

APN 410-000-76
S22 & 27, T19N, R53E
W.O. No. 1745S.

EASEMENT AGREEMENT

For \$1.00 and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, HOMESTAKE MINING COMPANY OF CALIFORNIA, a California corporation having its principal place of business at 650 California Street, San Francisco, California 94108 ("Homestake") and RUBY HILL MINING COMPANY, a Nevada corporation having an address % Arvada Natural Resources, P.O. Box 887, Price, Utah 84501 ("Ruby") hereby convey to NEVADA BELL, a Nevada corporation having a mailing address or P.O. Box 11010, Reno, Nevada 89520 and its successors and assigns ("Nevada Bell"), without warranty of any kind, a non-exclusive easement to use the surface of a strip of land 25 feet in width over and across the Tinnie patented lode mining claim, Mineral Survey Number 195 and being 12 1/2 feet on either side of the center line shown on the attached Exhibit A ("Easement Strip") to construct, operate, maintain, repair, alter, inspect, remove and replace communication facilities consisting of aerial or buried cables or wires, other electrical conductors and associated equipment (collectively "Facilities") together with the right of ingress and egress therefor ("Easement"). Nevada Bell shall have the obligation, as reasonably required to protect the Facilities and to prevent fires, to trim and remove foliage within the Easement Strip and to place reasonable drainage and retaining structures thereon. Nevada Bell shall have the right to extend to any electrical company the right under this Easement to use any pole or trench placed on or in the Easement Strip pursuant to the provisions hereof but only to the extent such power is for use by Nevada Bell.

The parties agree that this Agreement is not intended to limit Homestake's or Ruby's rights to explore for, develop or mine minerals from the Easement Strip.

Should Homestake or Ruby desire to utilize any part of the Easement Strip for mineral purposes or for the installation of mining or processing facilities or access thereto, Homestake or Ruby shall have the right by giving Nevada Bell written notice to cause any portions of the Facilities which would interfere with Homestake's or Ruby's operations to be relocated at Homestake's or Ruby's sole cost on another 25 foot strip to be provided by Homestake or Ruby to Nevada Bell at no cost to Nevada Bell ("Relocated Strip"). The relocation shall be completed within six months of delivery of the notice. The Relocated Strip shall be reasonably located in the vicinity of the affected portion of the Easement Strip so as to reasonably minimize the cost of moving Facilities and to reasonably accommodate Homestake's or Ruby's operations. Homestake or Ruby shall convey or procure a right-of-way for the Relocated Strip for the benefit of Nevada Bell on substantially the same terms and conditions as provided for herein. Homestake or Ruby shall compensate Nevada Bell for all reasonable and necessary costs incurred by Nevada Bell in any relocation of Facilities. It is the intent of the parties hereto that any portion or portions of the Easement Strip may

be moved from time to time and more than once at the sole cost of Homestake or Ruby.

Nevada Bell agrees to compensate Homestake or Ruby and their successors and assigns (as their interests may appear) for any actual and direct damage to the surface and to any improvements placed on the Easement Strip by Homestake or Ruby. If the parties are unable to agree on the amount of such damage, either Homestake and Ruby or Nevada Bell may demand appraisal. In the event of appraisal, each of Homestake and Ruby and Nevada Bell shall designate a licensed Nevada appraiser experienced in appraising like property. The two appraisers shall select a third similarly licensed and experienced appraiser. Each appraiser shall determine an amount of compensation. For all purposes, the amount of compensation payable to Homestake or Ruby shall be the average of the two appraisals which are the closest to each other.

Nevada Bell hereby waives, releases and discharges forever Homestake and Ruby and their directors, officers, employees and representatives and those of their subsidiaries and affiliates, their successors and assigns and agrees to defend, indemnify and hold them harmless from any cost, damage, loss, liability, contribution, or obligation (including consequential damages, fines, penalties, court costs, disposal fees, and attorney's fees) for injury to persons, property, natural resources and the environment, including environmental liability and responsibility of every kind and character, arising out of or related to any act or omission of Nevada Bell, its employees, agents and representatives in connection with the Easement Strip or any use thereof or improvements placed thereon by Nevada Bell.

Upon termination of this Agreement as to all or any portion of the Easement Strip, for whatever purpose, Nevada Bell will remove all fixtures, improvements and equipment placed thereon by Nevada Bell from the Easement Strip and will deliver to Homestake or Ruby, as their interests may appear, a written instrument of termination in recordable form.

The benefits and burdens of this Easement shall run with the land and bind and inure to the benefit of all parties and their respective successors and assigns.

Dated and made effective this 26 day of September, 1996.

NEVADA BELL

HOMESTAKE MINING COMPANY
OF CALIFORNIA

By Scott E. Labadie
Its Dir. OSP Eng/Cust.

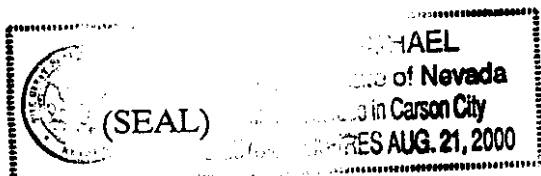
By Don R. [Signature]
Its ASSISTANT SECRETARY

RUBY HILL MINING COMPANY

By Michael P. Watson
Its Manager / Director

STATE OF NEVADA)
)SS.
COUNTY OF WASHOE)

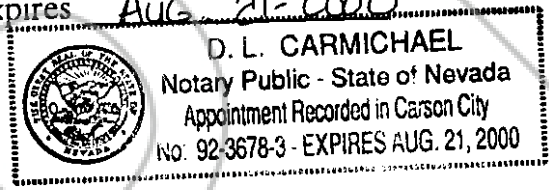
On this 30 day of OCTOBER, 1996 before me, D. L. CARMICHAEL, a Notary Public of said State, personally appeared SCOTT E. RABODEAU who is the DIRECTOR-OSP ENV. CONST. of Nevada Bell, a Nevada corporation, personally known to me to be the person who executed the above instrument on behalf of said corporation and acknowledged to me that he executed the same for the purposes therein stated.



D. L. Carmichael
Notary Public

My Commission Expires AUG 21-2000

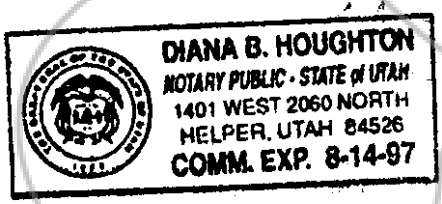
STATE OF UTAH)
)SS.
COUNTY OF CARBON)



On this 8th day of OCTOBER, 1996 before me, DIANA B. HOUGHTON, a Notary Public of said State, personally appeared MICHAEL P. WATSON who is the DIRECTOR / MANAGER of Ruby Hill Mining Company, a Nevada corporation, personally known to me to be the person who executed the above instrument on behalf of said corporation and acknowledged to me that he executed the same for the purposes therein stated.

Diana B. Houghton
Notary Public

(SEAL)
My Commission Expires 8-14-97

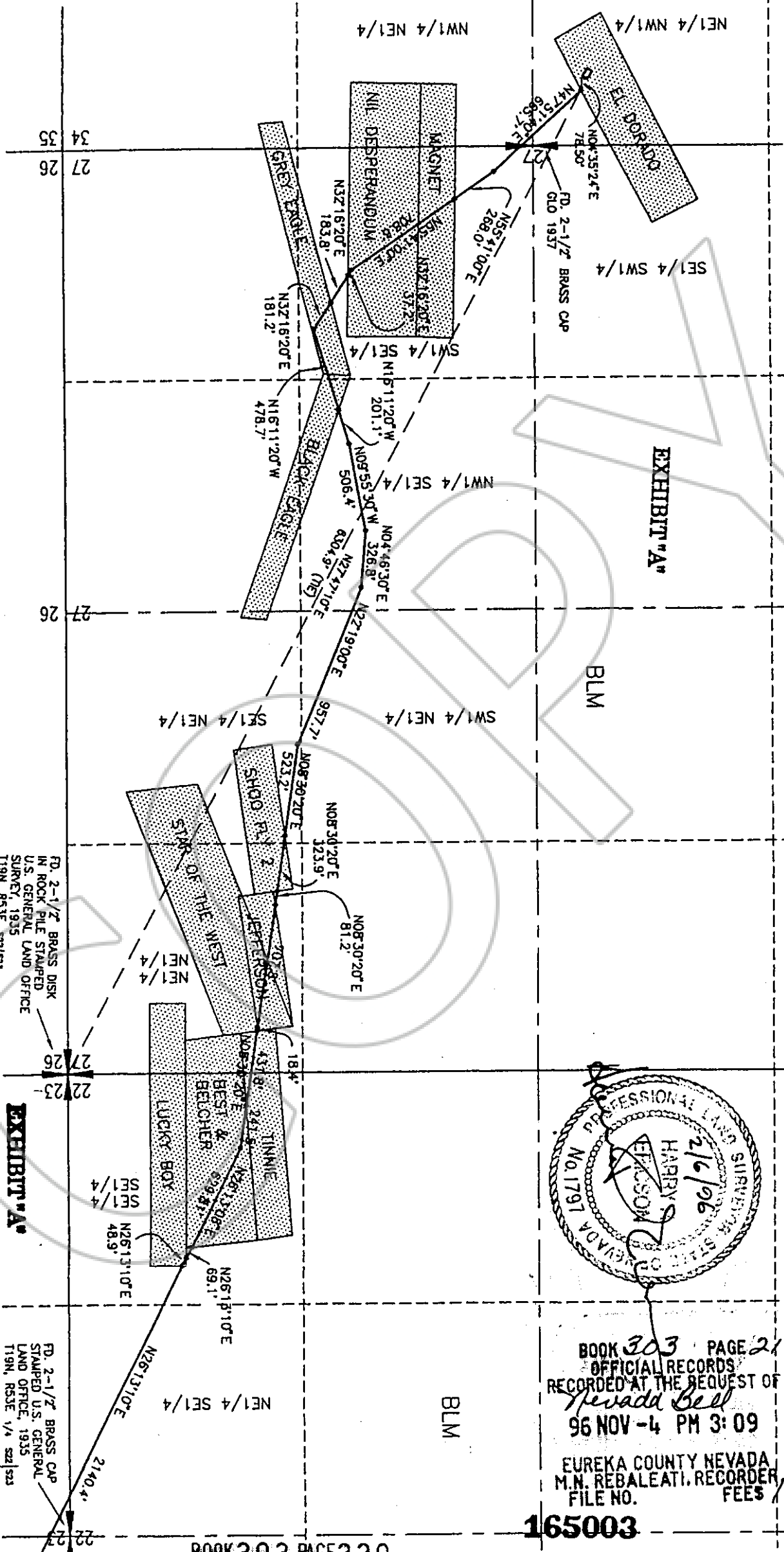




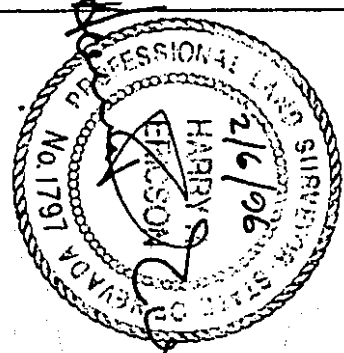
455-15-2

OVERHEAD COMMUNICATIONS LINE
MINING CLAIM RIGHT OF WAY
FOR SECTIONS 22, 27 & 34, T19N, R53, M04
EUREKA COUNTY, NEVADA

NEVADA BELL



SCALE: 1" = 700'



BOOK 303 PAGE 216
 OFFICIAL RECORDS
 RECORDED AT THE REQUEST OF
Nevada Bell
 96 NOV -4 PM 3:08
 EUREKA COUNTY NEVADA
 M.N. REBALEATI, RECORDER
 FILE NO. FEES \$11.00

165003