

113559

MEMORANDUM OF EXPLORATION AGREEMENT

An Exploration Agreement, dated and effective as of August 1, 1985, has been executed by and between Southern Pacific Land Company, a California corporation ("SPL") and SFP Minerals Corporation, a Delaware corporation ("SFP").

Under the Exploration Agreement, SPL has granted to SFP the exclusive right to conduct mineral exploration and development activities on Subject Lands described on attached Exhibit I in Eureka County, State of Nevada, subject to superior rights of third persons in and to minerals in the Subject Lands. At any time SFP may elect to lease a designated portion of the Subject Lands using a form of Minerals Lease attached as an exhibit to the Exploration Agreement. The Exploration Agreement shall be in full force and effect beginning as of the effective date and ending on December 31, 2014.

A true and correct executed copy of the Exploration Agreement is available at the offices of the parties thereto:

Southern Pacific Land Company  
201 Mission Street  
San Francisco, California 94105

or

SFP Minerals Corporation  
6200 Uptown Boulevard, N.E.  
Albuquerque, New Mexico 87110

IN WITNESS WHEREOF, this Memorandum of Exploration Agreement has been executed by SFP effective as of August 1, 1985 for the purpose of giving public notice of the existence of the Exploration Agreement. This Memorandum of Exploration Agreement

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shall not in any manner alter the provisions of or rights and obligations of the parties under the Exploration Agreement.

SFP MINERALS CORPORATION

By *P. F. Weber*  
P. F. Weber *GM*

STATE OF NEW MEXICO )  
                                  ) S.S.  
County of Bernalillo )

The foregoing instrument was acknowledged before me this 12th day of August, 1985 by P. F. Weber as Vice President of SFP Minerals Corporation, a Delaware corporation, on behalf of that corporation.

My Commission Expires:  
6-21-89

*Laurie L. Frantz*  
Notary Public



OFFICIAL SEAL  
LAURIE L. FRANTZ  
NOTARY PUBLIC - STATE OF NEW MEXICO  
Notary Bond Filed with Secretary of State  
My Commission Expires 6-21-89

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## MA EXHIBIT I

## EXHIBIT I TO THE EXPLORATION AGREEMENT

STATE OF NEVADA		PARCEL DESCRIPTION	RECORD ACRES
EUREKA COUNTY			
SEC-TWP-RGE			
NEM			
01-32N-48E	W1/2 OF NE1/4 & W1/2 EXCEPT 25.89 ACRES IN R/W.		375.780
03-32N-48E	ALL		659.840
05-32N-48E	ALL, EXCEPT A PARCEL 100' X 100' OUT OF LOT 8.		669.390
09-32N-48E	ALL		640.000
11-32N-48E	ALL		640.000
13-32N-48E	NW1/4 OF NE1/4, W1/2 OF SW1/4, W1/2 OF NW1/4 AND SW1/4 OF NW1/4.		240.000
15-32N-48E	ALL		640.000
17-32N-48E	ALL		640.000
21-32N-48E	ALL		640.000
23-32N-48E	ALL, EXCEPT E1/2 OF SE1/4.		560.000
27-32N-48E	N1/2, SW1/4, NW1/4 OF SE1/4		520.000
29-32N-48E	ALL		640.000
33-32N-48E	ALL		643.080
33-33N-48E	E1/2 EXCEPT 10.00 AC. SOLD TO THORNTON, AND EXCEPT 17.60 AC IN R/W.		265.560
35-33N-48E	W1/2		317.680
03-34N-48E	NW1/4		160.980
05-34N-48E	SE1/4		160.000
09-34N-48E	NW1/4		160.000
17-34N-48E	W1/2 OF NW1/4.		80.000
01-35N-48E	ALL		652.930
13-35N-48E	ALL		574.090
21-35N-48E	ALL		640.000
23-35N-48E	ALL		589.320
27-35N-48E	ALL		598.860
29-35N-48E	ALL		640.000
33-35N-48E	ALL		605.970
25-36N-48E	SE1/4		160.000
35-36N-48E	SE1/4		160.000
05-28N-49E	ALL		641.400
17-28N-49E	ALL		640.000

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EXHIBIT I TO THE EXPLORATION AGREEMENT

STATE OF NEVADA ESRENA	COUNTY	PARCEL DESCRIPTION	RECORD ACRES
NEW			
05-29N-49E	SI/2, NE1/4		568.350
17-29N-49E	ALL		640.000
29-29N-49E	ALL		640.000
05-30N-49E	NE1/4		161.378
09-30N-49E	ALL		640.000
21-30N-49E	ALL		640.000
33-30N-49E	ALL		640.000
03-31N-49E	NE1/4		161.330
07-31N-49E	E1/2.		320.000
17-31N-49E	W1/2		320.000
19-31N-49E	E1/2		320.000
29-31N-49E	W1/2		320.000
31-31N-49E	NE1/4		160.000
13-32N-49E	ALL		640.000
33-32N-49E	SE1/4		160.000
01-35N-49E	ALL		644.000
19-36N-49E	ALL		646.760
31-36N-49E	NE1/4		160.178
35-36N-49E	SE1/4		160.000
01-31N-50E	ALL, EXCEPT 17.00 AC. IN MP R/W & EXCEPT 17.63 AC. IN SP. R/W.		617.770
07-31N-51E	ALL, EXCEPT 43.34 ACRES IN R/W		477.250
01-32N-51E	ALL		795.120
03-32N-51E	ALL		797.200
05-32N-51E	ALL.		803.980
09-32N-51E	ALL		640.000
11-32N-51E	ALL		640.000
13-32N-51E	ALL		640.000
15-32N-51E	ALL		640.000
17-32N-51E	ALL EXCEPT 2.07 ACRES		641.210
21-32N-51E	ALL		640.000
23-32N-51E	ALL		640.000

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## MA. EXHIBIT I

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STATE OF NEVADA		
EUREKA	COUNTY	
SEC-TWP-RGE	PARCEL DESCRIPTION	RECORD ACRES
<b>NEW</b>		
25-32N-51E	N1/2, SW1/4, NW1/4 OF SE1/4 AND S1/2 OF SE1/4 EXCEPT 45.61 AC. IN R/W.	554.390
27-32N-51E	ALL	640.000
29-32N-51E	ALL	646.800
33-32N-51E	ALL	640.000
35-32N-51E	E1/2 EXCEPT 4.88 AC. IN THE TOWNSITE OF PALISADE AND ALSO EXCEPT 1.64 AC. IN SPTCD. R/W.	313.488
35-32N-51E	LOTS 4 & 5 OF BLOCK 1	
01-33N-51E	ALL	634.720
05-33N-51E	ALL	646.780
09-33N-51E	ALL	640.000
11-33N-51E	ALL	640.000
13-33N-51E	ALL	640.000
15-33N-51E	ALL	640.000
17-33N-51E	ALL	650.920
21-33N-51E	ALL	640.000
23-33N-51E	ALL	640.000
25-33N-51E	ALL	640.000
27-33N-51E	ALL	640.000
29-33N-51E	ALL	651.600
33-33N-51E	ALL	640.000
35-33N-51E	ALL	640.000
27-34N-51E	NW1/4	160.000
17-35N-51E	N1/2	320.000
09-28N-52E	N1/2.	320.000
03-29N-52E	W1/2	319.400
09-29N-52E	E1/2	320.000
15-29N-52E	W1/2	320.000
21-29N-52E	E1/2 & SW1/4.	480.000
33-29N-52E	ALL	640.000
07-32N-52E	ALL	644.740
19-32N-52E	ALL, EXCEPT 29.26 AC. IN. WP. R/W AND 32.60 AC. IN SP R/W.	583.940
31-32N-52E	LOTS 3 TO 14 INCL.	467.350

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STATE OF NEVADA  
EUREKA

COUNTY

SEC-TWP-RGE

PARCEL  
DESCRIPTION

RECORD  
ACRES

SEC-TWP-RGE	PARCEL DESCRIPTION	RECORD ACRES
07-31N-52E	ALL	625.200
19-31N-52E	ALL	635.760
31-31N-52E	ALL	631.600

RECORDED AT THE REQUEST OF  
*SFP Minerals Corporation*  
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OFFICIAL RECORDS  
EUREKA COUNTY, NEVADA  
M.M. REPAIRS & SERVICES  
FILE NO. 113559  
FEE \$ 10.00

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