

MEMORANDUM OF MINING LEASE

133024

Under the terms of that certain Mining Lease dated effective as of the 25th day of June, 1990, by and between Muriel Esposito, widow of Jack A. Esposito, individually and Muriel Esposito, dba JEMCO Mining Company (herein and hereinafter referred to as "Owner", whether one or more) and Santa Fe Pacific Mining, Inc., a Kansas Corporation (herein 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 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 thereafter as mining, development or processing operations are being conducted thereunder 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. Copies of the said Lease are in the possession of Owner c/o Muriel Esposito, P. O. Box 159, New Meadows, Idaho 83654 and in the possession of Lessee c/o Santa Fe Pacific Mining, Inc., P.O. Box 27019, Albuquerque, New Mexico 87125; Attention: Land Department.

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

OWNER: Muriel Esposito
Muriel Esposito, individually

Muriel Esposito
Muriel Esposito, dba JEMCO Mining Company

LESSEE: SANTA FE PACIFIC MINING, INC.

By: K. Sageser

Title: Vice President

STATE OF Idaho
COUNTY OF Valley
)
ss.)

The foregoing instrument was acknowledged before me this 25 day of June, 1990, by Muriel Esposito, individually and dba JEMCO Mining Company.

Muriel Esposito
Notary Public
My Commission Expires: 9-15-94
Muriel Esposito, State 83638

STATE OF NEW MEXICO
COUNTY OF BERNALILLO

)
) ss.
)

The foregoing instrument was acknowledged before me this 2nd day of July, 1990, by K. Sageser, Vice President of SANTA FE PACIFIC MINING, INC., a Kansas corporation, on behalf of said corporation.

Laurie L. Carpenter
Notary Public
My Commission Expires:

OFFICIAL SEAL
LAURIE L. CARPENTER
NOTARY PUBLIC - STATE OF NEW MEXICO
Notary Bond Filed With Secretary of State
My Commission Expires: 6-21-93



EXHIBIT A

EXHIBIT A to that certain Memorandum of Mining Lease by and between Muriel Esposito, individually and dba JEMCO Mining Company (as "Owner") and Santa Fe Pacific Mining, Inc., a Kansas Corporation (as "Lessee"), and pertaining to the following described unpatented (lode) mining claims situated in the Beowawe Mining District, Eureka County, State of Nevada, the location notices of which are of record in the office of the Clerk or Recorder of said county as follows:

Location Notice		
Recorded		
Name of Claim	Book	Page
Bob #1-89	87	204-292
Bob #90-98	96	82-90
Delores #1-8	47	323-330
Delores #9-29	47	559-579
Delores #30-41	51	001-012
Gem #1-2	47	331-332
Jack S #1	15	537
Jack S #2-4	15	538-540
Jack S #5-6	19	235-236
Red Sulphur #1-7	18	546-552
BLM Serial #	NMC	Serial #
	NMC	166638-166726
	NMC	207557-207565
	NMC	23023-23030
	NMC	23031-23051
	NMC	23052-23063
	NMC	23021-23022
	NMC	25089
	NMC	23009-23011
	NMC	23012-23013
	NMC	23014-23020

(Situated in Sections 5, 6, Township 29 North, Range 49 East, Sections 1, 2, 11, 12, Township 29 North, Range 48 East, Section 36, Township 30 North, Range 48 East, and Section 32, Township 30 North, Range 49 East)

together with any fractional claims or rights now owned or hereafter acquired by Owner while this Lease is in effect, any portion of which is situated within the exterior boundary of the claims described above.

Initial for Identification

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OFFICIAL RECORDS
RECORDED AT THE REQUEST OF
BOOK 212 PAGE 224
Santa Fe Pacific
90 AED-2 P12-57
Munroe, Inc.
EUREKA COUNTY, NEVADA
M.N. REBALZATI, RECORDER
FILE NO. 133024
FEE \$8.00