

Recording Requested by and
When Recorded Mail To:
SFP Minerals Corporation
ATTN: Lease Records
Box 27019
Albuquerque, NM 87125

A J Minerals
SFP-6000

114944

MEMORANDUM OF MINERALS LEASE

A Minerals Lease dated and effective as of January 29, 1987 has been executed by and between Southern Pacific Land Company, a California corporation ("SPL") and SFP Minerals Corporation, a Delaware corporation ("SFPM").

Under the Minerals Lease SPL has leased to SFP the lands shown on attached Annex A for the purposes of exploring for, developing, mining, recovering, processing, transporting and otherwise using, enjoying and exploiting minerals as defined in the Minerals Lease. Minerals are defined as all naturally occurring substances and materials located at or below the surface of the land which have value when removed from the earth except for Excluded Substances. Excluded Substances shall mean bed, bank and bar placer; sand and gravel; geothermal steam, liquid or brines; oil and gas; all other hydrocarbons except coal; and sulfur produced in association with hydrocarbons and carbon dioxide. The Minerals Lease is for a term of 25 years and as long thereafter as SFP exercises its rights thereunder and is subject to superior rights of third parties in and to minerals in the Annex A lands.

A true and correct executed copy of the Minerals Lease 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 Blvd., Suite 400
Albuquerque, New Mexico 87110

IN WITNESS WHEREOF, this Memorandum of Minerals Lease has been executed by SPL and SFP for the purpose of giving public notice of the existence of the Minerals Lease. This Memorandum of Minerals Lease shall not in any manner alter the provisions of or rights and obligations of the parties under the Minerals Lease.

SOUTHERN-PACIFIC LAND COMPANY

By W.W. Ehn
Vice President

SFP MINERALS CORPORATION

By P. F. Weber
Vice President

STATE OF NEW MEXICO)
COUNTY OF BERNALILLO) ss.

The foregoing instrument was acknowledged before me this 17th day of November, 1987 by P. F. Weber, Vice President of SFP MINERALS CORPORATION, a Delaware corporation, on behalf of said corporation.



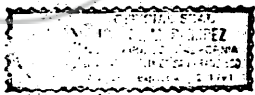
SEAL
My Commission Expires:
September 20, 1990

Blaise E. Martin
Notary Public

STATE OF CALIFORNIA)
City and County of San Francisco) ss.

On this 18 day of November in the year One Thousand Nine Hundred and Eighty 7 before me, Jeanne M. Ramirez, a Notary Public in and for the City and County of San Francisco, State of California, personally appeared W.W. Ehn, personally known to me or proved to me on the basis of satisfactory evidence to be the person who executed the within instrument as the Vice President of the Corporation that executed the within instrument and acknowledged to me that such corporation executed the within instrument pursuant to its by-laws or a resolution of its board of directors.

WITNESS my hand and official seal.



Jeanne M. Ramirez
Notary Public in and for the City and County of San Francisco, State of California.

My Commission Expires:
August 2, 1991

ANNEX A

Elko and Eureka Counties, Nevada

Township 32 North, Range 52 East

Section 5: N/2, N/2 SE/4, N2 SW/4
and SW/4 SW/4
except 33.06 acres in R/W

Containing 489.72 acres, more or less.

The above real property is subject to outstanding interests
which are of public record and those interests and uses
which an inspection of the property would disclose.

INDEXED

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SFP Minerals Corp
BOOK 170 PAGE 051

'87 DEC 14 A9:17

OFFICIAL RECORDS
ELKO COUNTY, NEVADA
FILE NO. 114944
FEE \$ 7.00

FEE 7.00 FILE # 243039
FILED FOR RECORD
AT REQUEST OF
SFP Minerals Corp
'87 NOV 25 P2:12

RECORDED BY 594 394
JERRY D REYNOLDS
ELKO CO. RECORDER

BOOK 170 PAGE 053

243039

BOOK 594 PAGE 396