

132673

MEMORANDUM
OF
OIL AND GAS
LEASE OPTION AGREEMENT
DATED
OCTOBER 8, 1987

This Memorandum, made as of the 8th day of October, 1987, (Effective Date), by and between SFP Minerals Corporation, 6200 Uptown Blvd., N.E., Suite 400, P.O. Box 27019, Albuquerque, New Mexico 87125, a corporation (referred to herein as "Minerals") "Optionor" and Santa Fe Energy Company, a Texas Corporation, 1616 S. Voss Road, Suite 1000, Houston, Texas 77057 (referred to herein as "Energy") "Optionee."

WITNESSETH: That Optionor, for a valuable consideration and in consideration of the covenants of Optionee made and entered into a Lease Option Agreement, effective for a period of twenty (20) years from October 8, 1987, and covering all oil and gas rights and/or interest in all lands owned by Optionor in the States of California, Utah and Nevada and which option agreement give Optionee the exclusive right to conduct such exploration activities for hydrocarbons as Optionee is granted in said Lease Option Agreement and the exclusive option to lease during the option period in its own behalf and to third parties said lands of Optionor, the provisions of which are referenced hereby and incorporated herein and make a part hereof as though fully set forth herein.

IN WITNESS WHEREOF, the parties hereto have caused this Memorandum of Lease Option Agreement to be executed this 26th day of Sept., 1988, but effective for all purposes from October 8, 1987.

SFP MINERALS CORPORATION

By: P. J. Th...

Optionor *frw*

SANTA FE ENERGY COMPANY

By: J. Br...

Optionee *WMC*

THE STATE OF New Mexico
COUNTY OF Bernalillo §

BEFORE ME, the undersigned authority, on this day personally appeared P. L. Wheeler, known to me to be the person whose name is subscribed to the foregoing instrument as Vice President of SFP MINERALS CORPORATION, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, and in the capacity therein stated, and as the act and deed of said corporation.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 21st day of October, 1988.



Glenda S. Margraves
Notary Public

My Commission Expires:

9-30-1990

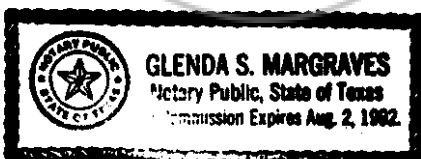
THE STATE OF Texas §
COUNTY OF Harris §

BEFORE ME, the undersigned authority, on this day personally appeared J. L. Bidwell, known to me to be the person whose name is subscribed to the foregoing instrument as Ch. V. Pres. of SANTA FE ENERGY COMPANY, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, and in the capacity therein stated, and as the act and deed of said corporation.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 26th day of September, 1988.

Glenda S. Margraves
Notary Public

My Commission Expires:



OFFICIAL RECORDS
RECORDED AT THE REQUEST OF
BOOK PAGE

211 261

'90 JUN 29 18:42

EUREKA COUNTY, NEVADA
M.N. REBALEATI, RECORDER
FILE NO. FEE \$

132673

BOOK 2 | | PAGE 262