

80014

MEMORANDUM OF
LEASE AGREEMENT
WITH OPTION TO PURCHASE

TO WHOM IT MAY CONCERN:

PLEASE TAKE NOTE that on the 15th day of March, 1981 the following parties entered into a Lease Agreement with Option to Purchase (hereinafter "Agreement"):

JOHN V. DAMELE and his wife, ROBERTA DAMELE; and
WILLIS A. DePAOLI and his wife, ARLENE M. DePAOLI,
as LESSORS;

and

WESTERN GAS OIL & MINING LTD., a Nevada corporation, as LESSEE;

affecting those certain unpatented lode mining claims more particularly described in Exhibit A attached hereto and made a part hereof (hereinafter "Subject Property").

Said Agreement provides for a lease of the Subject Property for a period of TWENTY (20) years from March 15, 1981, and for the LESSEE to have the option to renew the Agreement for an additional like term, unless sooner surrendered, forfeited or terminated.

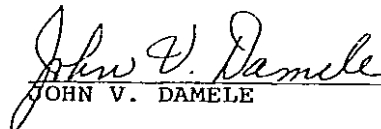
The Agreement provides that upon the payment of the recited purchase price the LESSEE may exercise the purchase option to purchase all of the LESSOR'S right, title and interest in and to the Subject Property.

Those persons having a legitimate need to examine the Agreement may, upon demonstrating their right and need, examine a copy of the Agreement by contacting:

Western Gas Oil & Mining Ltd.
Attention: J. Newell Jackson, President
940 Matley Lane
Reno, Nevada 89510

DATED this 15th day of March, 1981.

LESSOR: *


JOHN V. DAMELE

LESSOR (continued):

Roberta Damele
ROBERTA DAMELE

Willis A. DePaoli
WILLIS A. DEPAOLI

Arlene M. DePaoli
ARLENE M. DEPAOLI

LESSEE:

WESTERN GAS OIL & MINING LTD., a
Nevada corporation

BY: John V. Damele
TITLE: President

APPROVED AND AGREED:

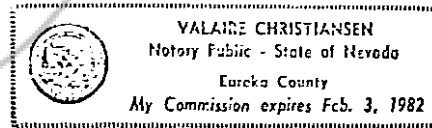
Peter E. Galli
PETER E. GALLI

STATE OF NEVADA)
COUNTY OF EURKA) SS.

On MARCH 11, 1981, personally appeared before
me, a Notary Public, JOHN V. DAMELE and ROBERTA DAMELE, who acknow-
ledged to me that they executed the above Memorandum of Lease Agree-
ment With Option Purchase.

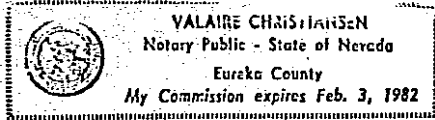
Valaire Christiansen
NOTARY PUBLIC

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STATE OF NEVADA)
COUNTY OF EUREKA) SS.

On MARCH 10, 1981, personally appeared before me, a Notary Public, WILLIS A. DEPAOLI and ARLENE M. DEPAOLI, who acknowledged to me that they executed the above Memorandum of Lease Agreement With Option to Purchase.

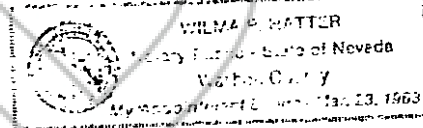


Valaire Christensen
NOTARY PUBLIC

STATE OF Nevada)
COUNTY OF Shoshone) SS.

On March 19, 1981, personally appeared before me, a Notary Public, J. Russell Jackson, a duly qualified and acting officer of WESTERN GAS OIL & MINING LTD., who acknowledged to me that he executed the above Memorandum of Lease Agreement With Option to Purchase.

Wilma P. Hatter
NOTARY PUBLIC



STATE OF Nevada)
COUNTY OF Shoshone) SS.

On March 19, 1981, personally appeared before me, a Notary Public, PETER E. GALLI, who acknowledged to me that he executed the above Memorandum of Lease Agreement With Option to Purchase.

Wilma P. Hatter
NOTARY PUBLIC

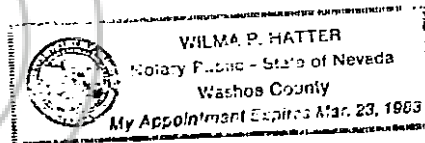


EXHIBIT A

Those certain unpatented lode mining claims generally located in Sections 6 and 7, Township 17 North, Range 53 East, M.D.B.&M., Unknown Mining District, Eureka County, Nevada:

| <u>Claim Name</u> | <u>Location Date</u> |
|-------------------|----------------------|
| Lamor #1 | September 28, 1980 |
| Lamor #2 | September 28, 1980 |
| Lamor #3 | September 28, 1980 |
| Lamor #4 | September 28, 1980 |
| Lamor #5 | September 28, 1980 |
| Lamor #6 | September 28, 1980 |
| Lamor #7 | September 28, 1980 |
| Lamor #8 | September 28, 1980 |
| Lamor #9 | September 28, 1980 |
| Lamor #10 | December 19, 1980 |
| Lamor #11 | December 19, 1980 |
| Lamor #12 | December 19, 1980 |
| Lamor #13 | December 19, 1980 |
| Lamor #14 | December 19, 1980 |
| Lamor #15 | January 7, 1981 |
| Lamor #16 | January 9, 1981 |
| Lamor #17 | January 9, 1981 |
| Lamor #18 | January 9, 1981 |
| Lamor #19 | January 12, 1981 |
| Lamor #20 | January 12, 1981 |
| Lamor #21 | February 6, 1981 |
| Lamor #22 | February 6, 1981 |
| Lamor #23 | February 6, 1981 |
| Lamor #24 | February 6, 1981 |
| Lamor #25 | February 6, 1981 |
| Lamor #26 | February 6, 1981 |
| Lamor #27 | February 6, 1981 |
| Lamor #28 | February 6, 1981 |
| Lamor #29 | February 8, 1981 |

RECORDED AT REQUEST OF
John C. Miller
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OFFICIAL RECORDS
EUREKA COUNTY, NEVADA
WILLIS A. CLAY, CLERK
80014
FEE \$ 6.00