTY, IS GIVEN TO SECURE (1) PAYMENT OF THE INDEBTEDNESS AND (2) PERFORMANCE OF ALL OBLIGATIONS OF GRANTOR UNDER THIS MORTGAGE AND THE RELATED DOCUMENTS. THIS MORTGAGE IS GIVEN AND ACCEPTED ON THE FOLLOWING TERMS:**

**PAYMENT AND PERFORMANCE.** Except as otherwise provided in this Mortgage, Grantor shall pay to Lender all amounts secured by this Mortgage as they become due, and shall strictly perform all of Grantor's obligations under this Mortgage.

**POSSESSION AND MAINTENANCE OF THE PROPERTY.** Grantor agrees that Grantor's possession and use of the Property shall be governed by the following provisions:

**Possession and Use.** Until in default, Grantor may remain in possession and control of and operate and manage the Property and collect the Rents from the Property.

**Duty to Maintain.** Grantor shall maintain the Property in tenantable condition and promptly perform all repairs, replacements, and maintenance necessary to preserve its value.

**Hazardous Substances.** The terms "hazardous waste," "hazardous substance," "disposal," "release," and "threatened release," as used in this Mortgage, shall have the same meanings as set forth in the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended, 42 U.S.C. Section 9601, et seq. ("CERCLA"), the Superfund Amendments and Reauthorization Act of 1986, Pub. L. No. 99-499 ("SARA"), the Hazardous Materials Transportation Act, 49 U.S.C. Section 1801, et seq., the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901, et seq., or other applicable state or Federal laws, rules, or regulations adopted pursuant to any of the foregoing. The terms "hazardous waste" and "hazardous substance" shall also include, without limitation, petroleum and petroleum by-products or any fraction thereof and asbestos. Grantor represents and warrants to Lender that: (a) During the period of Grantor's ownership of the Property, there has been no use, generation, manufacture, storage, treatment, disposal, release or threatened release of any hazardous waste or substance by any person on, under, or from the Property; (b) Grantor has no knowledge of any

appraisal fees, and title insurance, to the extent permitted by applicable law. Grantor also will pay any court costs, in addition to all other sums provided by law.

**NOTICES TO GRANTOR AND OTHER PARTIES.** Any notice under this Mortgage, including without limitation any notice of default and any notice of sale to Grantor, shall be in writing, may be sent by telefacsimile (unless otherwise required by law), and shall be effective when actually delivered, or when deposited with a nationally recognized overnight courier, or, if mailed, shall be deemed effective when deposited in the United States mail first class, certified or registered mail, postage prepaid, directed to the addresses shown near the beginning of this Mortgage. Any party may change its address for notices under this Mortgage by giving formal written notice to the other parties, specifying that the purpose of the notice is to change the address for notices under this Mortgage. All copies of notices of foreclosure from the holder of any lien which has priority over this Mortgage shall be sent to Lender's address, as shown near the beginning of this Mortgage. For notice purposes, Grantor agrees to keep Lender informed at all times of Grantor's current address.

**MISCELLANEOUS PROVISIONS.** The following miscellaneous provisions are a part of this Mortgage:

**Amendments.** This Mortgage, together with any Related Documents, constitutes the entire understanding and agreement of the parties as to the matters set forth in this Mortgage. No alteration of or amendment to this Mortgage shall be effective unless given in writing and signed by the party or parties sought to be charged or bound by the alteration or amendment.

**Annual Reports.** If the Property is used for purposes other than Grantor's residence, Grantor shall furnish to Lender, upon request, a certified statement of net operating income received from the Property during Grantor's previous fiscal year in such form and detail as Lender shall require. "Net operating income" shall mean all cash receipts from the Property less all cash expenditures made in connection with the operation of the Property.

**Applicable Law.** This Mortgage has been delivered to Lender and accepted by Lender in the State of Wyoming. This Mortgage shall be governed by and construed in accordance with the laws of the State of Wyoming.

**Caption Headings.** Caption headings in this Mortgage are for convenience purposes only and are not to be used to interpret or define the provisions of this Mortgage.

**Merger.** There shall be no merger of the interest or estate created by this Mortgage with any other interest or estate in the Property at any time held by or for the benefit of Lender in any capacity, without the written consent of Lender.

**Multiple Parties; Corporate Authority.** All obligations of Grantor under this Mortgage shall be joint and several, and all references to Grantor shall mean each and every Grantor. This means that each of the persons signing below is responsible for all obligations in this Mortgage.

**Severability.** If a court of competent jurisdiction finds any provision of this Mortgage to be invalid or unenforceable as to any person or circumstance, such finding shall not render that provision invalid or unenforceable as to any other persons or circumstances. If feasible, any such offending provision shall be deemed to be modified to be within the limits of enforceability or validity; however, if the offending provision cannot be so modified, it shall be stricken and all other provisions of this Mortgage in all other respects shall remain valid and enforceable.

**Successors and Assigns.** Subject to the limitations stated in this Mortgage on transfer of Grantor's interest, this Mortgage shall be binding upon and inure to the benefit of the parties, their successors and assigns. If ownership of the Property becomes vested in a person other than Grantor, Lender, without notice to Grantor, may deal with Grantor's successors with reference to this Mortgage and the indebtedness by way of forbearance or extension without releasing Grantor from the obligations of this Mortgage or liability under the indebtedness.

**Time Is of the Essence.** Time is of the essence in the performance of this Mortgage.

**Waiver of Homestead Exemption.** Grantor hereby releases and waives all rights and benefits of the homestead exemption laws of the State of Wyoming as to all indebtedness secured by this Mortgage.

**Waivers and Consents.** Lender shall not be deemed to have waived any rights under this Mortgage (or under the Related Documents) unless such waiver is in writing and signed by Lender. No delay or omission on the part of Lender in exercising any right shall operate as a waiver of such right or any other right. A waiver by any party of a provision of this Mortgage shall not constitute a waiver of or prejudice the party's right otherwise to demand strict compliance with that provision or any other provision. No prior waiver by Lender, nor any course of dealing between Lender and Grantor, shall constitute a waiver of any of Lender's rights or any of Grantor's obligations as to any future transactions. Whenever consent by Lender is required in this Mortgage, the granting of such consent by Lender in any instance shall not constitute continuing consent to subsequent instances where such consent is required.

GRANTOR ACKNOWLEDGES HAVING READ ALL THE PROVISIONS OF THIS MORTGAGE, AND GRANTOR AGREES TO ITS TERMS.

GRANTOR:

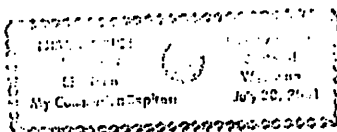
NORMATIVE SERVICES, INC.

By: Julia George  
Julia George, President

By: Cal Furnish  
Cal Furnish, Treasurer

CORPORATE ACKNOWLEDGMENT

STATE OF Wyoming  
COUNTY OF Shoshone ) ss



On this 14th day of December, 1998, before me, the undersigned Notary Public, personally appeared Julia George, President; and Cal Furnish, Treasurer of NORMATIVE SERVICES, INC., and known to me to be authorized agents of the corporation that executed the Mortgage and acknowledged the Mortgage to be the free and voluntary act and deed of the corporation, by authority of its Bylaws or by resolution of its board of directors, for the uses and purposes therein mentioned, and on oath stated that they are authorized to execute this Mortgage and in fact executed the Mortgage on behalf of the corporation.

By: Notary Public  
Notary Public in and for the State of Wyoming

Residing at Sheridan County  
My commission expires 7-28-2001

400

Exhibit "A"

(PARCEL 1)

Land located in the West 1/4, Southeast 1/4, Southeast 1/4 of Section 31, Township 56 North, Range 84 West, Sheridan County, Wyoming, also known as Lot "A" of the Perkins Ranch Subdivision of Sheridan County, Wyoming and further described as follows:

Lot A:

That part of Lot A beginning at a point located North 1°02' West, 1113.88 feet from the Southwest corner of Lot A, Perkins Ranch Subdivision; thence North 88°52' East, 579.80 feet; thence North 1°34' West, 150.62 feet; thence South 88°52' West, 578.40 feet; thence South 1°02' East, 150.62 feet to the point of beginning.

(PARCEL 2)

A tract of land situated in Lot "A" of the Subdivision of Perkins Ranch, being a subdivision located in the NW 1/4 of SE 1/4 of Section 31, T.56N., and in the NW 1/4 of Lot 1, of Section 6, T.55N., all in Range 84 West of the 6th P.M., in Sheridan County, Wyoming, described as follows:

Beginning at the Southwest corner of said Lot "A", which point is in the center of the channel of Big Goose Creek; thence downstream, along the center of said creek, S.67°25'E. 341.1 feet to a point; thence S.16°29'E. 306.9 feet to a point; thence S.78°53'E. 204.7 feet to the Southeast corner of said Lot "A"; thence leaving the center of said Big Goose Creek, N.1°34'W. 1741.1 feet, along the East line of said Lot "A", to a point; thence S.88°52'W. 578.4 feet to a point; and thence S.1°02'E. 1264.5 feet to the point of beginning.

EXCEPTING, that part of Lot "A" of the said Perkins Ranch Subdivision located in the NW 1/4, SE 1/4 of Section 31, Township 56 North, Range 84 West, Sheridan County, Wyoming described as follows:

Beginning at a point located N.1°02'W., 1113.88 feet from the Southwest corner of Lot "A", Perkins Ranch Subdivision; thence N.88°52'E., 579.80 feet; thence N.1°34'W., 150.62 feet; thence S.88°52'W., 578.40 feet; thence S.1°02'E., 150.62 feet to the point of beginning. (Also known as Lot "A-1" of the Perkins Ranch Subdivision)

(PARCEL 3)

Lots "D", "E", "H" AND "X", and all that part of Lot "I" lying North and East of Big Goose Creek in the Guy Wood Ranch, a subdivision of certain lands in Sections 31 and 32, Township 56 North, Range 84 West of the 6th P.M., Sheridan County, Wyoming.

ALSO the SW 1/4 of Section 5, Township 55 Range 84 West of the 6th P.M., Sheridan County, Wyoming

EXCEPT THE FOLLOWING:

Lot E-1 of the Brayton Minor Subdivision. A subdivision in Sheridan County, Wyoming as recorded in Book 1 of Plats, Page 176.

ALSO EXCEPT THE FOLLOWING:

All that portion of Lot "E" of the Guy Wood Ranch a Subdivision of certain land in Section 31 and Section 32, T56N, R84W of the 6th P.M., Wyoming as described in Book 144 at Page 63 of the Sheridan County Records, lying between the southerly right of way boundary of presently existing Wyoming Highway No. 331 and a parallel right of way line 50 feet to the right or southerly side when measured at right angles or radially to the following described survey line of highway, said parallel right of way line begins on the west boundary of said Lot "D" and ends on the said presently existing southerly right of way boundary:

Beginning at a point on said survey line which bears S70°44'00"W, a distance of 66.96 feet from a point on the west boundary of said Section 32 from which the SW Corner of said Section 32 bears S02°15'01.9"E, a distance of 1,642.04 feet; thence with said parallel right of way line 50 feet to the right or southerly side N70°44'00"E, a distance of 164.77 feet to the point of beginning of a 3°00'00" circular curve concave to the northwest, the radius of which is 1,909.86 feet; thence southeasterly along said curve through a central angle of 00°45'24.84", a distance of 25.23 feet more or less, until said parallel right of way line intersects said existing southerly right of way boundary.

(PARCEL 4)

Lot E-1 of the Brayton Minor Subdivision being the Amended Plat of Lot E of the Guy Wood Ranch Subdivision, Sheridan County, Wyoming.

(PARCEL 5)

A tract of land being that portion of Lots "F" and "G" of the Guy Wood Ranch and Subdivision in Sheridan County, Wyoming, described as follows:

Beginning at the Southeast corner of said Lot "F", running thence North along the East line of said Lot, 173.7 feet to a point; thence West at an angle of 90° from said East line 52 feet to a point; thence South parallel to said East line of Lot "F" 412.8 feet, more or less, to the South line of Lot "G" and thence Northeasterly along the South line of said Lots "F" and "G" to the point of beginning.

(PARCEL 6)

All that part of Lot "I" of the Subdivision of the M. Guy Wood Ranch lying South of the center of Big Goose Creek, Sheridan County, Wyoming.

Normative Services, Inc.

  
Julia George, President

  
Cal Furnish, Treasurer