

128148

MEMORANDUM OF MINING LEASE
WITH OPTION TO PURCHASE

THIS MEMORANDUM OF MINING LEASE WITH OPTION TO PURCHASE (hereinafter "Memorandum") is to provide notice of the existence of that certain unrecorded Mining Lease with Option to Purchase by and between Robert B. Urrizaga, Raymond Urrizaga and Jerry Byrnes A.K.A. Cave Valley Mining Company, whose address is c/o Robert B. Urrizaga, 576 Eleventh Street, Elko, Nevada 89801 (hereinafter collectively referred to as "Owners") and Tenneco Minerals Company, a Delaware corporation ("TMC"), whose address is 12136 Bayaud Ave., P. O. Box 1300, Lakewood, Colorado 80228 (Owners and TMC are sometimes hereinafter collectively referred to as the "parties") made effective the 26 day of May, 1989 (the "Lease").

For good and valuable consideration, TMC and Owners entered into the Lease which contains, among others, the following provisions:

1. Property Subject to the Agreement: See Exhibit A attached hereto and by this reference incorporated herein (the "Property");
2. Interest Granted: A grant of an exclusive mining lease with option to purchase the Property.
3. Term: The term of the Lease shall be for a period of ten (10) years from the effective date of the Lease and so long thereafter as exploration, mining, processing and/or development is in progress (as that term is defined in the Lease) on the Property.

This Memorandum is not a complete summary of the Lease and provisions in this Memorandum shall not be used in interpreting the provisions of the Lease. In the event of any conflict between the provisions of this Memorandum and the provisions of the Lease, the provisions of the Lease shall control.

In witness whereof, TMC and Owners have executed this Memorandum on the 26 day of May, 1989.

CAVE VALLEY MINING COMPANY

By: Robert B. Urrizaga
Robert B. Urrizaga

By: Raymond Urrizaga
Raymond Urrizaga

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See BK. 211, Pg. 331
for Surrender of Lease

By: *Jerry B. [Signature]*
Jerry B. [Signature]

TENNECO MINERALS COMPANY

By: *David R. Delling*
David R. Delling, President

STATE OF Colorado
COUNTY OF Jefferson

On this 5th day of June, 1989 before me appeared David R. Delling, to me personally known, who being by me duly sworn, did say that he is the President of Tenneco Minerals Company and that the seal affixed to the foregoing instrument is the corporate seal of the corporation and that the instrument was signed in behalf of the corporation by authority of its board of directors, and said David R. Delling acknowledged the instrument to be the free act and deed of the corporation.

My Commission Expires Mar. 04, 1993
12133 West Baywood Ave.
Lakewood, Colorado 80228

Barbara Wattenberg
Notary Public

My commission expires on _____, 19__.

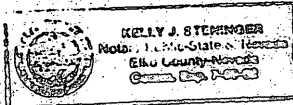
[S E A L]

SEAL
Affixed

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STATE OF Nevada
COUNTY OF Elko

The foregoing instrument was acknowledged before me this 26th
day of May, 1999 by ROBERT B. URRIZAGA, the person(s)
named in and who executed said instrument.



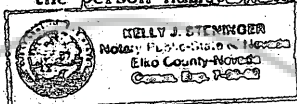
Kelly J. Steninger
Notary Public

My commission expires on 7-30, 1999

[S E A L]

STATE OF Nevada
COUNTY OF Elko

The foregoing instrument was acknowledged before me this
26th day of May, 1999 by RAYMOND B. URRIZAGA,
the person named in and who executed said instrument.



Kelly J. Steninger
Notary Public

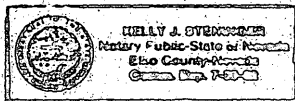
My commission expires on 7-30, 1999

[S E A L]

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STATE OF Nevada
COUNTY OF Elko

The foregoing instrument was acknowledged before me this
26th day of May, 1989 by JERRY BYRNES, the person
named in and who executed said instrument.



Kelly J. Overman
Notary Public

My commission expires on 7-30, 1992

[S E A L]

0221 83 1300 14

EXHIBIT A

The following unpatented lode mining claims are situated in Sections 31 & 32, T 25 N, R 55 E, and Sections 25, 26, 35 & 36, T 25 N, R 54 E, MDBM, Eureka and White Pine Counties Nevada:

Claim Name	NMC #	County		Date of Location
		Book	Page	
DV 101	416404	158	428	5/23/87
DV 102	416405	158	478	5/23/87
DV 103	416406	158		5/23/87
DV 104	416407	158		5/23/87
DV 105	416408	158	482	5/23/87
DV 106	416409	158	483	5/23/87
DV 107	416410	158	484	5/23/87
DV 108	416411	158	485	5/23/87
DV 109	416412	158	486	5/23/87
DV 110	416413	158	487	5/24/87
DV 111	416414	158	488	5/24/87
DV 112	416415	158	489	5/24/87
DV 113	416416	158	490	5/24/87
DV 114	416417	158	491	5/23/87
DV 115	416418	158	492	5/23/87
DV 116	416419	158	493	5/23/87
DV 117	416420	158	494	5/23/87
DV 118	416421	158	495	5/23/87
DV 119	416422	158	496	5/23/87
DV 500	452537			10/9/87
DV 501	452538			10/9/87
DV 502	452539			10/9/87
DV 503	452540			10/9/87
DV 504	452541			10/9/87
DV 505	452542			10/9/87
DV 506	452543			10/9/87
DV 507	452544			10/9/87
DV 508	452545			10/9/87
DV 509	452546			10/10/87
DV 510	452547			10/10/87
DV 511	452548			10/10/87
DV 512	452549			10/10/87
DV 513	452550			10/10/87
DV 514	452551			10/10/87
DV 515	452552			10/10/87
DV 516	452553			10/10/87
DV 517	452554			10/10/87
DV 518	452555			10/10/87
DV 519	452556			10/10/87
DV 520	452557			10/10/87
NW 201	435134	115	367	9/12/88
NW 202	435135	115	368	9/12/87
NW 203	435136	115	369	9/12/87
NW 204	435137	115	370	9/12/87

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Exhibit A
Page 2

Claim Name	NMC #	County		Date of Location
		Book	Page	
NW 205	426803	112	504	7/11/87
NW 206	426804	112	505	7/11/87
NW 207	426805	112	506	7/11/87
NW 208	426806	112	507	7/11/87
NW 209	426807	112	508	7/11/87
NW 210	426808	112	509	7/11/87
NW 211	435138	115	371	8/29/87
NW 212	435139	115	372	8/29/87
NW 213	435140	115	373	8/29/87
NW 214	435141	115	374	8/29/87
NW 215	435142	115	375	8/29/87
NW 216	435143	115	376	8/29/87
NW 217	435144	115	377	8/29/87
NW 218	435145	115	378	8/29/87
NW 219	435146	115	379	8/30/87
NW 220	435147	115	380	8/30/87
NW 221	435148	115	381	8/30/87
NW 222	435149	115	382	8/30/87
NW 223	435150	115	383	8/30/87
NW 224	435151	115	384	8/30/87
NW 225	435152	115	385	8/30/87
NW 226	435153	115	386	8/30/87
NW 227	435154	115	387	8/30/87
NW 228	435155	115	388	8/30/87
NW 229	435156	115	389	8/30/87
NW 230	435157	115	390	9/12/87
NW 231	435158	115	391	9/12/87

Together with all extralateral rights, water rights and appurtenances
of any kind whatsoever.

RECORDED AT THE REQUEST OF

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Tennessee Minerals
89 JUL -5 P3:05

OFFICIAL RECORDS
EUREKA COUNTY, NEVADA
M.M. REBAI, CLERK

FILE NO. FEE \$ 10.00

128148

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