

RECORDED AT THE REQUEST OF  
AND RETURN TO:  
Santa Fe Pacific Mining, Inc.  
ATTN: Lease Records  
Box 27019  
Albuquerque, NM 87125

DRY HILLS PROJECT  
29-092-0002

116502

MEMORANDUM OF MINING LEASE

Under the terms of that certain Mining Lease dated effective as of the  
29<sup>th</sup> day of December, 1987 by and between \_\_\_\_\_

ELLSWORTH G. FARR and VIRGINIA FARR, husband and wife,

(therein and hereinafter referred to as "Owner", whether one or more) and

SANTA FE PACIFIC MINING, INC., a Kansas Corporation,

therein and hereinafter referred to as "Lessee"), Owner has granted, demised,  
leased and let and does hereby grant, demise, lease and let unto Lessee that  
property described in Exhibit A attached hereto and made a part hereof (the  
"Leased Premises"), including without limitation all ores, minerals and mineral  
rights and together with all water and water rights in, upon and under the Leased  
Premises, exclusively unto Lessee, its successors and assigns, with the right  
and privilege to explore for, develop, mine (by open pit, strip, underground,  
solution mining, or any other method, including any method hereafter developed),  
extract, mill, store, process, remove and market therefrom all ores, minerals  
and materials of whatsoever nature or sort; all on the terms and conditions and  
subject to the payments to be made to Owner, as fully set forth in the said Lease  
which Lease is by this reference incorporated herein. Unless sooner terminated in  
the manner therein provided, the term of the said Lease is for a period of 20  
years commencing on the effective date thereof and continuing for as long there-  
after as mining, development or processing operations are being conducted there-  
under or the Lease term is extended pursuant to the force majeure and suspensions  
of operations provisions thereof, all as more fully set forth in the Lease. Cop-  
ies of the said Lease are in the possession of Owner c/o \_\_\_\_\_

Ellsworth G. and Virginia Farr 733 Willow Glen Dr., Escondido, CA 92025

and in the possession of Lessee c/o Santa Fe Pacific Mining, Inc.

P.O. Box 27019, Albuquerque, New Mexico 87125 Attention: Land Department

IN WITNESS WHEREOF, this Memorandum of Mining Lease has been executed effective as of the date first above set forth.

OWNER:

Ellsworth G. Farr  
ELLSWORTH G. FARR

Virginia Farr  
VIRGINIA FARR

LESSEE: SANTA FE PACIFIC MINING, INC.

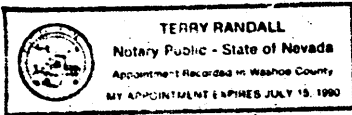
by:

[Signature]  
Vice President

A.C.

STATE OF NEVADA )  
COUNTY OF WASHOE ) ss.

The foregoing instrument was acknowledged before me this 29th day of  
December, 19 87 by Ellsworth G. Farr and Virginia Farr,  
husband and wife.



Terry Randall  
Notary Public

My commission expires:

7-15-90

STATE OF NEW MEXICO )  
COUNTY OF BERNALILLO ) ss.

The foregoing instrument was acknowledged before me this 11th day  
of January, 19 88 by K. Sageser,  
Vice President of SANTA FE PACIFIC MINING, INC., a Kansas corporation, on behalf  
of said corporation.

Laurie L. Frantz  
Notary Public

My Commission Expires:

June 21, 1989



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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EXHIBIT A

EXHIBIT A to Memorandum of Mining Lease by and between

ELLSWORTH G. FARR and VIRGINIA FARR, husband and wife,

(as "Owner") and SANTA FE PACIFIC MINING, INC., a Kansas Corporation,

(as "Lessee") and pertaining to the following described real property situated

in Eureka County, State of Nevada.

TOWNSHIP 30 NORTH, RANGE 49 EAST, MDB&M  
Section 29: E3NE1NE4

Containing 20.00 acres more or less.

SUBJECT TO:

1. Taxes, if any, which may constitute a lien, but which are not yet due and payable; and
2. Rights-of-way, if any, for roads, telephone and telegraph lines and pipelines of record in the office of the Clerk or Recorder of the county in which the above described property is situated; and
3. Reservations contained in the United States Patents thereto.

Initial for Identification

EF  
VF  
JP

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OFFICIAL'S COPY  
EUREKA CO. ST. CLERK  
M.N. REPAIRS & FOLIO  
FILE NO. 116502  
FEE \$ 2.00

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