

155733

1994 AGREEMENT

This Agreement (the "1994 Agreement") is made as of the 31st day of August, 1994 by and among SUZANNE K. WILSON, WILLIAM BRENT WILSON, JULIET R. WILSON and HOLLIS C. WILSON, the address of each of which is P.O. Box 2183, Grand Junction, CO 81502, ROBERT G. WILSON, whose address is P.O. Box 604, Grand Junction, CO 81502, M. E. FOSTER, whose address is 1020 Lakeside Dr., Grand Junction, CO 81506, CHAN EDMONDS, whose address is P.O. Box 604, Grand Junction, CO 81502, and ROBERT G. WILSON, Trustee whose address is also P.O. Box 604, Grand Junction, CO 81502 (the foregoing eight parties are hereinafter referred to, in the aggregate, as the "Windfall Royalty Owners"), W. L. WILSON, JOAN WILSON, whose address is P.O. Box 2183, Grand Junction, CO 81502 and JoANN W. CURTIS formerly JoANN K. WILSON, whose address is 1125 Dartmouth Dr., Reno, NV 89509, (the foregoing three parties are hereinafter referred to, in the aggregate, as the "Idaho Royalty Owners"), and WINDFALL VENTURE, a Colorado general partnership in which W. L. Wilson is the managing general partner, the address of which is P.O. Box 2183, Grand Junction, CO 81502 (hereinafter referred to as "Windfall").

RECITALS

A. The parties hereto (the "Parties") are the parties to an agreement dated the 27th day of July, 1992 which is recorded in the Official Records of Eureka County, Nevada in Book 239 at Pages 553 through 568 and is referred to in such agreement and herein as the "1992 Agreement." The 1992 Agreement modifies and supplements an agreement among the Parties and/or their predecessors in interest dated July 1, 1990 which is recorded in the Official Records of Eureka County, Nevada in Book 211 at Pages 445 through 478 and is referred to in the 1992 Agreement and herein as the "1990 Agreement." The 1992 Agreement and the 1990 Agreement each supplement certain Royalty Deeds, Supplemental Royalty Deeds and other documents all as more particularly described in the

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said 1990 Agreement and/or in the 1992 Agreement which are hereinafter referred to as the "Royalty Instruments."

B. The Book and Page of recording in Eureka County, Nevada of each of the Royalty Instruments is set forth in either paragraph B 1 (a) thru (g), inclusive and B 2 (a) thru (k) of the 1990 Agreement and/or in paragraphs B 1 thru 13, inclusive, of the 1992 Agreement except for the "Deed to Royalty Interests" dated November 28, 1990 from Margaret E. Foster, Personal Representative of the Estate of William E. Foster, to M.E. Foster, listed in paragraph B 13 of the 1992 Agreement, which deed is recorded in the Official Records of Eureka County, Nevada at Book 237 at Pages 311 through 324. The Royalty Instruments, the 1990 Agreement and the 1992 Agreement are each hereby incorporated herein by this reference for all purposes.

C. As used herein, the terms "Subject Claims," "Windfall Royalty" and "Idaho Royalty" shall have the same meanings herein as respectively assigned to each of such terms in the 1992 Agreement.

D. Windfall Royalty Owners wish to further modify the Windfall Royalty, and Idaho Royalty Owners wish to further modify the Idaho Royalty, as each of such Royalties have previously been modified by the 1990 Agreement and the 1992 Agreement, in order to provide for a decrease in amounts payable under each of such Royalties in the event that a royalty should become payable to the United States of America in respect to mineral production from the Subject Claims which are subject to the said Windfall Royalty and the Idaho Royalty (hereinafter referred to as "Federal Royalty").

E. The Parties acknowledges to each other that achieving the above-stated purpose benefits each of them by encouraging the present lessee of the Subject Claims to continue its operations thereon or, if all or parts thereof should be surrendered from the existing Lease, then by improving the prospects for further leasing of all or some of the

surrendered claims or the making of other business arrangements in respect thereto which might lead to mineral evaluation and possible development thereof.

AGREEMENT

Therefore in view of the above Recitals, in consideration of the mutual promises and undertakings of the Parties as set forth herein, and for other good and valuable consideration, the receipt and adequacy of which is acknowledged by each of the Parties, the Parties agree as follows:

I.

DECREASE IN AMOUNTS PAYABLE UNDER IDAHO AND WINDFALL ROYALTY IF FEDERAL ROYALTY IMPOSED

1.1 If, under applicable law, a Federal Royalty should become payable to the U.S.A. in respect to mineral production from the Subject Claims which are subject to the Idaho Royalty and the Windfall Royalty, then so long as payment of the Federal Royalty is required, the reductions in amounts required to be paid in respect to the said Idaho Royalty and Windfall Royalty as specified in paragraph 1.2 below shall be applicable.

1.2 The amount to which the Windfall Royalty Owners and the Idaho Royalty Owners, respectively, would otherwise have been entitled to receive from their respective royalties during a particular Federal Royalty reporting period ("Reporting Period"), shall each be reduced by one-half of the amount actually paid to the U.S.A. as Federal Royalty for production during said Reporting Period, provided, however, that in no event, and for no Reporting Period, shall the amounts payable to the Idaho Royalty Owners or the Windfall Royalty Owners be reduced to less than the amount which would be payable to each upon a royalty rate of one and one-half percent (1½%) for each of the two royalties calculated in the manner specified in the Royalty Instruments.

1.3 The time that each payment of Idaho Royalty and Windfall Royalty shall be due shall be 15 days after each date that payment of Federal Royalty becomes due for mineral production from the Subject Claims. In addition to the other information required

to be furnished with payments of royalty to the Windfall Royalty Owners and the Idaho Royalty Owners, there shall be furnished to such owners with said payments copies of the report or other information required to be supplied with payment of the Federal Royalty for the period covering the royalty payments made to the said Owners.

II.
LIMITATION OF PERIOD OF TIME THAT
AREAS OF INTEREST PROVISIONS SHALL BE IN EFFECT

2.1 Section 3.1 of the 1990 Agreement is hereby amended to provide that subsections (c) (d) and (e) of said Section relating to claims located within Areas of Interest described therein shall be applicable and effect as to claims located prior to September 15, 2069 but not as to claims located thereafter.

III.
EFFECTIVITY OF 1994 AGREEMENT

3.1 The provisions of Article I of this 1994 Agreement shall become effective if a Federal Royalty is duly enacted and becomes operative as to mineral production from the Subject Claims and shall remain in effect for so long as the obligation to pay such Federal Royalty shall continue to burden said Subject Claims. The provisions of Article II, hereof shall become effective as of the effective date of the execution of this 1994 Agreement.

IV.
MISCELLANEOUS

4.1 This 1994 Agreement shall supersede, amend and modify any prior conveyances, agreements or understandings between or among the Parties relating to the subject matter of the Royalty Instruments as amended and supplemented by the 1990 Agreement and the 1992 Agreement, shall be a covenant which runs with the Subject

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Claims and shall be binding upon the Parties, their legal representatives, successors, heirs and assigns.

4.2 This 1994 Agreement may be executed in counterpart and no party need sign the identical copy as another party and shall be binding upon all parties signing copies thereof.

EXECUTED as of the day and year first above written.

Suzanne K. Wilson
SUZANNE K. WILSON

William Brent Wilson
WILLIAM BRENT WILSON

Juliet R. Wilson
JULIET R. WILSON

Hollis C. Wilson
HOLLIS C. WILSON

Robert J. Wilson
ROBERT J. WILSON

M. E. Foster
M. E. FOSTER

Chan Edmonds
CHAN EDMONDS

Robert J. Wilson, Trustee
ROBERT J. WILSON, TRUSTEE

W. L. Wilson
W. L. WILSON

Joan Wilson
JOAN WILSON

WINDFALL VENTURE

Joann W. Curtis
JOANN W. CURTIS
(formerly Joann K. Wilson)

W. L. Wilson
W. L. WILSON, GENERAL PARTNER

STATE OF COLORADO)
) ss:
COUNTY OF MESA)

On 9-12-94 personally appeared before me, a notary public, Suzanne K. Wilson, personally known (or proved) to be the person whose name is subscribed to the above instrument who acknowledged that she executed the instrument.



Margaret Kelly
Notary Public

My Commission expires:
11-6-96

STATE OF COLORADO)
) ss:
COUNTY OF MESA)

On 10-20-94 personally appeared before me, a notary public, William Brent Wilson, personally known (or proved) to be the person whose name is subscribed to the above instrument who acknowledged that he executed the instrument.



Margaret Kelly
Notary Public

My Commission expires:
11-6-96

STATE OF COLORADO)
) ss:
COUNTY OF MESA)

On 9-12-94 personally appeared before me, a notary public, Juliet R. Wilson, personally known (or proved) to be the person whose name is subscribed to the above instrument who acknowledged that she executed the instrument.

**SEAL
Affixed**

Margaret Kelly
Notary Public

My Commission expires:

11-6-96

STATE OF COLORADO)
) ss:
COUNTY OF MESA)

On 9-9-94 personally appeared before me, a notary public, Hollis C. Wilson, personally known (or proved) to be the person whose name is subscribed to the above instrument who acknowledged that she executed the instrument.

Margaret Kelly
Notary Public

My Commission expires:

11-6-96

**SEAL
Affixed**

STATE OF COLORADO)
) ss:
COUNTY OF MESA)

On 9-13-94 personally appeared before me, a notary public, Robert G. Wilson, personally known (or proved) to be the person whose name is subscribed to the above instrument who acknowledged that he executed the instrument.



Margaret Kelly
Notary Public

My Commission expires:

11-6-96

STATE OF COLORADO)
) ss:
COUNTY OF MESA)

On 9-13-94 personally appeared before me, a notary public, M. E. Foster, personally known (or proved) to be the person whose name is subscribed to the above instrument who acknowledged that she executed the instrument.



Margaret Kelly
Notary Public

My Commission expires:

11-6-96

STATE OF Colorado)
) ss:
COUNTY OF Mesa)

On 9-13-94 personally appeared before me, a notary public, Chan Edmonds, personally known (or proved) to be the person whose name is subscribed to the above instrument who acknowledged that he executed the instrument.



Mary E. Kwan
Notary Public

My Commission expires:

10/3/97

STATE OF COLORADO)
) ss:
COUNTY OF MESA)

On 9-13-94 personally appeared before me, a notary public, Robert G. Wilson, personally known (or proved) to be the person whose name is subscribed to the above instrument who acknowledged that he executed the instrument in his capacity as Trustee.



Mary E. Kwan
Notary Public

My Commission expires:

10/5/97

STATE OF COLORADO)
) SS:
COUNTY OF MESA)

On 9-9-94 personally appeared before me, a notary public, W. L. Wilson and Joan Wilson, personally known (or proved) to be the persons whose names are subscribed to the above instrument who acknowledged that they executed the instrument.



Kerarch Kelly
Notary Public

My Commission expires:

11-6-96

STATE OF NEVADA)
) SS:
COUNTY OF WASHOE)

On 11-1-94 personally appeared before me, a notary public, JoAnn W. Curtis, personally known (or proved) to be the person whose name is subscribed to the above instrument who acknowledged that she executed the instrument for the uses and purposes therein mentioned.

David Smith
Notary Public

My Commission expires:

11-1-95

Notarized Dec 1984 Agre wgs

STATE OF COLORADO)
) SS:
COUNTY OF MESA)

On 9-9-94 personally appeared before me, a notary public, W. L. Wilson, personally known (or proved) to be the person whose name is subscribed to the above instrument who acknowledged that he executed the instrument in his capacity as General Partner of Windfall Venture.

Margaret Kelly
Notary Public

My Commission expires:

11-6-96

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OFFICIAL RECORDS
RECORDED AT THE REQUEST OF
WINDFALL VENTURE
94 NOV -8 PM 3:18

EUREKA COUNTY NEVADA
M.N. REBALEATI, RECORDER
FILE NO. 155733 FEES \$ 17.00

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