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**LEWIS  
AND  
ROCA  
LAWYERS**

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Tucson, Arizona 85711-4459  
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Telephone (602) 747-9901

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Randolph J. Haines (005440)

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John D. Phillips  
Arthur O. Beach  
Post Office Drawer AA  
Albuquerque, NM 87103  
(505) 842-6262

Attorneys for Creditor Medard Schmitz

**135745**

**FILED**  
**DEC 3 1990**  
KEVIN E. O'BRIEN  
U. S. BANKRUPTCY CLERK  
OF THE DISTRICT OF ARIZONA

**UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF ARIZONA**

In re )  
HERBERT KUGLMEIER, ) No. 89-00235-TUC-LO  
) Adv 90-0311  
) **ORDER**  
Debtor. )

This matter having come on for hearing before the Court on Creditor Medard Schmitz' Motion to Release Funds; the Debtor, Herbert Kuglmeier, appearing by and through his attorney of record, Ralph E. Seefeldt, and the Creditor, Medard Schmitz, appearing by and through his attorney of record, Arthur O. Beach; and the Court having reviewed the Court file, having heard arguments of counsel and being otherwise fully advised in the premises finds that said Motion is well taken and should be granted.

IT IS THEREFORE ORDERED that all interest heretofore conveyed to Debtor Herbert Kuglmeier in that certain mining lease dated January 15, 1979 by Hennes-Westex Corporation by assignment dated December 29, 1981 should be, and the same hereby is, assigned, granted and conveyed to Creditor Medard E. Schmitz.

IT IS FURTHER ORDERED that 80% of all royalties hereafter paid under the terms of the aforesaid mining lease should be paid to "Medard E. Schmitz, Keleher &

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LEWIS  
AND  
ROCA  
LAWYERS

1 McLeod, P.A. and James E. Kirk" in care of Keleher & McLeod, P.A., P. O. Drawer AA,  
2 Albuquerque, New Mexico 87103.

3 IT IS FURTHER ORDERED that the remaining 20% of all royalties hereafter  
4 paid under the terms of the aforesaid mining lease should be paid to "Herbert E. Kuglmeier,  
5 Debtor in Possession" in care of Ralph E. Seefeldt, 110 South Church Avenue, Suite 3350,  
6 Tucson, Arizona 85701, until further order of this Court.

7 IT IS FURTHER ORDERED that all funds currently in the interest-bearing  
8 sequestered account created by prior Orders of this Court in the name of "Herbert E.  
9 Kuglmeier, Debtor in Possession, in care of Ralph E. Seefeldt" should be immediately paid to  
10 Creditor Medard E. Schmitz by certified check made payable to "Medard E. Schmitz, Keleher  
11 & McLeod, P.A. and James E. Kirk".

12 IT IS FURTHER ORDERED that pending delivery of the funds described in the  
13 immediately preceding paragraph that all funds in the interest-bearing sequestered account  
14 be withdrawn immediately and placed in the trust account of Ralph E. Seefeldt.

15 DATED this 3 day of <sup>December</sup> ~~November~~, 1990.

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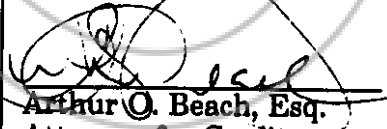


JUDGE, BANKRUPTCY COURT

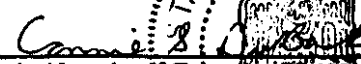
I hereby certify that the annexed instrument is a true and correct copy of the original on file in the Office of the Bankruptcy Clerk.

APPROVED AS TO FORM:

  
Ralph E. Seefeldt, Esq.  
Attorney for Debtor

  
Arthur O. Beach, Esq.  
Attorney for Creditor

Noted 1-8-91

  
Authorized Deputy Clerk



BOOK 219 PAGE 461  
OFFICIAL RECORDS  
RECORDED AT THE REQUEST OF

Keleher & McLeod  
91 JAN 16 09 04

EUREKA COUNTY, NEVADA  
M.N. REBALEATI. RECORDS  
FILE NO. 185745 FEE \$ 02  
BOOK 219 PAGE 462

ASSIGNMENT OF MINING LEASE

WHEREAS, on the 15th day of January, 1979 a certain Mining Lease (hereinafter "Mining Lease") was made and entered into by and between Buckhorn Mines Co., a Nevada corporation, and Hennes-Westex Corporation, a Nevada corporation (hereinafter "Hennes-Westex") as Lessors, and Bar Resources, Inc., a Nevada corporation, as Lessee, covering certain mining properties more particularly described in the Mining Lease, which Mining Lease was recorded on or about August 17, 1984 in Book 126 at page 070 of the records of Eureka County, Nevada; and

WHEREAS, on or about December 29, 1981 Hennes-Westex assigned all of its right, title and interest in the Mining Lease to Herbert Kuglmeier by Agreement dated December 29, 1981 (hereinafter "Agreement") which Agreement was recorded on or about August 17, 1984 in Book 126 at page 068 of the records of Eureka County, Nevada; and

WHEREAS, on or about January 23, 1989 the United States District Court in and for the District of New Mexico in Civil Cause No. 87-1066-JB captioned "Medard Schmitz and Hennes-Westex Corporation, a Nevada corporation, Plaintiffs, v. Herbert Kuglmeier, Defendant" (hereinafter "Lawsuit") entered a Judgment in favor of Medard Schmitz and against Herbert Kuglmeier ordering Herbert Kuglmeier to immediately convey any interest which he acquired from Hennes-Westex in the Mining Lease to Medard Schmitz, individually, and

WHEREAS, Medard Schmitz was represented in the Lawsuit by Keleher & McLeod, P.A. and James E. Kirk; and

WHEREAS, at the inception of the Lawsuit Medard Schmitz agreed to pay Keleher & McLeod, P.A. and James E. Kirk as an attorney fee for representing him in the Lawsuit a 1/3 undivided interest in any interest he obtained in the Mining Lease;

NOW, THEREFORE, for and in consideration of \$1.00 and other good and valuable consideration, the receipt of which is hereby acknowledged, Medard Schmitz and Martha True Schmitz, his wife, hereby sell, transfer, convey and assign unto Keleher & McLeod, P.A., a New Mexico Professional Association, 414 Silver Ave. S.W., P.O. Drawer AA, Albuquerque, New Mexico 87103, and James E. Kirk, 11927 Menaul N.E., Suite #201, Albuquerque, New Mexico 87112 an undivided 1/3 interest in and to any interest Medard Schmitz and Martha True Schmitz, his wife, have or hereafter acquire in the Mining Lease.

WITNESS THEIR HANDS AND SEALS this 2 day of April, 1990.

*Medard Schmitz*  
Medard Schmitz

*Martha True Schmitz*  
Martha True Schmitz

STATE OF TEXAS     )  
                          )§  
COUNTY OF ERATH    )

On this 2nd day of April, 1990, before me personally appeared Medard Schmitz and Martha True Schmitz, his wife, to me known to be the persons described in and who executed the foregoing instrument and acknowledged that they executed the same as their own free act and deed.



*Linda Becker*  
Notary Public

My Commission Expires: 1-31-92

State of Texas  
Printed Name of Notary: **BOOK 219 PAGE 464**

*[Faint, mostly illegible text from the reverse side of the document is visible through the paper.]*

**COPY**

**X**

STATE OF NEVADA  
BOOK 219 PAGE 463  
OFFICIAL RECORDS TO YTBKUD  
RECORDED AT THE REQUEST OF  
*Keleher & McLeod*  
'91 JAN 16 A9:14

EUREKA COUNTY, NEVADA  
M.N. REBALEATI, RECORDER  
FILE NO. FEE \$7.00

135746

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