

RICHARD N. STUCKEY, P.C.

ATTORNEY AT LAW
1401 17TH STREET
SUITE 1515
DENVER, COLORADO 80202
(303) 296-7849

RECEIVED
MAY 31 1988

DIVISION OF
OIL, GAS & MINING

May 27, 1988

Lowell Braxton
Administrator
Mineral Resource Development and Reclamation Program
Department of Oil, Gas and Mining
355 W. North Temple - 3 Triad Center
Suite 350
Salt Lake City UT 84180-5340

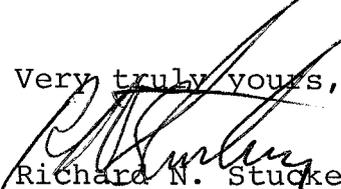
Dear Mr. Braxton:

In answer to your request for lease documents by which North American Equities, Ltd., has right of entry to the Blazon Mine, enclosed find copies of the following:

1. Copy of the "Carbon County" lease negotiated between North American and the county by its County Attorney--then Keith Chiari, now Otani's lawyer, for the east 1/2 of the northwest 1/4 of section 4 (80 acres).
2. Consent of Carbon County to name change to North American Equities, Ltd.
3. Kaiser Steel Corporation lease to Stanley C. Harvey for southwest 1/4 of northwest 1/4 (40 acres), and the southwest 1/4 (160 acres) of section 4.
4. Harvey (and two others) quitclaims to TOE, predecessor of North American.
5. Kaiser consent to name change to North American.

I hope these documents satisfy your present requirements. Please call me if more information is needed, as the files are all here and are quite thick.

Very truly yours,


Richard N. Stuckey

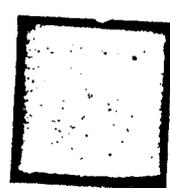
STATE OF UTAH }
COUNTY OF CARBON } SS

I, ANN O'BRIEN, County Recorder in and for Carbon County,
State of Utah, hereby certify that the following is a full, true,
and correct copy of the original Lease

Recorded in Book 223, Page 395-399, now on file and of record
in my office.

WITNESS my hand and seal of said County Recorder at my office
in Carbon County, this 9th day of February, 19 83.

Ann O'Brien County Recorder
Gloria Simpson Deputy



Entry No. 166347
Indexed ✓✓
Abstracted ✓
Reg. Fee ---

STATE OF UTAH
COUNTY OF CARBON) SS
FILED AND RECORDED FOR
Carbon County

DEC 6 2 58 PM '82

BOOK 223 OF Records
PAGE 395-399
ANN O'BRIEN
- COUNTY RECORDER

L E A S E

THIS LEASE AND AGREEMENT made and entered into on the 24 day of NOVEMBER, 1982, by and between CARBON COUNTY, a body politic of the State of Utah, acting by and through its Board of Commissioners, pursuant to a resolution made and adopted on November 24, 1982, hereinafter called Lessor, and NORTH AMERICAN EQUITIES, N. V., hereinafter called Lessee:

W I T N E S S E T H:

1. Lessor, for and in consideration of the royalties, covenants, and agreements hereinafter to be paid, kept and performed by Lessee, leases and by these presents does lease and let unto Lessee all coal in the following described real property:

Township 14 South, Range 7 East, SLB & M
Section 4: E $\frac{1}{2}$ NW $\frac{1}{2}$

The above containing 80 acres more or less, hereafter referred to as the leased premises

2. The term of this Lease shall be for ten (10) years from date hereof.

3. Lessee shall pay to Lessor a royalty of Four percent (4%) of the gross value of the coal produced and sold from the leased premises, such royalty not to be less than one dollar per ton; to be paid on or before the 10th day of each month for the preceeding month's production commencing with the month of January. As evidence of the amount of coal mined, Lessee shall furnish to the County Clerk of Carbon County at his office at Price, Utah, upon his request, copies of all scale receipts of all coal weighed and sold from said premises whether transported by railroad, truck or by any other method of transportation.

Lessee agrees that, at its option, it will commence a mining operation upon the leased premises or in the alternative,

it will pay to Lessor, in advance, the following advance royalty on the following dates:

January 7, 1983	\$3,000.00
January 7, 1984	\$3,000.00
January 7, 1985	\$3,000.00
January 7, 1986	\$3,000.00
January 7, 1987	\$3,000.00
January 7, 1988	\$5,000.00
January 7, 1989	\$5,000.00
January 7, 1990	\$5,000.00
January 7, 1991	\$5,000.00
January 7, 1992	\$5,000.00

All advance royalties paid hereunder shall be credited against production royalties due Lessor. In the event Lessee begins a mining operation and production royalties are less than the advance royalty schedule above, Lessee shall pay the amount specified in the advance royalty schedule. At such time as the total of all royalties, advance and production, reaches the amount of Forty Thousand Dollars (\$40,000.00) advance royalties shall no longer be paid, with Lessee thereafter only being required to pay production royalties for the remaining years of the primary ten (10) year lease.

4. Lessee shall operate and mine said property in a workmanlike manner in accordance with good and economical mining with due regard to the safety, development and preservation of said premises, and shall comply with the laws of the State of Utah, the Industrial Commission of the State of Utah, the United States government and with all other reasonable rules, regulations, and laws which may hereafter be enacted or promulgated in the interest of safety and workmanlike operations of the premises contained in this Lease.

5. Lessor may, at reasonable times, enter upon said leased premises for the purpose of inspection, and Lessee shall, at all reasonable times, leave said leased premises and mine open to the inspection of the Lessor. Lessee further agrees, upon demand of Lessor, to furnish within a reasonable time a detailed plat, or working plan, of its operations on said land.

6. Lessee shall keep books of account showing the amount of coal mined and the amount shipped by railroad or truck, and the books of account shall be open to the inspection of Lessor at all reasonable times. Upon demand of Lessor, the Lessee shall make a report of tonnage mined by the 15th day of each month covering all production for the previous month.

7. Lessee shall furnish a copy of the Utah State Mine Inspection report to Lessor upon request within a reasonable time after such inspection is made.

8. Lessee shall indemnify Lessor from any and all liability, including attorney's fees and Court costs, which may occur as a result of Lessee's activities upon said leased property.

9. It is mutually agreed that in the event of labor strikes, fires, floods and other causes beyond the reasonable control of the Lessee, production may be suspended so long as necessary by the existence of said conditions; provided, that this is not to be construed as changing the provisions for payment as outlined in Number 1 of this agreement.

10. Upon the expiration of this Lease, or upon the failure to pay the royalties when due, or upon failure to comply with any of the terms and conditions of this Lease, the same shall terminate at the option of Lessor, with Lessor giving written notice to Lessee of the grounds for termination, and Lessor may enter upon and take possession of the said premises without process of law or court action, and Lessee agrees to pay all expenses, including a reasonable attorney's fee for the enforcement of the provisions of this Lease. Lessee shall have a period of thirty (30) days from the termination or expiration of this Lease to remove any personal property from the leased premises.

11. Lessor hereby grants unto Lessee the right and option to renew this Lease for one (1) ten (10) year term after the termination thereof under the same terms and conditions

herein stated: provided, however, that the amount of royalty shall be renegotiated at the end of the primary term; said renegotiation to be based upon the rate charged by the Federal Government on coal lands leased in the area, and provided further, that any increase in royalty renegotiated shall not exceed the rate charged by the Federal Government in such instances. Said option to renew shall be exercised by Lessee giving its written notice to Lessor of its intent to renew at least sixty (60) days prior to the end of the primary term.

12. Lessee shall not assign this Lease, or any portion of the demised premises without first receiving the written consent of the Lessor to so do.

13. This Lease is issued only under such title as the Lessor may hold and if Lessor is hereafter divested of such title Lessor shall not be liable for any damages sustained by Lessee, nor shall Lessee be entitled to or claim any refund of rentals or royalties or other monies theretofore paid to Lessor. It is now agreed that if any acreage hereunder is deleted because of failure of title in Lessor, such deletion shall be deducted from the total acreage and the minimum monthly royalty shall be reduced accordingly on a pro-rata basis.

14. This Agreement shall be binding upon the successors and assigns of Lessee.

15. Notices provided herein shall be given to the parties as follows:

If to Lessor: Carbon County
County Courthouse
Price, Utah 84501

If to Lessee: Esben Svalastog
North American Equities
1401 - 17th Street, Suite 1510
Denver, Colorado 80202

IN WITNESS WHEREOF, Lessor has caused this instrument to be subscribed by the Board of Commissioners of Carbon County,

State of Utah, and the Lessee has hereunto set its hand and seal.

THIS AGREEMENT is made and entered into as of the 24
day of NOVEMBER, 1982.

CARBON COUNTY, A body politic
of the State of Utah,

By Lee Semken
Commissioner

By Floyd Marx
Commissioner

By Guido Rachiele
Commissioner



ATTEST:

Norman Richard
Clerk of Carbon County,
State of Utah

NORTH AMERICAN EQUITIES, n. v.

By ESvalastog

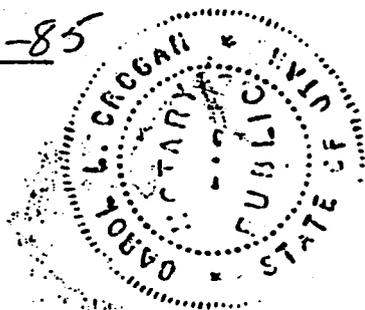
STATE OF UTAH)
 : ss
COUNTY OF CARBON)

On the 24th day of November, 1982, personally appeared before
me:
LEE SEMKEN, FLOYD MARX, GUIDO RACHIELE and ESBEN S. SVALASTOG, the
signers of the foregoing instrument, who duly acknowledged to me that
they executed the same.

Carol L. Crogan
Notary Public

Residing at Price, Utah

My Comm. Expires: 11-22-85



C O N S E N T

CARBON COUNTY, UTAH, by and through the undersigned official, does consent to the transfer of leasehold interest by North American Equities, n.v. to North American Equities, Ltd., being fully advised in the premises, in connection with the lease of the following described property:

East 1/2 Northwest 1/4, Section 4, Township 14 South,
Range 7 East Salt Lake Base & Meridian. Consisting of
80 acres more or less.

CARBON COUNTY, UTAH

Dated:

Feb. 23, 1984

By:

Leo Semken

LEASE AGREEMENT

This Lease is executed as of this 27th day of _____
September, 1978, by and between KAISER STEEL CORPORATION, a corporation (hereinafter referred to as "Lessor"), and STANLEY C. HARVEY, of Price, Utah (hereinafter referred to as "Lessee"), and is predicated upon the following facts and circumstances:

W I T N E S S E T H :

Lessor represents that, to the best of its knowledge, it is the owner of the coal in and under the premises hereinafter described and that it has the right and power to lease the same.

Lessee desires to lease such coal and/or coal rights from Lessor and to mine or cause to be mined such coal from such premises as and to the extent economically feasible.

It is mutually acknowledged that this Lease is given by Lessor in settlement and full compromise of a disputed claim between Lessor and Lessee, and is intended to extinguish all rights and liabilities relating to such claim. Further, that the giving of this Lease is not to be construed as an admission of liability by Lessor, who expressly denies any liability.

NOW, THEREFORE, it is agreed by and between Lessor and Lessee as follows:

1. Description. The Lessor in consideration of the rents and royalties to be paid and the conditions to be observed as hereinafter set forth does hereby lease to the Lessee the exclusive right and privilege to mine and dispose of all coal in the following described tract of land, and to use so much of the surface of said land as may be required for all purposes reasonably incident to the mining, removal

and disposal of said coal, in accordance with the provisions of this Lease, situated in Carbon County, State of Utah:

Township 14 South, Range 7 East, S.L.M.,
Section 4, Southwest 1/4 of Northwest 1/4;
Southwest 1/4.

The above containing in all, 200 acres, more or less, and hereinafter referred to as the Leased Premises.

2. Rental and Royalty. In consideration of the foregoing, the Lessee hereby agrees as follows:

(a) Rental. To pay the Lessor annually, in advance, Two Hundred Dollars (\$200.00) beginning at the date hereof and for each succeeding year thereafter, during the continuance of the Lease. The rental paid for any year of the term shall first be credited against the first royalties as they accrue under the Lease during the year for which the rental was paid.

(b) Royalty. Lessee agrees to pay the Lessor a royalty of forty cents (\$.40) per ton of coal produced and removed from Leased Premises. If the coal produced from the Leased Premises is washed before sale or other disposition by Lessee, Lessee may pay a royalty on the washed product only at a royalty of fifty cents (\$.50) per ton, provided Lessee maintains accurate records by which the weight of washed coal originating from the Leased Premises can be ascertained to insure that the royalty is paid on all washed coal originating from the Leased Premises. The royalty rate provided herein, whether for unwashed coal or for washed coal, shall be increased at such times and in the same proportion as increases made in the royalty rate charged by the State of Utah on coal lands in Carbon County, State of Utah.

Nothing herein shall obligate Lessee to mine and remove coal if, at Lessee's sole discretion, it is economi-

cally undesirable to do so. This Lease shall continue in effect to the end of the Lease term, notwithstanding the foregoing, upon Lessee's paying the minimum annual rental payment of Two Hundred Dollars (\$200.00) as provided for herein.

3. Term of Lease. The term of this Lease shall be for a period of ten (10) years only, commencing with the effective date hereof, providing that the minimum annual rental of Two Hundred Dollars (\$200.00) is paid when due, and that said Lease has not been earlier terminated, as provided for herein.

4. Maps and Reports. The Lessee, at reasonable times and as requested by the appropriate official of Lessor, agrees to furnish a plat or map showing development work and improvements on the Leased Premises. Lessee further agrees to furnish in such form as Lessor may request, within thirty (30) days from the expiration of each quarter, a report certified by an agent or representative of Lessee having personal knowledge of the facts, which report will show the amount of coal mined and removed from the Leased Premises during said quarter.

5. Inspection Rights. Lessee agrees to maintain accurate records as to all coal mined or removed by Lessee from the Leased Premises, and to furnish to Lessor, such data and at such times as may be reasonably necessary, to show the calculation of all royalties paid hereunder. Lessor, and its authorized agents may, at Lessor's risk and expense, and at reasonable times, enter upon the Leased Premises to inspect the same and Lessee's operations thereon, and to measure the quantity and quality of material being removed or remaining thereon, upon the condition that Lessor's activity shall not unnecessarily hinder or interrupt Lessee's

operations on or about the Leased Premises. Lessee further agrees to permit Lessor to make copies of extracts of all books and records pertaining to or disclosing the operations and/or removal of coal from the Leased Premises.

6. Taxes. The Lessee hereby agrees to pay all property taxes levied upon the Leased Premises during the term of this Lease Agreement. In addition, Lessee will pay, when due, all severance taxes and all other taxes that are now, or may be lawfully assessed upon the Leased Premises, the improvements thereon, and the production of coal on or from the Leased Premises. Lessor warrants that all prior taxes have been paid, and agrees to hold Lessee harmless for all tax liability up to and including the date of execution hereof.

7. Relinquishment of Lease. Lessee may surrender the Lease or any legal subdivision thereof upon written notice to Lessor setting forth that portion or part to be relinquished upon payment of all accrued rents and royalties. This Lease shall be terminated as to the part relinquished and the rental due hereunder shall be reduced by an amount equal to One Dollar (\$1.00) per acre relinquished, except that a relinquishment of the entire lease shall terminate all rights and obligations hereunder, except Lessee's obligation to pay the agreed upon royalty on coal heretofore mined and removed from the Leased Premises, and taxes as set forth above.

8. Forfeiture of Lease. It is mutually understood and agreed, that Lessor grants this Lease to Lessee, for the sole purpose of having Lessee mine the Lessor's coal in a miner-like fashion and with the ~~exception~~ of earning royalties on the coal mined from the Leased Premises. The parties further understand and agree that Lessee may mine

Lessor's coal from the Leased Premises in conjunction with land the Lessee has under lease with Carbon County, State of Utah, which is adjacent to the premises leased herein.

Lessee specifically agrees that the Leased Premises, either alone or in combination with the land Lessee has under lease with Carbon County, shall not be utilized by Lessee or others in order to gain access to other adjacent land, provided, however, that nothing herein shall prohibit Lessee and his agents and employees from using the Leased Premises to gain access to Lessee's Carbon County leases, for the purpose of mining and removing coal therefrom in conjunction with Lessee's mining activities upon the Leased Premises. In the event Lessee allows others to utilize the Leased Premises, either alone, or in combination with Lessee's Carbon County leases, as access to other adjacent property, except as set forth above, this Lease will automatically terminate without any action on the part of the Lessor, and all of Lessee's rights and obligations hereunder shall terminate and be forfeited, except Lessee's obligation to pay the agreed upon royalty upon coal heretofore mined and removed from the Leased Premises, and taxes as set forth herein, and Lessee will become a tenant at will. In that event, Lessor may exercise all rights of re-entry in accordance with the law.

9. Rights of Termination. Upon termination of this Lease, either by relinquishment, forfeiture, or by expiration of the term herein provided, the Lessee shall have the privilege at any time within ninety (90) days thereafter of removing from the Leased Premises all machinery, equipment, tools and materials other than underground roof supports which are necessary for the preservation of the mine. Upon expiration of the ninety (90) day period, any of the afore-

described property of Lessee which remains on the Leased Premises, shall become the property of the Lessor but the Lessee shall remove any and all property as directed by Lessor.

10. Assignability of Lease. Lessee, without Lessor's express consent may assign a portion of this Lease to raise capital to open and/or operate a mine upon the Leased Premises, or, to syndicate or joint venture the premises, or to enter into any other form of business enterprise, but only for the development of the Leased Premises. Lessee agrees to notify Lessor in writing within ten (10) days of the making of any such assignments. Lessee shall not assign this Lease, or any portion thereof, to others for the purpose of obtaining an overriding royalty greater than the royalty paid Lessee to Lessor herein.

11. Default and Notice. If the Lessee shall not pay the rents and royalties due under the terms of the Lease and the same shall remain unpaid, or if Lessee shall fail to observe any of the conditions of the Lease, and such failure or default shall continue for thirty (30) days after service of written notice thereof by Lessor, then and in such event at the option of Lessor, this Lease shall become forfeited and the Lessor may exercise all rights of entry and re-entry upon the Leased Premises.

12. Title Representations. Lessor represents that to the best of its knowledge it is the owner of the coal in the Leased Premises, together with all rights granted hereunder with respect thereto, but Lessor expressly disclaims any warranty of title in that regard, and Lessee agrees to rely upon his own investigation as to whether Lessor is the owner of said coal and the rights granted by Lessor hereunder. This Lease is made subject to all easements, reservations,

restrictions, rights of way of record, and to taxes that may be assessed thereon.

13. Hold Harmless. Lessee shall, at Lessor's request, defend Lessor and shall indemnify and save Lessor, its agents, employees and representatives harmless from and against any and all claims, demands, losses, damages, proceedings and liabilities of whatsoever nature and all costs and expenses incurred in connection therewith, including court costs and attorney fees, for injury to or death of persons or damage to or loss of property (including loss of use), arising directly or indirectly out of or in connection with this Lease or the use of the Leased Premises by Lessee or Lessee's operation thereon. The foregoing indemnity and save harmless obligation of Lessee includes and applies, without any limitation, to any strict liability imposed by law and applies regardless of how such injury or damage may be caused or suffered and even if the same be alleged to have been caused by reason of the concurrent or contributory negligence, whether affirmative or passive, of the Lessor, its agents, employees, representatives, or independent contractors or caused by any omission by the Lessor or any condition of or upon the Leased Premises. Lessee's liability under the foregoing indemnity provision shall not include any obligation to indemnify and save Lessor harmless from any loss, injury, damage or expense arising only by reason of the sole negligence or willful misconduct of Lessor, its agents, servants, or representatives; provided, however, that Lessee specifically agrees to so defend, indemnify and save Lessor, its agents, employees and representatives harmless from and against any such claims, demands, actions, proceedings and liabilities that may be made or pursued by Lessee's employees, or the employees of Lessee's subcontract-

tors or sublessees, which are alleged to be attributable to the act, omission, fault or negligence of lessor, its agents, employees or representatives, or to any condition upon the Leased Premises.

14. Insurance. Lessee shall procure, carry and maintain upon all operations hereunder the following policies of insurance:

(a) Workmen's Compensation Insurance (in the event Lessee employs any person or persons subject to Workmen's Compensation Laws) in compliance with the applicable laws of the State of Utah, Employees' Liability Insurance to a limit of at least One Hundred Thousand Dollars (\$100,000.00) per accident, and where applicable, insurance in compliance with any other statutory obligation, whether Federal or State, pertaining to the compensation of injured employees.

(b) Comprehensive Public Liability Insurance covering all operations of Lessee, including the operation of all vehicles and equipment used by Lessee (whether owned, rented or borrowed), and the contractual obligations of Lessee set forth in Paragraph 13 above, within the limits of not less than:

(i) \$250,000.00 for injuries to or death of any one person as a result of any one occurrence;

(ii) \$500,000.00 for injury to or death of two or more persons as a result of any one occurrence; and

(iii) \$100,000.00 for damage to property as a result of any one occurrence.

Said insurance shall cover all operations of Lessee of whatever nature connected in any way with this Lease, including any operations under contract or subcontract, and any use of the Leased Premises by members of the general

public. Such insurance shall name Kaiser Steel Corporation as an additional insured. Such policy shall be subject to Kaiser's approval as to form and substance. Upon the execution of this Lease, Lessee shall forward forthwith to Lessor certificates of insurance evidencing the above coverage. Said insurance shall be considered primary and any insurance of Lessor shall be considered excess. Said insurance shall be subject to the approval of Lessor as to form and substance. The certificates shall be mailed to the following address:

Kaiser Steel Corporation
Insurance Department
300 Lakeside Drive
Oakland, California 94666

All such certificates shall include the following statement:

Thirty (30) days' notice of cancellation or change will be given to Kaiser Steel Corporation, Insurance Department, 300 Lakeside Drive, Oakland, California 94666, before any cancellation or change in this policy shall become effective.

15. Surface Restoration. Upon termination, relinquishment or forfeiture of this Agreement, Lessee hereby agrees to restore the surface of the Leased Premises, including the closure of all portals and the plugging of test holes, in compliance with existing State or Federal law as of the date of termination, relinquishment or forfeiture, so that Lessor upon taking repossession of the premises will have no expenses for surface restoration.

16. Water Rights. In the event Lessee shall initiate by application to the State Engineer, any water right for use or in connection with the Leased Premises, all such beneficial use or uses of water shall become appurtenant to the Leased Premises and upon expiration, forfeiture or termination of this Lease shall revert to Lessor, and Lessee

shall assign and transfer such initiated water right to Lessor.

In the event Lessee shall purchase or otherwise acquire any water rights appurtenant to other land, and change the use of such water right to the Leased Premises, then, and in that event, upon expiration, forfeiture or termination of this Lease, such otherwise acquired water rights shall not be transferred to use to some other land, or otherwise disposed of, until Lessee shall first offer in writing to sell the same to Lessor, at Lessee's acquisition cost, provided that Lessor shall be deemed to have rejected such offer if Lessor does not accept the same within thirty (30) days after receipt of such written offer. Upon payment of said offered price, Lessee shall assign and transfer all such water rights so acquired to the Lessor.

17. Attorney Fees. If any action is brought for the purpose of enforcing any provision of this Lease or any covenant or condition thereof, the prevailing party in such action shall be entitled to a reasonable attorney's fee to be affixed by the court and made a part of the judgment in such action.

18. Notices. Notices provided herein shall be given to the parties as follows:

If to Lessor: Kaiser Steel Corporation
300 Lakeside Drive
Oakland, California 94666

If to Lessee: Mr. Stanley C. Harvey
133 East Second North
Price, Utah 84601

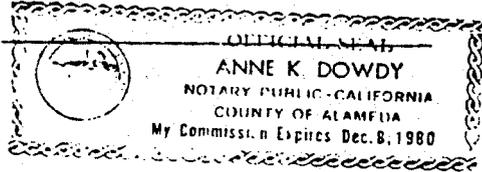
19. Headings. The description headings of this Lease are inserted for convenience only, and shall not control or affect the meaning or construction of any of the provisions thereof.

This Agreement constitutes the full and complete

tion and that he duly acknowledged to me that said corpora-
tion executed the same.

Anne K. Dowdy
NOTARY PUBLIC
Residing at: *300 Lakeside Dr.*
Oakland Ca

My Commission Expires:



ASSIGNMENT OF LEASEHOLD INTEREST

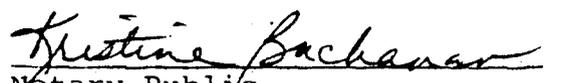
FOR VALUABLE CONSIDERATION, the receipt and sufficiency of which are hereby acknowledged, the undersigned does hereby convey, transfer, assign and quitclaim to LARRY E. CLARK a one-third (1/3) undivided interest and to REED L. MARTINEAU a one-third (1/3) undivided interest in and to that certain Lease Agreement dated September 27, 1978 by and between Kaiser Steel Corporation as "Lessor" and the undersigned as "Lessee".

DATED this 17th day of October, 1978.


STANLEY C. HARVEY

STATE OF UTAH)
 : ss.
COUNTY OF SALT LAKE)

On the 17th day of October, 1978, personally appeared before me Stanley C. Harvey, who duly acknowledged to me that he is the signer of the foregoing instrument.


Notary Public
Residing at: Salt Lake City

My Commission Expires:

5/9/81

CONSENT

Subject to the terms hereof, KAISER STEEL CORPORATION does hereby consent to the transfer of leasehold interest by North American Equities, N.V., to North American Equities, Ltd. being hereby fully advised in the premises. Kaiser's consent being given in reliance upon the representation and assurance by North American Equities, Ltd., that it will fully assume and fully discharge any and all duties, obligations, and liabilities of North American Equities, N.V., under the lease, which relates to the following described property:

Southwest 1/4 Northwest 1/4, Southwest 1/4
Section 4, Township 14 South, Range 7 East
Salt Lake Base & Meridian. Consisting of
approximately 200 acres more or less.

This consent is further conditioned upon North American Equities, Ltd. providing to Kaiser Steel Corporation, within 30 days from the date hereof, written confirmation and evidence that it has and does fully assume and will fully discharge any and all such duties, obligations and liabilities of North American Equities, N.V.

This consent is executed and given on behalf of Kaiser Steel Corporation through the undersigned official of the company.

KAISER STEEL CORPORATION

BY: Charles S. McNeil
President - Coal Group

Dated: 3/16/85