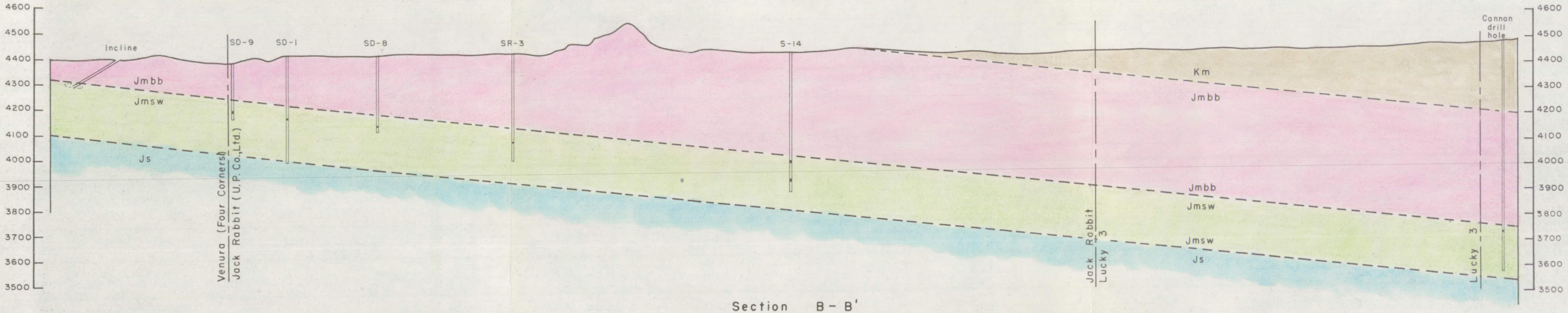
N.E. SIDE SAN RAFAEL REEF

Green River Desert

Emery County, Utah



Section B – B'

Looking North

Km	Mancos shale
Jmbb	Brushy Basin member of Morrison fm.
Jmsw	Salt Wash member of Morrison fm.
Js	Summerville fm.
‖	Ore in drill hole

Horizontal and Vertical Scale 1" = 300'

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LEASE AGREEMENT

THIS AGREEMENT, made and entered into this 22nd day of November, A.D. 1954, by and between C. H. SNOW and BLENDA B. SNOW, husband and wife, DON C. SNOW and VIRGINIA MAY SNOW, husband and wife, and ERVIN OLSEN and RHODA OLSEN, husband and wife, all of Ferron, Emery County, State of Utah, parties of the first part, hereinafter referred to as Lessors, and URANIUM PROSPECTORS COMPANY, LTD., a Colorado Corporation, party of the second part, hereinafter referred to as Lessee,

W I T N E S S E T H:

That for and in consideration of the premises and the mutual covenants and agreements herein contained, it is mutually agreed as follows, to-wit:

1. That the Lessors have let, leased and demised and do hereby let, lease and demise unto the Lessee the following described unpatented lode mining claims located in Emery County, Utah, to-wit:

Name	Entry Number	Recorded in Book	At Page
Ace in the Hole #1	090133	J-21	399
Ace in Hole #2	090134	J-21	400
Ace in Hole #3	090135	J-21	401
Luckey Three #11	089617	J-21	27
Luckey Three #12	089618	J-21	28
Luckey Three #13	089619	J-21	29
Luckey Three #14	089620	J-21	30
Lone Susan #1	091596	J-23	413
Lone Susan #2	091597	J-23	414
Ace in Hole Fractional #1	107625	J-53	393
The South 300 feet only of Ace in Hole Fractional #2	107624	J-53	392
Lucky Three Fractional #5	110731	J-59	266
Lucky Three Fractional #6	110730	J-59	265
Lucky Three Fractional #7	110729	J-59	264

all recorded in the records of the office of the County Recorder of Emery County, State of Utah.

for a period beginning on this date and ending on the 22nd day of November, 1964, unless sooner forfeited or lost by reason of the violation of any of the provisions in this Lease Agreement contained, and for so long thereafter as Lessee is mining and selling ores, metals, and minerals therefrom of commercial grade and quantity.

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2. That in consideration of the leasing of said premises, the Lessee agrees to pay as rental therefor as follows:

(a) $5,000.00, cash, at the time of the signing and delivery of this agreement, the receipt of which sum of $5,000.00 is hereby acknowledged as this day having been received by Lessors from said Lessee.

(b) In addition to the said sum of $5,000.00 paid as aforesaid, Lessee agrees to pay and Lessors agree to accept Ten per cent (10%) of the gross value of all ores, metals and minerals mined and sold from said leased premises, including Ten per cent (10%) of any bonus paid by the United States Atomic Energy Commission and not including (but excluding) all haulage and development allowances paid by any agency; Provided, however, that if in any one year commencing with the 1st day of January, 1956, and each year after January 1, 1956, the gross value of all ores, metals and minerals mined and sold from said leased premises, including Ten per cent (10%) of any bonus paid by the United States Atomic Energy Commission and not including (but excluding) all haulage and development allowances paid by any agency does not equal the sum of $12,500.00, then the Lessee shall pay Lessors at the end of each year commencing January 1, 1956 and each year subsequent to January 1, 1956, a sum sufficient when added to the amount of royalties already paid in that year, will equal the sum of $12,500.00.

It is understood and agreed that no royalty is due hereunder prior to January 1, 1956.

The parties mutually agree that should the Lessors desire to extend the time of the making of the payments as herein provided, should the Lessee discover ore of commercial value and sink a shaft for the purpose of mining the same, the Lessors, at their election, may extend the time of making said payments by Lessee by notifying Lessee in writing of the time in which they desire to receive said payments, provided the time is extended beyond the time as herein specified and provided further that no interest shall be paid by the Lessee in the event Lessors elect to have the time of payment so extended.

The Lessors represent and warrant that they have good possessory title to the above described mining claims.

The Lessee agrees as follows:

To enter upon the leased premises and to work and mine the same in good and minerlike fashion, with due regard to the development and preservation of the premises;

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To permit the Lessors, or their agent, to enter upon the premises herein described at all reasonable times for the purpose of inspection, and Lessors shall have access to any drilling logs and technical information pertaining to the leased property;

To assume all responsibility in case of accidents to any persons upon the premises or any employees of Lessee in and about said property, and to carry at all times Workmen's Compensation Insurance as required by the State of Utah;

To fully comply with all legal requirements of the State and Federal mining inspectors;

To promptly pay all expenses incurred by it for labor and material furnished or used upon said premises so as to prevent the filing of liens against the same.

To mine said premises steadily and continuously except when prevented by acts of God, unavoidable casualty, or by law or the rules and regulations of any governmental regulatory body having authority to cause the cessation of mining such premises;

To do and perform all annual labor and improvements upon said property as required by law, and shall make and file affidavits of annual assessment work in proper time.

It is mutually agreed between the parties hereto that the Lessee shall pay ninety percent (90%) of all taxes levied against the premises for ores mined and shipped under this lease and the Lessors shall pay ten percent (10%) of said taxes.

It is agreed between the parties hereto that the Lessee may, at any time upon giving thirty (30) days written notice to Lessors, quit and surrender said premises to Lessors, in which event this lease shall be and become terminated at the end of said thirty (30) day period and all obligations and responsibility of the Lessee hereunder shall thereupon terminate.

It is mutually understood and agreed that, in the event of a violation of any covenant and condition herein contained to be kept and performed by the Lessee, the Lessors may, at their election, notify the Lessee of such default, specifying the default in substantial detail, and in the event the Lessee does not, within thirty (30) days after the mailing of said notice, commence to cure such default, with reasonable diligence, this agreement shall, at the end of said thirty (30) day period, terminate and the Lessors or their agents may thereupon enter

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upon said premises and dispossess all persons found occupying the same, with or without force, and with or without process of law; said notice shall be addressed to the Lessee at its Grand Junction, Colorado, address, by United States registered mail, and shall be deemed to have been given on the date of the mailing thereof. In the event of the termination of this agreement, as aforesaid, the Lessors shall keep and retain all sums theretofore paid to them as liquidated damages and rent. In the event of the termination of the lease by either Lessors or Lessee, as herein provided, the Lessee shall have a period of thirty (30) days in which Lessee shall have the right to remove all mining equipment and supplies installed by it upon said premises.

The parties agree that the Lessee may sublet or subcontract all or any part of the premises herein described.

The Lessee shall have the right to go into immediate possession of the property described in this Lease Agreement.

It is further mutually understood and agreed by the parties hereto that the Lessors will defend the title to said claims in the event that the title thereto shall in any way be challenged.

It is hereby further understood and agreed by and between the parties hereto that any notice that may be required under the terms of this agreement from the Lessee to the Lessors shall be sufficient if addressed to Lessors at Ferron, Emery County, State of Utah, by United States registered mail and said notice shall be deemed to have been given on the date of the mailing thereof.

It is further distinctly understood and agreed by and between the parties hereto that in the event any notice shall come to either of the parties hereto, Lessors and Lessee, with respect to any matters clouding the title to the premises above described, that the party receiving such notice shall as soon as reasonably possible notify the other party thereof.

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It is further understood and agreed by and between the parties hereto that the Lessee plans to do exploration work for the discovery of uranium and other ores, on the leased premises, and that it may make application for an exploration loan from the United States Government to explore for uranium and other ores upon the premises leased hereunder. Lessors agree to subordinate their rights to the returns from ores discovered by the exploration work done with funds from said Government loan to the extent of permitting a payment of 5% royalty on said returns to repay said loan. It is specifically understood that the provisions of this paragraph as set forth above are to apply only to the ores discovered as a result of work done by the use of funds provided by said Government loan and in no event to extend for a period longer than ten years.

It is hereby further understood and agreed that the royalty payment of the United States Government as provided for in the paragraph, above, shall in no event reduce the royalty payment due the Lessors under a previous paragraph (re royalties) of this Lease and Agreement. The Lessors shall receive their full royalty payment regardless of any payment due on any United States Government loan, which payments are to be made by Lessee. Lessor will be furnished with copies of all papers given the United States Government on any loan requiring the signature or consent of Lessors, and whereby the United States Government would have a lien on Lessors' property.

Lessors further agree from time to time hereafter to promptly sign, execute and deliver any and all necessary papers and documents necessary and required to carry out and make effective the provisions of the above paragraphs and to effectuate the loan and purposes above mentioned.

It is hereby further understood and agreed by and between the parties hereto that the Lessee is to place and put in operation a drill on the property covered by this Lease within fifteen (15) days from the date of execution and delivery of this agreement, and to keep and maintain said drill upon said premises and carry on drilling operations on said leased premises until such time as the (D.M.E.A.) Defense Minerals Exploration Administration loan is granted or until such time as a total of 2500 feet of drilling has been done on said leased premises, whichever event comes first.

Lessors agree to furnish to the Lessee an abstract of title and such other documents and evidence of title to the above mentioned claims as soon as it is conveniently possible for them to do so.

Time is of the essence of this agreement, and all covenants herein contained shall extend to and be binding upon the heirs, successors, administrators and assigns of the parties hereto.

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IN WITNESS WHEREOF, the parties have hereunto set their hands and seals the day and year first above written.

/s/ C. H. Snow

/s/ Blenda B. Snow

/s/ Don C. Snow

/s/ Virginia May Snow

/s/ Ervin Olsen

/s/ Rhoda Olsen
LESSORS

URANIUM PROSPECTORS COMPANY, LTD.,
a Colorado Corporation,

By /s/ D. C. Deringer
Vice President

/s/ Ben H. Parker
Secretary

LESSEE

STATE OF UTAH)
) ss.
COUNTY OF EMERY)

On this 22 day of November, A.D. 1954, personally appeared before me C. H. SNOW and BLENDA B. SNOW, husband and wife, DON C. SNOW and VIRGINIA MAY SNOW, husband and wife, and ERVIN OLSEN and RHODA OLSEN, husband and wife, six of the signers of the within instrument, who duly acknowledged to me that they executed the same.

(SEAL)

/s/ Mack V. Bunderson
Notary Public
Residing at: Ferron, Utah

My Commission Expires:

January 15, 1955

STATE OF COLORADO)
) ss.
CITY AND COUNTY OF DENVER)

On the 30th day of November, A.D. 1954, personally appeared before me D. C. DERINGER and BEN H. PARKER, who, being by me duly sworn, did say, that D. C. Deringer is the Vice President and Ben H. Parker is the Secretary respectively of Uranium Proppectors Company,

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Ltd., a Colorado Corporation, and that said instrument was signed in behalf of said corporation by authority of a resolution of its board of directors, and said D. C. Deringer and Ben H. Parker acknowledged to me that said corporation executed the same.

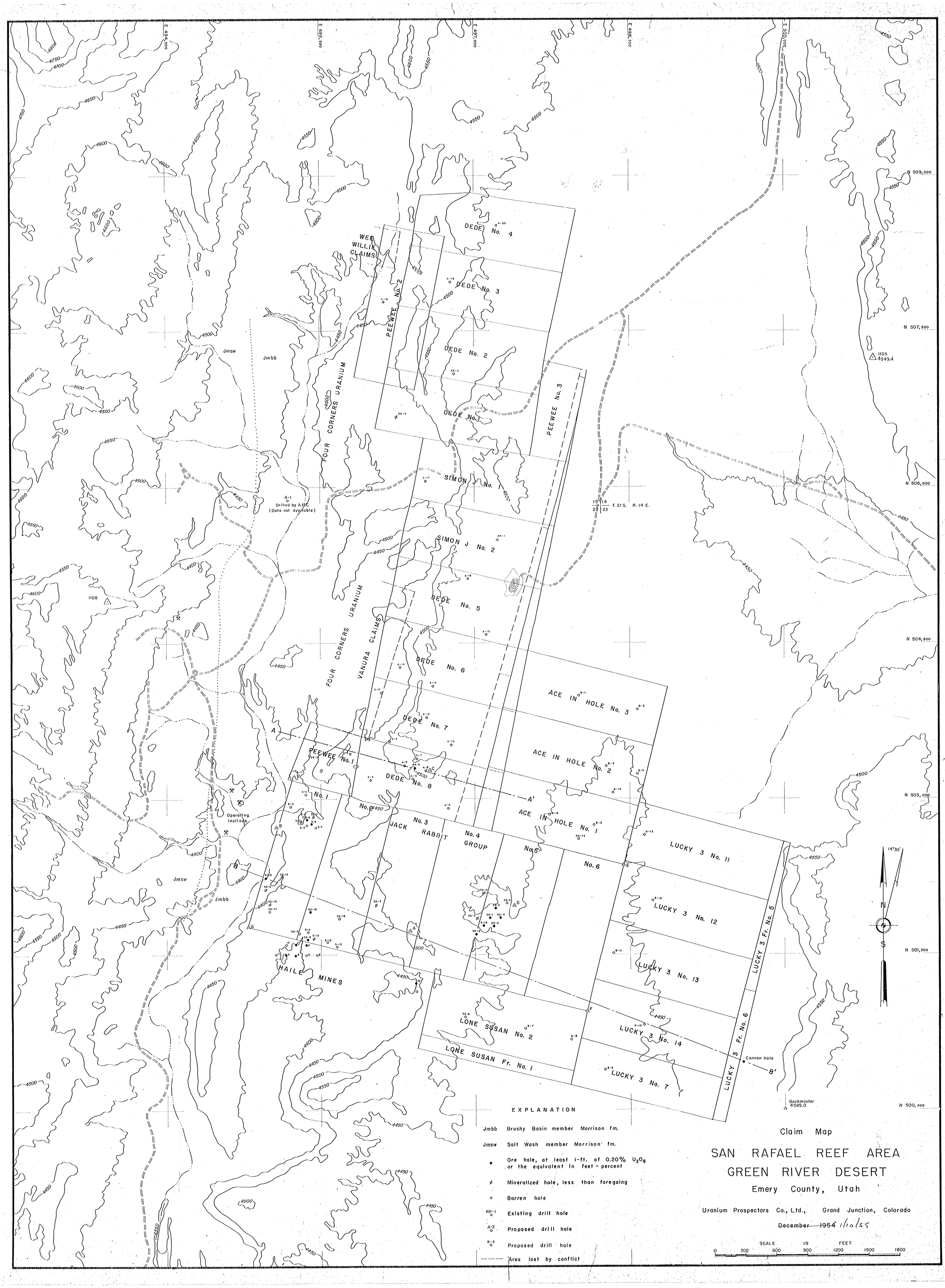
(SEAL)

My Commission Expires:

January 14, 1956

/s/ Eugene Dines, Jr.
Notary Public

Residing at: 2022 East 4th Avenue
Denver 6, Colorado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WEE WILLIE CLAIMS
DEDE No. 4
DEDE No. 3
DEDE No. 2
DEDE No. 1
PEEWEE No. 2
PEEWEE No. 3
PEEWEE No. 1
FOUR CORNERS URANIUM
SIMON J No. 1
SIMON J No. 2
DEDE No. 5
DEDE No. 6
DEDE No. 7
DEDE No. 8
VANURA CLAIMS
ACE IN HOLE No. 3
ACE IN HOLE No. 2
ACE IN HOLE No. 1
JACK RABBIT GROUP
No. 1
No. 2
No. 3
No. 4
No. 5
No. 6
LUCKY 3 No. 11
LUCKY 3 No. 12
LUCKY 3 No. 13
LUCKY 3 No. 14
LUCKY 3 No. 7
LUCKY 3 Fr. No. 5
LUCKY 3 Fr. No. 6
LONE SUSAN No. 2
LONE SUSAN Fr. No. 1
HAILE MINES
Jmsw
Jmbb
A-1
Drilled by A.E.C.
(Data not available)
Operating Inclines
HD8
HD5
4549.4
Buckmaster
4585.0
Cannon hole
T. 21 S. R. 14 E.
15 14
22 23
A
A'
B
B'
14°30'
N
S
EXPLANATION
Jmbb Brushy Basin member Morrison fm.
Jmsw Salt Wash member Morrison fm.
Ore hole, at least 1-ft. of 0.20% U_3O_8 or the equivalent in feet - percent
Mineralized hole, less than foregoing
Barren hole
RR-1 Existing drill hole
A-2 Proposed drill hole
B-3 Proposed drill hole
Area lost by conflict
Claim Map
SAN RAFAEL REEF AREA
GREEN RIVER DESERT
Emery County, Utah
Uranium Prospectors Co., Ltd., Grand Junction, Colorado
~~December 1954~~ 1/10/55
SCALE IN FEET
0 300 600 900 1200 1500 1800