UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF COLORADO

DIVISION OF
OIL, GAS AND MINING

M/023/007

IN RE:	)	
	)	Bankruptcy No. 01-23068-EEB
NORTH LILY MINING COMPANY, INC.,	)	Chapter 11
a Utah corporation,	)	
EIN: 87-0159350	)	
	)	
Debtor.	)	
	)	
IN RE:	)	Bankruptcy No. 01-23069-DEC
	)	Chapter 11
XERES TINTIC, LLC,	)	
	)	Jointly Administered Under
EIN: 84-1528808	)	Case No. 01-23069
	)	
Debtor.	)	Motion Control Number KMK-11

NOTICE PURSUANT TO LOCAL BANKRUPTCY RULE 202 OF AMENDED MOTION FOR TO ASSUME NON RESIDENTIAL REAL PROPERTY LEASE

TO ALL PARTIES IN INTEREST:

NOTICE IS HEREBY GIVEN that the movant named below has applied to this Court or is intending to take action as follows:

North Lily has filed an amended motion requesting authority from the Court to assume a non-residential real property lease ("Lease"), as modified, with landlord Glenarm 1800, LLC. The Lease as modified provides for payment of post-petition rent to the landlord, allows both parties to reject the Lease upon 60 days notice, provides the landlord with attorneys fees in the amount of $2,954.86, and provides North Lily with a reduction in rent for a specified period of time. The landlord's pre-petition claim will be treated as a general unsecured claim in North Lily's plan of reorganization. A copy of the pleading is available for inspection in the Bankruptcy Court Clerk's Office, 721 -19th Street, First Floor, Denver, Colorado 80202, or upon request from the undersigned attorney.

Pursuant to Rule 202 of the Local Rules of Bankruptcy Procedure, if you desire to oppose this action you must file a written objection and request for a hearing with the Court on or before **March 18, 2002**, and serve a copy thereof on the undersigned attorney. Objections and requests for hearing shall clearly specify the grounds upon which they are based, including the citation of supporting legal authority, if any. General objections will not be considered by the Court.

In the absence of a timely and substantiated objection and request for hearing by an interested party, the Court may approve or grant the aforementioned application without any further notice to creditors or other interested parties.

Dated: February 25, 2002.

Respectfully submitted,

By: _____

Lee M. Kutner, #10966
Jenny M.F. Fujii, #30091

KUTNER MILLER KEARNS, P.C.
303 E. 17th Avenue, Suite 500
Denver, CO 80203
Telephone: (303) 832-2400
Facsimile: (303) 832-1510
email: lmk@kutnerlaw.com

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AMENDED MOTION TO ASSUME
NONRESIDENTIAL REAL PROPERTY LEASE

North Lily Mining Company, Inc. ("North Lily"), by and through its attorneys, Kutner Miller Kearns, P.C., moves the Court pursuant to 11 U.S.C. Section 365 to assume a nonresidential real property lease, and as grounds therefor states as follows:

1. The Debtors, North Lily and Xeres Tintic, LLC ("Xeres"), filed their Voluntary Petitions under Chapter 11 of the Bankruptcy Code on September 6, 2001. The North Lily case is being jointly administered with the Xeres case.

2. The Debtors are in the business of land holding and related activities.

3. North Lily is a lessee under a nonresidential real property lease ("Lease") with landlord Glenarm 1800 LLC ("Landlord"). The Lease is for approximately 2,557 square feet located at 1800 Glenarm Place, Suite 210, Denver, Colorado 80202 ("Leased Premises") and expires on May 31, 2003. A copy of the Lease is attached hereto as Exhibit A.

4. North Lily and the Landlord have discussed and have agreed to a modification of the Lease.

5. On February 11, 2002, the Debtor filed a Motion to Assume Nonresidential Real Property Lease ("Motion"). Subsequent to the February 11, 2002 filing, the Debtor and the Landlord have modified the terms of the Lease as provided in the Motion. The Debtor now files an Amended Motion to Assume Nonresidential Real Property Lease.

6. North Lily wishes to assume the Lease with the terms of the lease modified and agreed to by the Landlord as follows:

a. The current base rent of the Lease shall be reduced effective March 1, 2002 from $3,515.88 to $3,302.79 until the Debtors' Plan of Reorganization ("Plan") is confirmed. Upon Plan Confirmation Date, the Lease payments will revert to the payments as specified in the Lease. North Lily shall continue paying operating expenses as provided in the Lease.

b. Either party may terminate the Lease on or after March 1, 2002, upon sixty days prior written notice.

c. North Lily shall pay the Landlord its post-petition December, 2001 rent on February 12, 2002, including operating expenses, plus the late fee of $183.67.

d. North Lily shall pay the Landlord post-petition rent, operating expenses and late fees for January and February 2002 on February 22, 2002.

e. North Lily shall reimburse the Landlord for reasonable attorneys fees and costs incurred post-petition through February 20, 2002, in the amount of $2,954.86, payable in monthly installments of $500, the first payment due on February 22, 2002. Payment of $500 will be due each subsequent month thereafter until the $2,954.86 is paid in full.

f. All pre-petition rent payments and related charges due and owing shall be treated as a general unsecured claim in the Debtors' Plan.

g. Any sublease of the Leased Premises must be approved in advance in writing by the Landlord. The Landlord requires an assignment of rents pursuant to any sublease agreement of the Leased Premises.

h. The rent due in March, 2002 shall be paid on or before March 22, 2002.

i. Except as set forth herein, all terms and conditions of the Lease remain unchanged and in full force and effect.

7. Assumption of the Lease benefits North Lily, the estate and the creditors by allowing North Lily to remain in the Leased Premises under the modified terms. The Lease as modified reduces the rent due for a period of time during the pendency of the Debtors' case. The Lease as modified provides both parties with the flexibility to terminate the lease upon sixty days notice.

8. Based on the foregoing, North Lily believes it is in the best interests of the creditors and the estate to assume the Lease.

WHEREFORE, the Debtors pray that the Court make and enter an Order authorizing the Debtor to assume the Lease with Glenarm 1800, LLC as modified inthis motion, and for such further and additional relief as to the Court may appear proper.

Dated: February 25, 2002.

Respectfully submitted,

By: _____
Lee M. Kutner, #10966
Jenny M.F. Fujii, #30091

KUTNER MILLER KEARNS, P.C.
303 E. 17th Avenue, Suite 500
Denver, CO 80203
Telephone: (303) 832-2400
Facsimile: (303) 832-1510
email: lmk@kutnerlaw.com

The above modification of the Lease is hereby approved:

NORTH LILY MINING COMPANY, INC.

By: _____
Steven Flechner, President

GLENARM 1800, LLC

By: _____
Joseph A. Langley, CEO of Fleisher-Smyth Company,
Designated Property Manager of Glenarm 1800, LLC

THIRD AMENDMENT

This Third Amendment ("Agreement") dated April 28, 2000 to that certain Lease dated April 29, 1994 as amended on April 24, 1997 and May 12, 1997, ("Lease") by and between Glenarm 1800 LLC, a Colorado limited liability company, successor in interest to Sheridan Realty Corp., (hereinafter called, "Landlord"), and Ferret Exploration Company and Yellowstrike Exploration, Inc. (hereinafter called, "Tenant"), for the Premises consisting of approximately 2,557 rentable square feet, described as Suite 210, ("Premises"), located at 1800 Glenarm Place, Denver, Colorado 80202, ("Building") is entered into for the purposes of amending the terms of the Lease. In the event of any conflict between the terms and provisions of the printed portion of the Lease and the terms and provisions of this Agreement, the terms and provisions of this Agreement shall prevail.

WHEREAS, the parties desire to amend the Lease as follows, provided, however, that all other terms, conditions and covenants of the Lease shall remain in full force and effect:

TERMS, CONDITIONS AND COVENANTS

1. Effective May 1, 2000, Tenant, as defined above, is hereby amended to "Ferret Exploration Company and Yellowstrike Exploration, Inc., and North Lily Mining Company, a Utah corporation."

2. The Term of the Lease is hereby extended for a period of Thirty-seven (37) months commencing on May 1, 2000 and terminating on May 31, 2003 ("Extended Term").

3. During the Extended Term, Tenant shall pay to Landlord a monthly base rent ("Base Rent") as follows:

Rent Period	Monthly Base Rent
May 1, 2000 through May 31, 2000	$2,873.39
June 1, 2000 through May 31, 2001	$3,302.79
June 1, 2001 through May 31, 2002	$3,515.88
June 1, 2002 through May 31, 2003	$3,728.96

4. Effective June 1, 2000, Article 5.1 Additional Rent shall be amended to mean "2000 actual operating expenses as a base year" (the "Expense Stop").

5. The Lease is modified to conform to the terms and conditions of this Agreement and except as herein modified is ratified and affirmed.

6. Time is of the essence under this Agreement, and all provisions herein relating thereto shall be strictly construed. Unless waived by Landlord (which it shall have the right, but not the obligation, to so do), this Agreement is contingent upon execution and delivery by Tenant to Landlord no later than 5:00 p.m. Denver, Colorado time, May 5, 2000

IN WITNESS WHEREOF, Landlord and Tenant have executed this Agreement on the day and year first above written.

LANDLORD:
Glenarm 1800 LLC, a Colorado limited liability company, successor in interest to Sheridan Realty Corp.

By: _____
Clark Smyth, President
Fleisher-Smyth Company
Its designated Property Manager

TENANT:
Ferret Exploration Company and Yellowstrike Exploration, Inc., and North Lily Mining Company, a Utah corporation

Ferret Exploration Company and Yellowstrike Exploration, Inc.

By: _____
W. Gene Webb, President

North Lily Mining company, a Utah corporation

By: _____
Steve Flechner, President

EXHIBIT A