

MINING LEASE

THIS AGREEMENT made this 21 day of February 1979 between Stanley N. Lyman and Ruth P. Lyman, husband and wife Lessor, (whether one or more), whose address is 41 W. 2nd S. Street, Blanding, Utah 84511 and Minatome Corporation Lessee, authorized to do business in the state of Utah whose address is 2040 South Onaida Street, Denver, Colorado 80224

1E-12910

WITNESSETH:

I, LEASED PREMISES. For and in consideration of the sum of TEN Dollars

(5. 10.00) and other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged by Lessor, and in further consideration of the mutual covenants herein contained, Lessor hereby grants, leases and lets solely, exclusively and irrevocably unto Lessee, the lands hereinafter described, and all ores, minerals, metals, ore bearing materials, mineral substances and rocks of all kinds, including, but not limited to, uranium, thorium, vanadium, associated minerals and fissionable source materials (including sand and gravel which contain such source minerals or materials), but excluding oil, gas, casinghead gas, and associated liquid hydrocarbon substances and coal (all hereinafter referred to as "Leased Substances"), together with all deposits of Leased Substances in, on and under the lands covered by this lease and all interest therein hereafter acquired by Lessor, (said lands and Leased Substances being hereinafter referred to as "Leased Premises"), said lands being situated in the County of San Juan State of Utah and more particularly described in Exhibit "A" attached to and made a part of this lease unless such lands are described as follows:

- Township 35 South, Range 23 East, 6.L.M.
Section 14: NW 1/4 NE 1/4

LOUISE C. JONES
RECORDS & MAIL ROOM
1979 MAR 20 AM 10 51

For the purpose of determining the amount of any money payment hereunder, the Leased Premises shall be treated as comprising 40 acres whether there be more or less. Together with the foregoing, the Lessor gives and grants to the Lessee the right to enter upon and take immediate possession of the Leased Premises and the sole, exclusive and irrevocable right to explore, prospect, drill and core drill for, develop, mine, mill, save, store, stockpile, treat, process, take care of, remove, transport, own, sell and dispose of all Leased Substances by methods deemed desirable by Lessee. Lessor grants to Lessee, for the purposes of this grant:

- (a) The right to use so much of the surface and subsurface of the Leased Premises, including the right to conduct strip mining and open pit operations, as may be reasonably necessary in Lessee's sole judgment;
(b) The free and uninterrupted right of ingress and egress to, from, through, under and upon the Leased Premises or other lands, including the right to construct roads;
(c) The right to construct, use, maintain, repair, replace and relocate mills and other processing facilities, buildings, shops, fixtures, machinery and structures of whatever nature necessary, roads, ore bins, shafts, inclines, tunnels, drifts, open pits, strip mines, waste dumps, ore stockpiles, pipelines, telephone lines, electric transmission and distribution lines, railroad and other transportation facilities, utilities and dams, for use in connection with ores, materials and water from the Leased Premises or other lands;
(d) The right to remove from the Leased Premises any mills and other processing facilities, machinery, fixtures, buildings, shops, structures, stockpiles of ore, minerals or materials and other property named above or placed on the Leased Premises by Lessee which right of removal may be exercised at any time during the term hereof, or within one hundred eighty (180) days after expiration or termination of this lease as to the parts of the Leased Premises on which such property is located;
(e) The free use of water and timber from the Leased Premises, provided that Lessee shall not use water from Lessor's wells, tanks or surface reservoirs unless Lessor's consent is first obtained in writing, which consent shall not be unreasonably withheld;
(f) The right and privilege to use any and all of the surface of and roads or workings located on or under the Leased Premises to facilitate mining ores, minerals or materials on adjacent or neighboring properties, whether or not contiguous and whether or not owned by Lessor;
(g) The right of moving Leased Substances from the Leased Premises across the surface thereof or through underground workings therein to other lands in the area, of moving minerals from other lands along the surface of the Leased Premises or through underground workings therein to plants or mills located on the Leased Premises or on other lands, and of milling and preparing for market Leased Substances and minerals from other lands in mills or plants on the Leased Premises or on other lands, separately or commingled, as Lessee may elect; and
(h) All such additional rights as are reasonably necessary for the purpose of exercising the privileges and rights granted by this lease.

2. TERM. This lease shall be for the primary term of ten (10) years from the date hereof, and for a continuing term as long after the primary term as any mining, development or processing is being conducted hereunder on a continuous basis, unless sooner terminated as hereinafter provided. Such operations shall be deemed conducted on a continuous basis unless and until, after the end of the primary term, a period of one hundred eighty (180) consecutive days elapses in which no mining, development or processing is conducted, excluding, however, periods of force majeure and lack of reasonable market as provided herein. Excluding periods of force majeure as herein provided, if there is no production of Leased Substances during the primary term or if at any time or from time to time after the end of the primary term there is a cessation of production of Leased Substances and no resumption of such production during the following one hundred eighty (180) days, then, if Lessee, at the end of the primary term or at the end of said 180-day period, whichever is applicable, is engaged in the actual development of a mine by either conventional mining methods, in situ or solution methods or any other method by which Leased Substances may be recovered, but has not yet obtained actual production of Leased Substances, Lessee shall be allowed a reasonable time within which to complete said mine development or recovery operations and obtain actual production of Leased Substances. Notwithstanding any provisions herein to the contrary, if at the expiration of the primary term or at any time thereafter there is no reasonable market for such of the Leased Substances as are developed by Lessee on the Leased Premises or if such Leased Substances cannot be mined or processed at a profit to the Lessee at the time encountered regardless of whether there has or has not been production of the same or a cessation of production) then the term of this lease shall not terminate and shall be extended during such period that there is no reasonable market; provided that Lessee shall continue to make the annual payments provided in this lease, and provided that Lessee shall use reasonable diligence to sell or process the Leased Substances or any of them, on which royalty is payable under the terms of this lease, but in the exercise of such diligence Lessee shall not be obligated to sell or process the same, or any of them, under terms, conditions or circumstances which in Lessee's judgment, exercised in good faith, are not for the best interests of both the Lessor and Lessee. Unless otherwise specified, all references to the "term" of this lease shall mean and include both the initial term and the continuing term.

3. MAIN DWELLING HOUSE. No mining operations shall be conducted nor any facilities necessary to the same be constructed within three hundred (300) feet of the main dwelling house now located on the Leased Premises, unless the written consent of the Lessor shall have first been obtained.

4. FENCES. Lessee may make as many fence openings to provide uninterrupted ingress and egress as may be necessary in its operations; and, if necessary, shall install cattle guards of sufficient size and substance to bear the type of traffic necessary for its operations and capable of turning all domestic livestock. If Lessee does not desire uninterrupted access, it may install a gate at any opening. Lessee shall promptly fence any and all pits, shafts and fixed machinery which it may dig, bore, construct or place on the Leased Premises.

5. COMPENSATION FOR DAMAGE. Lessee at its discretion either (a) will pay reasonable compensation for or (b) will repair, restore or replace any roads, fences, buildings, livestock, crops, grazing values, water tanks, reservoirs or other facilities of Lessor that may be damaged, injured or destroyed by virtue of Lessee's operations hereunder. For purposes of the preceding sentence, "reasonable compensation" shall be presumed to be the market value of any item which may be so damaged, injured or destroyed immediately prior to such damage, injury or destruction. For each and every acre of the Leased Premises owned by Lessor within any open pit, shaft, stockpile, waste dump or road constructed by Lessee, Lessee shall pay Lessor on or before the next anniversary date of this lease after such acre is put to such use by Lessee, the sum of Reasonable compensation Dollars

(5) for each such acre, or a pro rata amount thereof for each such fraction of an acre, as full and complete compensation for loss of use and any permanent damage to such acreage. Lessee shall not be required to pay compensation for use of the surface in connection with exploratory drilling, core drilling or other exploration or prospecting activities.

6. ROYALTIES. Lessee shall pay Lessor or for Lessee in accordance with the provisions contained in this paragraph. All payments of royalties herein provided shall be paid or tendered either directly to the Lessor or mailed to the following depository bank: First Security Bank, Blanding, Utah 84511

Handwritten notes: S. N. P. P. P. 30A, 246

Royalty for uranium-bearing ores. For all uranium-bearing ores (i.e., mineral-bearing materials that are mined primarily for their uranium value) which are mined, saved and removed from the Leased Premises by Lessee and sold in either raw or processed form, the royalty reserved to Lessor shall be 8% of:

(a) The actual proceeds received for such uranium-bearing ores sold by Lessee in the raw, crude form, less the cost of transportation of the ore or other uranium-bearing Leased Substances from the mine to the point of sale and less the other deductions as hereinafter set forth; or

(b) The fair market value, less the cost of transportation of the ore or other uranium-bearing Leased Substances from the mine to the point at which they are last processed or benefited by or for the benefit of Lessee and less the other deductions as hereinafter set forth, in raw, crude form at the mine of such uranium-bearing ores which are not sold in the raw, crude form but which are processed in a mill owned or controlled, wholly or partly, by Lessee or which are upgraded or processed in a custom mill or under any other processing arrangement for Lessee; such market value to be determined as follows:

Grade of Ore Uranium (U ₃ O ₈) Content	Value per Pound of Contained U ₃ O ₈ Dry Weight	Pounds Per Ton	Mine Value Per Dry Short Ton of Ore
0.10% or less	\$1.50	2.0	\$ 3.00
0.11%	\$1.70	2.2	\$ 3.74
0.12%	\$1.90	2.4	\$ 4.56
0.13%	\$2.10	2.6	\$ 5.46
0.14%	\$2.30	2.8	\$ 6.44
0.15%	\$2.50	3.0	\$ 7.50
0.16%	\$2.70	3.2	\$ 8.64
0.17%	\$2.90	3.4	\$ 9.86
0.18%	\$3.10	3.6	\$11.16
0.19%	\$3.30	3.8	\$12.54
0.20%	\$3.50	4.0	\$14.00

The mine value of each dry short ton of ore for grades greater than 0.20% shall be determined by multiplying three dollars and fifty cents (\$3.50) by the number of pounds of U₃O₈ contained in each dry short ton of ore. For example:

0.25%	\$3.50	5.0	\$17.50
0.35%	\$3.50	7.0	\$24.50

The grade of ore shall be averaged on a monthly basis. If the grade of ore is determined to be at an intermediate level, then the mine value per dry short ton of ore shall be determined on a pro rata basis from the "Value per Pound of Contained U₃O₈ Dry Weight" figures above. For example:

0.175%	\$3.00	3.5	\$10.50
--------	--------	-----	---------

If U₃O₈ or any chemical compound from which U₃O₈ can be derived is produced by in situ or solution processes (natural or introduced), or heap leaching process, the grade of ore being so leached or otherwise mined by in situ or solution processes shall be deemed to be 0.10% U₃O₈ content; therefore, the value of U₃O₈ contained in the solution shall be deemed to be \$1.50 a pound. The number of pounds of contained U₃O₈ in the solutions which are withdrawn for processing shall be computed in accordance with generally accepted chemical analytical procedures, and the royalty reserved herein shall be payable on the basis of such computation. If Leased Substances other than U₃O₈ are produced by a leaching or precipitation process, then the royalty reserved herein shall be payable on the fair market value of such precipitated product at the rate specified in the paragraph below entitled "Royalty for non-uranium-bearing ores".

The result of the above calculations shall be multiplied by X/\$5.00 where X is the average price per pound for U₃O₈ in uranium concentrate received by Lessee for sales of uranium concentrate made by Lessee during the month in which the uranium-bearing ores are actually removed or solutions withdrawn from the Leased Premises for processing. If no uranium concentrate is sold by Lessee during such calendar month, then X shall be the average price received by Lessee for sales of uranium concentrate during the last previous calendar month in which Lessee had such sales of uranium concentrate; provided that, in the event Lessee has had no sales of uranium concentrate for a period of one year prior to the calendar month in which such ore is removed or solutions withdrawn for processing, then such value shall be the published or fair market price of U₃O₈ in uranium concentrate in the area of the Leased Premises for the month in which the uranium-bearing ores are actually removed or solutions withdrawn for processing, or if there is no such published or fair market price, then such value shall be the spot price as published by Nuclear Exchange Corporation (NUEXCO) for the month in which the uranium-bearing ores are actually removed or solutions withdrawn from the Leased Premises for processing.

Royalty for non-uranium-bearing ores. For all Leased Substances other than uranium, the royalty reserved to Lessor shall be eight percent of:

(a) The actual proceeds received for all Leased Substances (other than uranium-bearing ore) sold by Lessee in raw, crude form, less the cost of transportation of the ore or other non-uranium-bearing Leased Substances from the mine to the point of sale and less the other deductions as hereinafter set forth; or

(b) The fair market value, less the cost of transportation of the ore or other non-uranium-bearing Leased Substances from the mine to the point at which they are last processed or benefited by or for the benefit of Lessee and less the other deductions as hereinafter set forth, in raw, crude form at the mine of all Leased Substances (other than uranium-bearing ore) which are not sold in the raw, crude form but which are processed in a mill owned or controlled, wholly or partly, by Lessee or which are upgraded or processed in a custom mill or under any other processing arrangement for Lessee; such market value to be agreed upon by the parties or determined by a court of competent jurisdiction in the state in which the Leased Premises are located if there is a dispute as to such fair market value.

Deductions. The value of the ore or other Leased Substances determined as provided above, shall have deducted therefrom (a) the cost of transporting the ore or other Leased Substances from the mine to the applicable point as above provided, (b) deductions for sampling, assaying, treatment, penalties and impurities, not to exceed those which would be made for such ore at independent processing plants, and (c) all taxes (except income taxes) on the ore, the U₃O₈, other Leased Substances or any other precipitated product or on the production, severance or sale thereof.

Sampling and Analysis. The mineral content of all ore mined and removed from the Leased Premises shall be determined by Lessee, or by the mill or smelter to which the ore is shipped, in accordance with sampling and analysis procedures which are generally accepted in the industry. Upon request to Lessee, and at Lessor's expense, Lessor shall have the right to have a representative present at the time samples are taken.

If Lessee mills the ore from the Leased Premises, Lessor shall be furnished, at Lessor's request and at no expense to Lessor, a portion of all samples taken for analysis. Split samples shall be retained by Lessee for later analysis by an independent referee, and, in the event Lessor's assay of samples differs from Lessee's assay, royalty payments shall be based on the assay results determined by the independent referee selected by agreement of the parties. The cost of the referee shall be paid by the party whose assay shows the greatest variance from that of the referee.

Statements. Each royalty payment shall be accompanied by a statement showing weights, analyses and values of all ores, concentrates, minerals and metals produced from the Leased Premises during the period for which payment is made and the amount of the charges or costs deductible therefrom. All statements rendered to Lessor by Lessee shall be conclusively presumed to be true and correct after sixty (60) days from the end of the period to which such statement applies unless within said sixty-day period Lessor takes exception thereto and makes written claim on Lessee for adjustment. Failure on the part of Lessor to make claim on Lessee for adjustment in such period shall establish the correctness and preclude the filing of exceptions thereto or making of claims for adjustment thereon. No adjustments favorable to Lessor shall be made unless within the prescribed period or unless in connection with a claim of Lessor.

Payment of Royalties. Royalties which are due and payable under the terms and provisions of this lease on Leased Substances mined from the Leased Premises shall be paid within thirty (30) days after the calendar month (a) within which Lessee receives payment of the purchase price for ores sold in the raw, crude form, or (b) within which Leased Substances not sold in the raw, crude form by Lessee are sold either in the concentrate form, or if not sold in concentrate form, are sold after having been further upgraded or processed in a custom mill or under any other upgrading or processing arrangement by or for Lessee.

7. ANNUAL PAYMENTS. On or before each anniversary of the date of this lease, while this lease remains in effect, Lessee shall pay directly to the Lessor or mail to the depository bank herein named, the sum of ONE Dollar

(\$1.00) per acre of Leased Premises retained under this lease on the anniversary date on which the payment is due. The annual payments due on or before each anniversary date shall be minimum annual advance royalties and shall constitute prepayment of and advances against royalty accruing at any time. Lessee may recover all minimum annual advance royalties by crediting them against and in reduction of royalty becoming due at any time until all minimum annual advance royalties have been recovered by Lessee. It is understood that during the primary term hereof such minimum annual advance royalties shall be in lieu of any covenant, expressed or implied, of reasonable or diligent development, and the payment of such minimum annual advance royalties alone as above provided shall be sufficient to hold and keep this lease in full force and effect during said primary term. Such minimum annual advance royalties are sometimes referred to herein as "annual payments".

8. DEPOSITORY BANK. In the event the depository bank herein named (or any successor bank) should fail, liquidate or be succeeded by another bank, or for any reason fail or refuse to accept payments, or should Lessor or any assignee or assignees desire to designate another depository bank, then Lessee shall not be held in default for failure to make payment or tender of payment until thirty (30) days after Lessor or Lessor's assignees shall deliver to Lessee a proper recordable instrument naming another bank as agent to receive such payments or tenders.

9. RESIDUE OR TAILINGS. All residue or tailings remaining after the initial processing or milling of the crude ores mined from the Leased Premises shall be the sole and exclusive property of Lessee; provided that, if any such residues or tailings remain on any of the Leased Premises as to which this lease is terminated for a period of one year after the effective date of such termination, then as between Lessor and Lessee, all such residues or tailings shall be the sole and exclusive property of Lessor.

10. TAXES. Lessor agrees to pay all general ad valorem taxes and assessments assessed against the Leased Premises and all taxes resulting from the Lessor's use thereof; provided that the Lessee shall reimburse Lessor for that portion of such taxes which is attributable to any producing mine opened and operated or improvements constructed on the Leased Premises by Lessee, less the part thereof, if any, attributable to Lessor's royalty interest therein. All severance or production taxes and all taxes levied or computed on the amount or value of ore or product mined or extracted from the Leased Premises by or for Lessee shall be apportioned between Lessor and Lessee. Lessor's share of all such taxes shall be in the same proportion of the total of such taxes as the production royalty paid to Lessor (or credited against annual payments) during the tax period bears to the net purchase price received by Lessee during said period for product mined from the Leased Premises. Lessor shall have the right in good faith to contest any of the above taxes, whether payable by Lessee or payable by Lessor, but shall not permit or suffer the Leased Premises or any part thereof, any ore mined thereon, or any improvements or personal property thereon to be sold at any time for such taxes or assessments.

11. SUBROGATION AND SET OFF. Lessor agrees that Lessee, at its option, may pay and discharge any taxes, mortgages or other liens existing, levied or assessed on or against the Leased Premises and by such payment Lessee shall become subrogated to the rights of any holder or holders thereof; and may reimburse itself for any such expenditures out of any royalty or annual payments thereafter accruing to Lessor or by enforcement of subrogated rights against Lessor in any court of competent jurisdiction.

12. BREACH BY LESSEE. The breach by Lessee of any obligation arising under this lease shall not work a forfeiture, condition or termination of this lease. In the event Lessor considers that there has been a breach of any obligation, Lessor shall notify Lessee, in writing, of the breach and Lessee, if in default, shall have a reasonable period of time after receipt of the notice in which to commence compliance; provided, however, that if the default is a failure to pay, when due, any amounts required to be paid hereunder, Lessee shall have thirty (30) days after receipt of notice to make such payment. Following commencement of compliance, Lessee shall use due diligence to complete compliance with such obligation and shall promptly complete compliance within a reasonable time. The provisions of this paragraph are subject to the provisions of the paragraph herein entitled "Adverse Claim".

13. TERMINATION. Lessee may at any time or times terminate this lease as to all or any portions of the Leased Premises and be freed from any and every obligation and liability as to the portion so terminated or in any manner arising out of any term, covenant or condition, excepting only those obligations which by the express provisions hereof have then accrued and become fixed. Such termination may be effected by thirty (30) days advance notice in writing given by the Lessee to Lessor.

14. CONDUCT OF WORK AND COMPLIANCE WITH LAWS. All work performed by the Lessee and its employees and agents with respect to the Leased Premises shall be in accordance with good mining practice. The Lessee shall pay for all labor performed upon or material furnished to the Leased Premises at the request of the Lessee and shall keep the Leased Premises free and clear from any and all liens of mechanics or materialmen in connection with services performed and material supplied at its request. Also, Lessee shall comply with applicable laws and regulations, including environmental laws and regulations (including those relating to restoration, reclamation, water and air quality and the like) relating to performance of its mining work on the Leased Premises. In conducting its operations, Lessee shall fully comply with the terms and provisions of workmen's compensation laws of the state in which the Leased Premises are located. Lessee shall be deemed to be in good faith compliance with such laws, rules, regulations and orders if it is contesting or appealing the laws, rules, regulations and orders of any agency or governmental subdivision or any federal, state or local law, ordinance or resolution administratively or to any court or courts of competent jurisdiction to contest the validity thereof. Lessee shall hold Lessor harmless against and from any and all loss, damage or claims of whatever nature or character occasioned by or arising out of its operations under the terms and provisions of this lease unless same arise as a result of any act of negligence of Lessor, or the agents or employees of Lessor.

15. INSPECTION. Lessor, or Lessor's duly authorized representatives, shall have the right at all reasonable times and in a reasonable manner so as not to interfere with Lessee's operations to enter upon said Leased Premises and workings thereon for the purpose of examining and inspecting the same. Lessor agrees to indemnify and save the Lessee harmless from any and all claims for damages arising out of any death, personal injury or property damage sustained by Lessor or Lessor's agents while in or upon the Leased Premises.

16. ASSIGNMENT. The rights of either party may be assigned in whole or in part provided that each such assignment shall be made subject to this lease and that the assignees of the parties, respectively, shall agree to be bound by the provisions hereof. No assignment by Lessor of his ownership of the land, annual payments or royalties shall operate to enlarge the obligations or diminish the rights of Lessee; and no change or division in such ownership shall be binding upon Lessee until thirty (30) days after Lessee shall have been furnished by registered U.S. mail at Lessee's principal place of business with a certified copy of recorded instrument or instruments evidencing the complete chain of title as to any such change. In the event of assignment in part by Lessee of this lease, the payments provided for under the Paragraphs entitled "Royalties" and "Annual Payments" herein as well as all obligations hereunder which have not accrued, shall be apportionable as between the Lessee and its assignee or assignees (the leasehold owners) ratably according to the surface acreage of each and default in any such payment or breach of any obligation or covenant by one shall not affect the rights of the other leasehold owners hereunder.

17. MULTIPLE LESSORS. Whenever two or more parties are entitled to receive annual payments or royalties hereunder, Lessee may withhold payment thereof unless and until all such parties designate in a recordable instrument an agent empowered to receive all royalty or annual payments due hereunder.

18. FORCE MAJEURE. When any of the operations contemplated by this lease are delayed or interrupted by storm, flood or other act of God, fire, riot, strikes, unavailability of equipment or materials, lockout or other differences with workmen or failure of carriers to transport or furnish facilities for transportation, or as a result of some order, requisition or necessity of any governmental authority, or during the pendency of any appeal thereof, or as a result of any case whatsoever beyond the reasonable control of Lessee, the term of this lease shall not terminate and shall be extended during such period of force majeure; provided that Lessee shall continue to make the annual payments provided in this lease. Lessee shall send written notice to Lessor of each period of force majeure.

19. WARRANTY. Lessor represents that he has the full power and authority to enter into this lease; that there are no present leases or agreements covering any of the Lessor's interest in the Leased Substances and that all such prior leases and agreements, if any, have been terminated; that his interest in the Leased Premises is free of all liens and encumbrances except

NONE

that the Lessee may enter onto the surface of the property without having to make any payment to or obtain the permission of any person, firm or corporation with respect to the use of the surface of the Leased Premises; and that Lessor generally warrants and agrees to defend the title to the Leased Premises.

20. LESSOR INTEREST. If Lessor owns an interest in the Leased Substances which is less than the entire and undivided mineral estate therein, whether or not such lesser interest is referred to herein, then the royalties and annual payments provided for herein shall be paid to Lessor only in the proportion which Lessor's interest therein bears to the whole and undivided mineral estate. Lessor shall be entitled to retain only that proportion of the moneys previously paid by Lessee to Lessor hereunder as Lessor's said interest bears to the whole and undivided mineral estate. With respect to that portion, if any, of the Leased Premises in which Lessor owns no right, title or interest in the Leased Substances, Lessee is under no obligation to pay, and Lessor has no right to receive, royalty or annual payments. Failure of Lessee to reduce any annual payment or other payment, if any, hereunder not based on the actual production shall not impair the right of Lessee to reduce the royalties payable on actual production. If Lessor owns less than 100% of the surface title to the lands covered by this lease, then any payment herein provided to be made to Lessor which relates to the surface shall be proportionately reduced.

21. NOTICE AND COMMUNICATION. Any notice to the parties to this lease shall be deemed to have been sufficiently given when mailed by registered or certified mail, postage prepaid, return receipt requested, at the respective addresses shown herein, or to such other address of a party which that party may communicate to the other party in writing. All routine reports hereunder may be delivered by ordinary United States mail.

22. ADVERSE CLAIM. In case of suit, adverse claim, dispute or question, as to the ownership of the Leased Premises (or any interest therein) or of the royalties, annual payments and other payments, if any, payable under this lease, Lessee shall not be in default in payment thereof until the suit, claim, dispute or question has been finally disposed of. Any such payments so withheld shall be paid within thirty (30) days after Lessee has been furnished with the original instruments disposing of the suit, claim or dispute (or certified copies thereof), or after Lessee has been furnished with proof sufficient, in Lessee's opinion, to settle the question, if the rights or interests granted Lessee hereunder are disputed, or if Lessor considers there has been a breach of any obligation hereunder, it shall not be counted against Lessee either as affecting the term of this lease (which shall be extended by the period of dispute) or for any other purpose, and Lessee may withhold all payments due Lessor hereunder without interest until there is a final adjudication or other determination of the dispute.

23. POOLING OR UNITIZATION. Lessee, at its option, is hereby given the right and power and at any time and from time to time as a recurring right, either before or after production, as to all or any part of the Leased Premises described herein and as to any one or more of the formations thereunder, to pool or unitize all or any part of the Leased Premises and Substances with other lands in the immediate vicinity for the production of like substances when in Lessee's judgment it is necessary or advisable to do so, and irrespective of whether authorities similar to this exist with respect to such other lands. In lieu of the royalty hereinabove specified, Lessor shall receive on production from the pooled or unitized area such portion of the royalty stipulated herein as the number of the surface acres within the Leased Premises commuted to such pooled or unitized area bears to the total acreage included in the pooled or unitized area. Lessor, his respective heirs, successors, legal representatives and assigns, shall formally express their consent to any cooperative or unit plan of development or operation adopted by Lessee for the purpose of any such pooling or unitization, if so requested by Lessee.

24. HOMESTEAD. Lessor hereby releases and relinquishes any right of homestead exemption which Lessor may have in the Leased Premises or Leased Substances.

25. ENTIRE AGREEMENT. The parties hereto agree that the whole agreement between them is written herein, and that a Memorandum of Mining Lease, if any, entered into as of the same date and covering the Leased Premises, is intended for recording and is not intended to supersede, abrogate, change, alter or modify any of the terms of this lease.

26. BINDING EFFECT. This lease shall be binding upon the parties hereto, and upon their devisees, personal representatives, heirs, successors and assigns.

27. HEADINGS FOR CONVENIENCE. Headings used herein are for convenience only and do not constitute part of this agreement.
IN WITNESS WHEREOF, this instrument is executed as of the date first above written.

LESSOR:

Witness _____
Witness _____
Witness _____
Witness _____

Stanley N. Lyman
Stanley N. Lyman
528-16-3298
Social Security Number
Ruth P. (Palmer) Lyman
Ruth P. (Palmer) Lyman
528-14-8784
Social Security Number

ATTEST: Jean-Pierre Viellard
Jean-Pierre Viellard asst. - Secretary
Patricia J. Gill
Witness
Witness

LESSEE:

By: J.M. Aymé
J.M. Aymé



ACKNOWLEDGMENTS

(1) For an individual acting in his own right:

State of Delaware
County of San Juan

The foregoing instrument was acknowledged before me this 26th day of February by Stanley N. Lyman and Ruth P. Lyman, husband and wife

J.M. Aymé
Notary Public
MY COMMISSION EXPIRES MAY 21, 1981

My commission expires _____

(2) For a corporation: Colorado
State of Colorado
County of Denver

The foregoing instrument was acknowledged before me this March 14, 1979 by J.M. Aymé, President

of Minatome Corporation
a Delaware corporation, on behalf of the corporation.

J.M. Aymé
Notary Public
Title or Rank
Serial Number, if any



Entry No 1E-12910
Recorded 3:20 PM PAID 4:10 AM Book 600 Page 248
FEE PAID Louise C. Jones
LOUISE C. JONES
Recorder, San Juan County
\$ 7.00 By C. Strucky Deputy