

MEMORANDUM OF OPTION TO LEASE

ELMER F. SCHROEDER and ELNA RUTH SCHROEDER, P. O. Box 6, Crescent Valley, Nevada 89821, hereinafter "Optionor" and CHEVRON U.S.A. INC., a California corporation, through its agent, CHEVRON RESOURCES COMPANY, a division of Chevron Industries Inc., P. O. Box 4001, Golden, Colorado 80401, hereinafter "Optionee", have entered into an unrecorded Option to Lease dated May 22, 1981, hereinafter "Option" whereby Optionor does grant, exclusively unto Optionee, its successors and assigns, an Option to Lease certain real property situated in Eureka County, Nevada, described in Exhibit "A" hereto, hereinafter referred to as "said Lands".

During the term and under the provisions contained in the unrecorded Option to Lease which is incorporated in this Memorandum by this reference, Optionor grants Optionee an exclusive and irrevocable option to lease said Lands including all rights to all mining claims thereupon for a period of one (1) year and is subject to being extended for an additional two (2) years. Such lease is for a primary term of ten (10) years and is subject to being extended for an additional ten (10) years. The lease may also remain in force and effect during the production of leased substances from said Lands. Under such lease, Optionee (therein Lessee) has the exclusive and irrevocable option to purchase said Lands according to terms and conditions stated therein.

Optionee has the sole and exclusive right to enter in and upon said Lands for the purpose of exploring, prospecting, core drilling, developing, mining and processing of and for ores, minerals, metals and materials of all kinds (except oil, gas and associated hydrocarbons), which ores, minerals, metals and materials subject to such exploration, prospecting, core drilling, developing, mining or prospecting rights shall be the property of Optionee subject to the royalty interest contained in the Option. Optionee is also entitled to use the surface of said Lands of which Optionor is the owner or claim holder, as may be reasonably necessary for the purpose of exercising the privileges and rights covered by the Option.

This Memorandum is not a complete summary of the unrecorded Option. Provisions in this Memorandum shall not be used in interpreting the Option.

In the event of conflict between this Memorandum and the unrecorded Option, the Option shall control.

IN WITNESS WHEREOF, the parties have executed this Memorandum on May 22, 1981.

OPTIONOR:

Elmer F. Schroeder  
Elmer F. Schroeder

Elna Ruth Schroeder  
Elna Ruth Schroeder

STATE OF NEVADA }  
COUNTY OF ELKO } ss.

On this 28<sup>th</sup> day of May, 1981, personally appeared before me, a notary public, ELMER F. SCHROEDER and ELNA RUTH SCHROEDER who acknowledged that they executed the above instrument.

My Commission Expires:

SEPTEMBER 26, 1984

Marianne Eardley  
Notary Public

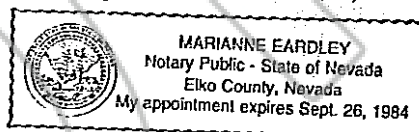




EXHIBIT "A"

This Exhibit "A" is attached to and made a part of that certain Memorandum of Option to Lease dated May 22, 1981, between ELMER F. SCHROEDER, ELNA RUTH SCHROEDER and CHEVRON U.S.A. INC.

Those certain patented and unpatented mining claims located in Sections 22, 23, 26 and 27, T.24N, R.48E, M.D.B. & M, Eureka County, Nevada, the location notices or vesting documents of which are recorded in the office of the Eureka County Recorder as herein indicated.

Unpatented Mining Claims

<u>CLAIM</u>	<u>BOOK</u>	<u>PAGE</u>	<u>BLM SERIAL NO.</u>
West #1	79	315	NMC 144234
West #2	79	316	NMC 144235
West #3	79	317	NMC 144236
West #4	79	318	NMC 144237
West #5	79	319	NMC 144238
West #6	79	320	NMC 144239
West #7	18	145	NMC 87520
West #8	18	147	NMC 87521
West #9	18	149	NMC 87522
West #10	18	151	NMC 87523
West #11	18	153	NMC 87524
West #12	34	150	NMC 87525
West #14	39	420	NMC 87526
Key R.U.	11	92	NMC 87527
O'Dair 1	79	326	NMC 144240
O'Dair 2	79	321	NMC 114241
O'Dair 3	79	322	NMC 114242
O'Dair 4	79	323	NMC 114243
R & E #1	79	324	NMC 114244
R & E #2	11	90	NMC 87531
R & E #3	79	325	NMC 114245
Keystone Extension	33	114	NMC 87530
North Key	11	88	NMC 87529
Key #2	25	257	NMC 87528

Patented Mining Claims

<u>CLAIM</u>	<u>U.S. PATENT NO.</u>	<u>MINERAL SURVEY</u>	<u>BOOK</u>	<u>PAGE</u>
Keystone Lode	3816	MS 340	10	483
O'Dair Lode	3896	MS 306	10	483

RECORDED AT REQUEST OF  
Chevron Resources Co.  
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OFFICIAL RECORDS  
EUREKA COUNTY, NEVADA  
WILLIS A. DEWELL, RECORDER  
FILE NO. 80701  
FEE \$ 5.00

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