

SHORT FORM OF MINING LEASE

This SHORT FORM OF MINING LEASE is made and entered into effective as of the 5th day of July, 1994, by and between Filbert Etcheverry and Michel E. Etcheverry dba Eureka Livestock Company, a California partnership, and Filbert and Norma Etcheverry (husband/wife) and Michel P. and Margaret A. Etcheverry (husband/wife) whose address is 7805 Calloway Drive, Bakersfield, California 93312, (hereinafter collectively referred to as "Lessor"), and Atlas Precious Metals Inc., a Nevada corporation, whose address is 370 Seventeenth Street, Suite 3150, Denver, Colorado 80202 (hereinafter referred to as "Lessee").

Recitals

Lessor owns certain fee lands located in Eureka County, Nevada, as more particularly described in Exhibit A which is attached hereto and incorporated by reference herein (the "Property").

Lessor and Lessee entered into a Mining Lease dated July 5, 1994, (the "Agreement"), wherein Lessor granted to Lessee a mining lease on the Property.

Lessor and Lessee desire to enter into this Short Form of Mining Lease (the "Short Form") for the purpose of placing of record a notice of the Agreement.

Agreement

NOW, THEREFORE, for Ten Dollars (\$10.00) and other good and valuable consideration, the sufficiency of which is hereby confessed and acknowledged, Lessor and Lessee have agreed and do hereby agree as follows:

1. Grant of Lease of Property. Lessor has leased and hereby grants and leases exclusively unto Lessee the Property, together with all mines, ores, minerals and mineral deposits of every kind and character whatsoever in, on or under the Property; all veins and lodes now owned or hereafter acquired by Lessor extending from or into or contained in the Property; all mineral interest now owned or hereafter acquired by Lessor in the Property; and all easements and all rights-of-way for ingress and egress to and from the Property to which Lessor may be entitled. Lessor further grants to Lessee the sole and exclusive right and privilege to do any and all things necessary or desirable to accomplish any or all of the purposes and rights set forth in the Agreement, including, without limitation, rights to enter upon and use the surface of the Property and to use all water and water rights appurtenant to the Property to which Lessor may be entitled.

2. Term. The term of the Agreement shall be 20 years from its effective date, and so long thereafter as Lessee is conducting operations in good faith on the property without any period of cessation of more than 180 consecutive days, unless earlier terminated pursuant to the provisions of the Agreement.

3. Successors and Assigns. The Agreement and this Short Form are, and shall be, binding upon and inure to the benefit of the heirs, representatives, successors and assigns of the parties thereto. No assignment of any interest under the Agreement or this Short Form shall be effective until receipt by the nonassigning party of written notice of such assignment.

4. Title to After-Acquired Interests. The Agreement covers and extends to any further or additional right, title, interest or estate heretofore or hereafter acquired by Lessor in or to the property. In the event Lessor acquires such additional right, title, interest or estate, Lessor will lease the same to Lessee under the terms and conditions provided in the Agreement, without payment of additional consideration.

5. Additional Terms. The Agreement contains provisions pertaining to annual minimum royalties, production royalties, and various other matters, and reference is made to the Agreement for such other terms and conditions as govern the Agreement, which terms and conditions are by reference made a part hereof. Nothing in this Short Form shall limit or affect the rights and duties of the parties under said Agreement. Information regarding the Agreement can be obtained from Lessee at the address set forth above.

6. Notice of Non-Responsibility for Labor Performed or Materials Furnished. Notice is given by recording of this Short Form that Lessor has leased the property to Lessee, and that Lessor will not be liable or responsible for any labor performed upon the property or for any material or supplies furnished for or to be used by the Lessee as any assignee or agent of Lessee upon the property.

IN WITNESS WHEREOF, the parties have executed this Short Form of Mining Lease as of the date first above written.

LESSEE:

ATLAS PRECIOUS METALS INC.,

a Nevada corporation

By: _____

Name: GARY E. DAVIS

Title: Vice President

By: _____

EUREKA LIVESTOCK COMPANY,
a California partnership

Albert Etcheverry

General Partner

LESSOR:

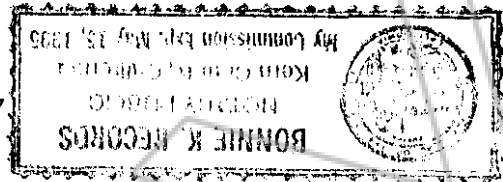
EUREKA LIVESTOCK COMPANY,
a California partnership

By: Elbert Etcheverry

By: Norma Etcheverry

By: Margaret A. Etcheverry

By: Michael P. Etcheverry



(SEAL)

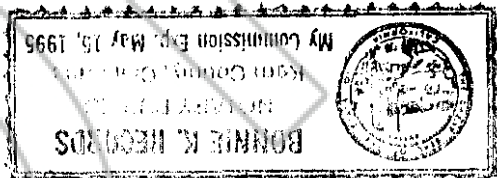
Bonnie K. Records
Notary Public
May 15, 1995

My commission expires:

Witness my hand and official seal.

This instrument was acknowledged before me on January 23, 1995, by Norma Etcheverry of Eureka Livestock Company, a California partnership.

STATE OF CALIFORNIA)
COUNTY OF KERN)
ss.)



(SEAL)

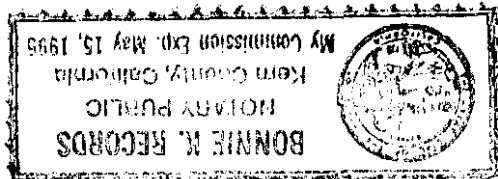
Bonnie K. Records
Notary Public
May 15, 1995

My commission expires:

Witness my hand and official seal.

This instrument was acknowledged before me on January 23, 1995, by Filbert Etcheverry of Eureka Livestock Company, a California partnership.

STATE OF CALIFORNIA)
COUNTY OF KERN)
ss.)



(SEAL)

Bonnie K. Records
Notary Public
May 15, 1995

My commission expires:

Witness my hand and official seal.

This instrument was acknowledged before me on January 23, 1995, by Filbert Etcheverry, as General Partner, of Eureka Livestock Company, a California partnership.

STATE OF CALIFORNIA)
COUNTY OF KERN)
ss.)

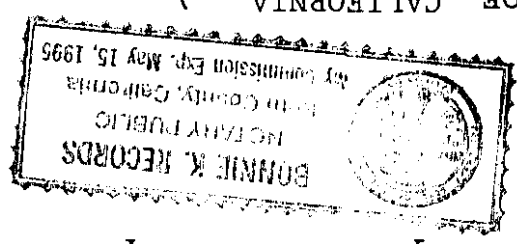
STATE OF CALIFORNIA)
COUNTY OF KERN)
ss.)
This instrument was acknowledged before me on January 23, 1995, by Michel P. Etcheverry of Eureka Livestock Company, a California partnership.

Witness my hand and official seal.

My commission expires:

May 15, 1995

Bruce R. Gault
Notary Public



STATE OF CALIFORNIA)
COUNTY OF KERN)
ss.)

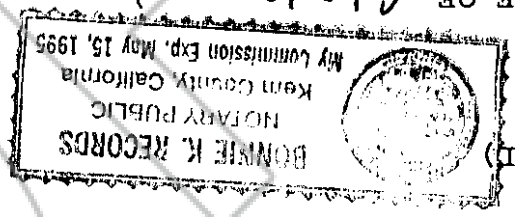
23 This instrument was acknowledged before me on January 1995, by Margaret A. Etcheverry of Eureka Livestock Company, a California partnership.

Witness my hand and official seal.

My commission expires:

May 15, 1995

Bruce R. Gault
Notary Public



STATE OF Colorado)
COUNTY OF Denver)
ss.)

July 19, 1995, as Vice President of Atlas Precious Metals Inc., a Nevada Corporation. by Gary E. Davis

Witness my hand and official seal.

My commission expires:

8-24-98

Connie L. Martinez
Notary Public

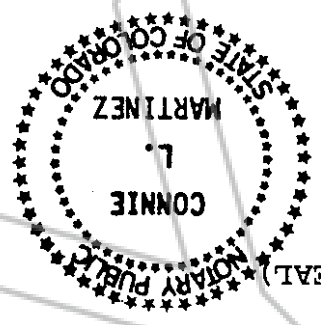


Exhibit A to that certain Short Form Mining Lease dated July 5, 1994, by and between

Eureka Livestock Company a California partnership
as Lessor, and
Atlas Precious Metals Inc.,
a Nevada corporation, as Lessee,
which covers certain fee lands located
in Eureka County, Nevada.

Three Bars Ranch
A 100% interest in the Surface estate and a 66.67% interest in the Mineral estate.

Township 23 North, Range 49 East
Section 21: $\frac{1}{2}$ SE $\frac{1}{4}$, NE $\frac{1}{4}$ SE $\frac{1}{4}$, E $\frac{1}{2}$ NE $\frac{1}{4}$
Section 28: $\frac{1}{2}$ NE $\frac{1}{4}$, SE $\frac{1}{4}$ NE $\frac{1}{4}$, N $\frac{1}{2}$ SE $\frac{1}{4}$, E $\frac{1}{2}$ SW $\frac{1}{4}$
Section 33: E $\frac{1}{2}$ NW $\frac{1}{4}$, W $\frac{1}{2}$ NE $\frac{1}{4}$, W $\frac{1}{2}$ SE $\frac{1}{4}$, E $\frac{1}{2}$ SW $\frac{1}{4}$, SW $\frac{1}{4}$ SW $\frac{1}{4}$

Township 22 North, Range 49 East
Section 4: $\frac{1}{2}$ NW $\frac{1}{4}$, SE $\frac{1}{4}$ NW $\frac{1}{4}$, W $\frac{1}{2}$ NE $\frac{1}{4}$, SE $\frac{1}{4}$ NE $\frac{1}{4}$, W $\frac{1}{2}$ SE $\frac{1}{4}$, NE $\frac{1}{4}$ SW $\frac{1}{4}$
Section 9: $\frac{1}{2}$ NE $\frac{1}{4}$, W $\frac{1}{2}$ SE $\frac{1}{4}$
Section 16: NW $\frac{1}{4}$ NE $\frac{1}{4}$

Comprising approximately 1440 acres;

Mare's Field
A 100% interest in the Surface estate and a 66.67% interest in the Mineral estate.
Township 22 North, Range 49 East
Section 8: $\frac{1}{2}$ SE $\frac{1}{4}$
Section 17: $\frac{1}{2}$ NE $\frac{1}{4}$, SE $\frac{1}{4}$ NE $\frac{1}{4}$
comprising approximately 200 acres;

Nickal Spring
A 100% interest in the Surface estate and a 37.04% interest in the Mineral estate.
Township 22 North, Range 51 East
Section 8: NW $\frac{1}{4}$ SE $\frac{1}{4}$
comprising approximately 40 acres;

Roberts Creek Ranch
A 100% interest in the surface estate and a 37.04% interest in the mineral estate.
Township 22 North, Range 50 East
Section 24: E $\frac{1}{2}$ NE $\frac{1}{4}$
Township 22 North, Range 51 East
Section 19: W $\frac{1}{2}$ SW $\frac{1}{4}$ (or lots 3 and 4), SE $\frac{1}{2}$ SW $\frac{1}{4}$
Section 30: W $\frac{1}{2}$ NW $\frac{1}{4}$ (or lots 1 and 2), NE $\frac{1}{2}$ NW $\frac{1}{4}$
W $\frac{1}{2}$ SW $\frac{1}{4}$ (or lots 3 and 4)
comprising approximately 360 acres; altogether comprising approximately 2,040 gross surface acres and 1,241 net mineral acres.

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BOOK 284 PAGE 193

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BOOK 284 PAGE 187
OFFICIAL RECORDS
RECORDED AT THE REQUEST OF
Wm. Corporation
95 JUL 24 AM 8:32
EUREKA COUNTY NEVADA
M.N. REBALANCE, RECORDER
FILE NO. FEES \$13.00