

THIS MEMORANDUM OF MINING LEASE WITH OPTION TO PURCHASE (hereinafter "Memorandum") is to provide notice of the existence of that certain unrecorded agreement by and between WINDFALL VENTURE, a Colorado general partnership, whose address is P. O. Box 2183, Grand Junction, Colorado 81502 (hereinafter referred to as "Lessor") and TENNECO MINERALS COMPANY, a Delaware corporation, whose address is 12136 Bayaud Ave., P. O. Box 281300, Lakewood, Colorado 80228 (hereinafter referred to as "TMC") made effective the first (1st) day of July, 1990 (the "Lease").

For good and valuable consideration, TMC and Lessor 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 extend until July 1, 1992, and for so long thereafter as TMC shall:

(a) in each year as may be required by law, pay any taxes, including real property taxes, assessed against the Property, and

(b) perform required annual assessment work and pay, as due, the annual advance royalty, as provided in the Lease.

4. Area of Interest: The Lease establishes an Area of Interest, the description of which is set forth in Exhibit B, attached hereto, and by this reference, incorporated herein.

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 Lessor have executed this Memorandum effective on the date first hereinabove stated.

WINDFALL VENTURE, a Colorado
general partnership

W.L. Wilson
W. L. Wilson, General Partner

TENNECO MINERALS COMPANY

By: [Signature]

Title: President

ATTEST:

By: _____

Title: _____

STATE OF Colorado

COUNTY OF [Signature]

On this 23rd day of July, 1996, before me appeared D. A. Wilson, 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 D. A. Wilson acknowledged the instrument to be the free act and deed of the corporation.

Notary Public

[Signature]

My commission expires on 9/8, 1997.



[S E A L]

COPY

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The foregoing instrument was acknowledged before me this 29th day of JUNE, 1990, by W. L. Wilson, as general partner of WINDFALL VENTURE, a Colorado general partnership, on behalf of said partnership.
Carol Graves Hill
Notary Public # 2188-81202
My Commission expires 6-21-92. 19

STATE OF Colorado
COUNTY OF MESA

EXHIBIT A

TO
MEMORANDUM OF MINING LEASE
WITH OPTION TO PURCHASE

PROPERTY

The following unpatented lode mining claims, and unpatented mining claims situate in Township 19 North, Range 53 East; MDBLM; County of Eureka, State of Nevada.

1. Unpatented Lode Mining Claims: Those certain unpatented lode mining claims, the names of which together with the book and page of the location certificates thereof, are, respectively, as follows: (The abbreviation "O.R." used below means "Official Records.")

EUREKA COUNTY
RECORDATION DATA
BOOK PAGE

CLAIM NAME	BLM SERIAL NO.	BOOK	PAGE
NEW YORK #1	NMC 107867	75 O.R.	29
NEW YORK #2	NMC 107868	75 O.R.	30
NEW YORK #3	NMC 126811	75 O.R.	525
HC 1	NMC 153780	81 O.R.	223
HC 2	NMC 153781	81 O.R.	224
HC 3	NMC 153782	81 O.R.	225
HC 4	NMC 153783	81 O.R.	226
HC 5	NMC 153784	81 O.R.	227
HC 6	NMC 153785	81 O.R.	228
HC 7	NMC 153786	81 O.R.	229
HC 8	NMC 153787	81 O.R.	230
HC 9	NMC 153788	81 O.R.	231
HC 10	NMC 153789	81 O.R.	232
HC 11	NMC 153790	81 O.R.	233
HC 12	NMC 153791	81 O.R.	234
HC 13	NMC 153792	81 O.R.	235
HC 14	NMC 153793	81 O.R.	236
HC 15	NMC 153794	81 O.R.	237
HC 16	NMC 153795	81 O.R.	238
HC 17	NMC 153796	81 O.R.	239
HC 18	NMC 153797	81 O.R.	240
HC 19	NMC 153798	81 O.R.	241
HC 20	NMC 153799	81 O.R.	242
HC 21	NMC 153800	81 O.R.	243
HC 22	NMC 153801	81 O.R.	244
HC 23	NMC 153802	81 O.R.	245
HC 24	NMC 153803	81 O.R.	246
HC 25	NMC 172742	88 O.R.	153
HC 26	NMC 172743	88 O.R.	154

COPIES

HC Fraction	NMC 153804	81 O.R.	257
IM 6	NMC 153810	81 O.R.	263
IM 7	NMC 153811	81 O.R.	264
IM 8	NMC 153812	81 O.R.	265
IM 9	NMC 153813	81 O.R.	266
IM 10	NMC 153814	81 O.R.	267
IM 11	NMC 153815	81 O.R.	268
IM 12	NMC 153816	81 O.R.	269
IM 18	NMC 153822	81 O.R.	275
HC 27 through	NOT YET RECORDED		
HC 38	NOT YET RECORDED		
IM 19	NOT YET RECORDED		

EXHIBIT B
TO

MEMORANDUM OF MINING LEASE
WITH OPTION TO PURCHASE

The Lease provides that if Lessor or Lessee should locate any additional claim within the exterior (peripheral) boundaries of the claims forming the Property during the term of this Lease, any such newly located claim shall be considered, for all purposes, to be a part of the Property subject to all of the terms and conditions of the Lease, except, however, that Lessee has the privilege to exclude such new claims from the Lease for a period of sixty (60) days following Lessor's written notice to Lessee of the staking of such new claims.

OFFICIAL RECORDS
RECORDED AT THE REQUEST OF
BOOK 212 PAGE 377
James Munnis
90 AUG-9 4:17
Company
EUREKA COUNTY, CALIFORNIA
M.M. REBALCATH, RECORDER
FILE NO. 133071
FEE \$10-

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