

ENTRY NO. 125630 DATE 2-1-82 TIME 3:00 FEE 29.50

FOR PATRICK SHEA BOOK 146 PAGE 340

RECORDER JOE DEAN HUBER BY JOAN DAV

*When Recorded Return To:
Patrick A. Shea
c/o Van Cott, Bagley
Suite 1600
Salt Lake City, Utah
84144*

SUBLEASE

THIS SUBLEASE, made and entered into as of the 29 day of January, 1982, by and between STICHTING MAYFLOWER RECREATIONAL FONDS, an entity formed under the laws of the Netherlands, and STICHTING MAYFLOWER MOUNTAIN FONDS, an entity formed under the Laws of the Netherlands (hereinafter collectively designated "Lessors"), and DEER VALLEY RESORT COMPANY, a Utah limited partnership (hereinafter designated "DV").

WITNESSETH

WHEREAS, Park City Utah Mines Company, a Delaware corporation ("PCU"), as "Lessor," and Lon Investment Company, a Utah corporation ("LIC"), as "Lessee," mutually executed and delivered a certain Surface Lease (the "PCU Lease") dated January 1, 1974, a copy of which PCU Lease is attached hereto as Exhibit A and by this reference made a part hereof, which PCU Lease was recorded as Entry No. 137848, in Book M93, Page 819, in the Office of the County Recorder of Summit County, Utah, and as Entry No. 109984, in Book 111, Page 600, in the Office of the County Recorder of Wasatch County, Utah; and

WHEREAS, the PCU Lease has been amended as provided in that certain Addendum No. 1 to Surface Lease (the "Addendum") of January 24, 1977, between PCU, LIC and San Diego Mining Company, a Delaware corporation ("SD"), a copy of which Addendum is attached hereto as Exhibit B and by this reference made a part hereof, which Addendum was recorded as Entry No. 137849, in Book M93, Page 840, in the Office of the County Recorder of Summit County, Utah, and as Entry No. 109986, in Book 111, Page 642, in the Office of the County Recorder of Wasatch County, Utah; and

WHEREAS, the real property which is the subject of the PCU Lease consists of certain patented lode mining claims situated in the Blue Ledge Mining District in Wasatch County, Utah and the Uintah Mining District in Summit County, Utah, which real property (the "PCU Property") is more particularly described in Exhibit C, attached hereto and incorporated herein by reference; and

WHEREAS, pursuant to the provisions of a certain Assignment of Lease (the "PCU Lease Assignment") of March 10, 1977, recorded as

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Entry No. 138079, in Book M94, Page 532, in the Office of the County Recorder of Summit County, Utah, and as Entry No. 110104, in Book 112, Page 69, in the Office of the County Recorder of Wasatch County, Utah, a copy of which PCU Lease Assignment is attached hereto as Exhibit D and by this reference made a part hereof, all of LIC's right, title and interest in and to the PCU Lease has been assigned to Newpark Resources, Inc., a Nevada corporation ("Newpark"), as security for the payment of certain indebtedness owed by LIC to Newpark (the "Newpark Debt"); and

WHEREAS, pursuant to the provisions of that certain Mortgage (the "PCU Leasehold Mortgage") of March 10, 1977 from LIC, as "Mortgagor," to Newpark, as "Mortgagee," recorded as Entry No. 138080, in Book M94, Page 535, in the Office of the County Recorder of Summit County, Utah, and as Entry No. 110103, in Book 112, Page 56, in the Office of the County Recorder of Wasatch County, Utah, a copy of which PCU Leasehold Mortgage is attached hereto as Exhibit E and by this reference made a part hereof, all of LIC's right, title and interest in and to the PCU Property has been mortgaged to Newpark as security for payment of the Newpark Debt; and

WHEREAS, pursuant to the provisions of a certain Assignment and Quitclaim of Leasehold Interest (hereinafter designated the "RLR Assignment"), a copy of which is attached hereto as Exhibit F and by this reference made a part hereof, LIC assigned to Rosslare Realty N.V., a corporation organized and existing under the laws of Curacao, Netherlands Antilles, (hereinafter designated "RLR") all of the right, title and interest of LIC, in, to and arising under the PCU Lease and in and to the PCU Property, subject to the PCU Lease Assignment and the PCU Leasehold Mortgage; and

WHEREAS, SD, as "Lessor," and LIC, as "Lessee," mutually executed and delivered a certain Surface Lease (the "SD Lease") of January 1, 1974, a copy of which SD Lease is attached hereto as Exhibit G and by this reference made a part hereof, which SD Lease was recorded as Entry No. 109985, in Book 111, Page 621, in the Office of the County Recorder of Wasatch County, Utah; and

WHEREAS, the SD Lease has been amended as provided in the Addendum; and

WHEREAS, the real property which is the subject of the SD Lease consists of certain patented lode mining claims situated in the Blue Ledge Mining District in Wasatch County, State of Utah, which real property (the "SD Property") is more particularly described in Exhibit H, attached hereto and incorporated herein by reference; and

WHEREAS, pursuant to the provisions of that certain Assignment of Lease (the "SD Lease Assignment") of March 10, 1977, recorded as Entry No. 110102, in Book 112, Page 61, in the Office of the County Recorder of Wasatch County, Utah, a copy of which SD Lease Assignment is attached hereto as Exhibit I and by this reference made a part hereof, all of LIC's right, title and interest in and to the SD Lease has been assigned to Newpark as security for the Newpark Debt; and

WHEREAS, pursuant to the provisions of that certain Mortgage (the "SD Leasehold Mortgage") of March 10, 1977, from LIC, as "Mortgagor", to Newpark, as "Mortgagee", recorded as Entry No. 110101, in Book 112, Page 56, in the Office of the County Recorder of Wasatch County, Utah, a copy of which SD Leasehold Mortgage is attached hereto as Exhibit J and by this reference made a part hereof, all of LIC's right, title and interest in and to the SD Property has been mortgaged to Newpark as security for the Newpark Debt; and

WHEREAS, pursuant to the RLR Assignment, LIC assigned to RLR, all of the right, title and interest of LIC, in, to and arising under the SD Lease and in and to the SD Property, subject to the SD Lease Assignment and the SD Leasehold Mortgage; and

WHEREAS, pursuant to the provisions of a certain Assignment (hereinafter designated the "Stichting Assignment"), dated as of December 31, 1977, a copy of which is attached hereto as Exhibit L and by this reference made a part hereof, RLR assigned to Stichting Mayflower Recreational Fonds and Mayflower Recreational Fund, all of the right, title and interest of RLR:

(a) In, to and arising under the PCU Lease and in and to the PCU Property, subject to the PCU Lease Assignment and the PCU Leasehold Mortgage; and

(b) In, to and arising under the SD Lease and in and to the SD Property, subject to the SD Lease Assignment and the SD Leasehold Mortgage.

WHEREAS, by that certain Assignment and Quitclaim of Joint Venture Interest recorded at pp. 679-701, Book 139, Entry No. 122761, Records of Wasatch County, Utah, and pp. 16-38, Book M185, Entry No. 178525, Records of Summit County, Utah, and that certain Quitclaim Deed, recorded at pp. 124-140, Book 141, Entry No. 123401, Records of Wasatch County, Utah, and pp. 321-37, Book M190, Entry No. 180727, Records of Summit County, Utah, American Land Program, Inc., and Stichting Mayflower Recreational Fonds, conveyed to Stichting Mayflower Mountain Fonds all of their title as joint venturers of Mayflower Recreational Fund in the PCU Property and the SD Property; and

WHEREAS, the PCU Property and the SD Property are hereinafter referred to collectively as the "Property"; and

WHEREAS, DV owns and leases properties in Summit and Wasatch Counties, Utah, situated to the North of the Property, upon which properties DV intends to develop a year round resort facility, to be called Deer Valley Resort, including ski lifts and runs, and transportation facilities, together with residential and commercial development as shown by the Master Plan attached hereto as Exhibit K; and

WHEREAS, the PCU Property and the SD Property, are contiguous properties containing part of Bald Mountain, and which constitute a valuable area for the development of skiing terrain, ski transportation facilities, and related commercial and residential development, and whereas such properties adjoin other properties owned or leased by DV, also valuable for ski development, namely the Stichting Property (as described in Exhibit N attached hereto) the East Utah Property (described in Exhibit O attached hereto), and those portions of that certain real property situated in Summit and Wasatch Counties, Utah, more particularly described in Exhibit P hereto, which are, as of the date of a determination, owned or leased by DV (all of which properties, together, are denominated herein the "Total Ski Area"); and

WHEREAS, Lessors represent that they own and lease properties in Wasatch County, Utah, lying to the West of the Property, upon which Lessors intend to develop a year-round resort facility to be called the Mayflower Mountain Resort, together with residential and commercial development; and

WHEREAS, Lessors and DV have entered into a certain Lease (the "Lease") of even date herewith with respect to the Stichting Property and the East Utah Property; and

WHEREAS, the cooperative use of the ski terrain and facilities developed on the Total Ski Area as herein specifically provided is vital to the long-term success of both the Deer Valley Resort and the Mayflower Mountain Resort; and

WHEREAS, DV desires to sublease from Lessors the Property for the purpose of developing the same in conjunction with the other properties of the Total Ski Area, for ski lifts and runs, and necessary appurtenances; and

WHEREAS, Lessors are prepared to make the Property available to DV for development of ski lifts and runs and necessary appurtenances in order to secure for Lessors the benefit of availability to patrons of the Mayflower Mountain Resort of the skiing complex to be developed by DV on the Total Ski Area, as shown by the Master Plan, Exhibit K; and

WHEREAS, the parties wish to provide for the use by patrons of the Deer Valley Resort and Mayflower Mountain Resort of ski facilities developed by DV upon the Total Ski Area; and

WHEREAS, DV asserts that Stichting Mayflower Recreational Fonds and Mayflower Recreational Fund, as "Lessor", and Royal Street Land Company, as "RS", have heretofore entered into a Sublease of the Property (hereinafter designated "the Asserted Sublease"), which Asserted Sublease is recorded as Entry No. 144496 in Book M109, at Pages 425-545, Records of Summit County, Utah; and

WHEREAS, by an assignment of Lease and Sublease, dated October 13, 1980, and recorded as Entry No. 171989, Book M169, Page 826, Records of Summit County, Utah, and Entry No. 121243, Book 136, Page 233, Records of Wasatch County, Utah, Royal Street Land Company

assigned such rights as it may have under the Asserted Sublease to Royal Street of Utah; and

WHEREAS, by an Assignment of Lease and Sublease, dated October 13, 1980, and recorded as Entry No. 171990, Book M169, Page 836, Records of Summit County, Utah, and Entry No. 121244, Book 136, Page 243, Records of Wasatch County, Utah, Royal Street of Utah assigned such rights as it may have under the Asserted Sublease to DV; and

WHEREAS, Lessor claims that the Asserted Sublease is void, and DV contests such claim;

NOW THEREFORE, in consideration of the foregoing, of the mutual promises and covenants contained herein, of the benefits to be obtained by the parties from DV developing the Property for skiing as part of the Total Ski Area and of making the improvements of the Total Ski Area available to patrons of the Deer Valley Resort and Mayflower Mountain Resort, as herein provided, and of Ten Dollars (\$10.00) and other good and valuable consideration each to the other paid, receipt of which is hereby acknowledged, the parties hereto agree as follows:

ARTICLE I

LEASE OF PROPERTY, EXCEPTIONS AND RESERVATIONS

Lessors hereby lease, demise and let to DV the Property for the development of ski lifts and ski runs, and necessary appurtenances, and subject to the following:

- (a) The exceptions and reservations set forth in the PCU Lease and the Addendum, insofar as the PCU Property is concerned,
- (b) The exceptions and reservations set forth in the SD Lease and the Addendum, insofar as the SD Property is concerned, and
- (c) The right of Lessors to make any use of portions of the Property, for the development of residential and commercial buildings and additional skiing facilities, as provided in Article II hereof; and
- (d) The exceptions, reservations, terms, covenants and conditions specifically set forth in this Sublease.

The rights granted to DV pursuant hereto insofar as the Property is concerned, shall be only such rights with relation to the Property as were granted to LIC pursuant to the PCU Lease and pursuant to the SD Lease, as modified by the Addendum.

The term "necessary appurtenances" as used in this Sublease following the phrase "ski lifts and runs, and" shall include loading and storage areas, maintenance buildings, warming huts, restrooms, and small outlets for the sale of sundries.

ARTICLE II

ESTABLISHMENT OF THE SKI AREA

The property shown on the map attached hereto as Exhibit M, and described by metes and bounds thereon, shall be designated the Ski Area, and represents that portion of the Total Ski Area, as hereinafter defined, leased hereby, and by the Lease between the parties of even date herewith. Except for the transportation facilities described in the following paragraph, Lessors shall have no right to construct, maintain or operate within the Ski Area any buildings, lifts, runs or other improvements or facilities whatsoever. DV shall have the exclusive right, subject to the terms and conditions hereof, to construct, maintain, and operate within the Ski Area ski lifts and runs, and necessary appurtenances, including those shown on the Master Plan, Exhibit K.

Except as provided in the next succeeding paragraph, Lessors shall have the exclusive right, in all areas of the Property outside the Ski Area (which areas of the Property outside the Ski Area are designated the "Joint Use Area"), to construct residential and commercial development, and necessary appurtenances, including, without limitation, housing, retail and office space, recreational facilities, maintenance and storage facilities, parking facilities, and transportation facilities to and from ski facilities in the Ski Area. Such transportation facilities, together with necessary on-loading and off-loading facilities, may extend into the Ski Area to access the bottom of the L and M lifts, as shown on Exhibit K, from the SW 1/4, Section 24 and the NW 1/4, Section 25, T. 2 S., R. 4 E., SLBM, provided that they do not unreasonably interfere with maintenance and operation of ski lifts and runs on the Ski Area.

DV shall have the right at any time, at its election, upon written notice to Lessors, to construct and operate on not more than one acre of the Joint Use Area at the top of Bald Mountain within the

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area designated "Summit House Area" on Exhibit K a small restaurant and warming hut. To the extent DV has the right to permit the same, Lessors shall be permitted to use any access road constructed to build or use said restaurant and warming hut.

Both DV and Lessors shall have the right, subject to the terms and conditions hereof, to construct in the Joint Use Area ski lifts and runs, and necessary appurtenances; provided, however, that DV shall not construct any such improvements in the Joint Use Area without the prior written approval of Lessors.

ARTICLE III

WARRANTY OF TITLE AND QUIET POSSESSION

Lessors represent that they are the owners of the leasehold estates and all other rights granted to LIC pursuant to the PCU Lease and the SD Lease, as amended by the Addendum, subject only to the PCU Lease Assignment, the PCU Leasehold Mortgage, the SD Lease Assignment, and the SD Leasehold Mortgage. Lessors have disclosed and DV is aware that claims adverse to Lessors' title to the PCU Property and the SD Property are pending or may be filed in those certain actions entitled Murray First Financial Europe, b.v., v. Stichting Mayflower Recreational Fonds and Stichting Mayflower Mountain Fonds, Amsterdam Court of Justice, Netherlands; Stichting Mayflower Recreational Fonds and Stichting Mayflower Mountain Fonds v. Bernard Whitney, et al., Civil No. C 81-0802W, United States District Court, District of Utah; and Rosslare Realty, N.V. and Murray First Financial Europe, B.V. v. Stichting Mayflower Recreational Fonds and Stichting Mayflower Mountain Fonds, Civil No. 6702, Third Judicial District Court of Utah, Summit County. Lessors covenant and agree that they will diligently defend their title to said leasehold estates against any adverse claims. Lessors further warrant and represent that they have not amended, modified or repealed, and that they are not in default under the PCU Lease or the SD Lease, as amended by the Addendum. DV covenants and agrees for itself, its successors and assigns that in the event Lessors lose title to the PCU Property or SD Property, Lessee shall have no claims as a result thereof against any individual participant in or employee, officer, partnership, associate, subsidiary or affiliate of

the Stichtings or group thereof (except the Stichtings themselves), or against any person or entity or against any personal property of the Stichtings, and Lessee, for itself, its successors and assigns hereby waive and release all such claims against any persons or entities, except the Stichtings themselves. Except as specifically set forth in this Article III, Lessors make no other representations or warranties of title or quiet possession, either express or implied.

ARTICLE IV

TERM AND OPTIONS TO EXTEND

A. The initial term (the "Term") of this Sublease shall extend from the date hereof through, and shall terminate at 12:00 midnight, Mountain Standard Time, December 31, 1998.

B. Lessors hereby grant to DV the right and option, to be exercised as hereinafter provided, to extend the term of this Sublease for two successive periods of Twenty-five (25) years each, provided that:

(1) No default by DV with respect to any of the provisions hereof is existing or continuing on the date such extension becomes effective; or

(2) With respect to the second Extended Term, this Sublease shall have previously been extended for the first Extended Term.

Each extended term (the "Extended Term" or "Extended Terms") shall be on the same terms and conditions provided in this Sublease, except that there shall be no privilege to extend the term of this Sublease for any period beyond 12:00 midnight, Mountain Standard Time, December 31, 2048.

C. If DV elects to exercise its right and option to extend the term hereof for an Extended Term or Extended Terms, such right shall be exercised in the following manner:

(1) At least 13 months prior to the expiration of the initial Term and at least 13 months prior to the expiration of the first Extended Term, if any, DV shall notify Lessors, in writing, of the election of DV to exercise its right and option to extend this Sublease for the first or second Extended Term, as the case may be.

(2) On the giving of such notice of election, this Sublease, subject to the terms and conditions hereof, shall be deemed to be extended for a period of 25 years from the date of expiration of the Term, or from the date of the expiration of the first Extended Term, as the case may be, without the execution of any further sublease or instrument.

ARTICLE V

RENT

DV agrees that, so long as this Sublease remains in force and effect, it will pay to Lessors, and Lessors agree to accept, as rental for the Property, the following:

A. Fifteen Thousand Dollars (\$15,000.00) per year (subject to possible increase as provided in Article V.C below) for the calendar years 1982 and 1983, each such payment to be paid in advance on or before the 1st day of January of the year to which it relates.

B. Fifteen Thousand Dollars (\$15,000.00) per year (subject to possible increase as provided in Article V.C below) for the calendar year 1984, and for each calendar year thereafter during the remainder of the Term of this Sublease and any Extended Term or Extended Terms, each such payment to be paid in advance, on or before the 1st day of January of the calendar year to which it relates.

C. Subject to the provisions of this Article V.C, the rent of Fifteen Thousand Dollars (\$15,000.00) per year, as provided in Article V.A. and Article V.B above, shall be subject to increase in the same proportion as the Consumer Price Index-U.S. Average (all items) of the United States Department of Labor, Bureau of Statistics (1967 = 100), hereinafter referred to as the "Index," for December, 1977, insofar as rental payable pursuant to Article V.A is concerned, and the Index for the second December preceding the beginning of each five-year period insofar as rental payable pursuant to Article V.B is concerned, increases above the Index for the month of December, 1972 (hereinafter designated the "Base Index"), which is 127.3. The Index for December, 1977, shall be compared with the Base Index (127.3), and if there has been an increase in the Index, the rent to be paid for each year pursuant to Article V.A above shall be increased above \$15,000.00 in the same proportion as the Index for December, 1977, shall have increased over the Base Index. The Index for December, 1982 shall be compared with the Base Index and if there has been an increase in the Index for December, 1982 over the Base Index, the rent to be paid for each year of the five-year period commencing January 1, 1984 shall be increased above \$15,000.00 in the same proportion as the Index for

December, 1982, has increased over the Base Index. The same procedure shall be used to calculate any increase in rent for the five-year periods commencing January 1, 1989, and continuing during the balance of the Term and each Extended Term, if any, in each instance comparing the Index for the second December preceding the beginning of said five-year period with the Base Index.

The rent adjustment provided by this Article V.C shall be payable only in the event that the Index for the second December preceding the first day of the five-year period to which such calculation relates exceeds the Base Index.

In no event shall the rent payable hereunder be less than \$15,000.00 for any year commencing after December 31, 1980.

If the Index is no longer published, or the basis for its computation is changed, then the parties shall agree on some other equitable technique of calculation which fairly takes into account any increase or decrease in the purchasing value in the United States of the U.S. dollar.

It is contemplated that the rental adjustments provided by this Article V.C shall be calculated in the same manner as provided in Section III.C of the PCU Lease and Section III.C of the SD Lease.

D. In addition to the rent and increased rent provided for in Sections A through C of this Article V, DV shall reimburse Lessors for all additional rental which Lessors become obligated to pay, and do pay, to PCU pursuant to Section III.D of the PCU Lease and to SD pursuant to Section III.D of the SD Lease. Such amounts shall be payable by DV promptly following receipt by it of a statement from Lessors setting forth amounts so paid by Lessors, together with evidence satisfactory to DV of the payment thereof.

E. It is contemplated that Lessors will be obligated to make payment to PCU and SD pursuant to the PCU Lease and SD Lease of amounts equal to amounts payable pursuant to the preceding portions of this Article V. Lessors agree that DV shall have the right, if it elects, to make payment of said amounts directly to PCU and SD for the account of Lessors, rather than to pay the same to Lessors. In the event that DV elects to make such payments directly to PCU and SD, such payments

shall, for purposes of this Sublease, be deemed to have been paid to Lessor.

F. Upon termination of this Sublease in its entirety, all obligations of DV to pay rent pursuant to this Article V shall cease and terminate.

ARTICLE VI

CONSTRUCTION AND OPERATION OF FACILITIES

DV shall construct and operate upon the Total Ski Area the skiing facilities shown upon the Master Plan, Exhibit K, as soon as a profit can be obtained therefrom by DV, for the purpose of providing the greatest return from development of skiing facilities upon the property at the earliest time consistent with sound business practices. All of such facilities shall be operated as a single complex, and made available to skiers on a single lift ticket. Each facility, or part thereof, as the same is constructed and becomes operable, shall be added to the single complex.

DV shall diligently pursue completion of planning and approval of all of the ski lifts and runs shown on the Master Plan, Exhibit K, and shall inform Lessors upon request at any time of the progress of planning and development; provided, however, that DV shall not be required to apply for and obtain building permits until it is prepared, consistent with the immediately preceding paragraph, to commence construction. Each party shall inform the other upon request at any time of all evidence in its possession bearing upon the question whether any improvements are then economically practicable.

Anything in the foregoing to the contrary notwithstanding, the ski lift designated "M" on the Master Plan, Exhibit K, together with an extension thereof or separate lift extending to the top of Bald Mountain, together with the ski runs on the Master Plan designated 73, 74, 78, 79, 80, 81, 82, 83, 84, 85 and 86, shall be constructed by DV and shall be operational no later than the start of the 1986-1987 ski season. The opening of the "M" lift and runs shall not depend upon construction of any development at the Mayflower Mountain Resort. DV shall operate the "M" lift and runs as part of a single ski complex on the Total Ski Area on a single lift ticket. Revenues from operation of

the "M" lift shall be included in Lift Ticket Revenues for the purposes of computing rent under the Lease between the parties of even date herewith. Mayflower will assist DV in locating lenders in the financing of the "M" lift and runs.

Anything in the foregoing to the contrary notwithstanding, unless prevented by refusals of approvals and permits therefor, DV shall construct and commence operation of the lift designated I on the Master Plan, Exhibit K, no later than the start of the 1985-1986 ski season. In the event that the said lift is not operational by the start of the 1985-1986 season, Lessors shall have the right, but not the obligation, to construct, or complete construction of, the same. Such lift, when completed and operational, shall be operated by DV as part of the single skiing complex, on the single lift ticket. In the event such lift is constructed by or at the cost of Lessors, DV shall pay Lessors annually, in addition to all other sums due hereunder, and until an amount equal to Lessors' cost of acquisition and construction of the I lift has been paid to Lessor, 10% of that portion of Lift Ticket Revenue under the Lease for each Lease year thereunder after said I Lift commences operation, which the number of persons who ride the I lift during said Lease year represents to the number of persons who ride all lifts on the Total Ski Area combined during said Lease year. Such sum shall be in addition to, but payable at the same time as, (a) annual rent under Article V hereof, and (b) a similar 10% portion of Lift Ticket Revenues provided for in the Lease between the parties of even date herewith. For purposes of making the latter calculations, DV shall keep accurate records of persons riding each of the lifts on the Total Ski Area.

Nothing contained herein shall prevent DV from amending the Master Plan, Exhibit K, in accordance with all applicable laws, rules and regulations and sound planning and construction principles and practices; provided, however, that no such amendment which relates to the Property or which has the effect of decreasing permitted use of the Property shall be permitted without the prior written consent of Lessors, which shall not be unreasonably withheld.

Gross revenues from the operation of any facilities under this Article VI, shall constitute Lift Ticket Revenues under Article V of the Lease between the parties of even date herewith.

ARTICLE VII

USE AND OPERATION OF SKIING IMPROVEMENTS

So long as this Sublease is in efect, DV shall have the right and obligation hereunder to operate and maintain the ski lifts and runs, and necessary appurtenances, upon the Total Ski Area, in compliance with the following conditions:

(1) The ski lifts and runs, and necessary appurtenances, shall be opened and operated, at all times the equipment is operable, between October 1 and April 30 of each year after installation, when operation thereof by DV would be economically practicable and unless weather conditions render operation impracticable,

(2) DV shall not restrict use of any of such facilities or appurtenances upon the ground that access to the facility or appurtenance was accomplished by travel from the Mayflower Mountain Resort; use of the facilities and appurtenances shall be granted upon an identical basis to patrons of the Deer Valley and Mayflower Mountain Resorts, and to persons obtaining property from DV and Lessor.

(3) DV shall not discriminate, in the taking of reservations or sale of lift tickets or combination ski packages for the use of any of the ski lifts and runs, and related appurtenances, upon the basis of whether the person or persons seeking such reservation is/are or will be lodged at the Deer Valley Resort or Mayflower Mountain Resort.

(4) DV shall not restrict the number of skiers who, in any period, upon traveling on the transportation facility described in Article XII from the Mayflower Mountain Resort base camp to the Deer Valley base camp at the base of the AL4 and I lifts as shown on the Master Plan, Exhibit K, utilize the skiing facilities on the Total Ski Area, unless the same restrictions are imposed nondiscriminatorily upon the number of skiers utilizing the skiing facilities who reach them directly from the Deer Valley Resort.

(5) The ski lifts and runs and related appurtenances shall be operated for the longest period practicable in each year, and for

the purpose of producing the greatest amount of Lift Ticket Revenue consistent with applicable laws and regulations and good business practices. Damages for the violation of this condition shall be limited to the amount of rental which might have been paid hereunder in the event of compliance; provided, however, that nothing herein contained shall prevent Lessors maintaining an action for specific performance or injunctive relief based upon violation of this condition, or from showing in such action as irreparable damages all damages actually flowing from such violation, or from obtaining any order in such action requiring immediate correction of any violation.

ARTICLE VIII

TAXES AND ASSESSMENTS

A. Except as provided by Article VIII.B hereof, DV shall pay and discharge, as they become due, promptly and before delinquency, all taxes, assessments, license fees, or levies, whether general, special, ordinary or extraordinary, of every name, nature and kind whatsoever, including all governmental charges of whatsoever name, nature or kind which are, during the Term of this Sublease, or any Extended Term hereof, levied or assessed against the Property which is included in the Ski Area, or any part thereof, or against the leasehold interest of DV therein, or any improvements constructed by or on behalf of DV on the Ski Area or the Joint Use Area, or against or by reason of the operations of DV on the Property. To effectuate this provision, Lessors shall obtain and have delivered to DV Wasatch and Summit County tax notices which segregate and separately assess the taxes which DV is obligated to pay, as provided herein.

B. The provisions of Article VIII.A to the contrary notwithstanding, DV shall have no obligation to pay:

1. Any mine occupation taxes, net proceeds ad valorem taxes, or any other taxes relating to or based upon the ores or minerals situated in, upon or under the Property, or the production or sale thereof, or

2. Any taxes levied or assessed, by or for, the Wasatch County Service Area No. 1.

3. Any taxes levied against the Joint Use Area, except those based upon improvements constructed thereon by or on behalf of DV.

C. If DV shall, in good faith, desire to contest the validity or amount of any tax assessment, levy, or other governmental charge herein agreed to be paid by DV, DV shall be permitted to do so and to defer payment of such tax or charge, the validity or amount of which DV is so contesting, until final determination of the contest, by giving Lessors written notice thereof prior to the commencement of any such contest and protecting Lessors on demand by a good and sufficient surety bond against any such tax, levy, assessment or governmental charge, and from any costs or liability arising out of such contest.

D. All rebates or refunds on account of taxes, charges, or assessments paid by DV under the provisions hereof, shall belong to DV, and Lessors will, on the request of DV, execute any receipts, assignments or acquittances that may be necessary in the premises in order to secure the recovery of any such rebates or refunds, and will pay over to DV any such rebates or refunds that may be received by Lessors.

E. All of the taxes and charges to be assumed and paid by DV pursuant to this Article VIII during the calendar year in which this Sublease is executed and delivered shall be prorated as of the date hereof.

F. DV shall, if requested by Lessors, deliver to Lessors copies of receipts evidencing payment of all taxes, assessments or other items required by this Article VIII to be paid by DV, not later than five days prior to the time such payment becomes due.

ARTICLE IX

WASATCH COUNTY SERVICE AREA NO. 1

The parties agree that, promptly following the date hereof, they will file the necessary application or petition with the Board of County Commissioners of Wasatch County, Utah, and take such other action as is necessary to accomplish the withdrawal, pursuant to Section 11-23-27, Utah Code Annotated, 1953, of the Property from the Wasatch County Service Area No. 1, which was created and established by an ordinance passed by the Board of County Commissioners of Wasatch County, Utah, on June 4, 1974, as Ordinance No. 74-2, recorded March 31, 1975, as Entry No. 103862, in Book 98, Pages 190-401, in the Office

of the County Recorder of Wasatch County, Utah. Lessors agree that if, for any reason, the withdrawal of the property from said Wasatch County Service Area No. 1 is not approved by the Board of County Commissioners of Wasatch County, Utah, or such withdrawal is for any other reason not concluded, Lessors will pay all taxes and assessments which may hereafter be levied or assessed against the Property by or on behalf of said Wasatch County Service Area No. 1.

ARTICLE X

POSSESSION AND ASSUMPTION OF RISK

Possession and responsibility for maintenance and risk of loss with respect to the Property are delivered and passed to DV as of the date hereof. DV acknowledges that it is familiar with the Property and agrees to accept possession of the Property in its present condition. Subject to the right of DV to make changes and construct improvements thereon and to utilize the same as herein contemplated or provided, DV agrees that upon termination of this Sublease it will return the Ski Area and any portion of the Joint Use Area utilized by DV to Lessors in as good a condition as when possession thereof was received by DV, normal wear and tear and damage by the elements excepted. DV agrees that it will not destroy or remove any shrubbery, trees or other vegetation growing on the Property or alter the surface thereof, except to the extent that it is necessary or desirable in connection with the use of the Property as specifically provided or contemplated hereby, and to the extent not in violation of applicable governmental laws, rules or regulations having the force of law. Notwithstanding any provisions herein to the contrary, DV shall not have the right, without the written consent of PCU insofar as the PCU Property is concerned, or the consent of SD insofar as the SD Property is concerned, to blast or excavate to a depth of more than 200 feet beneath the surface of the Property.

ARTICLE XI

USE OF PROPERTY

DV shall have the right to use the Property for the construction, development, maintenance, repair, replacement, utilization and operation of ski lifts and ski runs, and necessary

appurtenances. DV shall have no right to use the property for residential or commercial construction except as specifically provided herein.

ARTICLE XII

DETACHABLE CHAIR LIFT

At such time as provided hereinbelow, DV shall construct a detachable chair lift with on-loading and off-loading facilities, having the designed capacity to safely and comfortably deliver not less than 2,000 persons per hour, or other transportation facility approved by Lessors having equal capacity, from a site designated by Lessors at the Mayflower Mountain Base Camp area in Sections 24 and 25, T. 2S, R. 4E., SLBM, through McHenry Canyon to the Deer Valley Resort Base Camp at the foot of the AL4 and I lifts shown on the Master Plan, Exhibit K, at Silver Lake Flat in Section 26, T.2S., R.4E., SLBM. Such detachable chairlift shall not cross the line of the J lift as shown on Exhibit K. DV shall obtain necessary approvals and permits for such facility as soon as practicable after receiving from Lessors written notice of the design alignment of the facility. All equipment installed shall be new, of first quality, and shall employ current technology. Construction shall be prompt, done in a good and workmanlike manner, and shall fully comply with all applicable laws, rules and regulations. Upon receipt of notice from DV of the costs of acquisition, Lessors shall contribute 50% of the costs of acquisition and construction of this lift, including construction permit fees, engineering and inspection fees, and all other costs incurred in connection with said lift. Promptly following receipt of such funds, DV shall commence construction. DV shall operate the lift, the on-loading and off-loading facilities and all future additions or improvements thereto as part of a single ski complex on a single lift ticket, with all other skiing facilities on the Total Ski Area. Title to said lift shall vest in the parties according to their contributions to its costs of acquisition; provided, however, that upon termination of this Sublease for any reason, other than pursuant to Article XXXIII below, all right, title, and interest of DV in said lift, wherever located, shall vest in Lessors immediately.

Upon termination of this Sublease, other than pursuant to Article XXXIII below, DV shall convey to Lessors a permanent easement across the properties of DV underlying said lift, to maintain and operate the said lift in the event DV fails to do so.

Following completion of the said detachable chairlift, DV shall maintain and operate at the Mayflower Mountain Resort a ticket outlet and reservations terminal for the sale of lift tickets for the skiing complex on the Total Ski Area.

ARTICLE XIII

COVENANT OF SAFE OPERATION AND COMPLIANCE WITH APPLICABLE LAWS

DV covenants and agrees that all operations by or on behalf of DV during the term of this Sublease or in connection with the Property will be conducted in accordance with good business practices and standards generally accepted in the skiing and recreational resort industry and in a safe manner. DV shall comply with all federal, state and local laws, rules and regulations applicable to the operations conducted by DV upon or in connection with the Property, including without limitation the statutes of the State of Utah relating to passenger tramways, and all applicable laws, rules and regulations of any duly constituted authority relating to avalanche control and safety. DV further covenants and agrees that it will not commit any waste on the Property nor will it maintain any nuisance on the Property.

ARTICLE XIV

COVENANT OF DV TO PROVIDE INSURANCE

DV shall maintain in effect through the Term and any Extended Term, public liability, property damage and products liability insurance covering the rights and interests of DV in or to the Property, as well as all improvements constructed by or on behalf of DV on the Property, and all business operations of DV on the Property, which insurance shall be in amounts of not less than One Million Dollars (\$1,000,000.00) for injury to or death of any one person, Twenty Million Dollars (\$20,000,000.00) for injury to or death of any number of persons in one occurrence, and One Million Dollars (\$1,000,000.00)

aggregate amount of property damage liability insurance. Such insurance shall designate both DV and Lessors as insured parties, shall be issued by an insurance company or insurance companies reasonably acceptable to Lessors, and shall be evidenced by a certificate issued by such insurance company or insurance companies stating that such insurance is in effect and agreeing that such insurance will not be cancelled without giving at least ten days' advance written notice to Lessors.

ARTICLE XV

INDEMNIFICATION OF LESSORS

DV shall indemnify and hold Lessors harmless against all claims, liability, loss or damage to persons or property which at any time may be suffered by any person whomsoever, who may at any time be using or occupying or visiting the Ski Area or any improvements operated by DV on the Property, or be in or on or about the same, which loss, injury, death or damage shall be caused by or in any way result from or arise out of any violation of law, rule or regulation or any act, omission or negligence of DV, or any subtenant, agent or representative of DV. DV shall have no obligation to indemnify Lessors against any liability, loss or damage which may occur as the result of utilization or assertion by PCU or SD, or Lessors, or their lessees, agents, representatives, successors or assigns, or any other party of the rights and interests reserved pursuant to this Sublease or the PCU or SD Leases.

ARTICLE XVI

ENCUMBRANCE OF LEASEHOLD ESTATE

DV may encumber by mortgage, deed of trust, security agreement or other proper instrument any portion or all of its leasehold estates in the Property, together with any or all improvements thereon, subject to the rights of Lessors hereunder. Such encumbrances (except to the extent that they cover or relate to improvements constructed or placed by or on behalf of DV on the Property) shall not survive the duration of this Sublease. The execution of any such mortgage, deed of trust, security agreement or other instrument, or the foreclosure thereof, or any sale thereunder, either by judicial proceedings or by

virtue of any power granted by statute or reserved or granted in such mortgage, deed of trust, security agreement or other instrument, or legally required conveyance by DV to the holder of such indebtedness, or the exercise of any right, power or privilege reserved or granted in any such mortgage, deed of trust, security agreement or other instrument, shall not be held as a violation of any of the terms or conditions hereof. No such encumbrances, foreclosure, conveyance or exercise of rights shall relieve DV of its liability pursuant to the provisions of this Sublease. If DV shall encumber its leasehold interest in the Property and if DV or the holder of the indebtedness secured by such encumbrance shall give notice to Lessor of the existence thereof and the address of such holder, then Lessor agrees that it will mail or deliver to such holder at such address a duplicate copy of all notices in writing which Lessor may, at any time, or from time to time, thereafter give to or serve on DV under and pursuant to the provisions of this Sublease. Such copies shall be mailed or delivered to such holder at, or as near as possible to, the same time as such notices are given to or served on DV. Such holder may, at its option, at any time before the rights of DV shall be terminated, as provided herein, pay any of the rents due hereunder or pay any taxes or assessments or do any other act or thing required of DV by the provisions hereof, or do any act or thing that may be necessary and proper to be done in the observance of the provisions hereof, or otherwise prevent the termination hereof. All payments so made and all things so done and performed by such holder shall be as effective to cure the default hereunder and prevent a foreclosure of the rights of DV hereunder as if the same had been done and performed by DV.

Without limiting the generality of the foregoing, it is agreed that DV shall have the right to cause, or permit to be installed upon the Property, ski lifts or other improvements or facilities pursuant to title retaining contracts or to grant security interests in or with relation to such ski lifts or other improvements or facilities. All such contracts, however, shall permit Lessors to assume the position of DV in the event of voluntary termination of this Sublease. Subject to such right of assumption in Lessor, DV may include in such

contracts terms which will permit the holder thereof to remove and/or sell said ski lifts or other improvements or facilities in the event of default or failure of compliance by DV thereunder. Lessor agrees that in the event of such default or failure of compliance by DV, and in the event Lessor does not exercise its right to assume the position of DV in such equipment or improvements, the parties who hold the rights of the seller under said title retaining contracts or the rights granted by such security agreements shall have the right, without the consent or approval of Lessor, to enter upon the Property for the purpose of removal and/or sale of said ski lifts or other improvements or facilities and Lessor shall have no rights therein or with relation thereto.

ARTICLE XVII

COVENANT OF DV TO REMOVE LIENS

A. Subject to the provisions of Article XVI above, DV shall keep all of the Property and every part thereof and all improvements thereon free and clear of any and all mechanics, materialmens and other liens for or arising out of or in connection with work or labor done, services performed or materials or appliances used or furnished for DV, or in connection with any operations of DV, any alteration, improvements or repairs or additions which DV may make or cause to be made on the Property, or any obligations of any kind incurred by DV, and at all times promptly and fully to pay and discharge any and all claims on which any such lien is based, and to indemnify and hold Lessor and all of the Property and all improvements thereto harmless from and against all such liens and claims of liens, expenses and suits or other proceedings pertaining thereto.

B. If DV desires to contest any lien of the types described in Article XVII.A, it shall notify Lessors of its intention to do so at least ten days prior to the foreclosure thereof. In such case, and provided that DV shall on demand protect Lessors by a good and sufficient surety bond against any such lien and any cost, liability or damage arising out of such contest, DV shall not be in default hereunder if it shall, within 10 days after the final determination of the validity of said lien, satisfy and discharge such lien to the extent

held valid. The satisfaction and discharge of any such lien shall not, in any case, be delayed until execution is had on any judgment rendered thereon, and such delay shall be a default by DV hereunder. In the event of any such contest, DV shall indemnify and hold Lessors harmless against all loss, expense and damage resulting therefrom.

ARTICLE XVIII

LESSORS' RIGHT OF ENTRY

A. Authorized representatives of Lessors shall have the right, at reasonable times and at the sole risk of Lessors and such representatives, to enter upon the Property and any improvements or facilities constructed or installed by DV thereon for the purposes of inspecting the same and all operations and activities being conducted by or on behalf of DV thereon.

B. In the event that DV shall fail to extend the Term hereof by giving notice at least thirteen (13) months prior to the expiration of the Term, or in the event that having extended the Term for the first Extended Term, DV shall fail to extend the Term for a second Extended Term by giving notice not later than thirteen (13) months prior to the expiration of the first Extended Term, DV shall permit Lessors and their agents and employees, at any time within the period of thirteen (13) months following failure to give such notice to place on the Property usual and ordinary signs offering to lease or sell the Property, and during said 13-month period, to exhibit the Property and the improvements thereon to prospective lessees or purchasers of the Property, provided that all persons who enter upon the Property for such purposes shall do so at the sole risk of such persons.

C. Lessors agree that DV shall have the right for safety or security reasons to limit or restrict the right of persons under this Article XVIII to enter upon the Property, or into any improvements or facilities constructed or installed by DV thereon, to normal business operating hours on the Property, to require that such entry be made only when accompanied by a representative of DV, and to require that such arrangements be made with DV in advance prior to any such entry.

ARTICLE XIX

LESSORS' RIGHT TO PERFORM

In the event that DV shall default hereunder by failing or neglecting to do or perform any act or thing herein provided by it to be done or performed, and such default shall continue for a period of thirty (30) days after written notice from Lessors specifying the nature of the act or thing to be done or performed, then Lessors may, but shall not be required to, do or perform or cause to be done or performed such act or thing (entering on the Property or in any improvements thereon for such purposes if Lessors shall so elect), and Lessors shall not be held liable or be in any way responsible for any loss, inconvenience, annoyance or damage resulting to DV on account thereof, and DV shall repay to Lessors on demand the entire amount necessarily paid or incurred by Lessors in taking such action. Any act or thing done by Lessors pursuant to the provisions of this Article XIX shall not be, or be construed as, a waiver of any such default by DV or as a waiver of any covenant, term or condition herein contained, or the performance thereof, or any right or remedy of Lessors hereunder or otherwise. However, the repayment by DV of the cost of such action by Lessors, as hereinabove in this Article XIX provided, shall be deemed to cure or correct said default by DV hereunder.

All amounts payable by DV to Lessors pursuant to this Article XIX, if not paid within 10 days following demand from Lessors, as hereinabove set forth, shall bear interest from the expiration of said 10-day period to the date upon which the same are paid at the rate of 18% per annum, compounded annually.

ARTICLE XX

COVENANT OF LESSORS TO PROVIDE INSURANCE

Lessors shall maintain in effect, or cause the party or parties who enter upon the Property pursuant to any exceptions or reservations contained herein or in the PCU or SD Leases to maintain in effect throughout the Term and any Extended Term during any time which any party shall enter upon or conduct operations upon any portion of the Property pursuant to such exceptions or reservations, public liability, property damage and products liability insurance covering the Property and all improvements thereon, and all actions of and operations conducted by or on behalf of said parties, pursuant to said

exceptions and reservations, and all appurtenances on the Property, which insurance shall be in amounts of not less than One Million Dollars (\$1,000,000.00) for injury to or death of any one person, Twenty Million Dollars (\$20,000,000.00) for injury to or death of any number of persons in one occurrence, and One Million Dollars (\$1,000,000.00) aggregate amount of property damage liability insurance. Such insurance shall designate DV as an insured party, shall be issued by an insurance company or insurance companies reasonably acceptable to DV and shall be evidenced by a certificate issued by such insurance company or insurance companies stating that such insurance is in effect and agreeing that such insurance will not be cancelled without giving at least ten (10) days advance written notice to DV.

ARTICLE XXI

INDEMNIFICATION OF DV

Lessors shall indemnify and hold DV harmless against all claims, liability, loss or damage to persons or property which at any time may be suffered by any party whomsoever, who may at any time be using or occupying or visiting the Property or be in, on or about the same, which loss, injury, death or damage shall be caused or in any way result from or arise out of any violation of law, rule or regulation or any act, omission, or negligence of Lessors, or any agent or representative of Lessors, or any party entering upon or conducting activities or operations on the Property pursuant to the exceptions and reservations contained in either the PCU Lease or the SD Lease.

Lessors shall have no obligation to indemnify DV against any loss, injury, death or damage arising by reason of the negligence, misconduct, violations of laws, rules or regulations by or any acts or omissions of DV, its agents, employees or representatives, nor any liability of DV as contemplated by the provisions of Articles XIV or XV hereof.

ARTICLE XXII

COVENANT REGARDING MINING OPERATIONS AND COMPLIANCE WITH APPLICABLE LAWS

Lessors covenant and agree that all exploration for development and mining of minerals from the Property during the Term or any Extended Term, and all activities or operations upon the Property pursuant to the exceptions and reservations contained in the PCU Lease or the SD Lease, shall be in conformity with the provisions of such Lease and shall be conducted in such manner as will not unreasonably interfere with the operations conducted or contemplated to be conducted by DV on the Property or the facilities or improvements situated thereon, and that such operations will be conducted in full compliance with all applicable federal, state and local laws, rules and regulations and in accordance with good business practices and standards generally accepted in the mining industry and in a manner which will not commit waste on the Property or maintain a nuisance on the Property.

ARTICLE XXIII
CONDEMNATION

On the date of any final order of a court of competent jurisdiction authorizing the condemnor in an eminent domain proceeding to take possession of all or a portion of the Property, the obligation of DV to pay rent herein specified shall cease proportionately as to the portion or portions of the Property subject to said taking. In addition, DV shall be entitled to a proportional rebate of rent paid in advance for any period after the date of such order for the portion or portions of the Property subject to said taking.

The amount of any condemnation award, including without limitation, severance damages or incidental damages, which relates to the leasehold estate of DV hereunder, or to any improvements placed on the Property by or on behalf of DV, shall be the sole and separate property of DV. The amount of any such condemnation award, including without limitation severance damage or incidental damage, which relates to the loss of the fee title to a portion of the Property or to the residual or reversionary rights of Lessor under the PCU and SD Leases, shall be the sole and separate property of Lessors.

ARTICLE XXIV
CROSS REMEDY

Any default on the part of DV pursuant to the provisions of the Lease of even date herewith between the parties shall constitute a default hereunder and entitle Lessors to exercise the remedies provided for herein or otherwise available at law after having giving notice to DV and failure of DV to correct said defaults as provided in Article XXV hereof.

ARTICLE XXV

NOTICE AND REMEDIES UPON DEFAULT

In the event of any default by DV in compliance with any of the covenants, agreements, terms or conditions of this Sublease, excepting those set forth in Article VII(2), (3) and (4) relating to use and operation of skiing improvements on the Total Ski Area, or Article XXIX relating to ticket sales, Lessors shall give written notice to DV designating such asserted default, and demanding that such default be cured. DV shall thereafter have a period of thirty (30) days following receipt of such notice within which to correct the defaults of which it has received notice, or in the case of default which cannot be reasonably corrected within said 30-day period, DV shall have a period of thirty (30) days within which to commence action to cure said default and shall thereafter diligently pursue such corrective action. Should DV fail to correct any such default within said 30-day period, or if such default is of such a nature that it cannot be cured within said 30-day period, if DV fails within said 30-day period to commence action to cure said default or fails thereafter to diligently proceed to cure such default, Lessors may, at their election, upon written notice to DV, cancel and terminate this Sublease. In the event of violation of the provisions of Article VII(2), (3) and (4) relating to use and operation of the ski facilities on the Total Ski Area, or the Provisions of Article XXIX relating to ticket sales, Lessors may notify DV thereof by written notice to William A. Prince, or his replacement, at the business office of DV in Park City, Utah. If such violation persists for two (2) weekdays thereafter, Lessors may, at their election, by written notice to DV, cancel this Sublease. Notwithstanding the foregoing, if such

violations are repeated twice after first notice thereof in any skiing season, Lessors may elect to cancel this Sublease.

In addition to the remedy of cancellation and termination, and without awaiting expiration of any of the time periods set out in this Article XXV, Lessors shall have the right to compel specific performance by DV of its obligations hereunder, to enjoin any default by DV which might result in damage or injury to the Property and improvements thereon or to Lessors, to recover damages from DV arising out of such default, and/or to exercise any other remedy available at law or in equity. The waiver by Lessors of, or the failure of Lessors to take action with respect to any such default, as provided in this Article XXVI, shall not be deemed to be a waiver of any covenant, agreement, term, condition or other provision of this Sublease, or any subsequent default. Further, the acceptance of rent subsequent to any such default shall not be deemed to be a waiver of any previous default or the provisions hereof, other than the failure of DV to pay the particular rent so accepted, regardless of any knowledge on the part of Lessors of such previous default at the time of acceptance of such rent.

ARTICLE XXVI

TERMINATION BY DV

DV shall have the right, at any time during the Term or any Extended Term to cancel and terminate this Sublease in its entirety or as to any part of the Property which does not contain any part of the improvements shown on the Master Plan, Exhibit K. In the event that DV elects to cancel and terminate this Sublease as to any portion or all of the Property, it shall give written notice of said election to Lessors, which notice shall set forth the portion of the Property with respect to which DV elects to terminate this Sublease. Concurrently with the delivery of said notice, DV shall deliver to Lessors a duly executed and acknowledged quitclaim deed with respect to the leasehold interest of DV in that portion of the Property which is the subject of said termination, together with a written release surrendering and releasing to Lessors all rights of DV hereunder with respect to that portion of the Property with respect to which DV has elected to cancel

and terminate this Sublease. Cancellation of this Sublease in entirety shall automatically cancel the Lease between the parties of even date herewith. No such partial cancellation shall terminate the obligation to pay the rental set out in Article V hereof, or to comply with any agreement with local authorities regarding maintenance of the land affected. Upon delivery of such notices, quitclaim deeds and releases covering the entirety of the Property, this Sublease shall be deemed terminated in its entirety, except as to those obligations which have accrued prior to the date of such termination, including any obligation resulting from operating or maintenance agreements with local authorities, and except as to provisions hereof which by their specific terms are intended to survive cancellation and termination hereof.

ARTICLE XXVII

OWNERSHIP OF PERSONAL PROPERTY AND IMPROVEMENTS

Upon voluntary termination of this Sublease in entirety by DV, the detachable chair lift described in Article XII, all ski lifts, ski runs, access lifts, operator houses and power stations, installed in any part upon the Property by DV, including any portions thereof upon other property, and attached portions of any snow-making equipment, telephone lines and electrical lines installed in any part of the Property by DV shall remain wholly in place and become the property of Lessors upon the following terms and conditions:

(a) DV shall promptly provide Lessors with a complete written list of all such property together with an accounting of all outstanding obligations, if any, against such property;

(b) Lessors shall within 90 days thereafter advise DV in writing of the property as to which Lessors are prepared to assume outstanding obligations. If no such notice is given by Lessors during said 90-day period, Lessors shall be conclusively deemed to have given notice on the 90th day that they do not elect to assume any such outstanding obligations;

(c) All such property for which Lessors assume the obligations shall remain in place and become the property of

Lessors; all such property for which Lessors do not assume the obligations shall be removed by DV from the Property within six (6) months following such notice. Any such items remaining on the Property after the expiration of six (6) months following such notification shall be deemed abandoned by DV, and Lessors shall have the right to take such action as they elect in connection therewith, including the right to remove such of DV's properties remaining on the Property as Lessors elect, at the expense of DV, provided that such removal will be accomplished within one year following the effective date of the termination;

(d) Upon voluntary termination of this Sublease, DV shall promptly quitclaim or assign (subject to required consents of third parties) to Lessors all rights in realty not part of the leasehold which DV has and upon which are situated any part of any property or improvements assumed by Lessors hereunder.

In the event that action is brought by Lessors against DV for specific performance of the terms hereof, or for injunctive relief against DV for practices of DV hereunder, and which results in a final order of a court of competent jurisdiction granting positive relief to Lessors, the failure of DV within the time set forth in such order or set forth in Article XXV hereof, whichever is less, to cure the default embraced in such order, shall be deemed, at the option of Lessors, a voluntary termination of this Sublease by DV.

Within 30 days following termination of this Sublease, DV shall provide Lessors full and complete copies of the records of DV relating to usage, costs of operation and maintenance of improvements in any part upon land leased hereunder.

For so long as Lessors advance all costs and expenses thereby incurred as hereinafter required and shall request, and the pertinent leases are renewable by their terms:

(a) DV shall not surrender or voluntarily terminate any leasehold it has insofar as it underlays a parcel of land two hundred feet in width extending 100 feet on either side of the

center line of the access lift described in Section XII hereof, unless it assigns such leasehold insofar as it relates to said 200-foot wide strip of land to Lessors with the consent of the lessor thereof, or to a third party, subject to an easement in Lessors to operate and maintain said access lift, pursuant to paragraph (b) hereof, and

(b) DV shall not surrender or terminate any leasehold it has to the extent it covers the property included within the Wasatch County portion of the Deer Valley Resort, as defined in the Maintenance Agreement between DV, Lessors and Wasatch County of even date herewith (except the Property leased by this Sublease), unless it assigns such leasehold with the consent of the lessor thereof, to the extent it covers the property included within said Wasatch County portion of the Deer Valley Resort, to a party or parties selected by DV, subject to a covenant that said leasehold to such extent shall remain subject to the terms of the said Maintenance Agreement and shall maintain the lease to the extent it covers the property included in said Wasatch County portion of the Deer Vally Resort in compliance with the terms of this paragraph.

To the extent DV, its successor or assign is required hereby to refrain from surrendering or voluntarily terminating any such lease following the termination of this Sublease, Lessors, upon notification thereof by DV or its assignee, shall advance to DV or its assignee at least 10 days before due all proper charges arising under such lease, and all costs and expenses of every type incurred by DV or its assignee as a result of refraining from surrendering or voluntarily terminating any such lease or compliance by DV or its assignee with the requirements thereof. DV, its successor or assign, shall timely deliver all payments advanced by Lessors which are payable to the lessor under such lease to such lessor. Failure of Lessors to advance said sums when due shall automatically release DV and its assignee from further compliance with its obligations pursuant to this paragraph. If DV, with the consent of Wasatch County, eliminates from the Wasatch County portion of the Deer Valley Resort, as defined in said Maintenance Agreement,

any property except that underlying the access lift and extending 100 feet on either side of the center line of said lift, such eliminated property shall not be subject to the provisions of this paragraph.

ARTICLE XXVIII

SUBLETTING AND ASSIGNMENT

DV shall not sublet the Property, in whole or in part, and assign or transfer this Sublease or any interest herein, in whole or in part, without the consent of Lessors, which shall not be unreasonably withheld. The making of any such sublease or assignment shall not release DV from, or otherwise affect in any manner, any of the obligations of DV hereunder. Notwithstanding any provisions herein to the contrary, neither this Sublease nor the leasehold estate of DV hereunder, nor any other interest of DV hereunder, or in or to the Property or any improvements thereon, shall be subject to an involuntary assignment, transfer or sale or to assignment, transfer or sale by operation of law in any manner whatsoever, and any such involuntary assignment, transfer or sale shall be void and of no effect and shall terminate this Sublease forthwith. The parties agree that any provision of the foregoing to the contrary notwithstanding, a sale or other transfer in the event of foreclosure or enforcement of the rights granted by a mortgage, trust deed, security agreement or other instrument of encumbrance executed by or granted by DV shall not constitute an involuntary assignment, transfer or sale which would result in the termination of this Sublease. Without limiting the generality of the foregoing provisions of this Article XXVIII, DV agrees that in the event any proceedings to declare DV bankrupt under the Bankruptcy Act, or any amendment thereto, be commenced by or against DV, and, if against DV, such proceedings shall not be dismissed before either a final adjudication in bankruptcy or the confirmation of a composition arrangement or plan of reorganization, or in the event DV is adjudged insolvent or makes an assignment for the benefit of its creditors, or if a receiver is appointed in any proceeding or action to which DV is a party with authority to take possession or control of the Property, or any portion thereof, or the business conducted thereon by DV, and such receiver is not discharged within a period of thirty (30)

days after his appointment, any such event shall be deemed a default by DV under this Sublease and shall, upon giving of notice, terminate this Sublease and all rights of DV and of any and all persons claiming by, through or under DV under this Sublease and in and to the Property, and all improvements thereon.

In addition to, and not in qualification of the rights of Lessors under Section XXVII hereof, in the event of termination of this Sublease pursuant to the last preceding sentence, and in such event Lessors do not obtain all of the personal property and improvements installed in any part upon the Property which Lessors could have assumed under Section XXVII, Lessors shall have the immediate right to purchase, from any receiver, trustee, or other guardian of the assets of DV, any personal property or improvements of DV which are physical extensions of any of the property which Lessors could assume under Section XXVII and necessary to the use thereof. Lessors shall pay for such property the amount of the highest independent bona fide offer therefor, or, if no such offer is received within 20 days of such termination, the fair market value of such property as determined by a qualified appraiser.

ARTICLE XXIX

TICKET SALES

If tickets for use of the skiing facilities developed on the Total Ski Area are sold by reservation, they shall be reserved through a central outlet operated by DV strictly on a first-come-first-serve basis. DV shall maintain at the Deer Valley Resort and at a place selected by Lessors at the Mayflower Mountain Resort sales booths for the sale of ski lift tickets strictly on a first-come-first-serve basis. If tickets are permitted to be reserved by "lodging facilities" for sale to the guests thereof, the Mayflower Mountain Resort will be recognized as a fully-qualified "lodging facility", having all rights and privileges to such ski lift tickets as are available to any other "lodging facility".

As provided in Article VII hereof, DV shall not operate the skiing facilities on the Total Ski Area or handle ticket sales or reservations in any manner which would in any way favor guests or

patrons of the Deer Valley Resort or persons obtaining property from DV over guests or patrons of the Mayflower Mountain Resort, or persons obtaining property from Lessor. It is the intent of the parties to guarantee that Mayflower Mountain Resort patrons and purchasers of property from Lessor shall have the same rights and privileges with respect to the skiing facilities developed on the Total Ski Area as are enjoyed by Deer Valley Resort patrons and purchasers of property from DV.

If it is determined by DV during the course of this Lease to limit sales or the reservation of tickets for use of ski facilities on the Total Ski Area to patrons of the Deer Valley resort or persons obtaining property from DV, then Lessor shall, for the same period, be entitled to reserve for each day of said period, for use of their patrons and purchasers, lift tickets equivalent in number to the number held for purchase by patrons and purchasers from DV.

Lessors shall be permitted at all reasonable times and places to monitor sales and reservations of tickets by Deer Valley to assure compliance herewith, and for that purpose, shall have reasonable access to all pertinent premises and records at all times during regular business hours. Lessors agree to make no use of such information other than to assure compliance herewith and to protect its rights, as expressed herein.

ARTICLE XXX

ACCESS TO PUBLIC FACILITIES

Patrons of the Deer Valley Resort shall have the same right to use the public commercial facilities of the Mayflower Mountain Resort as patrons of the Mayflower Mountain Resort. Patrons of the Mayflower Mountain Resort shall have the same right to use the public commercial facilities of the Deer Valley Resort as patrons of the Deer Valley Resort.

ARTICLE XXXI

NOTICES

Any notice herein contemplated to be given to Lessors shall be sufficient if given in writing by registered or certified mail, and in either case, addressed to:

Stichting Mayflower Mountain Fonds
Stichting Mayflower Recreational Fonds
Zr. Den Hertoglaan 24
3641 KA Mijdrecht, Holland

with a copy to: Giaouque & Williams
P.O. Box 2670
Park City, Utah 84060

or to such other address or addresses as Lessors shall hereafter designate to DV in writing. Any notices herein contemplated to be given to DV shall be sufficient if given in writing by registered or certified mail, and in either case, addressed to:

Deer Valley Resort Company
P. O. Box 889
Park City, Utah 84060
ATTN: William A. Prince, Vice President

or to such other address or addresses as DV shall hereafter designate to Lessors in writing.

Notices given by registered or certified mail pursuant hereto shall be deemed received, effective and complete at the time of delivery thereof to the address indicated. In the event that the addressee refuses to accept delivery of any such notice and the notice is thereby returned by the postal department to the party which mailed the same, such refused notice shall, for purposes hereof, be deemed to have been received, effective and complete at the time it is returned by the postal department to the party which mailed the same.

ARTICLE XXXII

COMPLIANCE WITH PRIOR OBLIGATIONS

A. Lessors agree that at all times during the Term and any Extended Term, Lessors will comply with all terms, provisions and requirements of the following (hereinafter collectively designated the "Prior Obligations"):

1. The PCU Lease;
2. The SD Lease;
3. The Addendum;
4. The PCU Lease Assignment;
5. The PCU Leasehold Mortgage;
6. The SD Lease Assignment;
7. The SD Leasehold Mortgage;
8. The Newpark Debt;

and will make all payments required to be made by LIC and/or Lessor under the terms thereof and fulfill all obligations provided thereby to be performed or fulfilled by LIC and/or Lessors, unless excused or extended. Lessors agree that they will, at all times during the Term and any Extended Term, take such action as is necessary to maintain the rights granted to LIC by the PCU and SD Leases in full force and effect and to maintain said PCU and SD Leases in full force and effect and enforceable in accordance with their terms. Further, Lessors agree that they will not amend or modify any of the prior obligations in such manner as to increase their obligations or to alter or modify the rights or obligations of DV thereunder or hereunder, without the written consent of DV.

ARTICLE XXXIII

TITLE DISPUTES

A. There is currently pending that certain action entitled Rosslare Realty and Murray First Financial Europe v. Stichting Mayflower Recrational Fonds and Stichting Mayflower Mountain Fonds, Civil No. 6702, Third Judicial District Court of Summit County, Utah, in which a predecessor in title to Lessors seeks to rescind a transaction pursuant to which Lessors acquired title to the Property. Such action is expected to be consolidated with litigation filed by Lessors against persons and entities not Lessors' predecessors in title to the Property (Stichting Mayflower Recreational Fonds and Stichting Mayflower Mountain Fonds v. Whitney, et al., Civil No. C 81-0802W, United States District Court of Utah). There is also currently pending that certain action entitled Murray First Financial Europe, b.v. v. Stichting Mayflower Recreational Fonds and Stichting Mayflower Mountain Fonds, Amsterdam Court of Justice, Netherlands. Because of the pendency of such litigation, it is agreed that until one or more final decrees, judgments or settlements are made or entered in such litigation confirming the title to the Property in Lessors against all claims of the adverse parties which could deprive Lessors of the title to the Property:

- (1) DV shall pay annually at the time required by the PCU Lease, the SD Lease and the Addendum the rent due under such leases directly to the lessor thereunder, and such payment shall for all

purposes constitute payment of rent under this Sublease;

(2) DV shall not attempt to exercise any right claimed by it under any other lease on the Property in violation of the restrictions contained in Articles II, XI and XVIII of this Sublease;

(3) Lessors shall comply with the requirements of Article XXXII of this Sublease to the extent permitted by law, but nothing herein contained shall waive any claim which Lessors may have against Rosslare Realty, N.V. for performance of the obligations contained in Article XXXII of this Sublease;

(4) Performance of such obligations of DV and exercise of such rights of Lessors under the first and second paragraphs of Article VI insofar as they relate to any improvements, any portion of which is located on the Property, or the third and fourth paragraphs of Article VI, subparagraphs (2), (3) and (4) of Article VII, all of Article XII, except the second paragraph thereof, all of Article XXVII preceding the last paragraph thereof on pages 30, 31 and 32 of this Sublease, and Articles XXIX and XXX of this Sublease shall be deferred for a reasonable time following confirmation of Lessors' title, as described hereinabove; provided, however, that DV shall neither act or fail to act where to do so will deprive it of the ability to fully perform the requirements of Articles VI, VII, XII, XXVII, XXIX and XXX at the appropriate time, and subject to paragraph C hereinbelow, nothing in this Article XXXIII herein shall be deemed to waive the requirements of Article XXVII in the event of a voluntary termination of this Sublease;

(5) DV shall not agree to amend or modify or consent to any amendment or modification of any other sublease of the Property unless Lessors shall agree that such amendment or modification shall apply to this Sublease;

(6) Except as qualified by (4) above, and subject to paragraph C below, Lessors shall be entitled to all remedies set out in Article XXV of this Sublease or otherwise provided by law, and no claim of Rosslare Realty shall be a defense to any such remedy sought by Lessors.

B. Upon a final confirmation by settlement, decree or otherwise that Lessors have good and marketable title to the Property as against the claims of adverse parties in the litigation identified hereinabove which could deprive Lessors of title to the Property, all of the terms of this Sublease shall be fully operative and enforceable and shall be fully complied with; provided, however, that any construction required by this Sublease shall not be required to be completed until the later of the beginning of the ski season, which begins immediately following the date which is one year from the date of such confirmation or the date for completion thereof required by this Sublease. In the event of such a confirmation, the rent provided for in this Sublease shall be payable by DV directly to Lessors, and shall be the only rent payable to Lessors with relation to the Property.

C. In the event the litigation identified hereinabove or other action or proceeding before a court of competent jurisdiction between Lessors and any adverse party in such litigation results in a final judgment, decree or settlement that rescinds Lessors' title to the Property, this Sublease shall be void. Such event shall not constitute a "voluntary termination" for purposes of this Sublease, in general, and in particular Articles XXVII and XXXIII hereof, and such event shall terminate all rights, duties and obligations of the parties hereunder, including those which Lessors would have in the event of a voluntary termination of this Sublease by DV. Such a termination shall not have the effect of terminating any other sublease on the Property, if any, or any rights, duties or obligations of the parties thereunder, nor of releasing to Lessors any rights claimed by DV pursuant to any such sublease.

D. Nothing contained in this Sublease, in general, and in particular this Article XXXIII, shall be construed as an admission by Lessors that they are in any manner bound by the terms of the Asserted Sublease or by DV that Lessors are not so bound. Furthermore, nothing contained herein shall in any manner be construed as a concession by Lessors of any validity whatsoever of the claims of Rosslare Realty, or

as a representation or admission by Lessors of any kind regarding Lessors' rights against Rosslare Realty.

E. Except as specifically provided in this Article XXXIII, all provisions of this Sublease shall be fully enforceable and fully complied with, notwithstanding the litigation identified herein.

ARTICLE XXXIV

MISCELLANEOUS PROVISIONS

A. This Sublease shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

B. If suit be brought by either party to enforce the provisions of this Sublease, the losing party in such litigation shall pay to the prevailing party such amount as may be determined by the court to be reasonable attorneys' fees and costs incurred therein.

C. This Sublease shall be interpreted in accordance with the laws of the State of Utah.

D. When used herein, the term "Lessors" shall refer collectively to both entities designated as Lessors on page 1 hereof.

DATED as of the day and year first above written.

STICHTING MAYFLOWER RECREATIONAL
FONDS

By

Its

Secretary

STICHTING MAYFLOWER MOUNTAIN FONDS

By

Its

Secretary

DEER VALLEY RESORT COMPANY, a Utah
Limited Partnership, By Its General
Partner, Royal Street of Utah, a Utah
corporation

By

Its

VICE PRESIDENT

)
ss.
)

On the 24 day of January, 1982, personally appeared before me Herman van Swaening who being by me duly sworn did say that he is the secretary of STICHTING MAYFLOWER RECREATIONAL FONDS, an entity formed under the laws of the Netherlands, and that the within and foregoing Sublease was signed on behalf of said entity by authority, and the secretary duly acknowledged to me that said entity executed the same.



Leo Johannes Willem Maria Schroeder

NOTARY PUBLIC
Residing at: Amsterdam

My Commission Expires: lifetime

)
ss.
)

On the 26 day of January, 1982, personally appeared before me Herman van Swaening, who being by me duly sworn did say that he is the secretary of STICHTING MAYFLOWER MOUNTAIN FONDS, an entity formed under the laws of the Netherlands, and that the within and foregoing Sublease was signed on behalf of said entity by authority, and the secretary duly acknowledged to me that said entity executed the same.



Leo Johannes Willem Maria Schroeder

NOTARY PUBLIC
Residing at: Amsterdam

My Commission Expires: lifetime

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

On the 29 day of January, 1982, personally appeared before me William C. Quinn who being by me duly sworn, did say that he is a Vice President of Royal Street of Utah, a Utah corporation, that said corporation is the General Partner of DEER VALLEY RESORT COMPANY, a Utah Limited Partnership, and that the within and foregoing Sublease was signed on behalf of

corporation and Partnership by proper authority and said

William B. Priddy duly acknowledged to me that said corporation and Partnership executed the same.

Brent J. Dieringne
NOTARY PUBLIC
Residing at: Salt Lake City, Utah

NOTARY PUBLIC
My Commission Expires: 9/28/82
OF ILLINOIS

APOSTILLE

(Convention de La Haye du 5 octobre 1961)

1. Country: The Netherlands
This public document
2. has been signed by mr L J W M Schroeder
3. acting in the capacity of
NOTARIS TE AMSTERDAM
4. bears the seal/stamp of
mr L J W M Schroeder
Certified
5. at Amsterdam
6. the 28 JAN. 1982
7. by the Registrar of the Court
(arrondissementsrechtbank) in Amsterdam.
8. No. 12899
9. Seal/stamp
10. Signature:

CS

[Handwritten Signature]



EXHIBIT A
RECORDING
SURFACE LEASE

FEE = \$56.50

THIS SURFACE LEASE, made and entered into as of the 1st day of January, 1974, by and between PARK CITY UTAH MINES COMPANY, a Delaware corporation, hereinafter referred to as "Lessor", and LON INVESTMENT COMPANY, a Utah corporation, hereinafter referred to as "Lessee".

W I T N E S S E T H:

WHEREAS, Lessor is the owner of certain patented lode mining claims situated in the Blue Ledge Mining District, Summit and Wasatch Counties, State of Utah, the surface of which Lessee desires to lease and the Lessor is willing to lease said surface to Lessee on the terms and conditions hereinafter set forth.

NOW, THEREFORE, in consideration of the sum of TEN DOLLARS (\$10.00) and other good and valuable consideration, the mutual covenants herein contained, and the rentals to be paid hereunder, it is agreed as follows:

I

THE LEASED SURFACE

A. Lessor hereby leases, lets and demises to Lessee upon and subject to the terms and conditions herein contained the surface rights owned by Lessor in the patented lode mining claims located in the Blue Ledge Mining District, Summit and

ENTRY NO. 109984 DATE MAY 12 1977 TIME 1:30 P.M. FEE 56.50
RECORDED BY STANLEY ABSTRACT BOOK 111 PAGE 600-620
RECORDED AT _____ BY Stanley G. Zupar

Wasatch Counties, State of Utah, which are particularly described in Exhibit "A", signed on behalf of each party for the purpose of identification, and attached hereto and made a part hereof, together with all rights-of-way, easements, and appurtenances thereto, subject, however, to the following reservations:

(1) all minerals (metallic and non-metallic), including without limitation, copper, lead, zinc, gold, silver, sand, stone, gravel, coal, geothermal water and steam, oil and gas in and upon said mining claims; and

(2) the surface and water rights referred to in the succeeding paragraph B.

The rights leased are hereinafter referred to as "Leased Surface".

B. (1) Under even date herewith, San Diego Mining Company is granting to Lessee a Lease ("San Diego Lease") which contains provisions similar to those contained in this paragraph B. For the purposes of this paragraph B, the phrase "combined leased surface" shall be deemed to designate the surface covered by the within Lease and the surface covered by said San Diego Lease. Lessor reserves and shall have the right to select from the "combined leased surface", and to designate by metes and bounds descriptions, survey ties and monuments on the ground, two (2) alternative surface tracts of not to exceed fifteen (15) acres each. It is mutually recognized that either or both of said alternative surface tracts may embrace lands covered, in whole or in part, by the within Lease, and that either or both of said alternative

surface tracts may embrace lands covered, in whole or in part, by said San Diego Lease. In no event, however, shall Lessor have the right to select and designate from the "combined leased surface" more than two (2) alternative surface tracts, or the right to utilize more than one of the so-designated alternative surface tracts. Lessor also reserves and shall have the right to select and designate rights-of-way to the two (2) so-selected alternative surface tracts for access roads, drainage lines and power lines. When and if Lessor shall deem such use to be necessary or desirable for mining operations, Lessor shall have the right, without compensation to Lessee, to use either (but not both) of said alternative surface tracts for a mine shaft or shafts, adits or other mine opening or openings, appurtenant buildings and structures, a mill or other processing plant and mine waste and/or mill tailings dump. When and if Lessor shall commence to actually utilize either of said alternative surface tracts and said rights-of-way with respect thereto, such utilization shall be deemed to constitute Lessor's election to relinquish and Lessor's relinquishment of rights as to the other of said alternative surface tracts and said access ways with respect thereto.

(2) Lessor reserves and shall have the right to use other portions of the Leased Surface for drilling or other exploration work and for mining operations, upon condition that Lessor shall pay Lessee for the actual damages, if any, sustained by Lessee by reason of Lessor's use of such surface.

(3) Lessor also reserves and shall have the right to develop water needed or desired for exploration, mining and milling operations, and Lessor shall not be responsible to Lessee for any diminution or destruction of any water supply resulting from operations conducted by Lessor. Lessor agrees that Lessee may, at Lessee's expense, take water to which Lessor has a right issuing on the Leased Surface in excess of Lessor's requirements.

C. Lessor does not in any manner warrant title to the Leased Surface or to any part thereof, but by executing this Lease, Lessor intends to and does grant only such rights in the Leased Surface as it may grant under the title it holds, and Lessee acknowledges that it accepts this Lease on such conditions.

D. Notwithstanding any provision in this Lease and in this Section I which may be construed to the contrary, it is understood and agreed that Lessee shall have the right to use the Leased Surface for the purposes set forth in paragraph A of Section V of this Lease, subject, however, to the following agreements, conditions and limitations:

(1) If and when plans are evolved for the location of the facilities and improvements described in paragraph A of Section V, Lessee will give Lessor written notice thereof and specify the location of the facilities and improvements by metes and bounds descriptions, survey ties and monuments on the ground. The locations for facilities shall not be so extensive as to preclude Lessor from

selecting the two (2) surface tracts, referred to in paragraph B(1) of this Section I, suitable for the mining purposes intended. It is contemplated that such notice will be given within two (2) years from the date of this Lease.

(2) If such notice is given after two (2) years from the date of this Lease but before Lessor has selected the two (2) surface tracts referred to in paragraph B(1) of this Section I, Lessor shall select the surface tracts at sites which do not conflict with the part of the Leased Surface proposed to be used by Lessee as aforesaid.

(3) If such notice is given after two (2) years from the date of this Lease and after Lessor has selected the two (2) surface tracts, Lessee shall not locate any facilities or improvements on either of the surface tracts.

(4) The parties shall cooperate in the selection of sites and activities so as not to unreasonably interfere with the use of the Leased Surface for the purposes of the other party.

II

TERM

A. The primary term of this Lease shall be for a period of twenty-five (25) years commencing on the date hereof, and Lessee shall be entitled to possession of the Leased Surface on said date.

B. The term of this Lease may be extended, at the option of Lessee, for two (2) consecutive periods of twenty-five (25) years each. Lessee may exercise its option to extend the term of this Lease by written notice to Lessor not less than one (1) year prior to the expiration of the then existing term of the Lease.

C. Each extension of the term of this Lease shall be upon the same terms and conditions as those in effect upon termination of the primary term, including the provision for increasing the rent payable.

III

BONUS AND RENT

A. Lessee has paid Lessor and San Diego Mining Company concurrently herewith the sum of THIRTY-FIVE THOUSAND DOLLARS (\$35,000.00) as a bonus for this Lease, which shall be in addition to the rentals provided for herein.

B. Lessee agrees to pay Lessor and San Diego Mining Company rent for the Leased Surface at the rate of TEN THOUSAND DOLLARS (\$10,000.00) per year for the first five (5) years of the primary term, to be paid in advance, on the 1st day of January of each year commencing January 1, 1974, and to pay said Lessors FIFTEEN THOUSAND DOLLARS (\$15,000.00) per year, plus any increase in the rent calculated at five (5)

year intervals as provided in the succeeding paragraph C, for the sixth and each succeeding year of the primary term and each extension thereof, to be paid on the 1st day of January of each year.

C. The rent of FIFTEEN THOUSAND DOLLARS (\$15,000.00) per year specified in paragraph B above for the sixth and succeeding years, shall be subject to increase at five (5) year intervals in the same proportion as the Consumer Price Index -- U.S. Average (all items) of the United States Department of Labor, Bureau of Statistice (1967=100), hereinafter referred to as the "Index", increases above the "Base Index". The Base Index shall be the Index for the month of December, 1972, and is 127.3. The Index for December, 1977 shall be compared with the Base Index (127.3) and if there has been an increase in the Index, the rent to be paid each year of the five (5) year period commencing January 1, 1979, shall be increased above FIFTEEN THOUSAND DOLLARS (\$15,000.00) in the same proportion as the increase in the Index. This procedure shall be repeated prior to each January 1 beginning a new five (5) year period during the balance of the primary term of this Lease and each extension thereof, by comparing the Index for the second preceding December with the Base Index.

Examples of increase in rent:	
Assumed Index for December 1977	143.0
Base Index (December 1972)	127.3
Excess of assumed Index for December 1977	15.7
Percentage increase in Index:	
Divide excess of assumed Index for December 1977 by Base Index (15.7 ÷ 127.3)=	.1233
\$15,000.00 multiplied by .1233	\$ 1,849.50
Rent to be paid each year for five year period commencing January 1979	\$16,849.50
Assumed Index for December 2007	187.3
Base Index (December 1972)	127.3
Excess of assumed Index for December 2007	60.0
Percentage increase in Index:	
Divide excess of assumed Index for December 2007 by Base Index (60 ÷ 127.3)=	.4713
\$15,000.00 multiplied by .4713	7069.50
Rent to be paid each year for five year period commencing January 2009	22069.50

The rent adjustment shall only be made if the comparison of the Base Index with the Index for a later date shows an increase. In no event shall the rent be less than FIFTEEN THOUSAND DOLLARS (\$15,000.00) per year after 1978.

If such Index is no longer published or the basis for its computation is changed, then the parties shall agree on some other equitable technique or calculation which fairly takes into account any decrease in the purchasing value in the United States of the U.S. Dollar.

D. Lessee shall pay as additional annual rental an amount equal to the entire fair rental value of any part of the Leased Surface (1) upon which there is built any condominium or dwelling

unit or units, hotel, restaurant or shop, or other business building or (2) which is used in connection with such structures. Provided, however, there will be no additional rental due or payable with respect to any structure or building used in connection with ski lifts, tramways and gondolas, such as a summit house, or midway house, or warming area, or loading and unloading area.

The bonus and rentals provided for in this Section shall be divided between Park City Utah Mines Company and San Diego Mining Company, as follows:

- Park City Utah Mines Company, 86%
- San Diego Mining Company, 14%

IV

TAXES, ASSESSMENTS, ETC.

A. Except as otherwise provided in the succeeding paragraph B, Lessee shall pay all real estate taxes, special improvement and other assessments (ordinary and extraordinary), and all other taxes, charges, fees, and payments imposed, assessed or levied by any governmental authority upon, or which may arise in connection with the use, occupancy, or possession of the Leased Surface by Lessee. If no part of the real estate taxes assessed against said mining claims is attributable to the production of minerals from them, Lessee shall pay all the real estate taxes.

B. Lessor shall pay all real estate taxes, assessments, charges, fees, and payments imposed by any governmental authority in connection with Lessor's operations on or the production of minerals from said mining claims.

V

OCCUPANCY AND USE OF THE LEASED PREMISES

A. Subject to Lessor's reserved rights, during the term of this Lease and any extensions thereof, Lessee shall have the right to occupy and use the Leased Surface for any lawful purpose whatsoever, including, but without limitation, the right to construct, operate, maintain, alter, replace and remove ski facility buildings, gondola, tramways, ski lifts, ski runs, and related improvements.

B. All operations conducted by Lessee on the Leased Surface shall be conducted in full compliance with all applicable laws, regulations, ordinances, and rules of any governmental authority.

C. Lessee shall keep the Leased Surface free and clear of all mechanic's liens and other liens in any manner connected with Lessee's use and occupancy of or operations on the Leased Surface and shall promptly pay and discharge or post adequate security for any such liens that may arise, and Lessee shall indemnify, defend and save harmless Lessor against and from all costs, expenses, liabilities, suits, and claims resulting from any such liens.

D. Lessee shall indemnify, defend, and save harmless Lessor from and against any and all expense, liability, obligation, damage, penalty, or judgment arising from or in any way connected with injury to persons or damage to property sustained

by anyone in, on and about the Leased Surface resulting from or in any manner connected with Lessee's use and occupancy of or operations on the Leased Surface or any act or acts or omission or omissions of Lessee, its agents, employees, contractors, or sublessees, or their respective tenants, visitors, customers, or invitees. As protection against such expense and liability, Lessee shall carry public liability and property damage insurance with a responsible company and include Lessor as a co-insured, providing coverage in the amounts of not less than \$1,000,000.00 public liability, and not less than \$100,000.00 property damage. Lessee shall promptly furnish Lessor a copy of all such insurance policies.

E. In conducting its operations on the Leased Surface, Lessee shall observe sound environmental practices, including reseeding and replanting where necessary, to maintain the Leased Surface in a natural and attractive state, consistent with the nature of Lessee's use and occupancy.

VI

ASSIGNMENTS AND SUBLEASES

Lessee shall have the right to assign or sublease its interest under this Lease to a responsible party without Lessor's prior consent, provided that within thirty (30) days after making any such assignment or sublease, Lessee shall give Lessor written notice thereof and furnish Lessor with a full and true copy of the assignment or sublease. No such assignment or sublease shall relieve Lessee of its obligations hereunder.

VII

OCCUPANCY OF THE LEASED PREMISES BY LESSOR

A. All activities and operations conducted by Lessor on the Leased Surface shall be conducted in full compliance with all applicable laws, regulations, ordinances, and rules of any governmental authority.

B. Lessor shall keep the Leased Surface free and clear of all mechanic's liens and other liens arising from activities or operations conducted by or under Lessor, and shall promptly pay and discharge or post adequate security for any such liens that may arise, and Lessor shall indemnify, defend, and save harmless Lessee against and from all costs, expenses, liabilities, suits, and claims resulting from any such liens.

C. Lessor shall indemnify, defend, and save harmless Lessee from and against any and all expense, liability, obligation, damage, penalty, or judgment arising from or in any way connected with injury to persons or damage to property sustained by anyone in, on, and about the Leased Surface resulting from or in any manner connected with Lessor's use and occupancy of the Leased Surface or any act or acts or omission or omissions of Lessor, its agents, employees, contractors, or lessees.

VIII

DEFAULT

A. In the event Lessee shall fail to pay any installment of rent as and when due hereunder, or in the event Lessee shall

fail to perform any of the other covenants, conditions, and agreements herein contained and on Lessee's part to be kept or performed and shall fail to cure same within thirty (30) days (or such additional time as may reasonably be required as to matters that cannot be cured within thirty (30) days) after Lessor gives Lessee written notice specifying in detail the nature of such failure, then, in either such event, Lessor may, at its option, terminate this Lease by written notice to Lessee. Upon termination, Lessor shall have no further obligation to Lessee and all Lessee's rights and interests under this Lease shall cease. Lessee shall continue to be obligated to Lessor for the payment of all rent and the performance of all other obligations herein contained to be performed by Lessee, prior to the effective date of termination. In addition to the right of terminating this Lease, Lessor may at any time sue and recover judgment against Lessee for any overdue rent or for damages, including costs and attorney's fees, caused by any breach or default by Lessee.

B. Upon termination of this Lease pursuant to paragraph A above, Lessor may re-enter and recover possession of the Leased Surface, and such right shall be in addition to and without prejudice to all other remedies Lessor may have in law or in equity.

IX

TERMINATION

A. Lessee shall have the right to surrender and terminate

this Lease at any time upon sixty (60) days' advance written notice to Lessor, but Lessee shall not be entitled to the return of any portion of the rent paid.

B. Upon termination of this Lease, if Lessee is in full compliance with all its terms and provisions, Lessee shall have one hundred eighty (180) days following termination in which to go on the Leased Surface and remove therefrom all improvements, fixtures, personal property and facilities placed thereon by or under Lessee. Lessee shall clean up and leave the Leased Surface in good condition, free of all debris and shall smooth and reseed where appropriate.

C. Lessor shall have the right to terminate this Lease at any time after December 31, 1975, unless by December 31, 1975, Lessee has commenced and is diligently pursuing the development of the Mayflower Recreation Project, "diligently pursuing" being defined as having expended at least ONE MILLION DOLLARS (\$1,000,000.00) in development work consisting of ski facilities and/or development of a commercial area.

X

CONDEMNATION

A. In the event a portion of the Leased Surface is taken for any public use by right of eminent domain or under any statute and the portion not so taken is reasonably satisfactory for the purposes for which this Lease was given, this Lease shall not terminate but shall continue for the remaining term of this

Lease subject to the terms and conditions hereof; provided, however, that if the portion of the Leased Surface so taken is in excess of ten per cent (10%) of the area of the Leased Surface, the rent thereafter payable hereunder shall be reasonably adjusted on such basis as the parties may agree. If the Lessor and Lessee are unable to agree on the amount of the adjustment, the Lessor and Lessee shall each appoint a qualified real estate appraiser, and the two appraisers thus selected shall choose a third qualified appraiser. The three appraisers shall appraise the Leased Surface remaining after the taking is completed, and shall determine the fair market annual rental for such premises and submit their finding to Lessor and Lessee. A finding as to the fair market annual rental value on which two or more of the appraisers agree shall be binding upon Lessor and Lessee. The adjustment of rent as provided herein shall be without prejudice to the rights of either Lessor or Lessee to recover compensation from the condemning authority for loss or damage caused by the taking of a portion of the Leased Surface.

XI

UTILITY EASEMENTS

Lessee shall have the right to enter into reasonable agreements with utility companies creating easements in favor of such companies as are required to service the Leased Surface and any buildings, structures, or improvements thereon. The easements shall be subject to termination by Lessor on termination of this Lease. Lessor agrees to execute such documents as may reasonably be required in order to effectuate such agreements.

XII

LEASEHOLD MORTGAGING

A. Lessee shall have the right, without Lessor's prior consent, to make its interest under this Lease, or any part thereof, subject to any mortgage or deed of trust and to assign this Lease as security for any indebtedness, provided that all rights acquired under any such mortgage or deed of trust shall be subject to all of the terms and conditions of this Lease and to Lessor's rights hereunder. Lessee shall give Lessor prompt written notice describing any such mortgage or deed of trust given by Lessee.

B. In the event that Lessor receives notice describing any such mortgage or deed of trust, Lessor agrees to provide the mortgagee or trustee with a copy of any notice thereafter given by Lessor to Lessee, and no such notice shall be deemed effective as against Lessee unless a copy was also provided to the mortgagee or trustee.

C. Lessor agrees to accept performance by any such mortgagee or trustee of any term or provision of this Lease to be performed by Lessee, provided such performance shall occur within the times specified herein.

XIII

NOTICE

All notices hereunder shall be served or given by registered or certified mail, return receipt requested, at the address specified below, or at such other address as may

hereafter be specified in writing:

To Lessor: Park City Utah Mines Company
1772 Countryside Drive
Salt Lake City, Utah 84106

To Lessee: Lon Investment Company
141 East First South, Suite 300
Salt Lake City, Utah 84111

Any notice shall be deemed delivered as of the date of delivery or refusal as indicated on the return receipt.

XIV

RIGHT OF FIRST REFUSAL

A. If the Lessor shall receive a bona fide offer to purchase the Leased Surface only or any part thereof or interest therein, the terms of which offer are acceptable, Lessor shall give Lessee written notice setting forth in detail the terms of such offer, and Lessee shall have thirty (30) days from the effective date of such notice in which to elect to purchase the Leased Surface or part thereof or interest therein on the terms described in said notice. Lessee shall notify Lessor in writing of its decision within said thirty (30) day period and if Lessee fails to so notify Lessor of Lessee's decision or Lessee elects not to purchase, Lessor shall be free to accept the offer described in the notice to Lessee. Any sale by Lessor to a party other than Lessee shall be subject to the terms and conditions of this Lease and any extensions thereof.

B. This right of first refusal shall apply to each acceptable offer received by Lessor to purchase the Leased Surface only, during the term of this Lease, and any extensions

thereof. This right of first refusal shall not apply to an offer to purchase the reserved mineral rights or to an offer to purchase the reserved mineral rights together with the Leased Surface.

XV

MISCELLANEOUS

A. Waiver by either party hereto of any breach or default in the performance of any provision of this Lease shall not be deemed a waiver of a breach or default in the performance of any other provision of this Lease or as consent to any subsequent breach or default as to the same or any other provision.

B. Lessor and its agents and designees shall have the right to enter upon the Leased Surface at all reasonable times for the purposes of examining and inspecting the same.

C. This Lease constitutes the entire agreement between Lessor and Lessee and shall not be modified in any manner except by an instrument in writing signed by Lessor and Lessee.

D. If any provision of this Lease shall be declared invalid or unenforceable for any reason, the remainder of the Lease shall continue in full force and effect.

E. This Lease shall be governed by and construed in accordance with the laws of the State of Utah.

F. Except as otherwise provided herein, the covenants, conditions and agreements contained in this Lease shall bind and inure to the benefit of Lessor and Lessee and their respective successors and assigns.

G. Lessor agrees to execute a Memorandum of this Lease

suitable for recording and in a form reasonably acceptable to Lessor and Lessee.

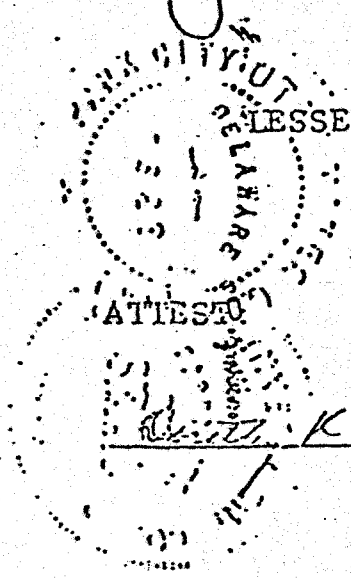
LESSOR:

PARK CITY UTAH MINES COMPANY

By [Signature]
Its Pres

ATTEST:

Virginia L. Gibbons
Secretary



LESSEE:

LON INVESTMENT COMPANY

By [Signature]
Its President

ATTESTED

[Signature]
Asst. Secretary

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

On this 7th day of January, 1974, personally appeared before me J. P. Gibbons and Virginia L. Gibbons, who, being by me duly sworn, did say: That they are the President and Secretary, respectively, of PARK CITY UTAH MINES COMPANY, a Delaware corporation, and that the within and foregoing instrument was signed in behalf of said corporation.

EXHIBIT A

I

Claims Owned By Park City, Utah Mines Company

Group I

<u>Name Of Claim</u>	<u>Survey Or Lot No.</u>	<u>Name Of Claim.</u>	<u>Survey Or Lot No.</u>
Augustus	Lot 107	Juliet	Lot 115
Belcher No. 1	Lot 191	Libert Ext.	MS 6751
Belcher No. 2	Lot 192	Little Giant	Lot 118
Belcher No. 3	Lot 193	Little Kate	Lot 111
Belcher No. 4	Lot 194	Mary Allen	Lot 553
Belcher No. 5	Lot 195	Mary Jane	Lot 551
Blaine	Lot 135	May	Lot 61
C. Mc Falls	Lot 554	N.	Lot 190
C. J. Nelson	Lot 552	Olive Branch	Lot 102
Cataract	Lot 103	Overlook	MS 6750
City of Edinburg	MS 3288	Pay Roll	MS 3020
Clipper	Lot 570	Peerless	Lot 122
Clipper No. 2	Lot 117	President	Lot 129
Columbia	Lot 569	R. P. H.	Lot 560
Cumberland	Lot 120	Richmond	MS 4968
Debs	MS 3006	Richmond No. 2	MS 4992
Denver	MS 4967	Romeo	Lot 108
Denver No. 2	MS 4967	Rose Bud	MS 6546
Denver No. 3	MS 4967	S.E. Ext. of the	
Denver No. 4	Lot 4967	May Bell	Lot 374
Denver No. 5	Lot 4967	Sampson	Lot 60
Error No. 1	MS 7046	Senator Mine & Co.	Lot 124
Error No. 2	MS 7046	Seting Bull	Lot 121
Error No. 3	MS 7047	Shiloah	Lot 121
Excellent	Lot 125	Summit	Lot 111
Homestake	Lot 66	Summit	Lot 131
Homestake No. 2	Lot 67	Viola	Lot 271
Homestake No. 3	MS 5028	*Viola No. 2	Lot 561
Independence	Lot 171	Wasatch	Lot 61
J. H. Rogers	Lot 550	Woodland	Lot 131
J. I. C.	Lot 561		

Group II

<u>Name Of Claim</u>	<u>Survey Or Lot No.</u>
Gardo	Lot 165
Lugano	Lot 165

Together with any and all other mining claims owned by Lessor and adjoining or overlapping the claims described above.

*It is acknowledged that there may be some question with respect to the extent and validity of this claim, which matters are being investigated.

PARK CITY UTAH MINES COMPANY

LON INVESTMENT COMPANY

By [Redacted] [Redacted] [Redacted] The President

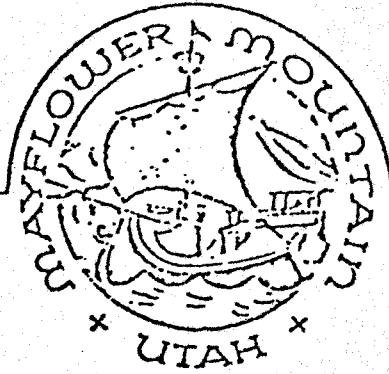


EXHIBIT B

ADDENDUM NO. 1 TO SURFACE LEASES

January 24, 1977

San Diego Mining Company

Park City, Utah Mines Company

Gentlemen:

On January 1, 1974, Lon Investment Company entered into a Surface Lease with each of you, providing for leasing of the surface rights to the mining properties described therein to Lon for the term and on the terms and conditions therein provided.

The following-described payments have been made by the lessee to the lessors:

- (a) \$45,000.00, which was paid at the time of the execution and delivery of the said leases; and
- (b) \$10,000.00, on December 31, 1976.

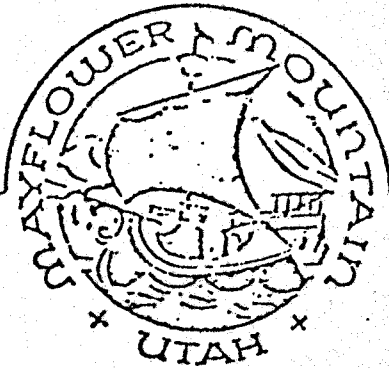
Due to economic conditions, particularly conditions affecting land development and ski resort development, delays have occurred in payments of rentals and development activities on the part of Lon Investment Company.

We have been negotiating with you for certain changes in the Surface Leases.

This will confirm the agreements that we have now reached with respect to amendments to the said Surface Leases.

Entry No. 109986 Recorded at request of STANLEY ABSTRACT
Date MAY 12 1977 at E32-1-17 HARY G. CHIPMAN
County Recorder by Lon. Co. Register
Page 11 Fee 642-47 FEE: \$ 42.

LON INVESTMENT COMPANY -XXXXXXXXXX- SALT LAKE CITY, UTAH 84111
135 South Main Street



San Diego Mining Company
Park City, Utah Mines Company
January 24, 1977
Page Three

The foregoing Addendum No. 1 to Surface Leases is hereby

DATED 1-28-77

SAN DIEGO MINING COMPANY

By

Its [Signature]

PARK CITY, UTAH MINES COMPANY

By

Its [Signature]

STATE OF UTAH)
) ss
COUNTY OF SALT LAKE)

On the 24th day of January, 1977, personally appeared before me EDW. I. VETTER, who being by me duly sworn, did say that he is the President of Lon Investment Company and that the said EDW. I. VETTER did sign the foregoing instrument in behalf of said Corporation by authority of a resolution of it's Board of Directors.

My Commission Expires:
7-11-77

[Signature]
Notary Public
Residing at West Lake Forest
[Notary Seal]

STATE OF UTAH)
) ss
COUNTY OF SALT LAKE)

On the 97 day of March, 1977, personally appeared before me J. P. GIBBONS, who being by me duly sworn, did say that he is the President of San Diego Mining Company and that the said J. P. GIBBONS, did sign the foregoing instrument in behalf of said Corporation by authority of a resolution of it's Board of Directors

My Commission Expires:
7-11-77

[Signature]
Notary Public
Residing at West Lake Forest
[Notary Seal]

STATE OF UTAH)
) ss
COUNTY OF SALT LAKE)

On the 97 day of March, 1977, personally appeared before me J. P. GIBBONS, who being by me duly sworn, did say that he is the President of Park City Utah Mines Company and that the said J. P. GIBBONS, did sign the foregoing instrument in behalf of said Corporation by authority of a resolution of it's Board of Directors

My Commission Expires:
7-11-77

[Signature]
Notary Public
Residing at West Lake Forest
[Notary Seal]

The property covered by said Leases as described and referred to in this Addendum No. 1 to 5 face Leases is more particularly described by the following two Exhibit A's:

EXHIBIT A

I

Claims Owned By Park City, Utah Mines Company

Group I

<u>Name Of Claim</u>	<u>Survey Or Lot No.</u>	<u>Name Of Claim</u>	<u>Survey Or Lot No.</u>
Augustus	Lot 107	Juliet	Lot 115
Belcher No. 1	Lot 191	Libert Ext.	MS 6751
Belcher No. 2	Lot 192	Little Giant	Lot 118
Belcher No. 3	Lot 193	Little Kate	Lot 111
Belcher No. 4	Lot 194	Mary Allen	Lot 553
Belcher No. 5	Lot 195	Mary Jane	Lot 551
Baine	Lot 135	May	Lot 61
B. Mc Falls	Lot 554	N.	Lot 190
B. J. Nelson	Lot 552	Olive Branch	Lot 102
Cataract	Lot 103	Overlook	MS 6750
City of Edinburg	MS 3288	Pay Roll	MS 3020
Clipper	Lot 570	Peerless	Lot 122
Clipper No. 2	Lot 117	President	Lot 129
Columbia	Lot 569	R. P. H.	Lot 560
Cumberland	Lot 120	Richmond	MS 4968
Debs	MS 3006	Richmond No. 2	MS 4993
Denver	MS 4967	Romeo	Lot 108
Denver No. 2	MS 4967	Rose Bud	MS 6546
Denver No. 3	MS 4967	S.E. Ext. of the	
Denver No. 4	Lot 4967	May Bell	Lot 374
Denver No. 5	Lot 4967	Sampson	Lot 60
Error No. 1	MS 7046	Senator Mine & Co.	Lot 124
Error No. 2	MS 7046	Seting Bull	Lot 121
Error No. 3	MS 7047	Shiloah	Lot 123
Excellent	Lot 125	Summit	Lot 116
Homestake	Lot 66	Summit	Lot 137
Homestake No. 2	Lot 67	Viola	Lot 273
Homestake No. 3	MS 5028	*Viola No. 2	Lot 562
Independence	Lot 171	Wasatch	Lot 60
J. H. Rogers	Lot 550	Woodland	Lot 134
J. I. C.	Lot 561		

Group II

<u>Name Of Claim</u>	<u>Survey Or Lot No.</u>
Gardo	Lot 165
Lugano	Lot 165

Together with any and all other mining claims owned by Lessor and adjoining or overlapping the claims described above.

It is acknowledged that there may be some question with respect to the existence and validity of this claim, which matters are being investigated.

PARK CITY UTAH MINES COMPANY

LON INVESTMENT COMPANY

By _____
Its _____

By _____
Its President

EXHIBIT C

Description of PCU Property

The following described patented lode mining claims situated in Summit County, Utah and Wasatch County, Utah:

<u>Name of Claim</u>	<u>Mineral Survey or Lot No.</u>	<u>Name of Claim</u>	<u>Mineral Survey or Lot No.</u>
Augustus	Lot 107	Juliet	Lot 115
Belcher No. 1	Lot 191	Libert Ext.	MS 6751
Belcher No. 2	Lot 192	Little Giant	Lot 118
Belcher No. 3	Lot 193	Little Kate	Lot 111
Belcher No. 4	Lot 194	Mary Allen	Lot 553
Belcher No. 5	Lot 195	Mary Jane	Lot 551
Blaine	Lot 135	May	Lot 61
C. Mc Falls	Lot 554	N.	Lot 190
C. J. Nelson	Lot 552	Olive Branch	Lot 102
Cataract	Lot 103	Overlook	MS 6750
City of Edinburg	MS 3288	Pay Roll	MS 3020
Clipper	Lot 570	Peerless	Lot 122
Clipper No. 2	Lot 117	President	Lot 129
Columbia	Lot 569	R. P. H.	Lot 560
Cumberland	Lot 120	Richmond	MS 4968
Debs	MS 3006	Richmond No. 2	MS 4993
Denver	MS 4967	Romeo	Lot 108
Denver No. 2	MS 4967	Rose Bud	MS 6546
Denver No. 3	MS 4967	S.E. Ext. of the	
Denver No. 4	Lot 4967	May Bell	Lot 374
Denver No. 5	Lot 4967	Sampson	Lot 60
Error No. 1	MS 7046	Senator Mine & Co.	Lot 124
Error No. 2	MS 7046	Seting Bull	Lot 121
Error No. 3	MS 7047	Shiloah	Lot 123
Excellent	Lot 125	Summit	Lot 116
Homestake	Lot 66	Summit	Lot 137
Homestake No. 2	Lot 67	Viola	Lot 273
Homestake No. 3	MS 5028	Viola No. 2	Lot 562
Independence	Lot 171	Wasatch	Lot 60
J. H. Rogers	Lot 550	Woodland	Lot 134
J. I. C.	Lot 561	Gardo	Lot 165
		Lugano	Lot 165

Together with any and all other mining claims owned by Park City Utah Mines Company and adjoining or overlapping the claims described above.

EXHIBIT D
ASSIGNMENT OF LEASE

For valuable consideration, receipt of which is hereby acknowledged, Lon Investment Company, a Utah corporation, hereinafter called "Assignor," hereby assigns to Newpark Resources, Inc., a Nevada corporation, hereinafter called "Assignee," all of Assignor's right, title and interest in and to that certain Surface Lease dated January 1, 1974, in which Park City Utah Mines Company, a Delaware corporation, appears as lessor and Assignor appears as lessee, providing for the leasing of the surface rights in the patented lode mining claims located in the Blue Ledge Mining District, Summit and Wasatch Counties, State of Utah, which are particularly described in Schedule "A" attached hereto, together with all rights-of-way, easements and appurtenances thereto.

This assignment is made for the purpose of securing the payment of certain indebtedness as set forth in an Agreement dated March 10, 1977, between Assignor and Assignee. Payment in full of said indebtedness will render this Assignment void; otherwise it shall continue in full force and effect.

Until said indebtedness of Assignor to Assignee is paid in full, Assignor agrees to pay all rent now due and owing or to become due under the said Surface Lease and to

ENTRY NO. 11010A DATE JAN 25 1977 TIME 4:00 P.M. FEE 30.00
RECORDED FOR SECURITY TITLE BOOK 112 PAGE 69-71
RECORDER Mary D. Gagnon BY Lucy D. Gagnon

duly and promptly perform all other obligations to be performed by "lessee" under said Lease.

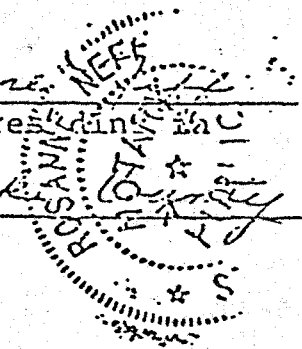
DATED the 10th day of March, 1977.

LON INVESTMENT COMPANY

By *Dean G. Christensen*
DEAN G. CHRISTENSEN
Its Secretary-Treasurer

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

On the 29th day of April, 1977, personally appeared before me DEAN G. CHRISTENSEN, who being by me duly sworn did say that he is the Secretary-Treasurer of Lon Investment Company and that the foregoing Assignment of Lease was signed in behalf of said corporation by authority of a resolution of its board of directors and said DEAN G. CHRISTENSEN acknowledged to me that said corporation executed the same.

Rosanne Neff
NOTARY PUBLIC, residing in
Salt Lake City


My commission expires:

MY COMMISSION EXPIRES SEPT. 21, 1979

SCHEDULE "A"

Group I

<u>Name of Claim</u>	<u>Survey Or Lot No.</u>	<u>Name of Claim</u>	<u>Survey Or Lot No.</u>
Augustus	Lot 107	Juliet	Lot 115
Belcher No. 1	Lot 191	Libert Ext.	MS 6751
Belcher No. 2	Lot 192	Little Giant	Lot 118
Belcher No. 3	Lot 193	Little Kate	Lot 111
Belcher No. 4	Lot 194	Mary Allen	Lot 553
Belcher No. 5	Lot 195	Mary Jane	Lot 551
Blaine	Lot 135	May	Lot 61
C. McFalls	Lot 554	N.	Lot 190
C. J. Nelson	Lot 552	Olive Branch	Lot 102
Cataract	Lot 103	Overlook	MS 6750
City of Edinburg	MS 3288	Pay Roll	MS 3020
Clipper	Lot 570	Peerless	Lot 122
Clipper No. 2	Lot 117	President	Lot 129
Columbia	Lot 569	R. P. H.	Lot 560
Cumberland	Lot 120	Richmond	MS 4968
Debs	MS 3006	Richmond No. 2	MS 4993
Denver	MS 4967	Romeo	Lot 108
Denver No. 2	MS 4967	Rose Bud	MS 6546
Denver No. 3	MS 4967	S.E. Ext. of the	
Denver No. 4	Lot 4967	May Bell	Lot 374
Denver No. 5	Lot 4967	Sampson	Lot 60
Error No. 1	MS 7046	Senator Mine & Co.	Lot 124
Error No. 2	MS 7046	Seting Bull	Lot 121
Error No. 3	MS 7047	Shiloah	Lot 123
Excellent	Lot 125	Summit	Lot 116
Homestake	Lot 66	Summit	Lot 137
Homestake No. 2	Lot 67	Viola	Lot 273
Homestake No. 3	MS 5028	Viola No. 2	Lot 562
Independence	Lot 171	Wasatch	Lot 60
J. H. Rogers	Lot 550	Woodland	Lot 134
J. I. C.	Lot 561		

Group II

<u>Name of Claim</u>	<u>Survey Or Lot No.</u>
Gardo	Lot 165
Lugano	Lot 165

Together with any and all other mining claims owned by Park City Utah Mines Company and adjoining or overlapping the claims described above

EXHIBIT E

MORTGAGE

THIS MORTGAGE made as of the 10th day of March, 1977, by and between LON INVESTMENT COMPANY, a Utah corporation, hereinafter referred to as "Mortgagor," and NEWPARK RESOURCES, INC., a Nevada corporation, hereinafter referred to as "Mortgagee."

WHEREAS, Mortgagor is indebted to the Mortgagee in the principal sum of Six Hundred Seventy Three Thousand Nine Hundred Sixty Eight Dollars and Seventy Five Cents (\$673,968.75), as evidenced by two promissory notes dated November 15, 1972, and December 29, 1972, and two supplemental agreements between Mortgagor and Mortgagee dated June 30, 1975, and March 10, 1977, said indebtedness being payable in the manner and at the times and with the rate of interest set forth in said March 10, 1977 Agreement.

NOW THEREFORE, for the purpose of securing prompt payment of Mortgagor's indebtedness in accordance with the terms of said promissory notes and supplemental agreements, the Mortgagor, for valuable consideration, receipt of which is hereby acknowledged, does hereby mortgage to Mortgagee all of Mortgagor's right, title and interest in and to that certain Surface Lease dated January 1, 1974, between Park City Utah Mines Company as Lessor and Mortgagor as Lessee, together with Mortgagor's leasehold, under said Surface Lease, in the surface rights in the patented lode mining claims located in the Blue Lodge

RECORDED FOR SECURITY TITLE BOOK 112 PAGE 64-68
RECORDED BY Mary E. Chapman BY Lucille L. Johnson

Mining District, Summit and Wasatch Counties, State of Utah, which are particularly described in Schedule "A" attached hereto and made a part hereof, together with all rights-of-way, easements and appurtenances thereto.

All rights acquired by Mortgagee hereunder shall be subject to the terms and conditions of the said Surface Lease and of Lessor's rights thereunder.

The Mortgagor covenants and agrees with the Mortgagee as follows:

1. Mortgagor will promptly pay the principal and interest on the indebtedness evidenced by said promissory notes and supplemental agreements between Mortgagor and Mortgagee, at the times and in the manner provided in said March 10, 1977, Agreement. Privilege is reserved to pay the debt in whole without any prepayment penalty.

2. Mortgagor warrants that said Surface Lease has been amended by a letter agreement dated January 24, 1977, entitled "Addendum No. 1 to Surface Leases," a copy of which is attached hereto as Schedule "B", that there have been no other amendments to said Surface Lease, and that Mortgagor is not in breach or default under said Surface Lease, as amended, but is current in all of its obligations thereunder and will continue to duly perform all obligations to be performed thereunder by "lessee" strictly in accordance with the terms of said Surface Lease including, but not limited to, the prompt payment when due of all rents, taxes and assessments upon the leased property. Mortgagor warrants

that said Surface Lease is in full force and effect as amended and is free from encumbrances.

3. Mortgagor will keep any improvements now existing or hereafter erected on the mortgaged property, for which Mortgagor is responsible, in good condition and repair.

4. Mortgagor hereby warrants title as against persons claiming by, through or under Mortgagor.

5. If default be made in the payment of any installment of principal or interest as set forth in the said March 10, 1977, Agreement, or in the payment of rents, taxes and assessments as hereinbefore provided, or upon default in payment on demand of any money advanced by the Mortgagee on account of any proper cost, charge or expense for taxes or assessments or to cure any default by Mortgagor in its obligations under said Surface Lease, or upon failure or neglect faithfully and fully to keep and perform any of the other conditions or covenants contained herein or in the said promissory notes and supplemental agreements between Mortgagor and Mortgagee or in the said Surface Lease, then the Mortgagee may declare the entire indebtedness due and foreclose this mortgage, and may enter upon the property, collect rents, income and profits thereof with the same being pledged as additional security for said indebtedness.

6. If suit is brought to enforce the collection of the debt secured hereby, the court may appoint a receiver

SCHEDULE "A"Group I

<u>Name of Claim</u>	<u>Survey Or Lot No.</u>	<u>Name of Claim</u>	<u>Survey Or Lot No.</u>
Augustus	Lot 107	Juliet	Lot 115
Belcher No. 1	Lot 191	Libert Ext.	MS 6751
Belcher No. 2	Lot 192	Little Giant	Lot 118
Belcher No. 3	Lot 193	Little Kate	Lot 111
Belcher No. 4	Lot 194	Mary Allen	Lot 553
Belcher No. 5	Lot 195	Mary Jane	Lot 551
Blaine	Lot 135	May	Lot 61
C. McFalls	Lot 554	N.	Lot 190
C. J. Nelson	Lot 552	Olive Branch	Lot 102
Cataract	Lot 103	Overlook	MS 6750
City of Edinburg	MS 3288	Pay Roll	MS 3020
Clipper	Lot 570	Peerless	Lot 122
Clipper No. 2	Lot 117	President	Lot 129
Columbia	Lot 569	R. P. H.	Lot 560
Cumberland	Lot 120	Richmond	MS 4968
Debs	MS 3006	Richmond No. 2	MS 4993
Denver	MS 4967	Romeo	Lot 108
Denver No. 2	MS 4967	Rose Bud	MS 6546
Denver No. 3	MS 4967	S.E. Ext. of the	
Denver No. 4	Lot 4967	May Bell	Lot 374
Denver No. 5	Lot 4967	Sampson	Lot 60
Error No. 1	MS 7046	Senator Mine & Co.	Lot 124
Error No. 2	MS 7046	Seting Bull	Lot 121
Error No. 3	MS 7047	Shiloah	Lot 123
Excellent	Lot 125	Summit	Lot 116
Homestake	Lot 66	Summit	Lot 137
Homestake No. 2	Lot 67	Viola	Lot 273
Homestake No. 3	MS 5028	Viola No. 2	Lot 562
Independence	Lot 171	Wasatch	Lot 60
J. H. Rogers	Lot 550	Woodland	Lot 134
J. I. C.	Lot 561		

Group II

<u>Name of Claim</u>	<u>Survey Or Lot No.</u>
Gardo	Lot 165
Lugano	Lot 165

Together with any and all other mining claims owned by Park City Utah Mines Company and adjoining or overlapping the claims described above

EXHIBIT F

ASSIGNMENT AND QUITCLAIM OF
LEASEHOLD INTEREST

For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the undersigned hereby assigns, sells, transfers, sets over and quitclaims to ROSS LARE REALTY, N.V., of Curacao, The Netherlands Antilles, the following:

1. All of the undersigned's right, title and interest in and to that certain Surface Lease of January 1, 1974, by and between PARK CITY UTAH MINES COMPANY, a Delaware corporation, as Lessor, and the undersigned, as Lessee, including all real property described therein and as described in Exhibit A attached hereto and incorporated herein by reference, which Surface Lease was amended as provided in that certain Addendum No. 1 to Surface Lease of January 24, 1977, (which Surface Lease and the Addendum thereto are hereinafter referred to collectively as the "PCU Lease").

2. All of the undersigned's right, title and interest in and to that certain Surface Lease of January 1, 1974, by and between SAN DIEGO MINING COMPANY, a Delaware corporation, as Lessor, and the undersigned, as Lessee, including all real property described therein and as described in Exhibit B attached hereto and incorporated herein by reference, which Surface Lease was amended as provided in that certain Addendum No. 1 to Surface Lease of January 24, 1977, (which Surface Lease and the Addendum thereto are hereinafter referred to collectively as the "SD Lease").

The undersigned warrants that it is not in default with respect to either the PCU Lease or the SD Lease, and that both leases are in full force and effect as of the date hercof.

ENTRY NO. 110867 DATE AUG. 20. 1977 TIME 9:03 A.M. FEE 36.00
RECORDED FOR STEWART TITLE BOOK 113 PAGE 550-56
RECORDER [Signature] BY [Signature]

By acceptance of delivery of this Assignment and Quitclaim, Ross Lare Realty, N.V. agrees to assume, discharge, indemnify and hold the undersigned harmless with respect to all obligations of the undersigned owed to the Lessors named in the PCU Lease and the SD Lease.

This Assignment and Quitclaim is made subject to all liens, encumbrances and exceptions to title of record as of the date hereof, and while it is intended hereby to convey all appurtenances to the real property described in Exhibits A and B attached hereto, including without limitation all appurtenant water, oil, gas and mineral rights owned by the undersigned, if any, the undersigned makes no warranty whatsoever of seisen, possession, right to convey, encumbrances, title or indemnity, with respect to said rights.

IN WITNESS WHEREOF, the undersigned has executed this Assignment and Quitclaim this 17 day of August, 1977.

LON INVESTMENT COMPANY
a Utah Corporation

By: Edward I. Vetter
President

ATTEST:

[Signature]

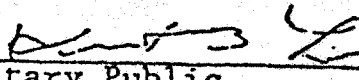
STATE OF UTAH)
COUNTY OF SALT LAKE) ss.

On the 17 day of August, 1977, personally appeared before me EDWARD I. VETTER and DEAN G. CHRISTENSEN who being by me duly sworn did say that he, the said EDWARD I. VETTER, is the president, and he, the said DEAN G. CHRISTENSEN, is the SECRETARY of LON INVESTMENT COMPANY, and that the within and foregoing instrument was signed in behalf of said corporation by authority of a resolution of its board of directors, and each duly acknowledged to me that

said corporation executed the same and that the seal affixed is the seal of said corporation.

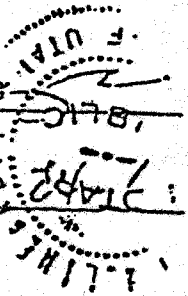
My Commission Expires:

3-10-81


Notary Public

Residing at:

S.C.



Surface Rights Only.

The following named and described lode mining claims, situated in the Blue Ledge Mining District, Wasatch County, State of Utah, and in the Uintah Mining District, Summit County, State of Utah, to-wit:

<u>Name of Claim</u>	<u>Undivided Interest.</u>	<u>Survey or Lot No.</u>
Augustus	100%	107
Belcher No. 1	50%	191
Belcher No. 2	50%	192
Belcher No. 3	50%	193
Belcher No. 4	50%	194
Belcher No. 5	50%	195
Blaine	100%	135
C. McFalls	75%	554
C. J. Nelson	75%	552
Cataract	100%	103
City of Edinburg	100%	3288

<u>Name of Claim</u>	<u>Undivided Interest</u>	<u>Survey of Lot No.</u>
Clipper	115/150	570
Clipper No. 2	100%	117
Columbia	115/150	569
Cumberland	100%	120
DEBS	100%	3006
Denver	50%	4967
Denver No. 2	50%	4967
Denver No. 3	50%	4967
Denver No. 4	50%	4967
Denver No. 5	50%	4967
Error No. 1	100%	7046
Error No. 2	100%	7046
Error No. 3	100%	7047
Excellent	100%	125
Homestake (or No. 1)	100%	66
Homestake No. 2	100%	67
Independence	100%	171
J. H. Rogers	75%	550
J. I. C.	100%	561
Juliet	100%	115
Little Giant	14/15	118
Little Kate	100%	111
Mary Allen	75%	553
Mary Jane	75%	551
May	100%	61
N.	100%	190
Olive Branch	100%	102
Peerless	13/15	122
President	100%	129
R. P. H.	100%	560
Richmond	75%	4968
Richmond No. 2	75%	4993
ROMEO	100%	108
Rosebud	100%	6546
Southeast Extension of the May Bell	100%	374
Sampson	100%	60
Senator Mine & Co.	100%	124
Seting Bull	100%	121
Shiloah	100%	123
Summit	100%	116
Summit	100%	137
Viola No. 2	100%	562
Wasatch	1325/1500	59
Woodland	100%	134

-3-

HOMESTAKE NO. 3, Lot No. 5028, EXCEPTING the following part thereof: Beginning at N. E. corner No. 4 of the Home Stake No. 3 Lode Survey No. 5028, running thence S. $1^{\circ}0'$ W. 602.8 feet to N. W. corner No. 3 of said Home Stake No. 3 lode; thence S. $14^{\circ}30'$ E. 289.8 feet to a point of intersection of W. side line of said Home Stake No. 3 lode with the E. end line of Belcher No. 5 Lode, Lot No. 195; thence S. $22^{\circ}30'$ E. 9.3 feet, to S. E. corner No. 4 of said Belcher No. 5 Lode; thence N. $81^{\circ}0'$ E. 40 feet to N. E. corner No. 3 of Belcher No. 4 Lode, Lot 194; thence S. $16^{\circ}4'$ E. 182.9 feet to a point of intersection of S. side line of Horn Silver Mining claim, No. 1 lode, Survey No. 5070, and N side line of Horn Silver Mining claim No. 2, Lode, Survey No. 5070, with the E. end line of said Belcher No. 4 lode; thence S. $66^{\circ}15'$ E. 705.4 feet to a point of intersection of the S. side line of the said Horn Silver mining claim No. 2 Lode with the N. side line of said Home Stake No. 3 Lode; thence N. $14^{\circ}30'$ W. along E. side line of Home Stake No. 3 Lode, 864.7 feet to N. E. corner No. 4 of the Home Stake No. 3 Lode, place of beginning. (100% interest)

GARDO and LUGANO, Lots Nos. 165 and 166 respectively;

EXCEPTING commencing at Post No. 3 of the official survey of the Lugano Claim aforesaid and with Magnetic variation at $16^{\circ}30'$ East running thence South $6^{\circ}30'$ East along the easterly end line of said Lugano Claim; thence in a direct line and on a course which is approximately South $76^{\circ}11'$ West 2700.04 feet more or less to the point of intersection of the northerly side line of the "Gardo" lode claim Lot 165 and the Southerly side line of the Belcher No. 2 lode claim Lot 192 in the same district as officially surveyed, which point of intersection is North 72° East 266.8 feet distant from Post No. 4 of said "Gardo" lode claim as officially surveyed; and thence North 72° East along the Northerly side lines of the "Gardo" and "Lugano" lode claims as officially surveyed 2733, $\frac{4}{10}$ feet more or less to said Post No. 3 of the Lugano lode claim, the place of beginning (2/3 interest)

EXCEPT all minerals in or under said land and mining claims, including but not limited to metals, oil, gas, coal, stone and mineral rights, mining rights and easement rights or other matters relating thereto whether expressed or implied.

Name of Claim

Survey or
Lot No.

Fraction
Morning Star
Oom Paul
San Diego
Viking

MS 5027
MS 5027
MS 5027
Lot 207
MS 7001

EXCEPT all minerals in or under said land including but not limited to metals, oil, gas, coal, stone and mineral rights, mining rights and easements, rights or other matters relating thereto whether expressed or implied.

EXHIBIT B

EXHIBIT G
SURFACE LEASE

THIS SURFACE LEASE, made and entered into as of the 1st day of January, 1974, by and between SAN DIEGO MINING COMPANY, a Delaware corporation, hereinafter referred to as "Lessor", and LON INVESTMENT COMPANY, a Utah corporation, hereinafter referred to as "Lessee".

W I T N E S S E T H:

WHEREAS, Lessor is the owner of certain patented lode mining claims situated in the Blue Ledge Mining District, Summit and Wasatch Counties, State of Utah, the surface of which Lessee desires to lease and the Lessor is willing to lease said surface to Lessee on the terms and conditions hereinafter set forth.

NOW, THEREFORE, in consideration of the sum of TEN DOLLARS (\$10.00) and other good and valuable consideration, the mutual covenants herein contained, and the rentals to be paid hereunder, it is agreed as follows:

I

THE LEASED SURFACE

A. Lessor hereby leases, lets and demises to Lessee upon and subject to the terms and conditions herein contained the surface rights owned by Lessor in the patented lode mining claims located in the Blue Ledge Mining District, Summit and

ENTRY NO. 109985 DATE MAY 12 1977 TIME 1:31 P.M. # 27.50
RECORDED FOR STANLEY ANSIEACT BOOK 111 PAGE 621-641
BY Lucas H. Zepher

Wasatch Counties, State of Utah, which are particularly described in Exhibit "A", signed on behalf of each party for the purpose of identification, and attached hereto and made a part hereof, together with all rights-of-way, easements, and appurtenances thereto, subject, however, to the following reservations:

(1) all minerals (metallic and non-metallic), including without limitation, copper, lead, zinc, gold, silver, sand, stone, gravel, coal, geothermal water and steam, oil and gas in and upon said mining claims; and

(2) the surface and water rights referred to in the succeeding paragraph B.

The rights leased are hereinafter referred to as "Leased Surface".

B. (1) Under even date herewith, Park City Utah Mines Company is granting to Lessee a Lease ("Park City Utah Lease") which contains provisions similar to those contained in this paragraph B. For the purposes of this paragraph B, the phrase "combined leased surface" shall be deemed to designate the surface covered by the within Lease and the surface covered by said Park City Utah Lease. Lessor reserves and shall have the right to select from the "combined leased surface", and to designate by metes and bounds descriptions, survey ties and monuments on the ground, two (2) alternative surface tracts of not to exceed fifteen (15) acres each. It is mutually recognized that either or both of said alternative surface tracts may embrace lands covered, in whole or in part, by the within Lease, and that

either or both of said alternative surface tracts may embrace lands covered, in whole or in part, by said Park City Utah Lease. In no event, however, shall Lessor have the right to select and designate from the "combined leased surface" more than two (2) alternative surface tracts, or the right to utilize more than one of the so-designated alternative surface tracts. Lessor also reserves and shall have the right to select and designate rights-of-way to the two (2) so-selected alternative surface tracts for access roads, drainage lines and power lines. When and if Lessor shall deem such use to be necessary or desirable for mining operations, Lessor shall have the right, without compensation to Lessee, to use either (but not both) of said alternative surface tracts for a mine shaft or shafts, adits or other mine opening or openings appurtenant buildings and structures, a mill or other processing plant and mine waste and/or mill tailings dump. When and if Lessor shall commence to actually utilize either of said alternative surface tracts and said rights-of-way with respect thereto, such utilization shall be deemed to constitute Lessor's election to relinquish and Lessor's relinquishment of rights as to the other of said alternative surface tracts and said access ways with respect thereto.

(2) Lessor reserves and shall have the right to use other portions of the Leased Surface for drilling or other exploration work and for mining operations, upon condition that Lessor shall pay Lessee for the actual damages, if any, sustained by Lessee by reason of Lessor's use of such surface.

(3) . Lessor also reserves and shall have the right to develop water needed or desired for exploration, mining and milling operations, and Lessor shall not be responsible to Lessee for any diminution or destruction of any water supply resulting from operations conducted by Lessor. Lessor agrees that Lessee may, at Lessee's expense, take water to which Lessor has a right issuing on the Leased Surface in excess of Lessor's requirements.

C. Lessor does not in any manner warrant title to the Leased Surface or to any part thereof, but by executing this Lease, Lessor intends to and does grant only such rights in the Leased Surface as it may grant under the title it holds, and Lessee acknowledges that it accepts this Lease on such conditions.

D. Notwithstanding any provision in this Lease and in this Section I which may be construed to the contrary, it is understood and agreed that Lessee shall have the right to use the Leased Surface for the purposes set forth in paragraph A of Section V of this Lease, subject, however, to the following agreements, conditions and limitations:

(1) If and when plans are evolved for the location of the facilities and improvements described in paragraph A of Section V, Lessee will give Lessor written notice thereof and specify the location of the facilities and improvements by metes and bounds descriptions, survey ties and monuments on the ground. The locations for facilities shall not be so extensive as to preclude Lessor from

selecting the two (2) surface tracts, referred to in paragraph B(1) of this Section I, suitable for the mining purposes intended. It is contemplated that such notice will be given within two (2) years from the date of this Lease.

(2) If such notice is given after two (2) years from the date of this Lease but before Lessor has selected the two (2) surface tracts referred to in paragraph B(1) of this Section I, Lessor shall select the surface tracts at sites which do not conflict with the part of the Leased Surface proposed to be used by Lessee as aforesaid.

(3) If such notice is given after two (2) years from the date of this Lease and after Lessor has selected the two (2) surface tracts, Lessee shall not locate any facilities or improvements on either of the surface tracts.

(4) The parties shall cooperate in the selection of sites and activities so as not to unreasonably interfere with the use of the Leased Surface for the purposes of the other party.

II

TERM

A. The primary term of this Lease shall be for a period of twenty-five (25) years commencing on the date hereof, and Lessee shall be entitled to possession of the Leased Surface on said date.

B. The term of this Lease may be extended, at the option of Lessee, for two (2) consecutive periods of twenty-five (25) years each. Lessee may exercise its option to extend the term of this Lease by written notice to Lessor not less than one (1) year prior to the expiration of the then existing term of the Lease.

C. Each extension of the term of this Lease shall be upon the same terms and conditions as those in effect upon termination of the primary term, including the provision for increasing the rent payable.

III

BONUS AND RENT

A. Lessee has paid Lessor and Park City Utah Mines Company concurrently herewith the sum of THIRTY-FIVE THOUSAND DOLLARS (\$35,000.00) as a bonus for this Lease, which shall be in addition to the rentals provided for herein.

B. Lessee agrees to pay Lessor and Park City Utah Mines Company rent for the Leased Surface at the rate of TEN THOUSAND DOLLARS (\$10,000.00) per year for the first five (5) years of the primary term, to be paid in advance, on the 1st day of January of each year commencing January 1, 1974, and to pay said Lessors FIFTEEN THOUSAND DOLLARS (\$15,000.00) per year, plus any increase in the rent calculated at five (5)

year intervals as provided in the succeeding paragraph C, for the sixth and each succeeding year of the primary term and each extension thereof, to be paid on the 1st day of January of each year.

C. The rent of FIFTEEN THOUSAND DOLLARS (\$15,000.00) per year specified in paragraph B above for the sixth and succeeding years, shall be subject to increase at five (5) year intervals in the same proportion as the Consumer Price Index -- U.S. Average (all items) of the United States Department of Labor, Bureau of Statistice (1967=100), hereinafter referred to as the "Index", increases above the "Base Index". The Base Index shall be the Index for the month of December, 1972, and is 127.3. The Index for December, 1977 shall be compared with the Base Index (127.3) and if there has been an increase in the Index, the rent to be paid each year of the five (5) year period commencing January 1, 1979, shall be increased above FIFTEEN THOUSAND DOLLARS (\$15,000.00) in the same proportion as the increase in the Index. This procedure shall be repeated prior to each January 1 beginning a new five (5) year period during the balance of the primary term of this Lease and each extension thereof, by comparing the Index for the second preceding December with the Base Index.

Examples of increase in rent:	
Assumed Index for December 1977	143.0
Base Index (December 1972)	127.3
Excess of assumed Index for December 1977	15.7
Percentage increase in Index:	
Divide excess of assumed Index for	
December 1977 by Base Index $(15.7 \div 127.3) =$.1
\$15,000.00 multiplied by .1233	\$ 1,849.5
Rent to be paid each year for five year	
period commencing January 1979	\$16,849.5
Assumed Index for December 2007	187.3
Base Index (December 1972)	127.3
Excess of assumed Index for December 2007	60.0
Percentage increase in Index:	
Divide excess of assumed Index for	
December 2007 by Base Index $(60 \div 127.3) =$.4
\$15,000.00 multiplied by .4713	7069.5
Rent to be paid each year for five year	
period commencing January 2009	22069.5

The rent adjustment shall only be made if the comparison of the Base Index with the Index for a later date shows an increase. In no event shall the rent be less than FIFTEEN THOUSAND DOLLARS (\$15,000.00) per year after 1978.

If such Index is no longer published or the basis for its computation is changed, then the parties shall agree on some other equitable technique or calculation which fairly takes into account any decrease in the purchasing value in the United States of the U.S. Dollar.

D. Lessee shall pay as additional annual rental an amount equal to the entire fair rental value of any part of the Leased Surface (1) upon which there is built any condominium or dwelling

unit or units, hotel, restaurant or shop, or other business building or (2) which is used in connection with such structures. Provided, however, there will be no additional rental due or payable with respect to any structure or building used in connection with ski lifts, tramways and gondolas, such as a summit house, or midway house, or warming area, or loading and unloading area.

The bonus and rentals provided for in this Section shall be divided between Park City Utah Mines Company and San Diego Mining Company, as follows:

- Park City Utah Mines Company, 86%
- San Diego Mining Company, 14%

IV

TAXES, ASSESSMENTS, ETC.

A. Except as otherwise provided in the succeeding paragraph B, Lessee shall pay all real estate taxes, special improvement and other assessments (ordinary and extraordinary), and all other taxes, charges, fees, and payments imposed, assessed or levied by any governmental authority upon, or which may arise in connection with the use, occupancy, or possession of the Leased Surface by Lessee. If no part of the real estate taxes assessed against said mining claims is attributable to the production of minerals from them, Lessee shall pay all the real estate taxes.

B. Lessor shall pay all real estate taxes, assessments, charges, fees, and payments imposed by any governmental authority in connection with Lessor's operations on or the production of minerals from said mining claims.

OCCUPANCY AND USE OF THE LEASED PREMISES

A. Subject to Lessor's reserved rights, during the term of this Lease and any extensions thereof, Lessee shall have the right to occupy and use the Leased Surface for any lawful purpose whatsoever, including, but without limitation, the right to construct, operate, maintain, alter, replace and remove ski facility buildings, gondola, tramways, ski lifts, ski runs, and related improvements.

B. All operations conducted by Lessee on the Leased Surface shall be conducted in full compliance with all applicable laws, regulations, ordinances, and rules of any governmental authority.

C. Lessee shall keep the Leased Surface free and clear of all mechanic's liens and other liens in any manner connected with Lessee's use and occupancy of or operations on the Leased Surface and shall promptly pay and discharge or post adequate security for any such liens that may arise, and Lessee shall indemnify; defend and save harmless Lessor against and from all costs, expenses, liabilities, suits, and claims resulting from any such liens.

D. Lessee shall indemnify, defend, and save harmless Lessor from and against any and all expense, liability, obligation, damage, penalty, or judgment arising from or in any way connected with injury to persons or damage to property sustained

by anyone in, on and about the Leased Surface resulting from or in any manner connected with Lessee's use and occupancy of or operations on the Leased Surface or any act or acts or omission or omissions of Lessee, its agents, employees, contractors, or sublessees, or their respective tenants, visitors, customers, or invitees. As protection against such expense and liability, Lessee shall carry public liability and property damage insurance with a responsible company and include Lessor as a co-insured, providing coverage in the amounts of not less than \$1,000,000.00 public liability, and not less than \$100,000.00 property damage. Lessee shall promptly furnish Lessor a copy of all such insurance policies.

E. In conducting its operations on the Leased Surface, Lessee shall observe sound environmental practices, including reseeding and replanting where necessary, to maintain the Leased Surface in a natural and attractive state, consistent with the nature of Lessee's use and occupancy.

VI

ASSIGNMENTS AND SUBLEASES

Lessee shall have the right to assign or sublease its interest under this Lease to a responsible party without Lessor's prior consent, provided that within thirty (30) days after making any such assignment or sublease, Lessee shall give Lessor written notice thereof and furnish Lessor with a full and true copy of the assignment or sublease. No such assignment or sublease shall relieve Lessee of its obligations hereunder.

VII

OCCUPANCY OF THE LEASED PREMISES BY LESSOR

A. All activities and operations conducted by Lessor on the Leased Surface shall be conducted in full compliance with all applicable laws, regulations, ordinances, and rules of any governmental authority.

B. Lessor shall keep the Leased Surface free and clear of all mechanic's liens and other liens arising from activities or operations conducted by or under Lessor, and shall promptly pay and discharge or post adequate security for any such liens that may arise, and Lessor shall indemnify, defend, and save harmless Lessee against and from all costs, expenses, liabilities, suits, and claims resulting from any such liens.

C. Lessor shall indemnify, defend, and save harmless Lessee from and against any and all expense, liability, obligation, damage, penalty, or judgment arising from or in any way connected with injury to persons or damage to property sustained by anyone in, on, and about the Leased Surface resulting from or in any manner connected with Lessor's use and occupancy of the Leased Surface or any act or acts or omission or omissions of Lessor, its agents, employees, contractors, or lessees.

VIII

DEFAULT

A. In the event Lessee shall fail to pay any installment of rent as and when due hereunder, or in the event Lessee shall

fail to perform any of the other covenants, conditions, and agreements herein contained and on Lessee's part to be kept or performed and shall fail to cure same within thirty (30) days (or such additional time as may reasonably be required as to matters that cannot be cured within thirty (30) days) after Lessor gives Lessee written notice specifying in detail the nature of such failure, then, in either such event, Lessor may, at its option, terminate this Lease by written notice to Lessee. Upon termination, Lessor shall have no further obligation to Lessee and all Lessee's rights and interests under this Lease shall cease. Lessee shall continue to be obligated to Lessor for the payment of all rent and the performance of all other obligations herein contained to be performed by Lessee, prior to the effective date of termination. In addition to the right of terminating this Lease, Lessor may at any time sue and recover judgment against Lessee for any overdue rent or for damages, including costs and attorney's fees, caused by any breach or default by Lessee.

B. Upon termination of this Lease pursuant to paragraph A above, Lessor may re-enter and recover possession of the Leased Surface, and such right shall be in addition to and without prejudice to all other remedies Lessor may have in law or in equity.

IX

TERMINATION

A. Lessee shall have the right to surrender and terminate

this Lease at any time upon sixty (60) days' advance written notice to Lessor, but Lessee shall not be entitled to the return of any portion of the rent paid.

B. Upon termination of this Lease, if Lessee is in full compliance with all its terms and provisions, Lessee shall have one hundred eighty (180) days following termination in which to go on the Leased Surface and remove therefrom all improvements, fixtures, personal property and facilities placed thereon by or under Lessee. Lessee shall clean up and leave the Leased Surface in good condition, free of all debris and shall smooth and reseed where appropriate.

C. Lessor shall have the right to terminate this Lease at any time after December 31, 1975, unless by December 31, 1975, Lessee has commenced and is diligently pursuing the development of the Mayflower Recreation Project, "diligently pursuing" being defined as having expended at least ONE MILLION DOLLARS (\$1,000,000.00) in development work consisting of ski facilities and/or development of a commercial area.

X

CONDEMNATION

A. In the event a portion of the Leased Surface is taken for any public use by right of eminent domain or under any statute and the portion not so taken is reasonably satisfactory for the purposes for which this Lease was given, this Lease shall not terminate but shall continue for the remaining term of this

Lease subject to the terms and conditions hereof; provided, however, that if the portion of the Leased Surface so taken is in excess of ten per cent (10%) of the area of the Leased Surface, the rent thereafter payable hereunder shall be reasonably adjusted on such basis as the parties may agree. If the Lessor and Lessee are unable to agree on the amount of the adjustment, the Lessor and Lessee shall each appoint a qualified real estate appraiser, and the two appraisers thus selected shall choose a third qualified appraiser. The three appraisers shall appraise the Leased Surface remaining after the taking is completed, and shall determine the fair market annual rental for such premises and submit their finding to Lessor and Lessee. A finding as to the fair market annual rental value on which two or more of the appraisers agree shall be binding upon Lessor and Lessee. The adjustment of rent as provided herein shall be without prejudice to the rights of either Lessor or Lessee to recover compensation from the condemning authority for loss or damage caused by the taking of a portion of the Leased Surface.

XI

UTILITY EASEMENTS

Lessee shall have the right to enter into reasonable agreements with utility companies creating easements in favor of such companies as are required to service the Leased Surface and any buildings, structures, or improvements thereon. The easements shall be subject to termination by Lessor on termination of this Lease. Lessor agrees to execute such documents as may reasonably be required in order to effectuate such agreements.

XII

LEASEHOLD MORTGAGING

A. Lessee shall have the right, without Lessor's prior consent, to make its interest under this Lease, or any part thereof, subject to any mortgage or deed of trust and to assign this Lease as security for any indebtedness, provided that all rights acquired under any such mortgage or deed of trust shall be subject to all of the terms and conditions of this Lease and to Lessor's rights hereunder. Lessee shall give Lessor prompt written notice describing any such mortgage or deed of trust given by Lessee.

B. In the event that Lessor receives notice describing any such mortgage or deed of trust, Lessor agrees to provide the mortgagee or trustee with a copy of any notice thereafter given by Lessor to Lessee, and no such notice shall be deemed effective as against Lessee unless a copy was also provided to the mortgagee or trustee.

C. Lessor agrees to accept performance by any such mortgagee or trustee of any term or provision of this Lease to be performed by Lessee, provided such performance shall occur within the times specified herein.

XIII

NOTICE

All notices hereunder shall be served or given by registered or certified mail, return receipt requested, at the address specified below, or at such other address as may

hereafter be specified in writing:

To Lessor: San Diego Mining Company
1772 Countryside Drive
Salt Lake City, Utah 84106

To Lessee: Lon Investment Company
141 East First South, Suite 300
Salt Lake City, Utah 84111

Any notice shall be deemed delivered as of the date of delivery or refusal as indicated on the return receipt.

XIV

RIGHT OF FIRST REFUSAL

A. If the Lessor shall receive a bona fide offer to purchase the Leased Surface only or any part thereof or interest therein, the terms of which offer are acceptable, Lessor shall give Lessee written notice setting forth in detail the terms of such offer, and Lessee shall have thirty (30) days from the effective date of such notice in which to elect to purchase the Leased Surface or part thereof or interest therein on the terms described in said notice. Lessee shall notify Lessor in writing of its decision within said thirty (30) day period and if Lessee fails to so notify Lessor of Lessee's decision or Lessee elects not to purchase, Lessor shall be free to accept the offer described in the notice to Lessee. Any sale by Lessor to a party other than Lessee shall be subject to the terms and conditions of this Lease and any extensions thereof.

B. This right of first refusal shall apply to each acceptable offer received by Lessor to purchase the Leased Surface only, during the term of this Lease, and any extensions

thereof. This right of first refusal shall not apply to an offer to purchase the reserved mineral rights or to an offer to purchase the reserved mineral rights together with the Leased Surface.

XV

MISCELLANEOUS

A. Waiver by either party hereto of any breach or default in the performance of any provision of this Lease shall not be deemed a waiver of a breach or default in the performance of any other provision of this Lease or as consent to any subsequent breach or default as to the same or any other provision.

B. Lessor and its agents and designees shall have the right to enter upon the Leased Surface at all reasonable times for the purposes of examining and inspecting the same.

C. This Lease constitutes the entire agreement between Lessor and Lessee and shall not be modified in any manner except by an instrument in writing signed by Lessor and Lessee.

D. If any provision of this Lease shall be declared invalid or unenforceable for any reason, the remainder of the Lease shall continue in full force and effect.

E. This Lease shall be governed by and construed in accordance with the laws of the State of Utah.

F. Except as otherwise provided herein, the covenants, conditions and agreements contained in this Lease shall bind and inure to the benefit of Lessor and Lessee and their respective successors and assigns.

G. Lessor agrees to execute a Memorandum of this Lease

suitable for recording and in a form reasonably acceptable to Lessor and Lessee.

LESSOR:

SAN DIEGO MINING COMPANY

By *J. P. Gibbons*
Its Pres.

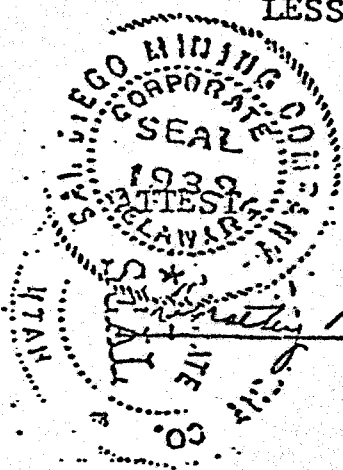
ATTEST:

Virginia L. Gibbons
Secretary

LESSEE:

LON INVESTMENT COMPANY

By *[Signature]*
Its President

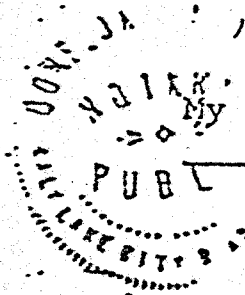


R. L. [Signature]
Asst. Secretary

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

On this 7th day of January, 1974 personally appeared before me J. P. Gibbons and Virginia L. Gibbons, who, being by me duly sworn, did say: That they are the President and Secretary, respectively, of SAN DIEGO MINING COMPANY, a Delaware corporation, and that the within and foregoing instrument was signed in behalf of said corporation

by authority of a resolution of its Board of Directors and said
J. P. Gibbons and Virginia L. Gibbons duly acknowledged to
me that the said corporation executed the same and that the seal
affixed is the seal of said corporation.

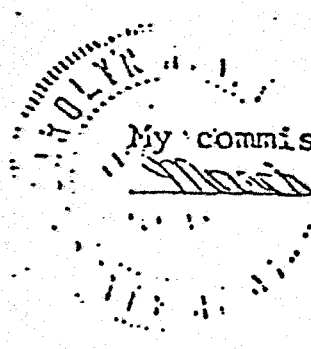


My commission expires:
August 4, 1974

Richard W. Babbitt
NOTARY PUBLIC
Residing at Salt Lake City, Utah

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

On this 7th day of January, 1974, personally appeared
before me LEONARD J. LEWIS and DOROTHY R. ROONEY, who, being
by me duly sworn, did say: That they are the President and
Asst. Secretary, respectively, of LON INVESTMENT COMPANY, a
Utah corporation, and that the within and foregoing instrument
was signed in behalf of said corporation by authority of a
resolution of its Board of Directors and said LEONARD J. LEWIS
and DOROTHY R. ROONEY duly acknowledged to me that the said
corporation executed the same and that the seal affixed is the
seal of said corporation.



My commission expires:
March 10, 1975

Richard J. Babbitt
NOTARY PUBLIC
Residing at Salt Lake City, Utah

EXHIBIT A

Claims Owned By San Diego Mining Company

<u>Name Of Claim</u>	<u>Survey Or Lot No.</u>
Fraction	MS 5027
Morning Star	MS 5027
Oom Paul	MS 5027
San Diego	Lot 207
Viking	MS 7041

Together with any and all other mining claims owned by Lessor and adjoining or overlapping the claims described above.

SAN DIEGO MINING COMPANY

LON INVESTMENT COMPANY

By [Signature]
Its Pres

By [Signature]
Its President

EXHIBIT H

Description of SD Property

The following described patented lode mining claims situated in Summit County, Utah and Wasatch County, Utah:

<u>Name of Claim</u>	<u>Mineral Survey or Lot No.</u>
Fraction	MS 5027
Morning Star	MS 5027
Oom Paul	MS 5027
San Diego	Lot 207
Viking	MS 7041

Together with any and all other mining claims owned by San Diego Mining Company and adjoining or overlapping the claims described above.

EXHIBIT I
ASSIGNMENT OF LEASE

For valuable consideration, receipt of which is hereby acknowledged, Lon Investment Company, a Utah corporation, hereinafter called "Assignor," hereby assigns to Newpark Resources, Inc., a Nevada corporation, hereinafter called "Assignee," all of Assignor's right, title and interest in and to that certain Surface Lease dated January 1, 1974, in which San Diego Mining Company, a Delaware corporation, appears as lessor and Assignor appears as lessee, providing for the leasing of the surface rights in the patented lode mining claims located in the Blue Ledge Mining District, Summit and Wasatch Counties, State of Utah, which are particularly described in Schedule "A" attached hereto, together with all rights-of-way, easements and appurtenances thereto.

This assignment is made for the purpose of securing the payment of certain indebtedness as set forth in an Agreement dated March 10, 1977, between Assignor and Assignee. Payment in full of said indebtedness will render this Assignment void; otherwise it shall continue in full force and effect.

Until said indebtedness of Assignor to Assignee is paid in full, Assignor agrees to pay all rent now due and owing or to become due under the said Surface Lease and

ENTRY NO. 110102 DATE MAY 25. 1977 TIME 3:58 P.M. FEE \$ 2.00
RECORDED FOR SECURITY TITLE BOOK 112 PAGE 61-6
RECORDED BY [Signature] BY [Signature]

to duly and promptly perform all other obligations to be performed by "lessee" under said Lease.

DATED the 10th day of March, 1977.

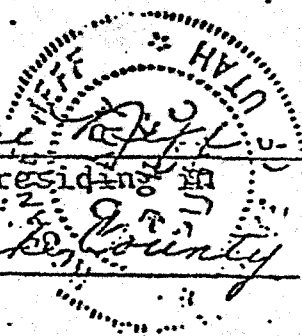
LON INVESTMENT COMPANY

By *Dean G. Christensen*
DEAN G. CHRISTENSEN
Its Secretary-Treasurer

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

On the 29th day of April, 1977,
personally appeared before me DEAN G. CHRISTENSEN, who being
by me duly sworn did say that he is the Secretary-Treasurer
of Lon Investment Company and that the foregoing Assignment
of Lease was signed in behalf of said corporation by authority
of a resolution of its board of directors and said DEAN G.
CHRISTENSEN acknowledged to me that said corporation executed
the same.

Rosanne [Signature]
NOTARY PUBLIC, residing in
Salt Lake County



My commission expires:

MY COMMISSION EXPIRES SEPT. 21, 1980

SCHEDULE "A"

<u>Name of Claim</u>	<u>Survey or Lot No.</u>
Fraction	MS 5027
Morning Star	MS 5027
Oom Paul	MS 5027
San Diego	Lot 207
Viking	MS 7041

Together with any and all other mining claims owned by San Diego Mining Company and adjoining or overlapping the claims described above.

EXHIBIT J

MORTGAGE

THIS MORTGAGE made as of the 10th day of March, 1977, by and between LON INVESTMENT COMPANY, a Utah corporation, hereinafter referred to as "Mortgagor," and NEWPARK RESOURCES, INC., a Nevada corporation, hereinafter referred to as "Mortgagee."

WHEREAS, Mortgagor is indebted to the Mortgagee in the principal sum of Six Hundred Seventy Three Thousand Nine Hundred Sixty Eight Dollars and Seventy Five Cents (\$673,968.75), as evidenced by two promissory notes dated November 15, 1972, and December 29, 1972, and two supplemental agreements between Mortgagor and Mortgagee dated June 30, 1975, and March 10, 1977, said indebtedness being payable in the manner and at the times and with the rate of interest set forth in said March 10, 1977 Agreement.

NOW THEREFORE, for the purpose of securing prompt payment of Mortgagor's indebtedness in accordance with the terms of said promissory notes and supplemental agreements, the Mortgagor, for valuable consideration, receipt of which is hereby acknowledged, does hereby mortgage to Mortgagee all of Mortgagor's right, title and interest in and to that certain Surface Lease dated January 1, 1974, between San Diego Mining Company as Lessor and Mortgagor as Lessee, together with Mortgagor's leasehold, under said Surface Lease, in the surface rights in the patented lode mining claims located in the Blue Ledge

ENTRY NO. 110101 DATE MAR 25 1977 TIME 3:57 P.M. FEE \$10.00
RECORDED FOR SECURITY TITLE BOOK 119 PAGE 56-60
REORDER BY *John D. Johnson*

Mining District, Summit and Wasatch Counties, State of Utah, which are particularly described in Schedule "A" attached hereto and made a part hereof, together with all rights-of-way, easements and appurtenances thereto.

All rights acquired by Mortgagee hereunder shall be subject to the terms and conditions of the said Surface Lease and of Lessor's rights thereunder.

The Mortgagor covenants and agrees with the Mortgagee as follows:

1. Mortgagor will promptly pay the principal and interest on the indebtedness evidenced by said promissory notes and supplemental agreements between Mortgagor and Mortgagee, at the times and in the manner provided in said March 10, 1977 Agreement. Privilege is reserved to pay the debt in whole without any prepayment penalty.

2. Mortgagor warrants that said Surface Lease has been amended by a letter agreement dated January 24, 1977, entitled "Addendum No. 1 to Surface Leases," a copy of which is attached hereto as Schedule "B", that there have been no other amendments to said Surface Lease, and that Mortgagor is not in breach or default under said Surface Lease, as amended, but is current in all of its obligations thereunder and will continue to duly perform all obligations to be performed thereunder by "lessee" strictly in accordance with the terms of said Surface Lease including, but not limited to, the prompt payment when due of all rents, taxes and assessments upon the leased property. Mortgagor

warrants that said Surface Lease is in full force and effect as amended and is free from encumbrances.

3. Mortgagor will keep any improvements now existing or hereafter erected on the mortgaged property, for which Mortgagor is responsible, in good condition and repair.

4. Mortgagor hereby warrants title as against persons claiming by, through or under Mortgagor.

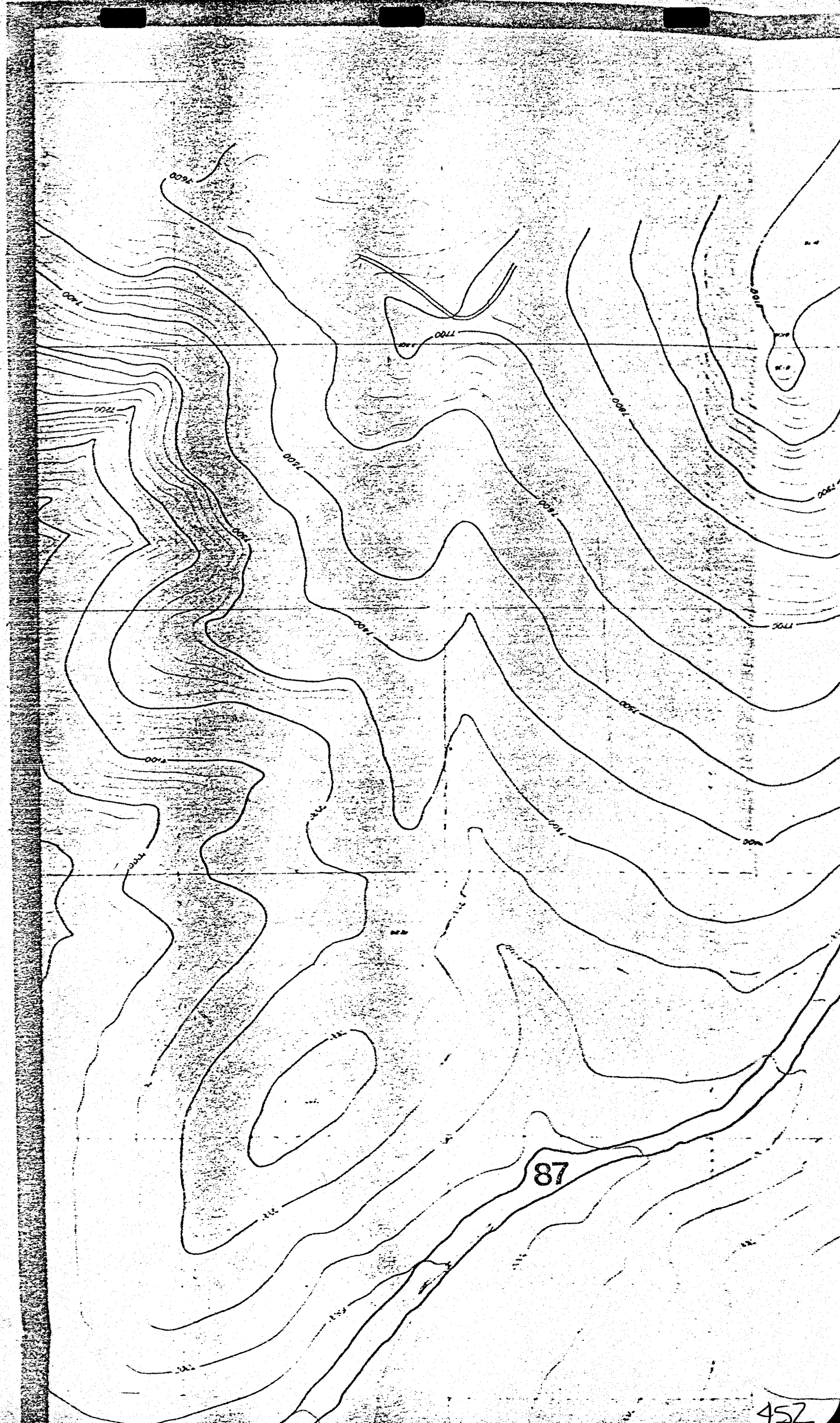
5. If default be made in the payment of any installment of principal or interest as set forth in the said March 10, 1977, Agreement, or in the payment of rents, taxes and assessments as hereinbefore provided, or upon default in payment on demand of any money advanced by the Mortgagee on account of any proper cost, charge or expense for taxes or assessments or to cure any default by Mortgagor in its obligations under said Surface Lease, or upon failure or neglect faithfully and fully to keep and perform any of the other conditions or covenants contained herein or in the said promissory notes and supplemental agreements between Mortgagor and Mortgagee or in the said Surface Lease, then the Mortgagee may declare the entire indebtedness due and foreclose this mortgage, and may enter upon the property, collect rents, income and profits thereof with the same being pledged as additional security for said indebtedness.

6. If suit is brought to enforce the collection of the debt secured hereby, the court may appoint a receiver

SCHEDULE "A"

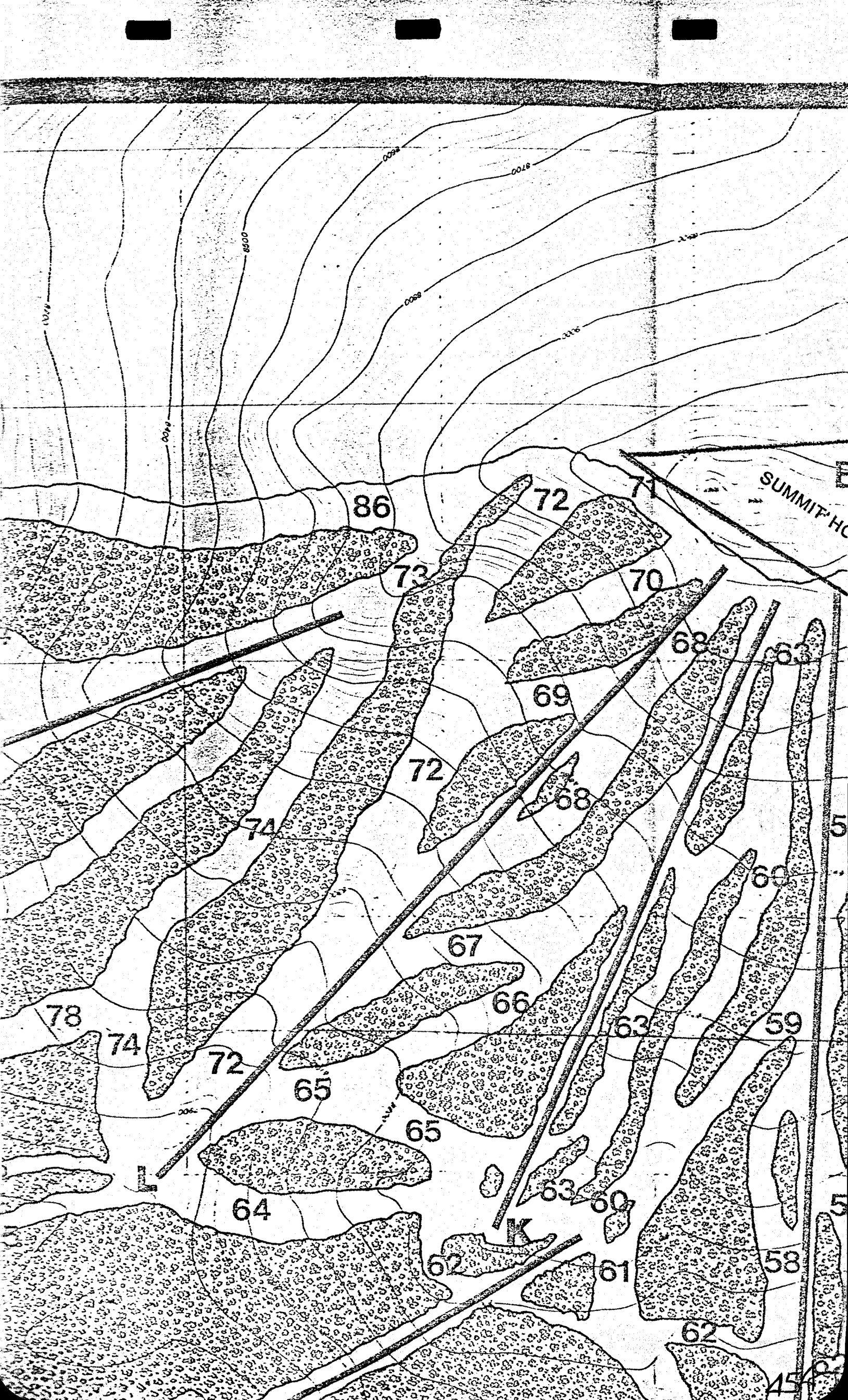
<u>Name of Claim</u>	<u>Survey or Lot No.</u>
Fraction	MS 5027
Morning Star	MS 5027
Oom Paul	MS 5027
San Diego	Lot 207
Viking	MS 7041

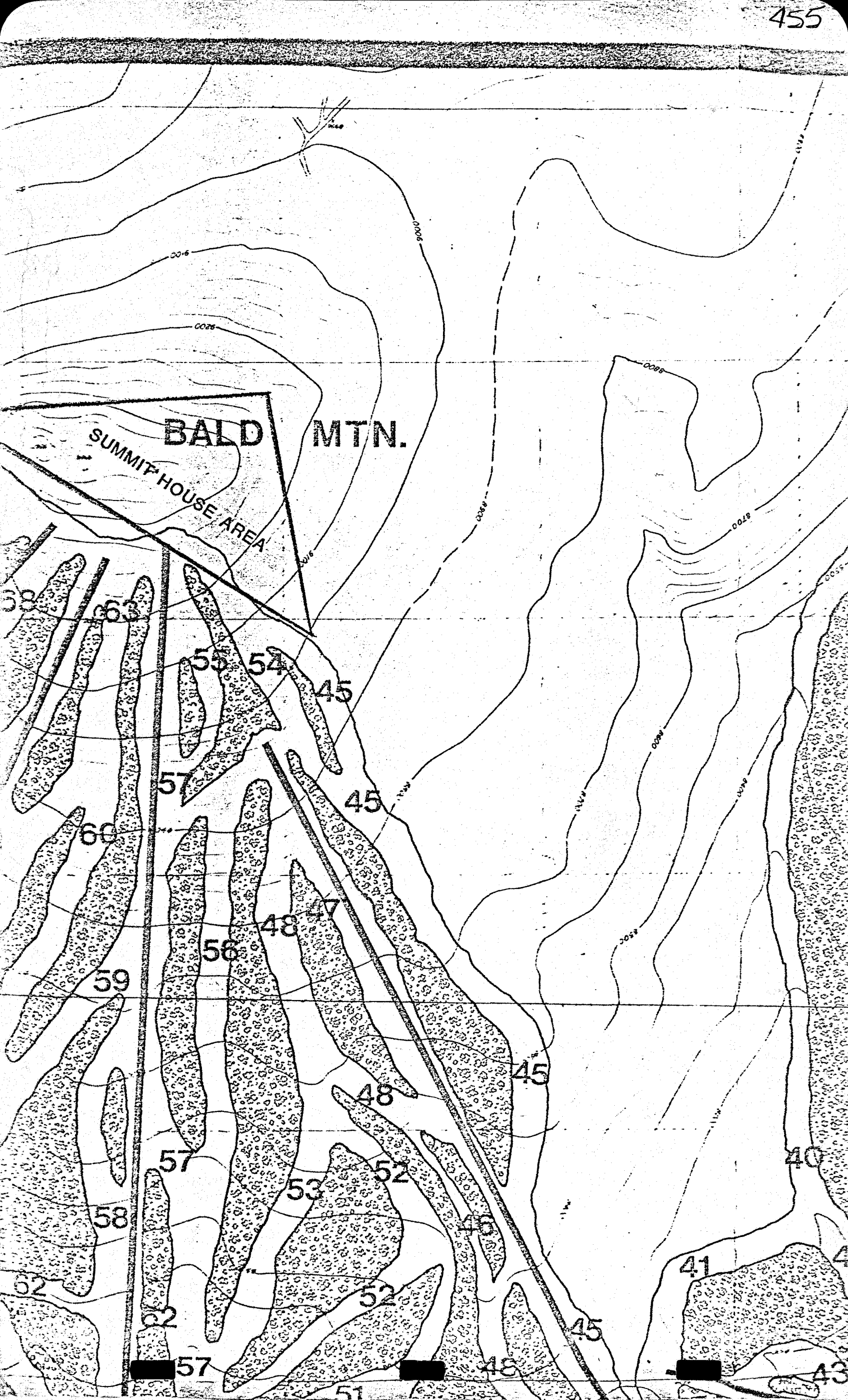
Together with any and all other mining claims owned by San Diego Mining Company and adjoining or overlapping the claims described above.



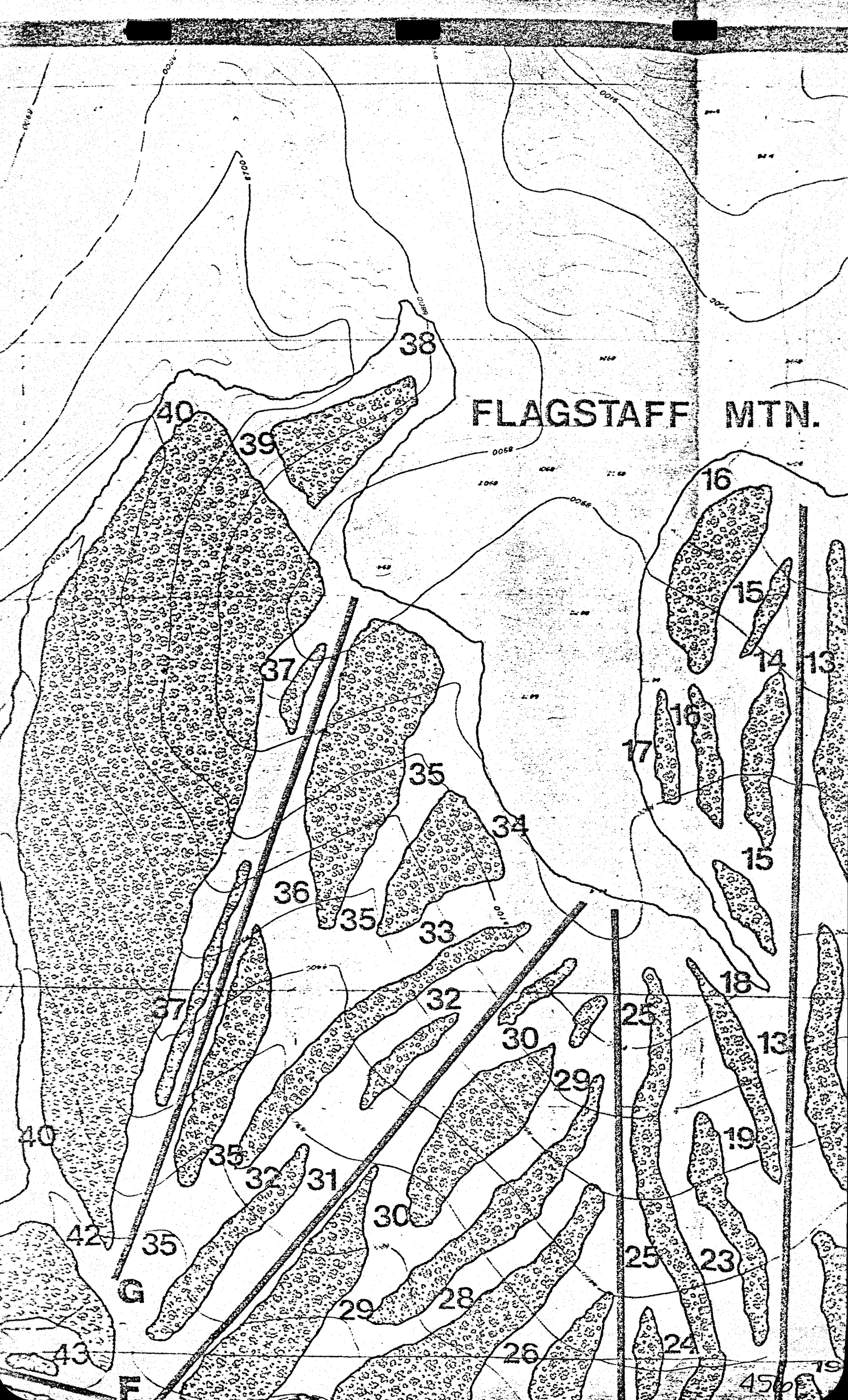
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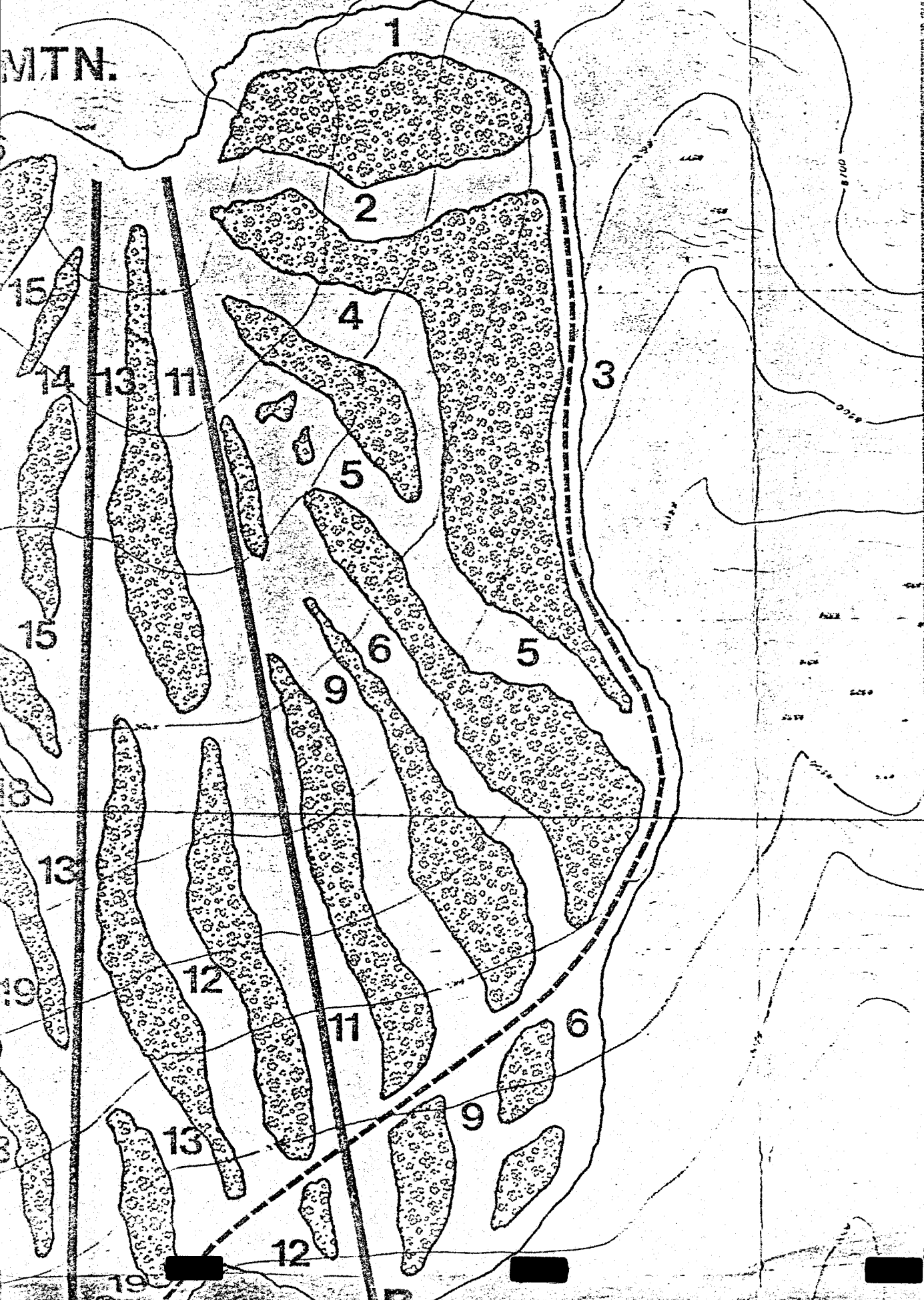


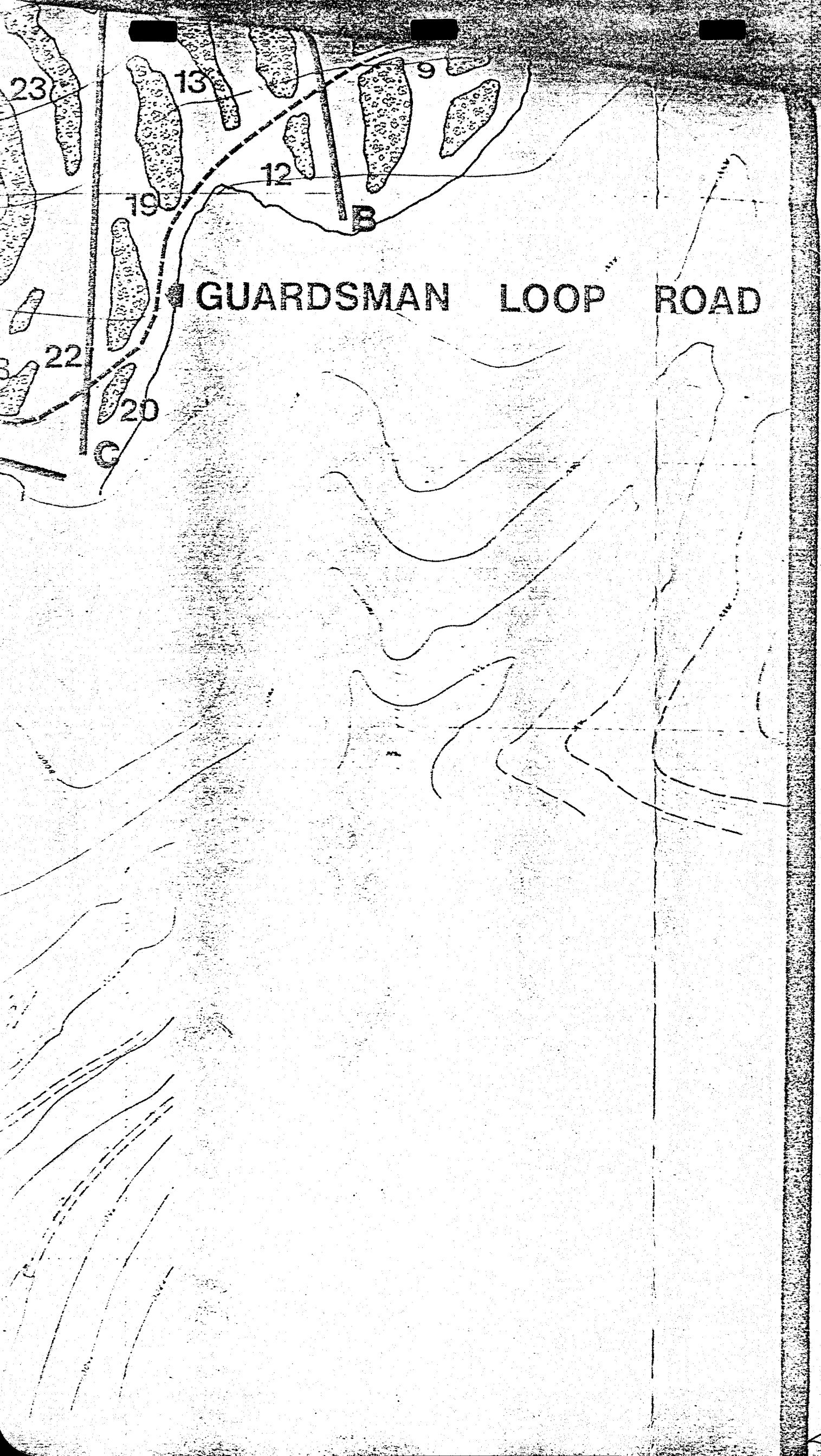


FLAGSTAFF MTN.



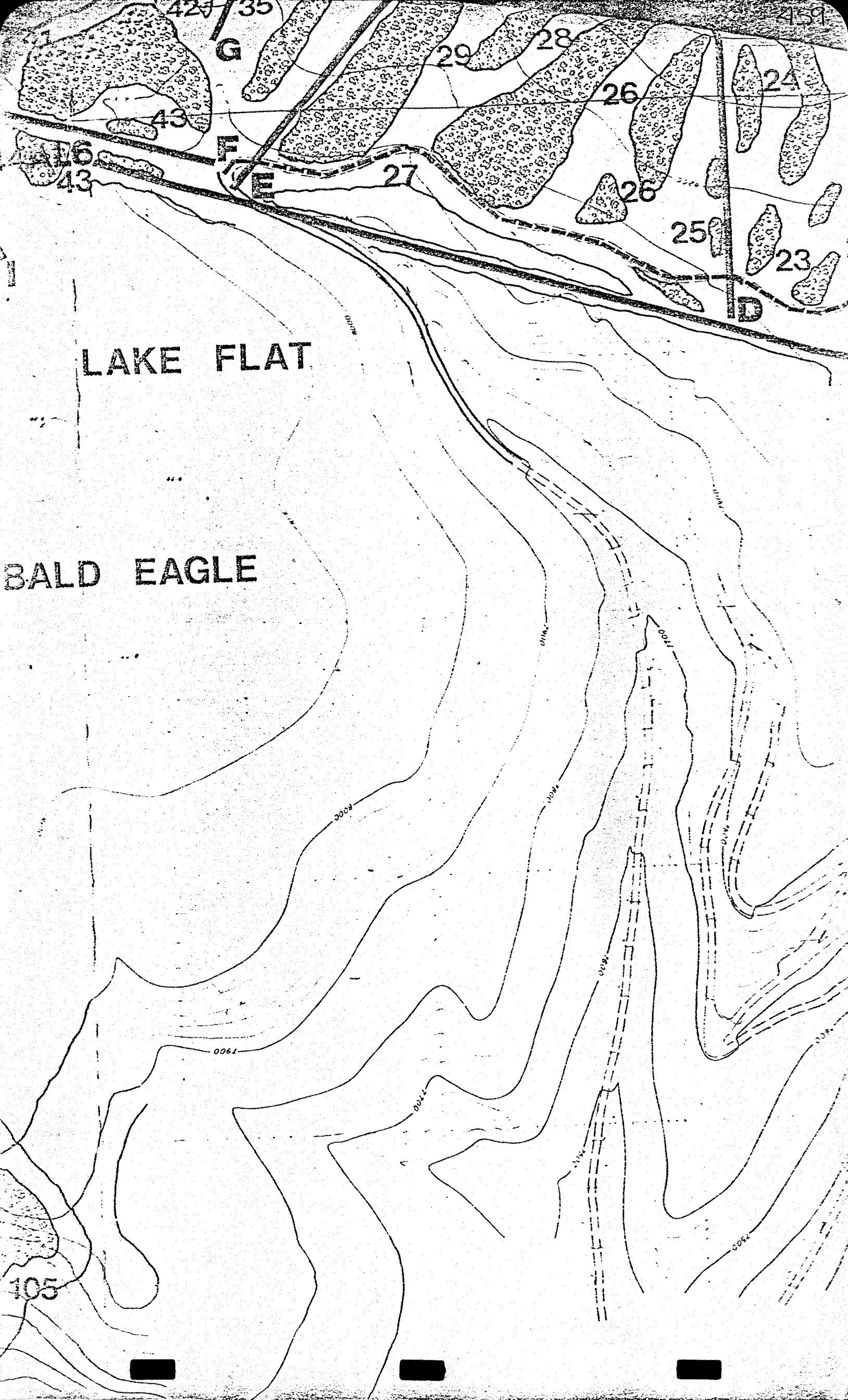
MTN.





GUARDSMAN LOOP ROAD

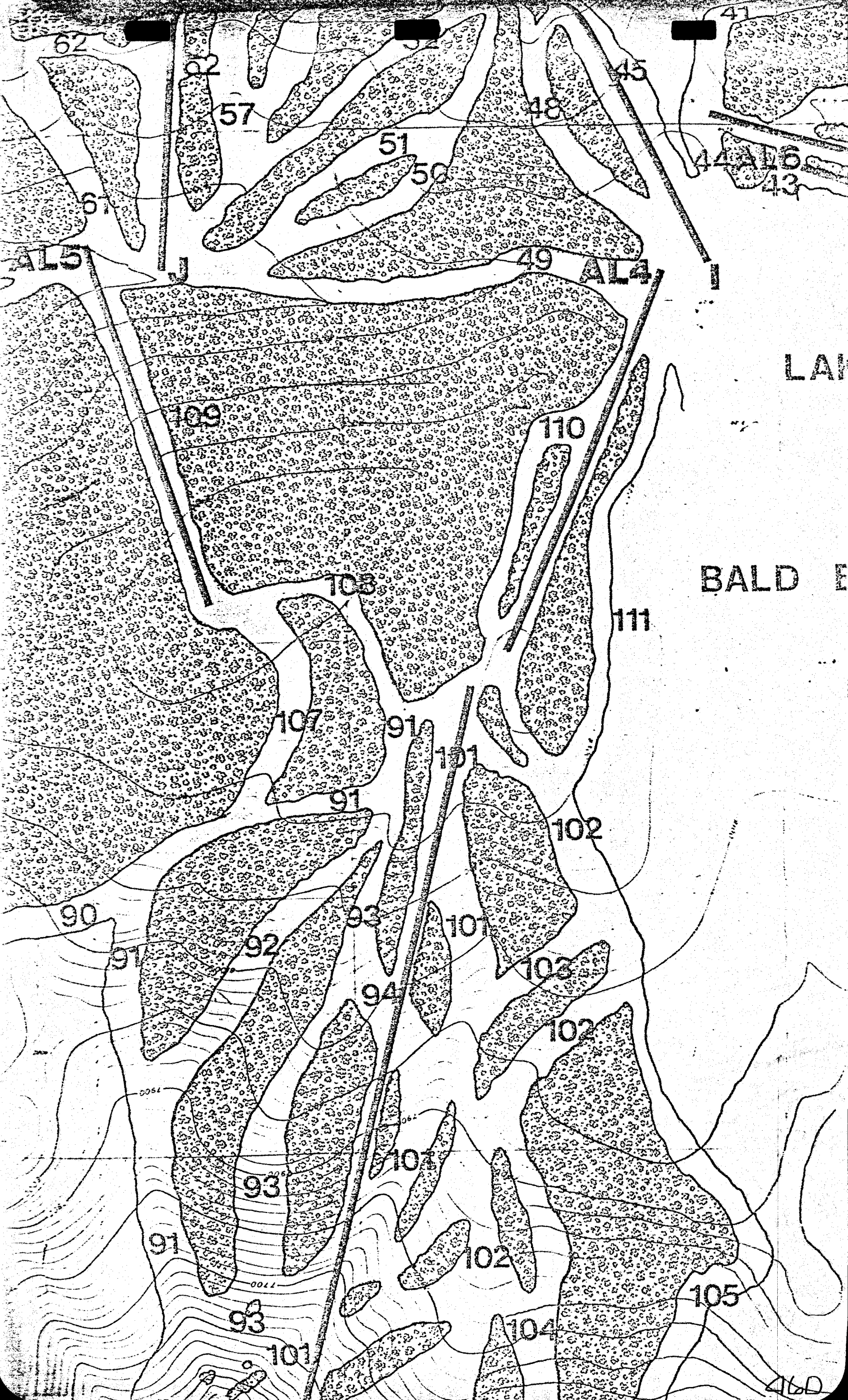
7 JAN 03

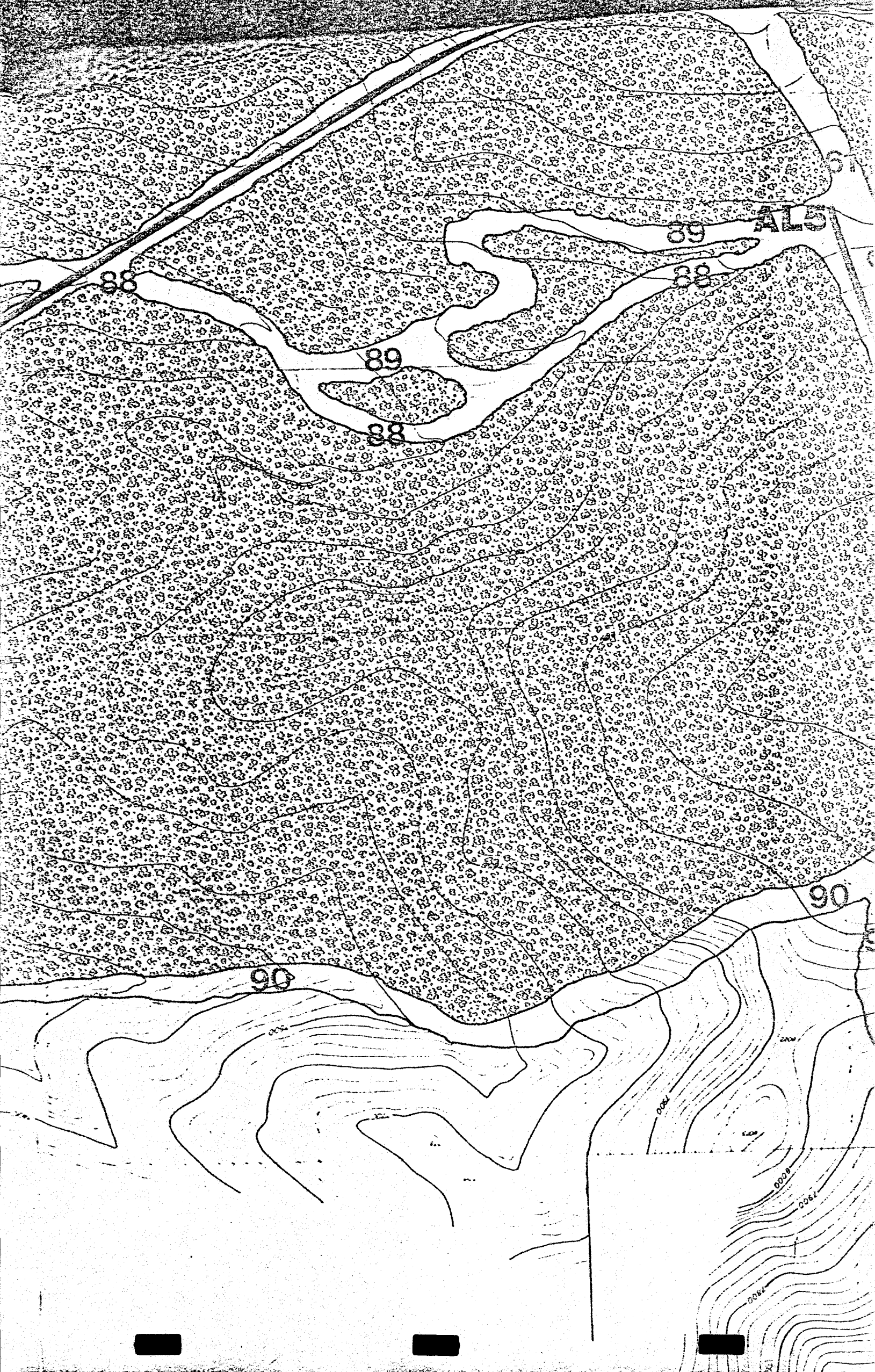


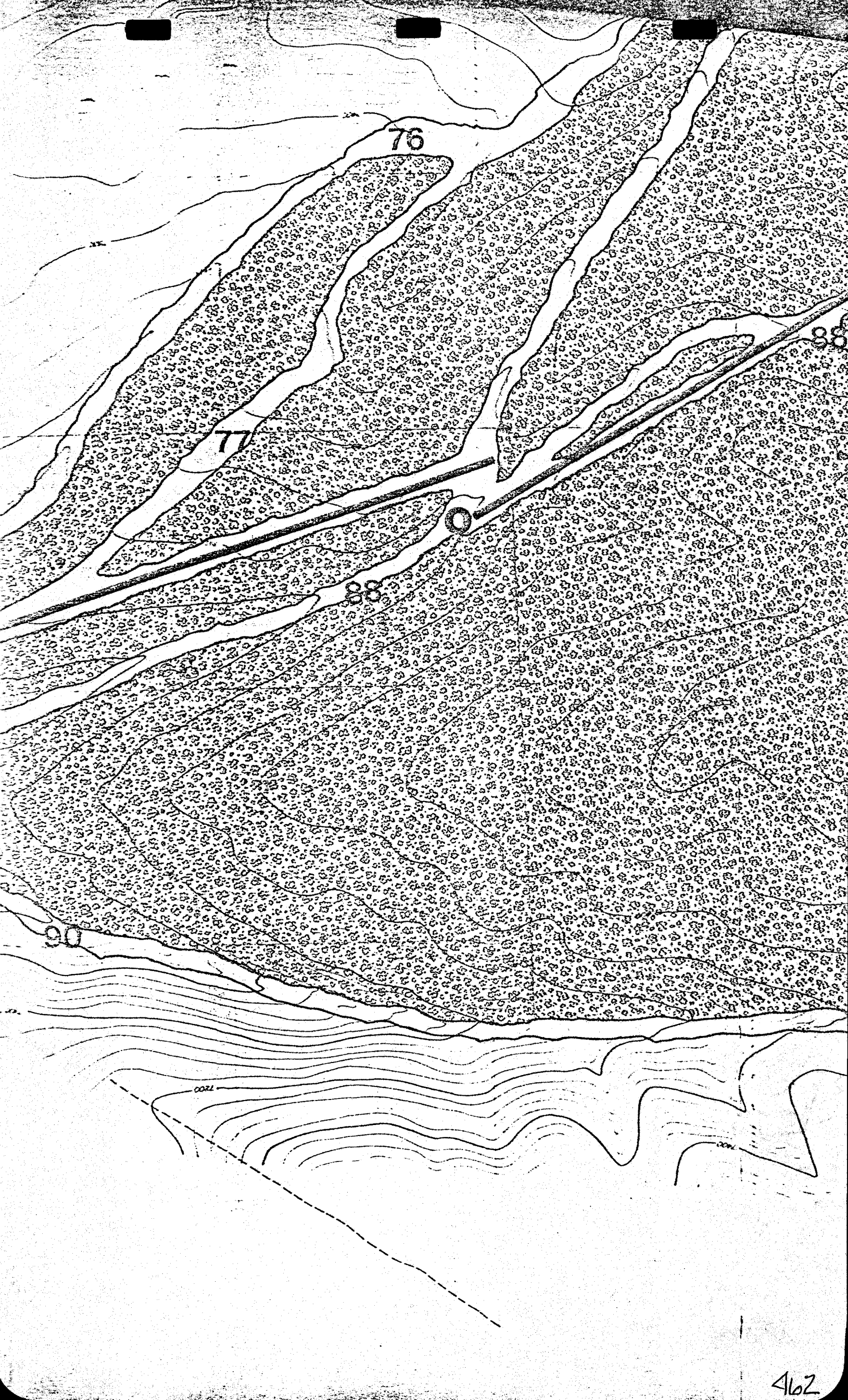
LAKE FLAT

BALD EAGLE

105







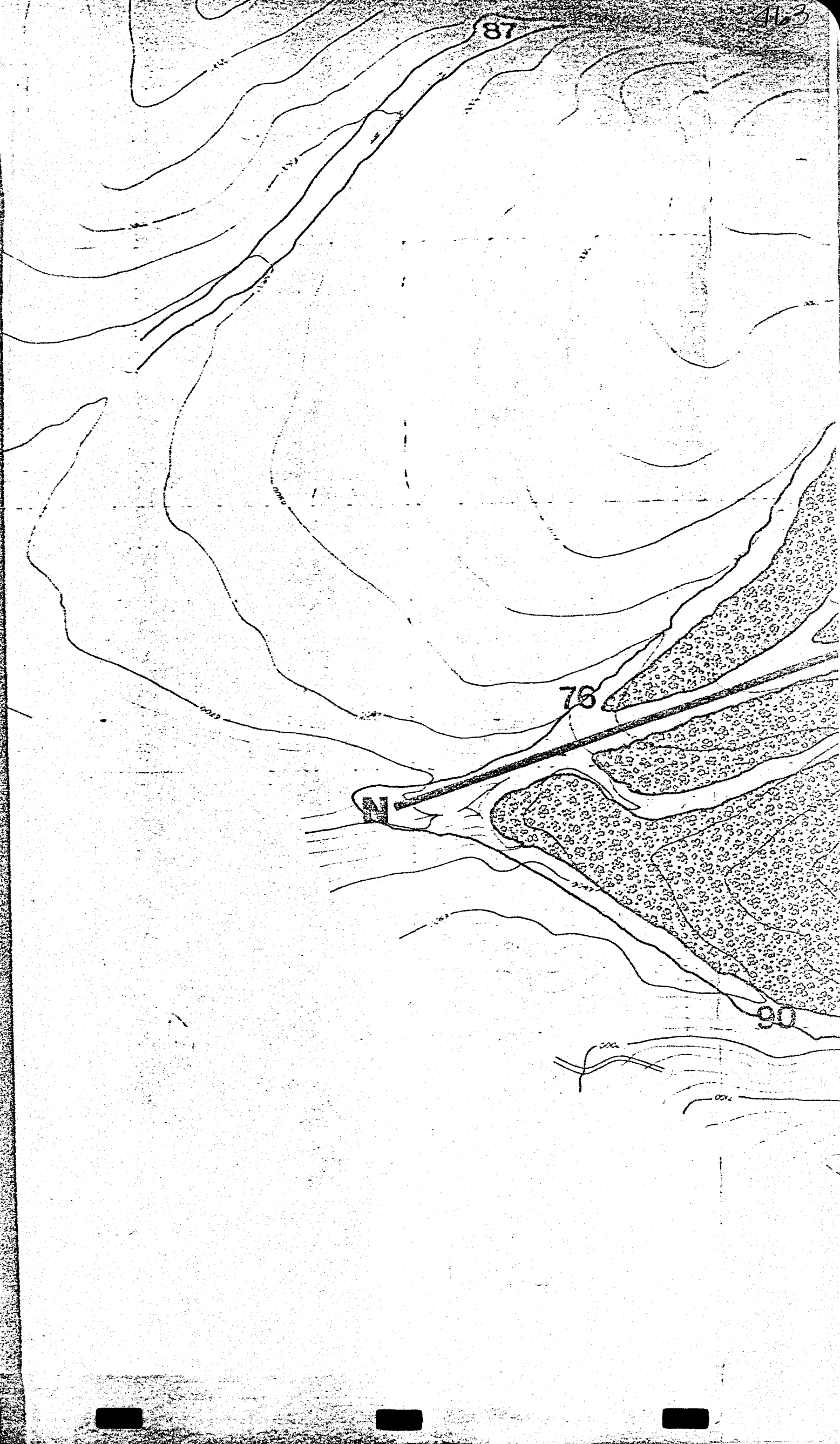
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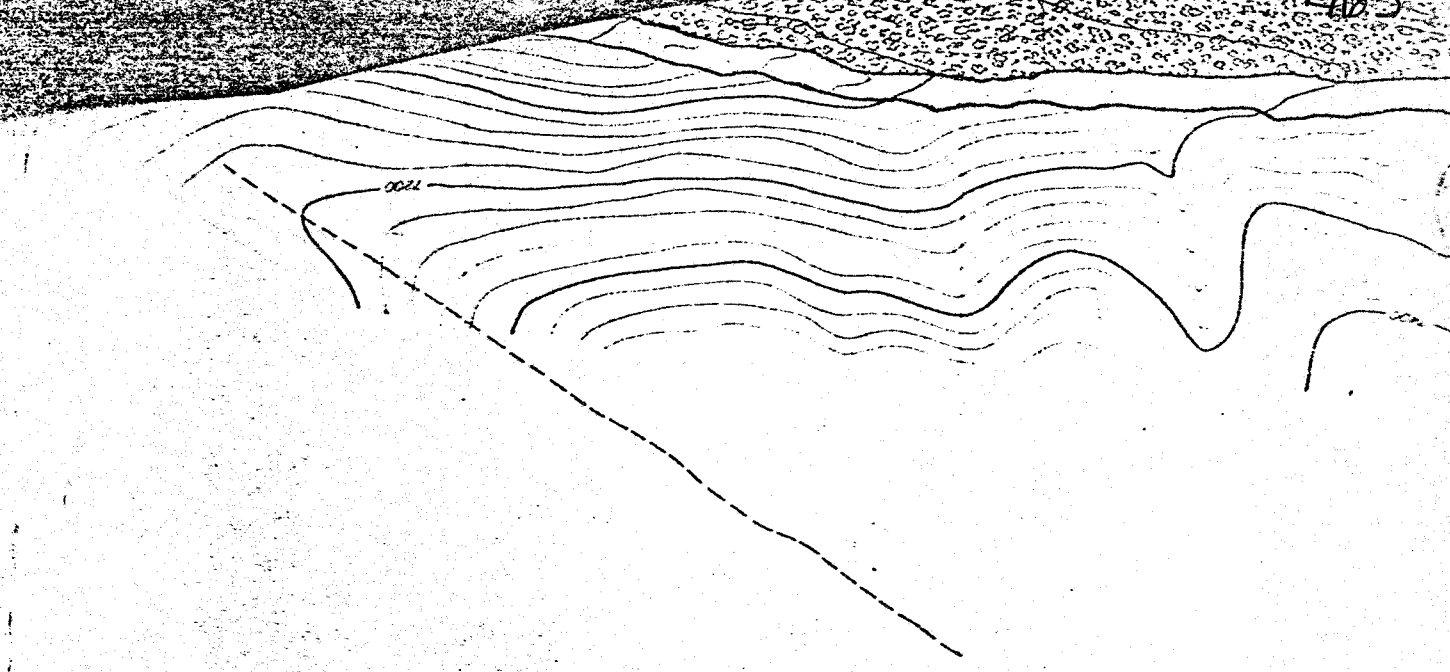
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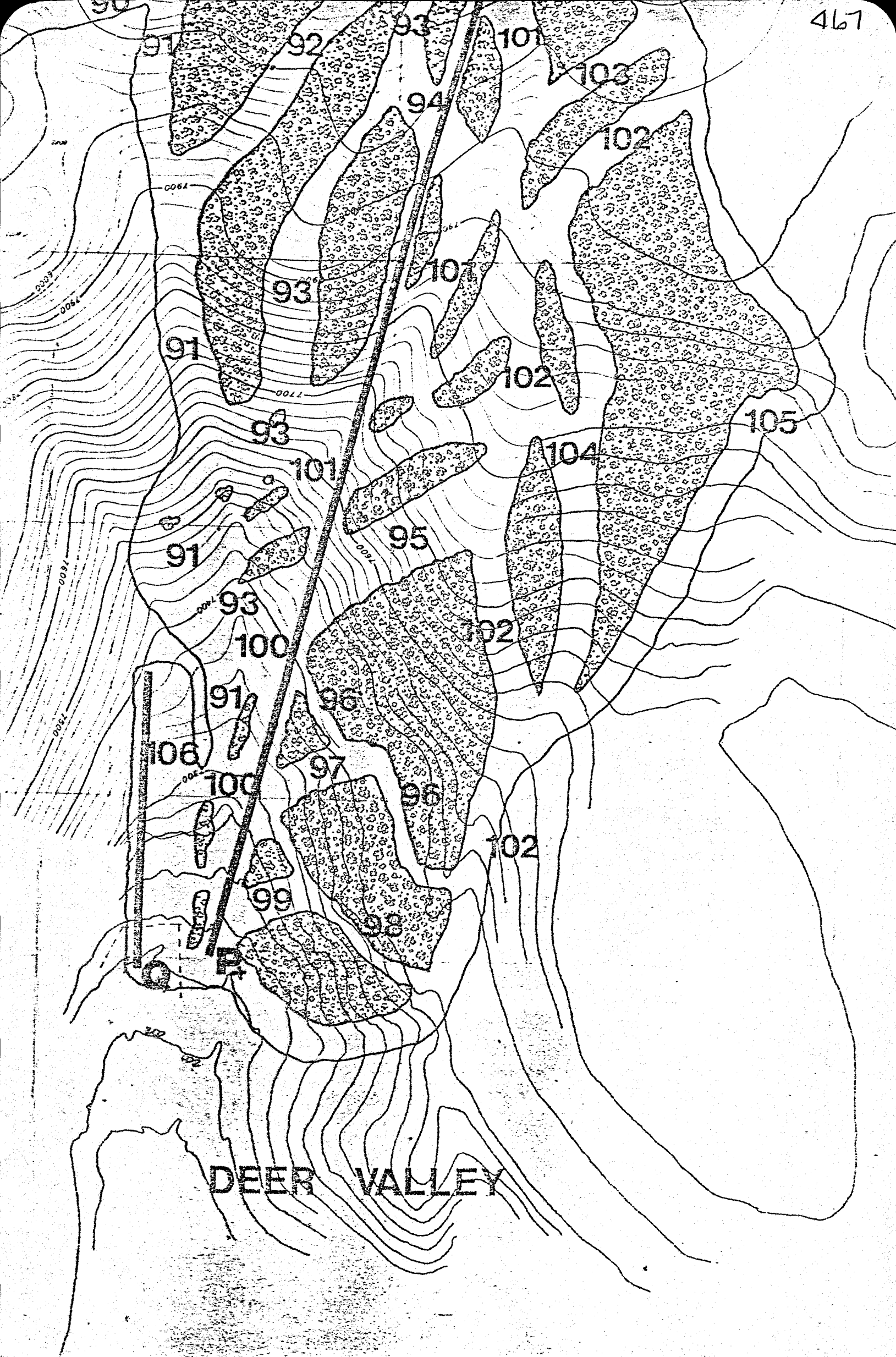


CLP
SPM

- 9524451
+ 4224.00





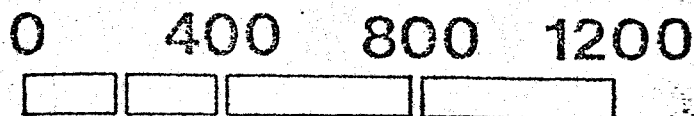




Deer Valley Mt. Masten

Park City, Utah

Prepared For:
Royal Street Land Co.
Park City, Utah





y Ski Area
r Plan

Revised Jan., 1980

Prepared By:
Sno-engineering Inc.
415 Hyman
Aspen, Colo.

ASSIGNMENT AND QUITCLAIM OF
LEASEHOLD INTEREST

For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the undersigned hereby assigns, sells, transfers, sets over and quitclaims to ROSS LARE REALTY, N.V., of Curacao, The Netherlands Antilles, the following:

1. All of the undersigned's right, title and interest in and to that certain Surface Lease of January 1, 1974, by and between PARK CITY UTAH MINES COMPANY, a Delaware corporation, as Lessor, and the undersigned, as Lessee, including all real property described therein and as described in Exhibit A attached hereto and incorporated herein by reference which Surface Lease was amended as provided in that certain Addendum No. 1 to Surface Lease of January 24, 1977, (which Surface Lease and the Addendum thereto are hereinafter referred to collectively as the "PCU Lease").

2. All of the undersigned's right, title and interest in and to that certain Surface Lease of January 1, 1974, by and between SAN DIEGO MINING COMPANY, a Delaware corporation, as Lessor, and the undersigned, as Lessee, including all real property described therein and as described in Exhibit B attached hereto and incorporated herein by reference, which Surface Lease was amended as provided in that certain Addendum No. 1 to Surface Lease of January 24, 1977, (which Surface Lease and the Addendum thereto are hereinafter referred to collectively as the "SD Lease").

The undersigned warrants that it is not in default with respect to either the PCU Lease or the SD Lease, and that both leases are in full force and effect as of the date hereof.

EXHIBIT "T"

[Handwritten signature]

By acceptance of delivery of this Assignment and Quitclaim, Ross Lare Realty, N.V. agrees to assume, discharge, indemnify and hold the undersigned harmless with respect to all obligations of the undersigned owed to the Lessors named in the PCU Lease and the SD Lease.

This Assignment and Quitclaim is made subject to all liens, encumbrances and exceptions to title of record as of the date hereof, and while it is intended hereby to convey all appurtenances to the real property described in Exhibits A and B attached hereto, including without limitation all appurtenant water, oil, gas and mineral rights owned by the undersigned, if any, the undersigned makes no warranty whatsoever of seisen, possession, right to convey, encumbrances title or indemnity, with respect to said rights.

IN WITNESS WHEREOF, the undersigned has executed this Assignment and Quitclaim this ___ day of August, 1977.

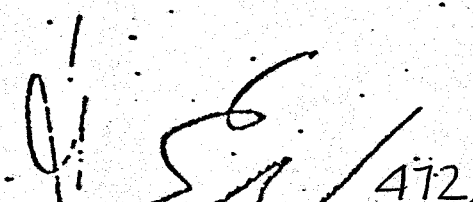
LON INVESTMENT COMPANY
a Utah corporation

ATTEST:

By: _____
President

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

On the ___ day of August, 1977, personally appeared before me _____ and _____ who being by me duly sworn did say that he, the said _____, is the president, and he, the said _____, is the _____ of LON INVESTMENT COMPANY, and that the within and foregoing instrument was signed in behalf of said corporation by authority of a resolution of its board of directors, and each duly acknowledged to me that

 472

Surface Rights Only.

The following named and described lode mining claims, situated in the Blue Ledge Mining District, Wasatch County, State of Utah, and in the Uintah Mining District, Summit County, State of Utah, to-wit:

<u>Name of Claim</u>	<u>Undivided Interest.</u>	<u>Survey or Lot No.</u>
Augustus	100%	107
Belcher No. 1	50%	191
Belcher No. 2	50%	192
Belcher No. 3	50%	193
Belcher No. 4	50%	194
Belcher No. 5	50%	195
Blaine	100%	135
C. McFalls	75%	554
C. J. Nelson	75%	552
Cataract	100%	103
City of Edinburg	100%	3288

FORM 111A (1-76)

EXHIBIT A

Name of Claim	Undivided Interest	Survey of Lot No.
Clipper	115/150	570
Clipper No. 2	100%	117
Columbia	115/150	569
Cumberland	100%	120
DEBS	100%	3006
Denver	50%	4967
Denver No. 2	50%	4967
Denver No. 3	50%	4967
Denver No. 4	50%	4967
Denver No. 5	50%	4967
Error No. 1	100%	7046
Error No. 2	100%	7046
Error No. 3	100%	7047
Excellent	100%	125
Homestake (or No. 1)	100%	66
Homestake No. 2	100%	67
Independence	100%	171
J. H. Rogers	75%	550
J. I. C.	100%	561
Juliet	100%	115
Little Giant	14/15	118
Little Kate	100%	111
Mary Allen	75%	553
Mary Jane	75%	551
May	100%	61
N.	100%	190
Olive Branch	100%	102
Peerless	13/15	122
President	100%	129
R. P. H.	100%	560
Richmond	75%	4968
Richmond No. 2	75%	4993
ROMEO	100%	108
Rosebud	100%	6546
Southeast Extension of the May Bell	100%	374
Sampson	100%	60
Senator Mine & Co.	100%	124
Setting Bull	100%	121
Shiloh	100%	123
Summit	100%	116
Summit	100%	137
Viola No. 2	100%	562
Wasatch	1325/1500	59
Woodland	100%	134

HOMESTAKE NO. 3, Lot No. 5028, EXCEPTING the following part thereof: Beginning at N. E. corner No. 4 of the Home Stake No. 3 Lode Survey No. 5028, running thence S. 1°0' W. 602.8 feet to N. W. corner No. 3 of said Home Stake No. 3 lode; thence S. 14°30' E. 289.8 feet to a point of intersection of W. side line of said Home Stake No. 3 lode with the E. end line of Belcher No. 5 Lode, Lot No. 195; thence S. 22°30' E. 9.3 feet, to S. E. corner No. 4 of said Belcher No. 5 Lode; thence N. 81°0' E. 40 feet to N. E. corner No. 3 of Belcher No. 4 Lode, Lot 194; thence S. 16°4' E. 182.9 feet to a point of intersection of S. side line of Horn Silver Mining claim, No. 1 lode, Survey No. 5070, and N side line of Horn Silver Mining claim No. 2, Lode, Survey No. 5070, with the E. end line of said Belcher No. 4 lode; thence S. 66°15' E. 705.4 feet to a point of intersection of the S. side line of the said Horn Silver mining claim No. 2 Lode with the N. side line of said Home Stake No. 3 Lode; thence N. 14° W. along E. side line of Home Stake No. 3 Lode, 864.7 feet to N. E. corner No. of the Home Stake No. 3 Lode, place of beginning. (100% interest)

CARDO and LUCANO, Lots Nos. 165 and 166 respectively;

EXCEPTING commencing at Post No. 3 of the official survey of the Lugano Claim aforesaid and with Magnetic variation at 16°30' East running thence S. 6°30' East along the easterly end line of said Lugano Claim; thence in a direct line and on a course which is approximately South 76°11' West 2700.04 feet more or less to the point of intersection of the northerly side line of the "Cardo" lode claim Lot 165 and the southerly side line of the Belcher No. 2 lode claim Lot 192 in the same district as officially surveyed, which point of intersection is North 72° East 266.8 feet distant from Post No. 4 of said "Cardo" lode claim as officially surveyed; and thence North 72° East along the northerly side line of the "Cardo" and "Lugano" lode claims as officially surveyed 2733, 4/10 feet more or less to said Post No. 3 of the Lugano lode claim, the place of beginning (2/3 interest)

EXCEPT all minerals in or under said land and mining claims, including but not limited to metals, oil, gas, coal, stone and mineral rights, mining rights and easement rights or other matters relating thereto whether expressed or implied.

Name of Claim

Survey or
Lot No.

Fraction
Morning Star
Oom-Paul
San Diego
Viking

MS 5027
MS 5027
MS 5027
Lot 207
MS 7001

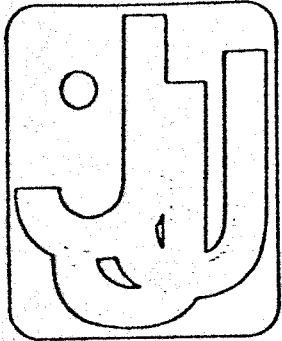
EXCEPT all minerals in or under said land including but not limited to metals, oil, gas, coal, stone and mineral rights, mining rights and easements, rights or other matters relating thereto whether expressed or implied.

EXHIBIT B

P-90-A U.S. (4-76)

..... () () () () ()

[Handwritten signature]



J.J. Johnson & Associates

EXHIBIT M

Park Meadows Plaza

Park City, Utah 84060

(801) 649-9811

MAYFLOWER SKI LEASE AREA

July 13, 1981

Beginning at a point which is North $85^{\circ} 10'$ East 1150.00 feet from corner No. 4 of the Lincoln Lode (Survey No. 3278), said point being North 151.55 feet and West 2640.00 feet, more or less, from the South quarter corner of Section 24, Township 2 South, Range 4 East, Salt Lake Base and Meridian; and running thence South 732.71 feet more or less; thence West 628.47 feet more or less; thence South $47^{\circ} 40' 00''$ West 3044.00 feet more or less; thence West 620.00 feet more or less; thence South $45^{\circ} 30' 00''$ West 856.00 feet more or less; thence South 200.00 feet more or less; thence East 440.00 feet more or less; thence South $39^{\circ} 10' 00''$ East 618.00 feet more or less; thence East 1350.00 feet more or less; thence South 300.00 feet more or less; thence South $35^{\circ} 40' 00''$ West 515.00 feet more or less; thence South $23^{\circ} 15' 00''$ West 1480.00 feet more or less; thence West 5746.55 feet more or less; thence North $6^{\circ} 20' 25''$ West 1811.08 feet; thence West 1000.00 feet more or less; thence South $23^{\circ} 25' 43''$ West 1634.778 feet more or less, to the Southeast corner of Section 28, Township 2 South, Range 4 East, Salt Lake Base and Meridian; thence West along the section line 4550.00 feet more or less; thence North $6^{\circ} 42' 35''$ West 2567.59 feet more or less; thence North $13^{\circ} 56' 05''$ East 1370.33 feet more or less, thence North $68^{\circ} 22' 29''$ East 2468.387 feet more or less to an intersecting point on the Southerly line of the Ontario No. 3 shaft mining reservation; thence continuing along said Southerly line the following nine courses: thence 1) North $88^{\circ} 40' 53''$ East 183.77 feet; thence 2) North $89^{\circ} 39' 00''$ East 51.67 feet; thence 3) South $60^{\circ} 44' 48''$ East 227.28 feet; thence 4) South $63^{\circ} 08' 00''$ East 205.32 feet; thence 5) South $71^{\circ} 41' 15''$ East 149.42 feet; thence 6) South $63^{\circ} 40' 57''$ East 103.00 feet; thence 7) South $72^{\circ} 06' 10''$ East 88.88 feet; thence 8) South $46^{\circ} 38' 38''$ East 206.48 feet; thence 9) South $10^{\circ} 09' 09''$ East 98.81 feet to the East line of Parcel 4A; thence continuing along the boundary of said Parcel 4A the following six courses: 1) South 955.96 feet more or less; thence 2) North $69^{\circ} 00' 00''$ East 360.00 feet more or less; thence 3) South $29^{\circ} 20' 00''$ West 117.60 feet more or less; thence 4) North $78^{\circ} 10'$ East 714.30 feet more or less; thence 5) East 2769.03 feet more or less; thence 6) North 1910.00 feet more or less; thence leaving said Parcel

Civil Engineering Land Planning Surveying

Page Two

4A boundary and going Northeasterly along the Southerly line of the North Star Mining Claim North 64° 30' East 1500.00 feet more or less to the Southeast corner of said North Star Claim; thence leaving said North Star Claim and going North 65° 05' 43" East 98.60 feet more or less to the Southwesterly corner of the Henry M. Stanley Mining Claim No. 81; thence North 61° 00' 00" East along the Southerly line of said No. 81 Mining Claim 1500.00 feet more or less to the Southeasterly corner of said No. 81 Mining Claim; thence North 29° 00' West along the Easterly line of said No. 81 Mining Claim, 200.00 feet more or less to the Southeasterly corner of the Tom Paine No. 187 Mining Claim; thence North 46° 42' West along the Westerly line of the following named mining claims a total distance of 933.20 feet more or less, (Tom Paine No. 187), (Monroe Doctrine No. 151), (Legal Tender No. 150), and (Pilot No. 149), to the Northeasterly corner of said Pilot No. 149 Mining Claim; thence leaving said Pilot No. 149 Mining Claim and going South 80° 26' 02" East 2789.42 feet more or less; thence South 67° 12' 13" East 3314.74 feet more or less to the point of beginning.

Contains 1534.89 acres more or less.

LE:mlb
 Project No. 39-2-81
 (1981 L/DVSKIlegal pp. 4-5)

Prepared by: _____
 Checked by: _____
 Reviewed by: _____

N 6° 42' 35" W 2567.89

FLAGSTAFF MTN.

WEST 4550.00'

38

39

40

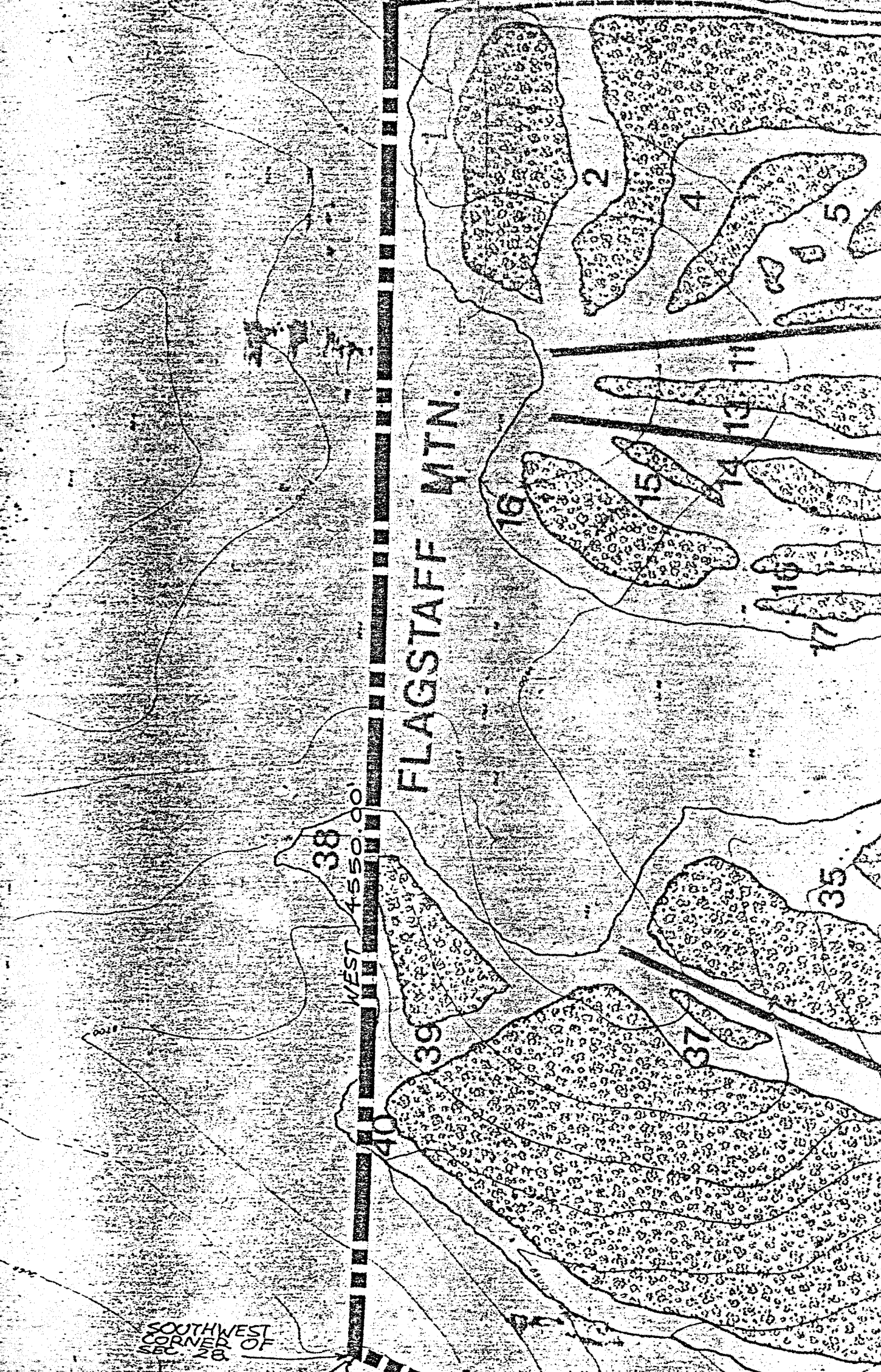
SOUTHWEST CORNER OF SEC. 28.

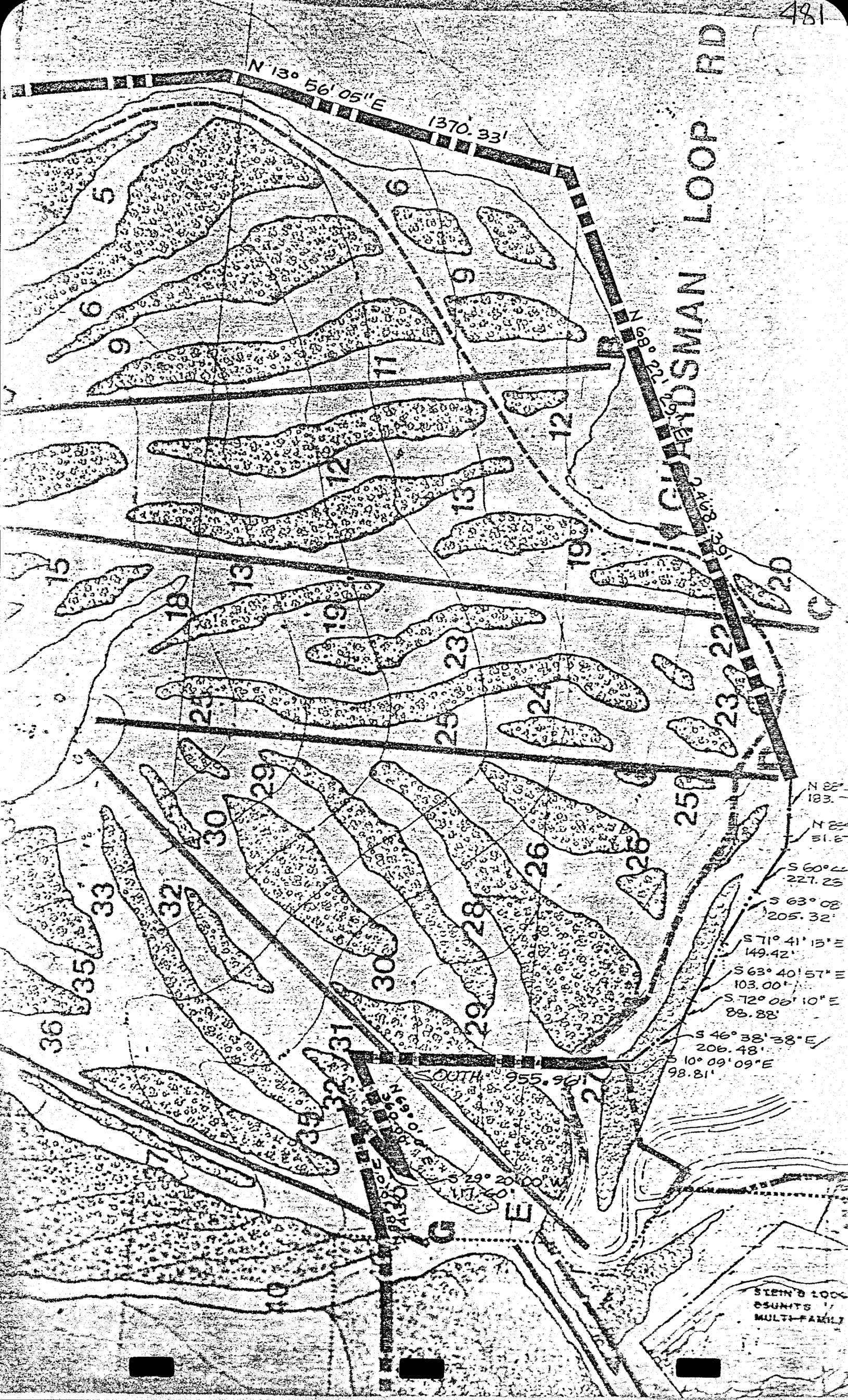
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25° 43' W

1634.78'

480





N 13° 56' 05" E
1370.33'

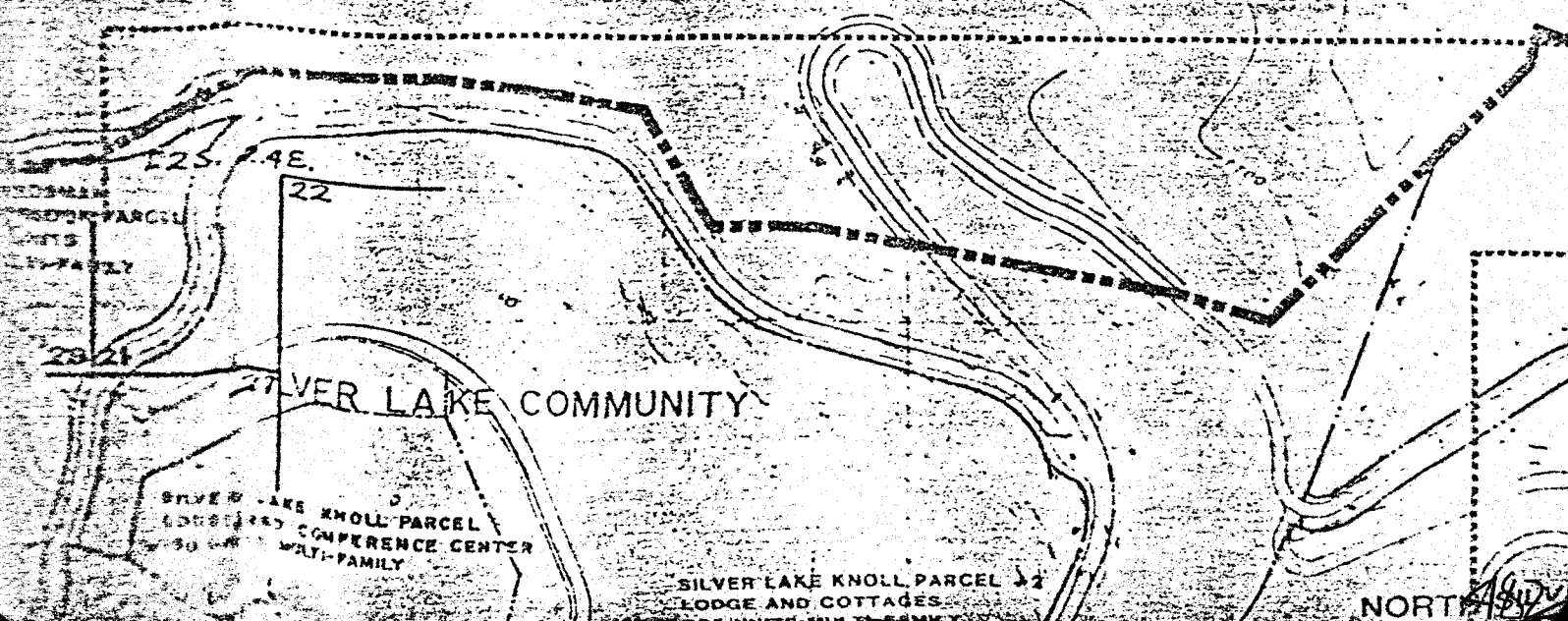
CLAYDSMAN LOOP RD

N 82° 183. -
N 82° 51.6 -
S 60° 42' 227.25
S 63° 02' 205.32
S 71° 41' 15" E 149.42'
S 63° 40' 57" E 103.00'
S 72° 06' 10" E 83.88'
S 46° 38' 38" E 206.48'
S 10° 09' 09" E 98.81'

STEIN'S LOOP
5 UNITS
MULTI-FAMILY

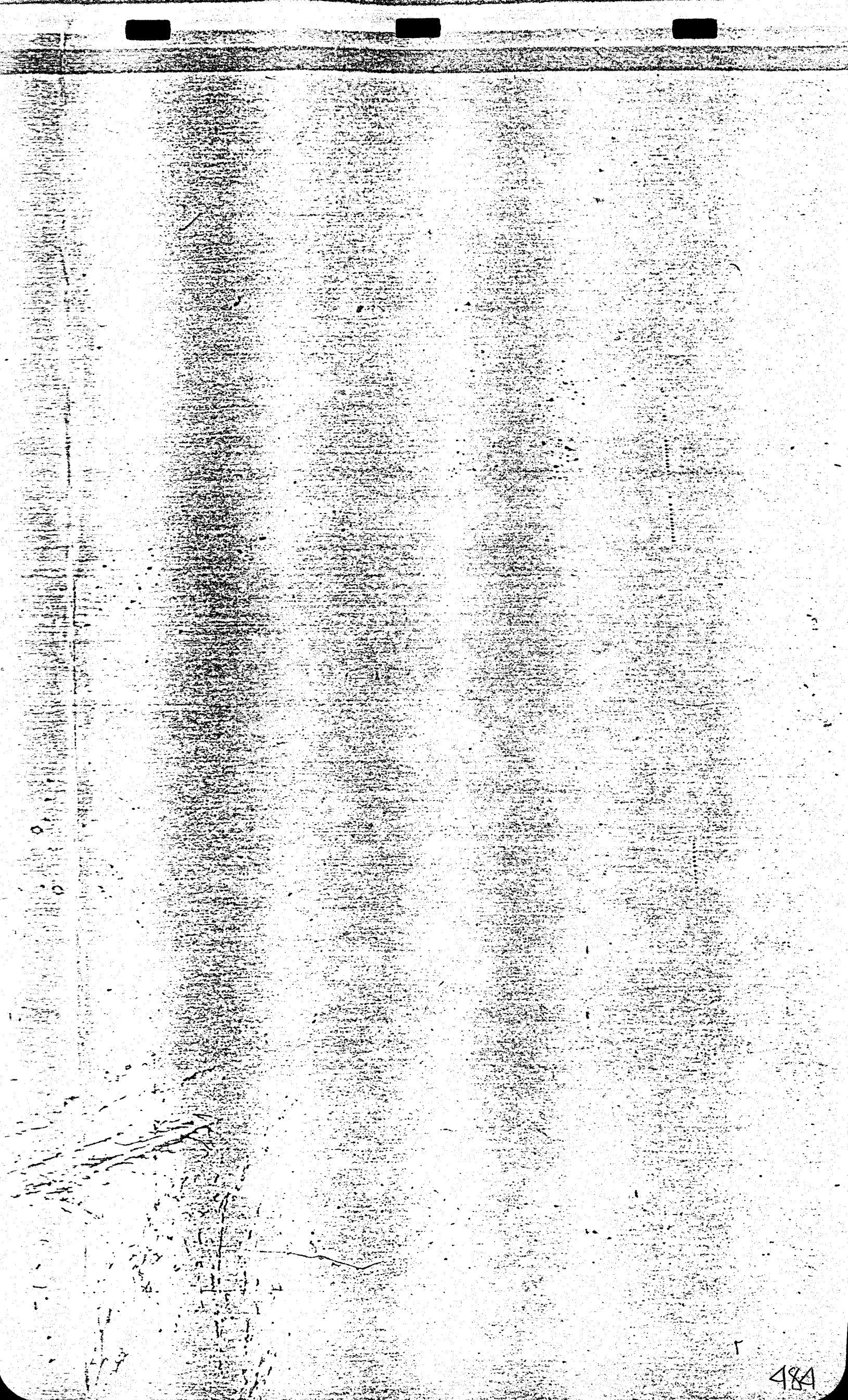
53° E
39° 0' E
3° S
0° E

ONTARIO NO. 3
MINING RESERVATION



BENCH PARCEL
80 UNITS MULTI-FAMILY





T. 25. R. 4E. W

1634.78'

1000.00'

BALD MTN.

N 6° 20' 23" W 1811.08'

BALD

SUMMIT HOUSE AREA

72

70

69

72

86

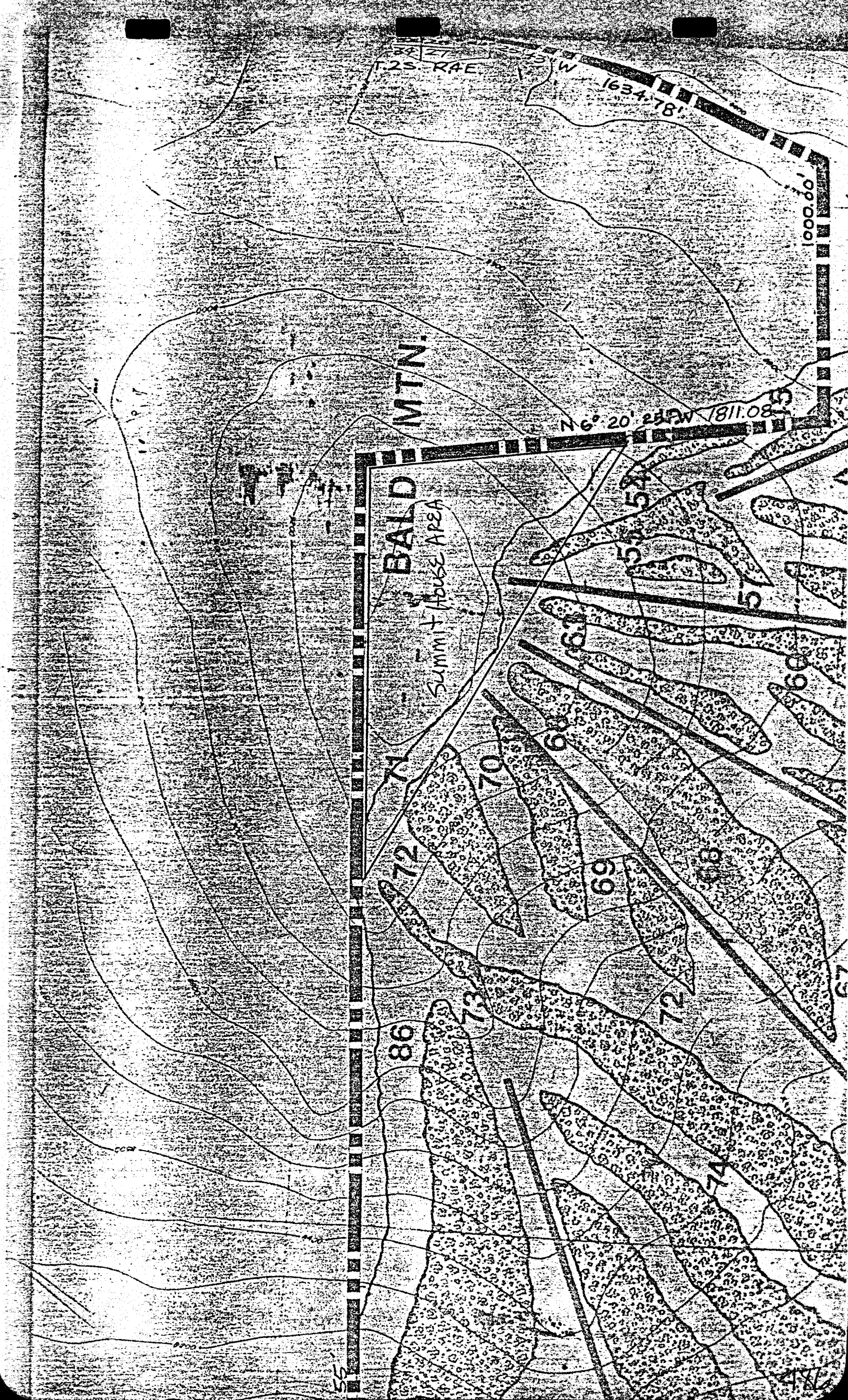
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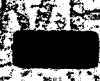
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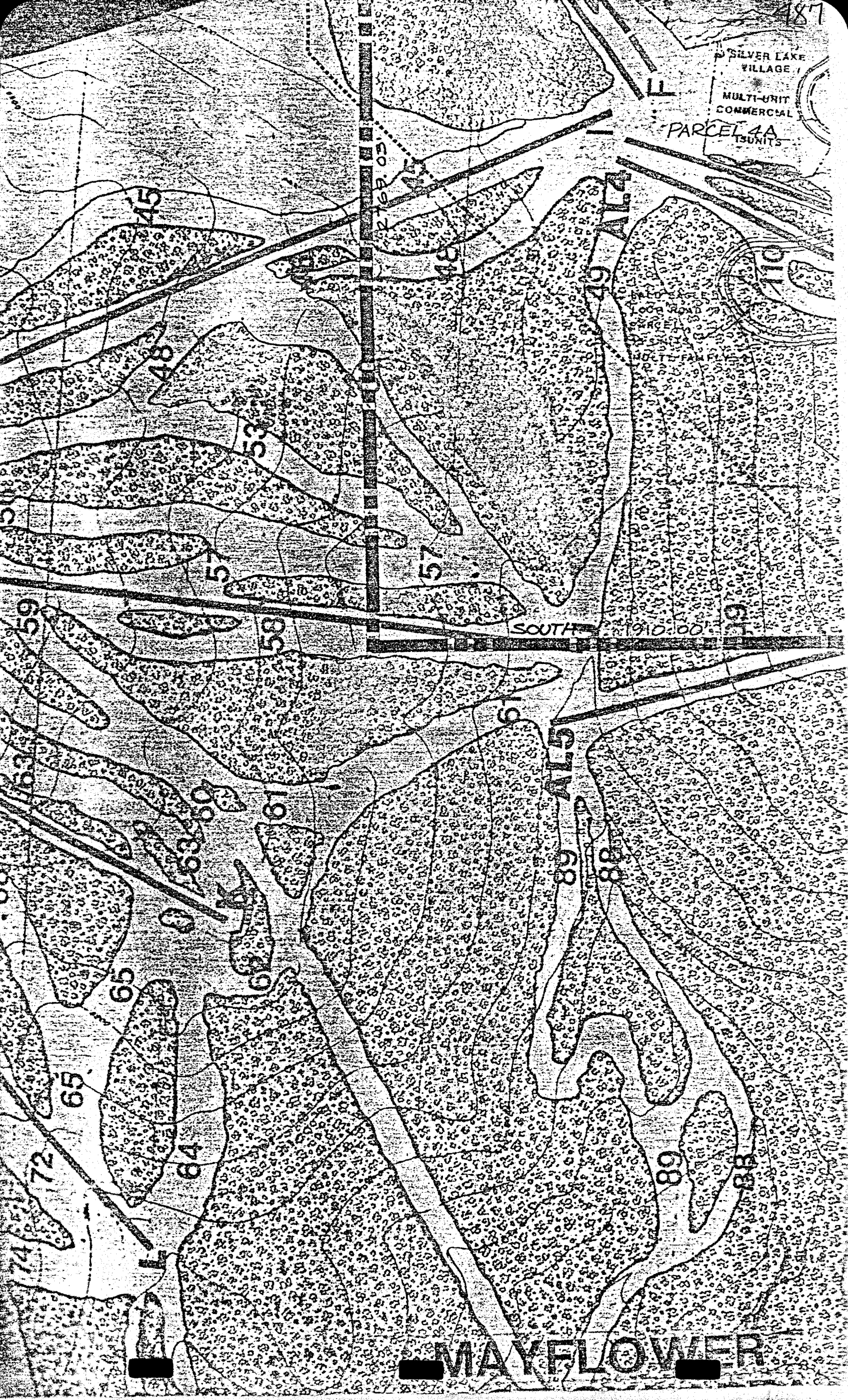
SILVER LAKE VILLAGE / MULTI-UNIT COMMERCIAL / PARCEL 4A / 13 UNITS

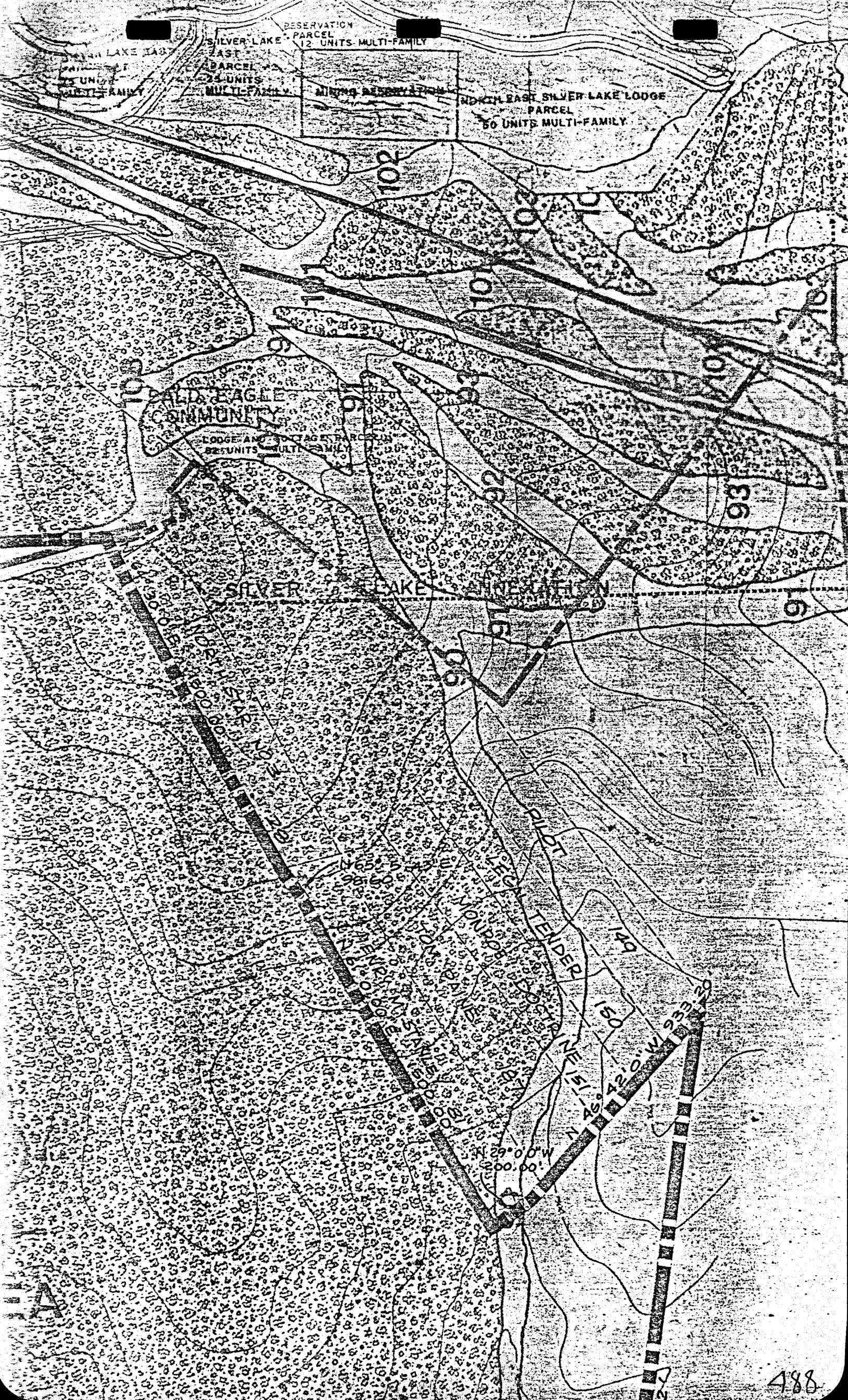
250.03

SOUTH 1910.00 FT.



WAVEFLOWER



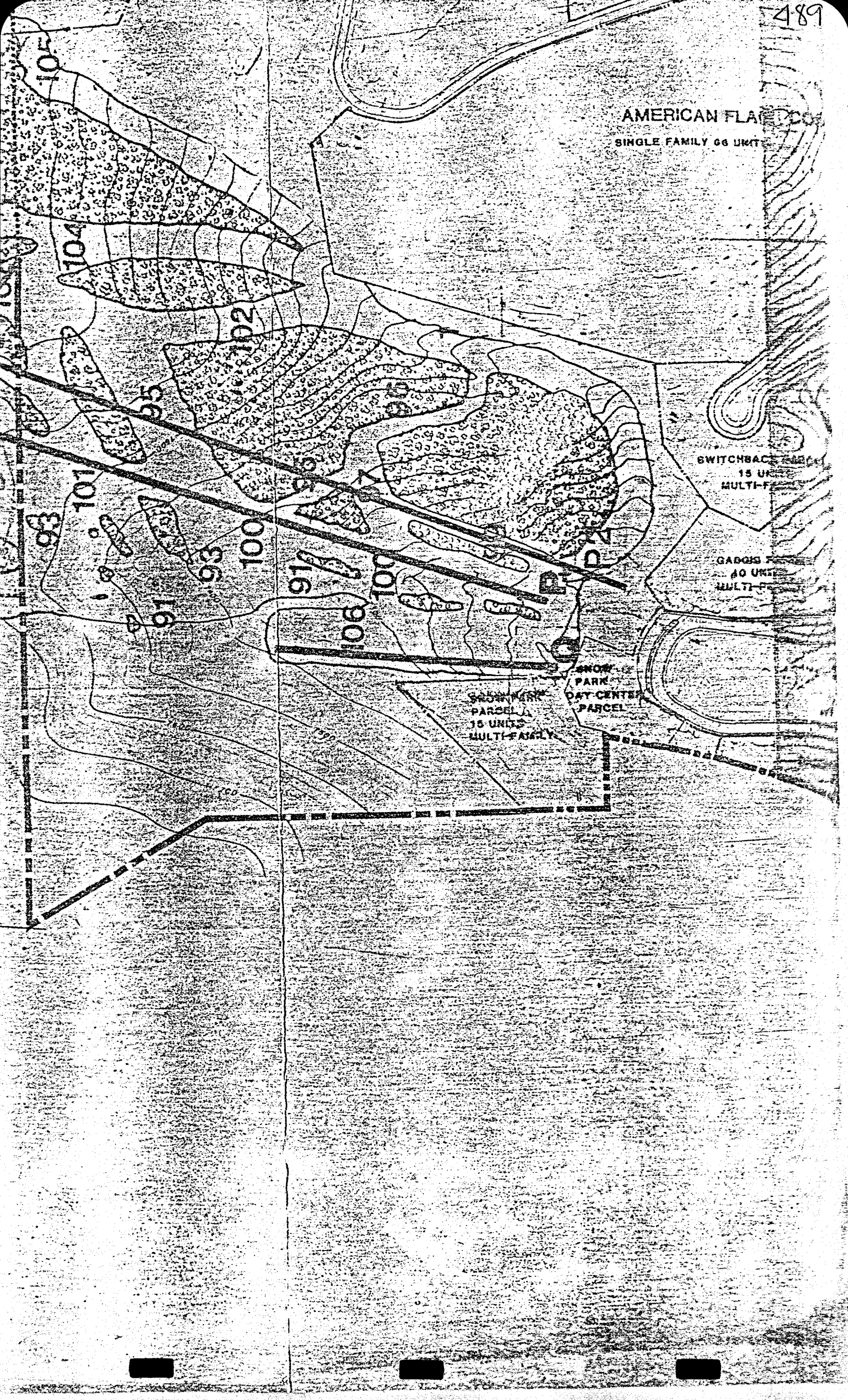


AMERICAN FLAG
SINGLE FAMILY 06 UNIT

SWITCHBACK
15 UNITS
MULTI-FAMILY

GADSDEN
40 UNITS
MULTI-FAMILY

SNOW
PARK
DAY CENTER
PARCEL
15 UNITS
MULTI-FAMILY



STONEBRIDGE PARCEL
80 UNITS
MULTI-FAMILY

ASPENWOOD
PARCEL
30 UNITS
MULTI-FAMILY

SUNRIDGE PARCEL
40 UNITS
MULTI-FAMILY

ENTRANCE
BUILDING
PARCEL

GLADES PARCEL
50 UNITS
MULTI-FAMILY

FAWNGROVE
PARCEL
80 UNITS
MULTI-FAMILY

RED MAPLE PARCEL
46 UNITS
MULTI-FAMILY

DEER VALLEY
COMMUNITY

FARNSWORTH PARCEL
24 UNITS
MULTI-FAMILY

SPORTS
FACILITY
PARCEL

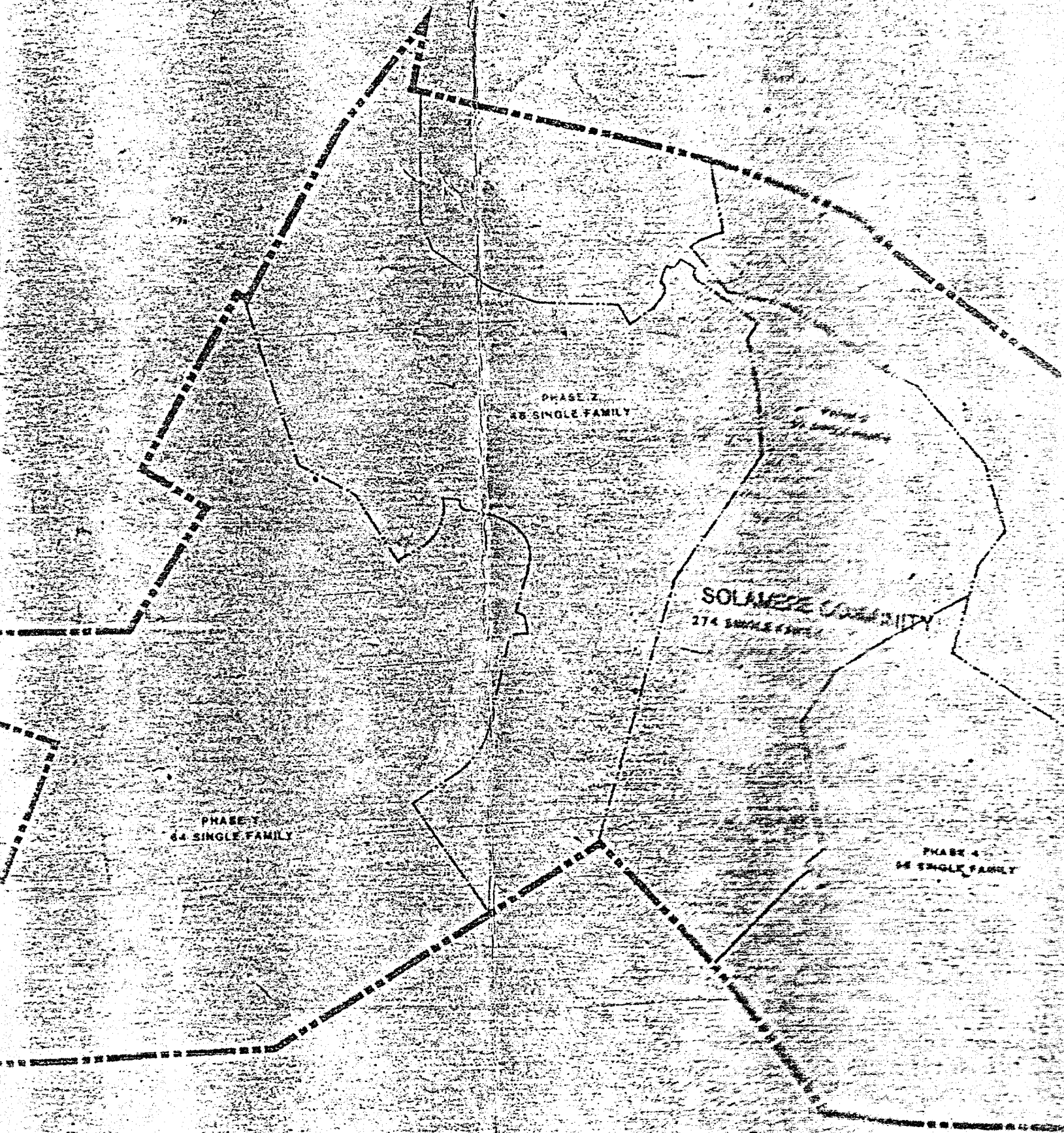
HOTEL PARCEL
78 UNITS
MULTI-FAMILY

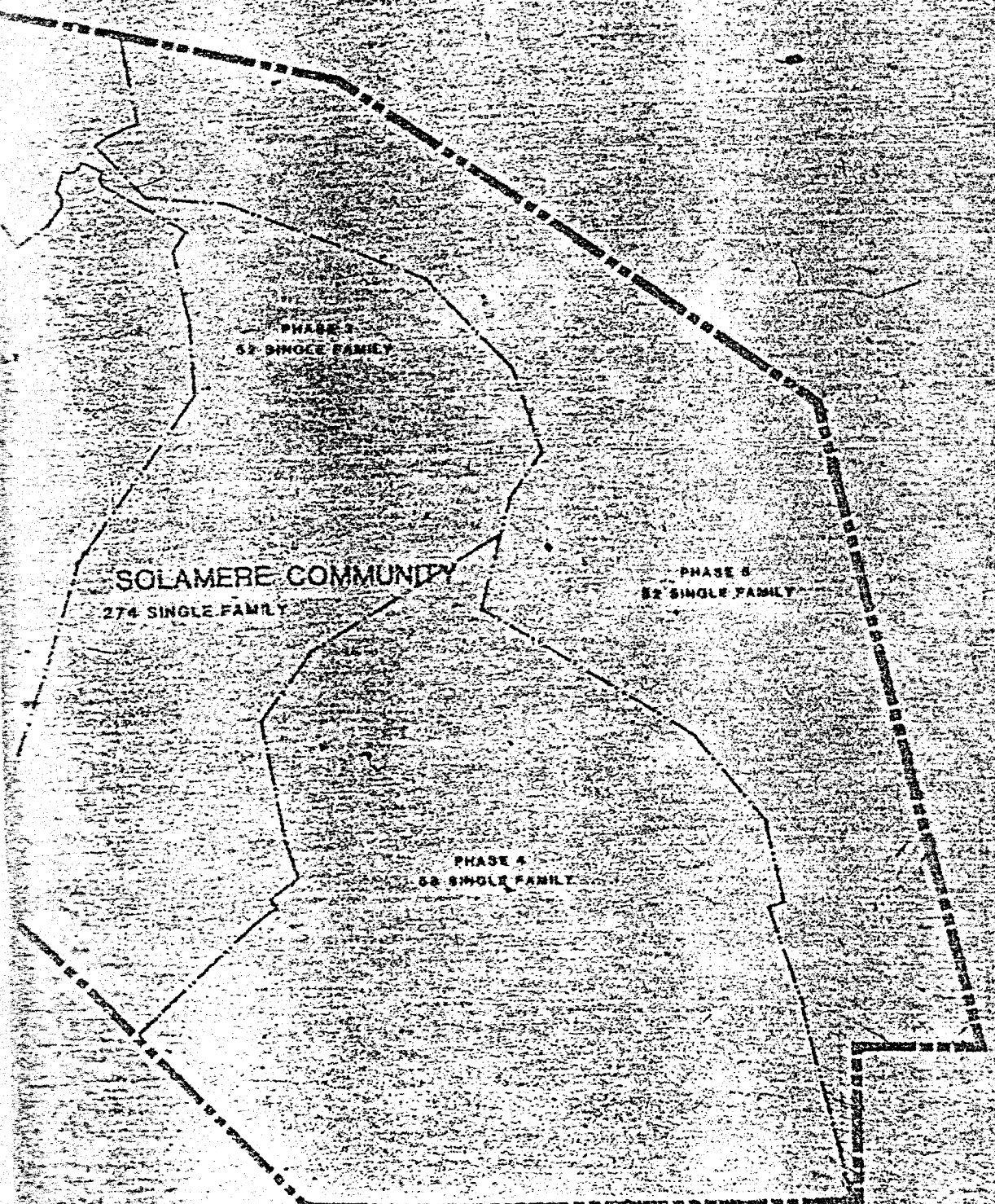
SCHOOL PARCEL

FIRE STATION
PARCEL

EAST
DEER VALLEY
PARCEL 50 UNITS
MULTI-FAMILY

EMPLOYEE HOUSING PARCEL
188 UNITS
MULTI-FAMILY



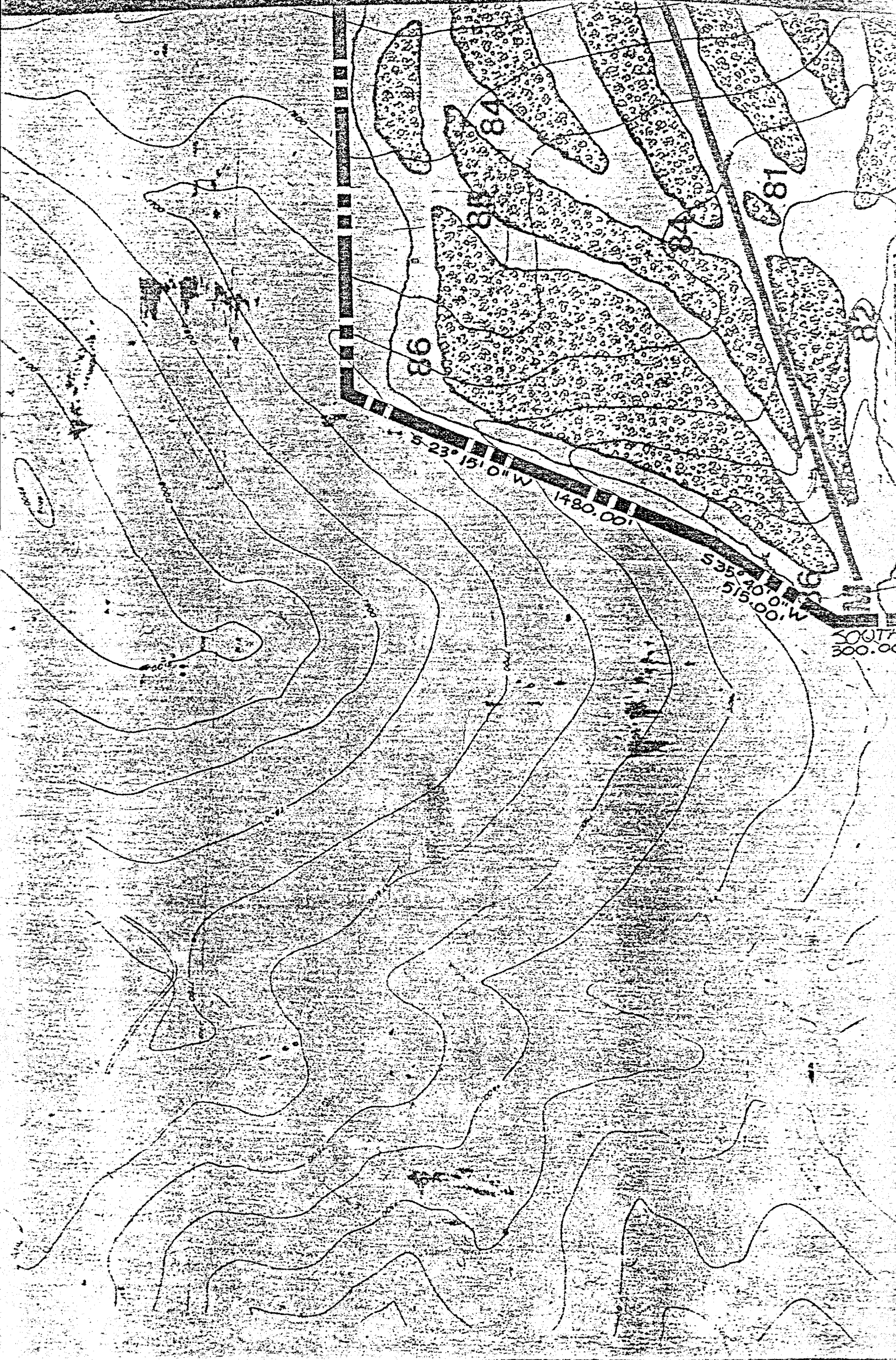


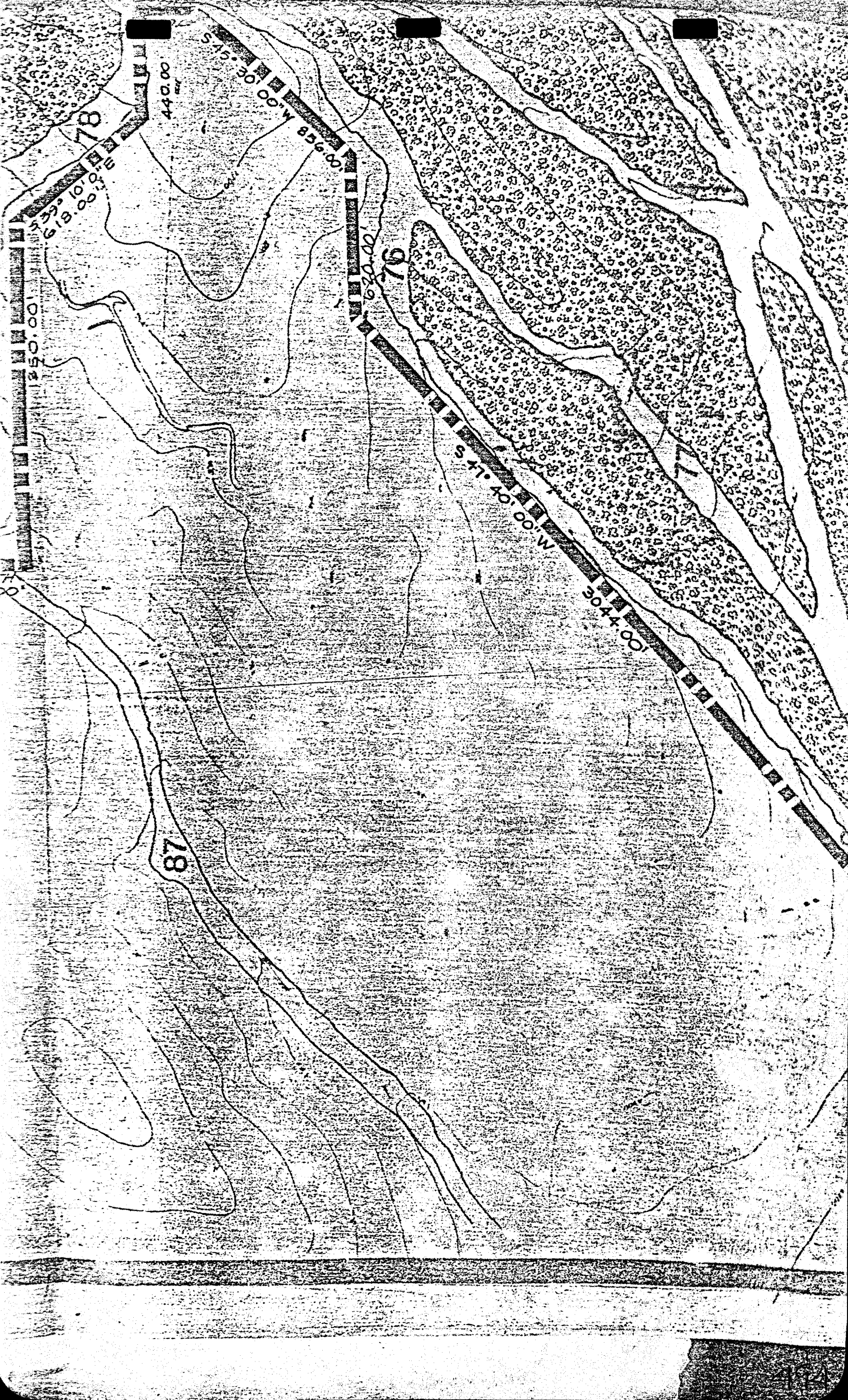
PHASE 1
52 SINGLE FAMILY

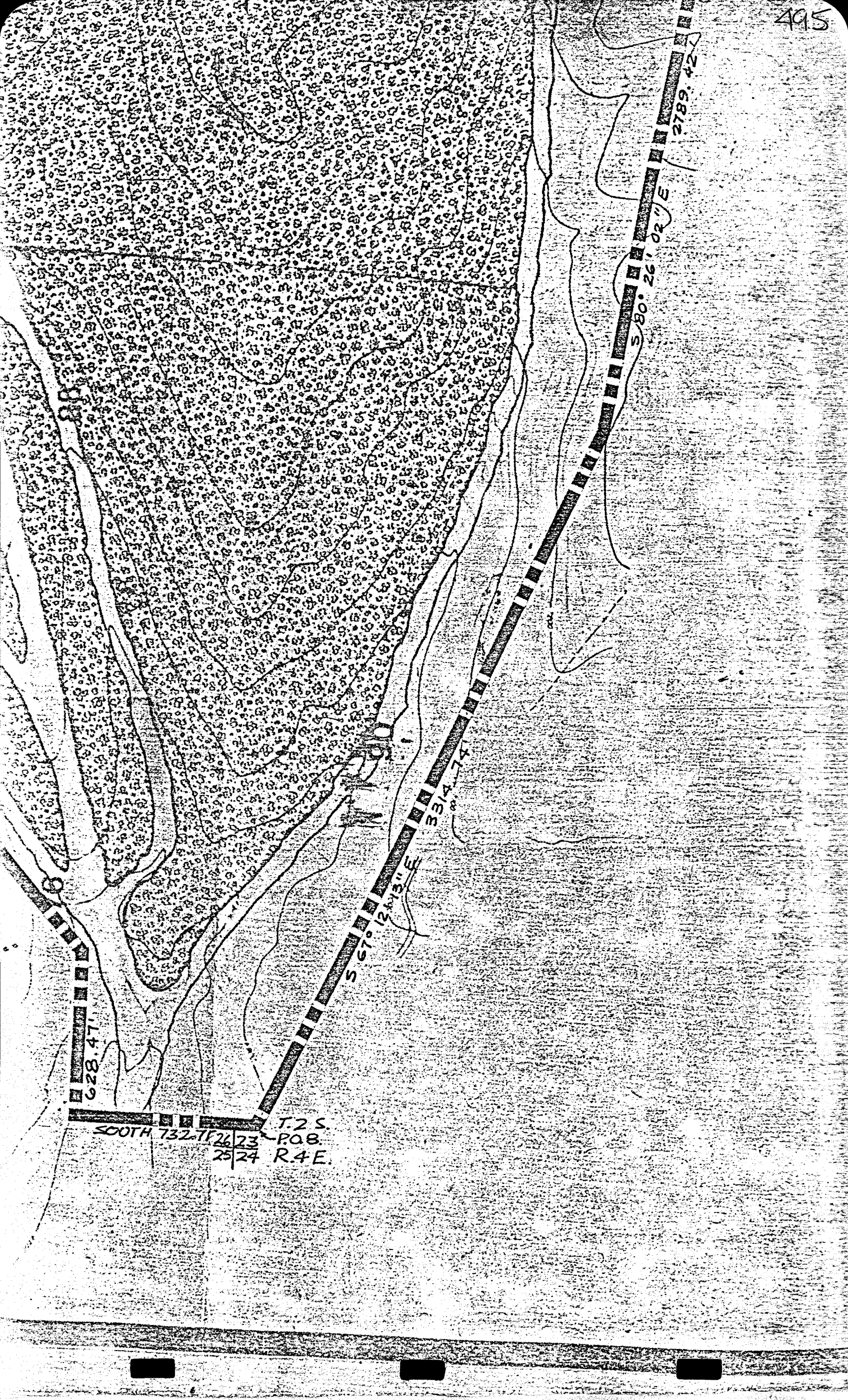
SOLAMERE COMMUNITY
274 SINGLE FAMILY

PHASE 2
52 SINGLE FAMILY

PHASE 3
58 SINGLE FAMILY







628.47'

S 67° 24' 31" E
334.74'

S 80° 26' 02" E
2789.42'

T. 2 S.
SOUTH 732-1F26/23 P. 08.
25/24 R. 4 E.

thence South 78°50' East 781.5 feet to Corner No. 5 of the said Denver No. 5 Lode; thence South 59°37' East 274 feet, more or less, to the North line of the Juliet Lode (Lot 115); thence North 86°00' East 482.5 feet, more or less, along said North line to the North line of the Error No. 1 Lode (Survey No. 7046); thence North 66°33' East 1500 feet, more or less, to Corner No. 4 of the said Error No. 1 Lode; thence North 85°00' East 1200 feet, more or less, to Corner No. 2 of the Little Kate Lode (Lot 111); thence South 17°45' East 126.8 feet to the North line of the Cumberland Lode (Lot 120); thence North 86°04' East 375 feet, more or less, to the North line of the Independence Lode (Lot 171); thence North 60°00' East 952 feet, more or less to the West line of the Libert Extension Lode (Survey No. 6751); thence North 27°30' West 85 feet, more or less, to Corner No. 1 of the said Libert Extension Lode; thence North 66°01' East 1493.2 feet to Corner No. 4 of the said Libert Extension Lode; thence South 27°30' East 603.8 feet to Corner No. 3 of said Libert Extension Lode; thence South 69°00' West 498 feet; more or less, to the East line of Cataract Lode (Lot 103); thence South 23°22' East 170.0 feet to Corner No. 3 of the said Cataract Lode; thence North 66°38' East 60 feet, more or less to Corner No. 5 of the Belcher No. 5 Lode (Lot 195); thence South 22°30' East 245 feet, more or less, to the North line of Homestake No. 3 Lode (Survey No. 5028); thence North 62°13' East 800 feet, more or less, to the South side line of the Lincoln Lode (Survey No. 3218); thence South 85°10' West 205.2 feet, more or less, to Corner No. 3 of said Lincoln Lode; thence North 4°50' West 600 feet to Corner No. 4 of said Lincoln Lode; thence North 85°10' East 1150 feet to the point of beginning.

Also:

Beginning at Corner No. 1 of the Hebe Lode (Survey No. 3920) which point is situated South 8°22' West 684.0 feet from the South 1/4 corner of Section 35, Township 2 South, Range 4 East, Salt Lake Base and Meridian; thence South 65°43' East 1,500 feet to Corner No. 2 of said Hebe Lode; thence North 40°58' East 626.4 feet to Corner No. 3 of said Hebe Lode; thence North 65°43' West 144 feet, more or less, to Corner No. 2 of the Adla Lode (Survey No. 3916); thence North 40°58' East 626.4 feet to Corner No. 3 of said Adla Lode; thence North 65°43' West 3,622.6 feet, more or less, to Corner No. 4 of the Gerda Lode (Survey No. 3917); thence South 40°58' West 626.4 feet to the North side line of the Valkyrien Lode (Survey No. 3918); thence North 65°43' West 733.4 feet, more or less to Corner No. 4 of said Valkyrien Lode; thence South 40°58' West 626.4 feet to Corner No. 3 of said Valkyrien Lode; thence South 65°43' East 3,000 feet, more or less, to the point of beginning.

Also:

Beginning at a point on the West side line of the Undine Lode (Survey No. 5130), which point is situated 1,495 feet, more or less, West of the South 1/4 corner of Section 2, Township 3 South, Range 4 East, Salt Lake Base and Meridian; thence North

North 59°52' East 160 feet, more or less, to the North side line of the said Thurman Junior Lode; thence North 36°25' West 461.7 feet to Corner No. 4 of the overlooked Fraction Lode (Survey No. 6026); thence North 36°29' West 145.2 feet to Corner No. 3 of said overlooked Fraction Lode; thence North 47°11' East 907.1 feet to Corner No. 2 of said overlooked Fraction Lode; thence South 36°29' East 145.2 feet to Corner No. 1 at said overlooked Fraction Lode; thence North 47°30' East 600 feet, more or less, to Corner No. 2 of the Uncle Charles Lode (Lot 448); thence South 42°30' East 200 feet to Corner No. 3 of the said Uncle Charles Lode; thence North 47°30' East 695.0 feet to a point on the North Line of Harwood Lode (Lot 450); thence North 58°19' West 266.0 feet, more or less, to Corner No. 3 of the Clipper Lode (Lot 570); thence North 83°00' West 230.3 feet to Corner No. 4 of said Clipper Lode; thence North 36°57' East 854.0 feet to Corner No. 5 of said Clipper Lode; thence North 25°25' East 650.7 feet to Corner No. 6 of the said Clipper Lode; thence South 83°00' East 210.3 feet to Corner No. 6 of the Columbia Lode (Lot 569); thence South 57°45' East 201.4 feet to Corner No. 3 of the Viola No. 2 Lode (Lot 562); thence North 44°35' West 287.0 feet to Corner No. 2 of said Viola No. 2 Lode; thence North 71°28' East 600.0 feet to Corner No. 1 of said Viola No. 2 Lode; thence North 8°40' East 105.10 feet to Corner No. 3 of Viola Lode (Lot 273); thence North 60°47' East 1500.0 feet to Corner No. 2 of said Viola Lode; thence South 8°40' West 253.4 feet to Corner No. 1 of said Viola Lode; thence South 3°14' East 280.0 feet, more or less, to Corner No. 6 of the Richmond Lode (Survey No. 4968); thence North 60°47' East 600.0 feet to Corner No. 1 of said Richmond Lode; thence South 15°00' East 750.0 feet to Corner No. 2 of said Richmond Lode; thence South 14°47' West 625 feet, more or less, to the North line of the J.I.C. Lode (Lot 561); thence North 72°28' East 854 feet, more or less, to Corner No. 4 of the said J.I.C. Lode; thence South 10°30' East 160.0 feet, more or less, thence North 79°00' East 95.0 feet, more or less, along the North line of the Southeast Extension of the Maybell Lode (Lot 374), to the East line of the Rose Bud Lode (Survey No. 6546); thence North 24°06' West 335.0 feet, more or less, to Corner No. 4 of the said Rose Bud Lode; thence North 84°03' East 411.8 feet to Corner No. 1 of the said Rose Bud Lode; thence South 7°56' East 22.5 feet, more or less to the North line of the City of Edinburg Lode (Survey No. 3288); thence North 70°15'15" East 960.0 feet, more or less, to Corner No. 4 of the said City of Edinburg Lode; thence North 67°38' East 492.0 feet to Corner No. 5 of the Denver Lode (Survey No. 4967); thence North 88°08' West 474.1 feet to Corner No. 4 of the said Denver Lode; thence North 20°23' West 198.2 feet to Corner No. 3 of the said Denver Lode; thence South 69°37' West 856.0 feet to Corner No. 2 of the said Denver Lode; thence North 30°30' West 288.9 feet to Corner No. 1 of the said Denver Lode; thence North 82°36' East 910.4 feet to Corner No. 9 of the said Denver Lode; thence North 19°51' West 526.5 feet to Corner No. 3 of the Denver No. 2 Lode (Survey No. 4967); thence South 81°45' West 363.5 feet to Corner No. 2 of the said Denver No. 2 Lode; thence North 4°30' East 450.0 feet to Corner No. 1 of the said Denver No. 2 Lode; thence South 73°27' East 127.0 feet to Corner No. 2 of the Denver No. 5 Lode (Lot 4967); thence North 4°30' East 526.9 feet to Corner No. 1 of the said Denver No. 5 Lode;

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end line of the said Big Hill Lode; thence South 8°13' West 1209.6 feet to Corner No. 3 of said Green Stone Lode, thence North 81°47' West 600.0 feet to Corner No. 2 of said Green Stone Lode; thence North 8°13' East 601.1 feet to the West side of said Green Stone Lode; thence South 88°38' West 1,398.7 feet to Corner No. 4 of Red Rock Lode (Survey No. 6973); thence North 1°22' West 410.0 feet to the West end line of the said Red Rock Lode; thence South 66°00' West 545.0 feet, more or less, to Corner No. 3 of Prince Lode (Survey No. 5911); thence North 37°40' West 582.4 feet to the West end line of the said Prince Lode; thence South 65°10' West 795.0 feet, more or less, to Corner No. 4 of Troy Lode; thence South 38°21' West 1500.0 feet to Corner No. 3 of the said Troy Lode; thence North 41°30' West 1175.0 feet, more or less, to the South end line of the Vancouver Lode (Survey No. 4956); thence South 36°40' West 106.3 feet more or less to Corner No. 2 of the Virgo No. 2 Lode (Survey No. 6980); thence North 50°52' West 123.0 feet to Corner No. 4 of Wildflower No. 11 Lode (Survey No. 6980); thence South 35°48' West 1,500.0 feet to Corner No. 3 of said Wildflower No. 11 Lode; thence North 52°39' West 600.0 feet to Corner No. 4 of the Wildflower No. 10 Lode (Survey No. 6980); thence North 53°53' West 600.0 feet to Corner No. 3 of said Wildflower No. 10 Lode; thence North 35°48' East 1,500.0 feet to Corner No. 2 of the said Wildflower No. 10 Lode; thence North 87°04' West 1,415.0 feet, more or less, to Corner No. 4 of the Autumn Gold Lode (Survey No. 3792); thence North 2°56' East 1,111.5 feet to Corner No. 3 of Meadow Lode (Survey No. 3792); thence North 87°04' West 1,021.3 feet to Corner No. 4 of said Meadow Lode; thence North 2°46' East 620.0 feet, more or less, to Corner No. 6 of Fisher No. 8 Lode (Survey No. 6983); thence North 43°52' West 825.3 feet to Corner No. 1 of said Fisher No. 8 Lode; thence North 2°45' East 107.6 feet to Corner No. 2 of said Fisher No. 8 Lode; thence North 46°04' East 488.9 feet to the North side line of the said Fisher No. 8 Lode; thence North 2°56' East 150.0 feet more or less to Corner No. 3 of the Golden Rule Lode (Survey No. 5100); thence South 87°04' East 140.6 feet to the North side line of the said Golden Rule Lode; North 46°04' East 111.5 feet, more or less, to the North side line of the said Fisher No. 8 Lode; thence South 88°17' West 194.9 feet to Corner No. 3 of the New Discovery Lode (Survey No. 5302); thence North 10°33' East 610.5 feet to Corner No. 4 of said New Discovery Lode; thence North 88°17' East 425.0 feet, more or less, to the North side line of the said New Discovery Lode; thence North 44°22' West 500.0 feet to Corner No. 3 of the Acma Lode (Survey No. 5403); thence North 35°37' West 500.0 feet more or less to Corner No. 3 of Magnet Lode (Lot 41); thence North 55°30' West 600.0 feet to Corner No. 4 of said Magnet Lode; thence North 34°30' East 668.0 feet, more or less, to the West side line of the said Magnet Lode; thence South 58°30' West 391.0 feet to Corner No. 3 of the American Boy Lode (Survey No. 5328); thence North 30°20' West 600.1 feet to Corner No. 2 of the said American Boy Lode; thence North 58°30' East 900.0 feet to Corner No. 5 of the D & H Lode (Survey No. 5404); thence North 48°04' West 446.9 feet to Corner No. 6 of said D & H Lode; thence South 53°18' West 236.8 feet to Corner No. 4 of the Thurman Junior Lode (Survey No. 6899); thence North 26°45' West 216.6 feet to Corner No. 5 of said Thurman Junior Lode; thence

EXHIBIT N

Description of Stichting Property

Beginning at a point North 85°10' East 1150.0 feet from Corner No. 4 of the Lincoln Lode (Survey No. 3278), said point being North 151.55 feet and West 2640.0 feet, more or less from the South Quarter corner of Section 24, Township 2 South, Range 4 East, Salt Lake Base and Meridian; and running thence South 900.00 feet; thence South 54°40' West 1800.00 feet, more or less, to Corner No. 3 of the Horn Silver Mining Claim No. 2 Lode (Survey No. 5070); thence South 4675.0 feet, more or less, to the South side line of the Hill Top No. 1 Lode (Survey No. 6810); thence South 85°40' West along the said South side line 710.0 feet, more or less; thence South 31°37' West 775.0 feet, more or less, to Corner No. 2 of Marcella Lode (Survey No. 6760); thence North 83°06' West 1333.6 feet to Corner No. 3 of the said Marcella Lode; thence South 10°00' West 540.7 feet to Corner No. 4 of the Levory Lode (Survey No. 3768); thence South 88°45' West along the North side line of the Wood Chuck Lode (Survey No. 3768) 750.0 feet, more or less; thence South 43°49' West along the North side line of Silver Star Lode (Survey No. 3768) 1585.3 feet more or less; thence South 12°44' West 623.2 feet more or less; thence South 88°45' West 750.0 feet to Corner No. 3 of the said Silver Star Lode; thence South 87°00' West 1500.0 feet to Corner No. 3 of the Amanda Lode (Survey No. 3768); thence South 13°44' West 293.6 feet more or less to Corner No. 5 of Fisher No. 5 Lode (Survey No. 6980); thence North 88°26' West 340.4 feet to Corner No. 6 of said Fisher No. 5 Lode; thence South 57°34' West 111.3 feet more or less to the East side line of the said Fisher No. 5 Lode; thence South 65°53' East 1,365.0 feet more or less to the Corner No. 2 of Fisher No. 11 Lode (Survey No. 6980); thence South 67°12' East 1460.4 feet to Corner No. 3 of said Fisher No. 11 Lode; thence South 24°29' West 402.7 to Corner No. 4 of the said Fisher No. 11 Lode; thence South 35°00' West 300.0 feet, more or less to the East end line of the Copper Queen Lode (Survey No. 2981); thence South 41°30' East 1,009.7 feet, more or less, to Corner No. 2 of Lone Pine No. 2 Lode (Survey No. 5911); thence South 66°55' West 99.8 feet to South side line of the said Lone Pine No. 2 Lode; thence South 37°40' East 528.2 feet to Corner No. 4 of Toronto Lode (Survey No. 5068); thence South 32°30' West 520.0 feet, more or less, to the East end of the said Toronto Lode; thence North 88°38' East 377.3 feet to Corner No. 2 of Red Rock Lode (Survey No. 6973); thence South 81°47' East 292.0 feet, more or less, to the North end line of Green Stone Lode (Survey No. 6973); thence North 21°13' East 1,500.0 feet to Corner No. 4 of Big Hill Lode (Survey No. 6973); thence South 81°47' East 615.8 feet to Corner No. 3 of said Big Hill Lode; thence South 21°13' West 1,500.0 feet to Corner No. 2 of said Big Hill Lode; thence North 81°47' West 307.9 feet to the south

BOOK # 1020000000

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REBING
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SYING



RESORT
ATIONAL DEVELOPMENT

DESIGNED BY:

J.J. JOHNSON & ASSOCIATES

P.O. BOX 1661
PARK CITY, UTAH 84060
PH. (801) 649-9811

CIVIL ENGINEERING
LAND PLANNING
SURVEYING

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DEVELOPED BY
ROYAL STREET LAND COMPANY
P.O. BOX 889
PARK CITY, UTAH 84060
PH. (801) 849-8585

MAYFLOWER LEASE
ROYAL STREET LAND CO.

22°02' East 1,370 feet, more or less, to Corner No. 2 of said Undine Lode; thence North 19°20' East 1,500 feet to Corner No. 1 of the Buckeye Lode (Survey No. 4297); thence South 85°20' East 621.0 feet to Corner No. 3 of the Susie G. Lode (Survey No. 4297); thence North 19°17' East 1,496.2 feet to Corner No. 2 of said Susie G. Lode; thence North 85°20' West 606.1 feet to Corner No. 1 of the Susie G. No. 2 Lode (Survey No. 4297); thence North 61°30' West 711.3 feet to Corner No. 4 of the Eclipse Lode (Survey No. 5130); thence South 39°02' West 1,508.3 feet, more or less, to Corner No. 3 of said Eclipse Lode; thence South 19°20' West 1,500 feet to Corner No. 3 of the Rising Star Lode (Survey No. 5130); thence South 15°51' West 1,500 feet to Corner No. 3 of the Plantic Lode (Survey No. 5130); thence South 61°30' East 1,050.5 feet to Corner No. 3 of the said Undine Lode; thence North 22°02' East 103 feet, more or less to the point of beginning.

Excluding from the foregoing the real property which is included within the following described patented mining claims:

<u>Name of Claim</u>	<u>Mineral Survey or Lot No.</u>
Fraction	MS 5027
Morning Star	MS 5027
Oom Paul	MS 5027
San Diego	Lot 207
Viking	MS 7041

Together with any and all other mining claims owned by San Diego Mining Company and adjoining or overlapping the claims described above.

<u>Name of Claim</u>	<u>Mineral Survey or Lot No.</u>
Augustus	Lot 107
Belcher No. 1	Lot 191
Belcher No. 2	Lot 192
Belcher No. 3	Lot 193
Belcher No. 4	Lot 194
Belcher No. 5	Lot 195
Blaine	Lot 135
C. Mc Falls	Lot 554
C. J. Nelson	Lot 552
Cataract	Lot 103
City of Edinburg	MS 3288
Clipper	Lot 570
Clipper No. 2	Lot 117
Columbia	Lot 569
Cumberland	Lot 120
Debs	MS 3006
Denver	MS 4967
Denver No. 2	MS 4967

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<u>Name of Claim</u>	<u>Mineral Survey or Lot No.</u>
Denver No. 3	MS 4967
Denver No. 4	Lot 4967
Denver No. 5	Lot 4967
Error No. 1	MS 7046
Error No. 2	MS 7046
Error No. 3	MS 7047
Excellent	Lot 125
Homestake	Lot 66
Homestake No. 2	Lot 67
Homestake No. 3	MS 5028
Independence	Lot 171
J. H. Rogers	Lot 550
J. I. C.	Lot 561
Juliet	Lot 115
Libert Ext.	MS 6751
Little Giant	Lot 118
Little Kate	Lot 111
Mary Allen	Lot 553
Mary Jane	Lot 551
May	Lot 61
N.	Lot 190
Olive Branch	Lot 102
Overlook	MS 6750
Pay Roll	MS 3020
Peerless	Lot 122
President	Lot 129
R. P. H.	Lot 560
Richmond	MS 4968
Richmond No. 2	MS 4993
Romeo	Lot 108
Rose Bud	MS 6546
S.E. Ext. of the May Bell	Lot 374
Sampson	Lot 60
Senator Mine & Co.	Lot 124
Seting Bull	Lot 121
Shiloah	Lot 123
Summit	Lot 116
Summit	Lot 137
Viola	Lot 273
Viola No. 2	Lot 562
Wasatch	Lot 60
Woodland	Lot 134
Gardo	Lot 165
Lugano	Lot 165

Together with any and all other mining claims owned by Park City Utah Mines Company and adjoining or overlapping the claims described above.

Also excluding therefrom the real property identified as the East Utah Property in the Amendment to Sublease to which this Exhibit is attached, which East Utah Property is more particularly described in Exhibit O to said Amendment to Sublease.

EXHIBIT O

Description of East Utah Property

Attached to Lease Between Stichting Mayflower
Recreational Fonds and Mayflower Recreational Fund,
as "Lessor," and Royal Street Land Company, as "RS"

Beginning at a point North $85^{\circ}10'$ East 1150.0 feet from Corner No. 4 of the Lincoln Lode (Survey No. 3278), said point being North 151.55 feet and West 2640.0 feet, more or less from the South quarter corner of Section 24, Township 2 South, Range 4 East, Salt Lake Base & Meridian; and running thence South $85^{\circ}10'$ West 1150.0 feet to said Corner No. 4 of the Lincoln Lode; thence South $4^{\circ}50'$ East 600.00 feet to Corner No. 3 of said Lincoln Lode; thence North $85^{\circ}10'$ East 205.2 feet, more or less, along the South side line of said Lincoln Lode; thence South $62^{\circ}13'$ West 1047.3 feet, more or less, to Corner No. 3 of the Horn Silver Mining Claim No. 1 Lode (Survey No. 5070); thence South $24^{\circ}52'$ East 600.00 feet to Corner No. 4 of Horn Silver Mining Claim No. 2 Lode (Survey No. 5070); thence South $28^{\circ}56'$ East 556.1 feet to Corner No. 3 of the said Horn Silver Mining Claim No. 2 Lode; thence North $54^{\circ}40'$ East 1800.00 feet; thence North 900.00 feet to the point of beginning.

EXHIBIT P

Description of Total Ski Area

All of Section 22, Township 2 South, Range 4 East, SLB&M; The South 1500 feet of Section 23, Township 2 South, Range 4 East, SLB&M; S.W.1/4 of Section 24, Township 2 South, Range 4 East, SLB&M; West 1000 feet of Section 25, Township 2 South, Range 4 East, SLB&M; All of Section 26, Township 2 South, Range 4 East, SLB&M; All of Section 27, Township 2 South, Range 4 East, SLB&M; All of Section 28, Township 2 South, Range 4 East, SLB&M; All of Section 33, Township 2 South, Range 4 East, SLB&M; All of Section 34, Township 2 South, Range 4 East, SLB&M; All of Section 35, Township 2 South, Range 4 East, SLB&M; The North 1000 feet of Section 36, Township 2 South, Range 4 East, SLB&M; All of Section 2, Township 3 South, Range 4 East, SLB&M; All of Section 3, Township 3 South, Range 4 East, SLB&M; All of Section 4, Township 3 South, Range 4 East, SLB&M; A portion of Section 29, Township 2 South, Range 4 East, SLB&M, more particularly described as follows:

Beginning at the Southeast corner of said Section 29, and running thence West 5280 feet more or less to the Southwest corner of said Section 29, thence Northeasterly to a point West 1700 feet from the Northeast corner of said Section 29, thence East 1700 feet to said Northeast corner of Section 29, thence South 5280 feet, more or less to the point of beginning.

thence North 88°38' East 377.3 feet to Corner No. 2 of Red Rock Lode (Survey No. 6973); thence South 81°47' East 292.0 feet, more or less, to the North end line of Green Stone Lode (Survey No. 6973); thence North 21°13' East 1,500.0 feet to Corner No. 4 of Big Hill Lode (Survey No. 6973); thence South 81°47' East 615.8 feet to Corner No. 3 of said Big Hill Lode; thence South 21°13' West 1,500.0 feet to Corner No. 2 of said Big Hill Lode; thence North 81°47' West 307.9 feet to the South end line of the said Big Hill Lode; thence South 8°13' West 1209.6 feet to Corner No. 3 of said Green Stone Lode, thence North 81°47' West 600.0 feet to Corner No. 2 of said Green Stone Lode; thence North 8°13' East 601.1 feet to the West side of said Green Stone Lode; thence South 88°38' West 1,398.7 feet to Corner No. 4 of Red Rock Lode (Survey No. 6973); thence North 1°22' West 410.0 feet to the West end line of the said Red Rock Lode; thence South 66°00' West 545.0 feet, more or less, to Corner No. 3 of Prince Lode (Survey No. 5911); thence North 37°40' West 582.4 feet to the West end line of the said Prince Lode; thence South 65°10' West 795.0 feet, more or less, to Corner No. 4 of Troy Lode; thence South 38°21' West 1500.0 feet to Corner No. 3 of the said Troy Lode; thence North 41°30' West 1175.0 feet, more or less, to the South end line of the Vancouver Lode (Survey No. 4956); thence South 36°40' West 106.3 feet more or less to

Corner No. 2 of the Virgo No. 2 Lode (Survey No. 6980); thence North 50°52' West 123.0 feet to Corner No. 4 of Wildflower No. 11 Lode (Survey No. 6980); thence South 35°48' West 1,500.0 feet to Corner No. 3 of said Wildflower No. 11 Lode; thence North 52°39' West 600.0 feet to Corner No. 4 of the Wildflower No. 10 Lode (Survey No. 6980); thence North 53°53' West 600.0 feet to Corner No. 3 of said Wildflower No. 10 Lode; thence North 35°48' East 1,500.0 feet to Corner No. 2 of the said Wildflower No. 10 Lode; thence North 87°04' West 1,415.0 feet, more or less, to Corner No. 4 of the Autumn Gold Lode (Survey No. 3792); thence North 2°56' East 1,111.5 feet to Corner No. 3 of Meadow Lode (Survey No. 3792); thence North 87°04' West 1,021.3 feet to Corner No. 4 of said Meadow Lode; thence North 2°46' East 620.0 feet, more or less, to corner No. 6 of Fisher No. 8 Lode (Survey No. 6983); thence North 43°52' West 825.3 feet to Corner No. 1 of said Fisher No. 8 Lode; thence North 2°45' East 107.6 feet to Corner No. 2 of said Fisher No. 8 Lode; thence North 46°04' East 488.9 feet to the North side line of the said Fisher No. 8 Lode; thence North 2°56' East 150.0 feet more or less to Corner No. 3 of the Golden Rule Lode (Survey No. 5100); thence South 87°04' East 140.6 feet to the North side line of the said Golden Rule Lode; North 46°04' East 111.5 feet, more or less, to the North side line of the said Fisher No. 8 Lode; thence South 88°17' West 194.9 feet to corner No. 3 of the New Discovery Lode (Survey No. 5302); thence North 10°33' East 610.5 feet to Corner No. 4 of said New Discovery Lode; thence North 88°17' East 425.0 feet, more or less, to the North side line of the said New Discovery Lode; thence North 44°22' West 500.0 feet to Corner No. 3 of the Acma Lode (Survey No. 5403); thence North 35°37' West 500.0 feet more or less to Corner No. 3 of Magnet Lode (Lot 41); thence North 55°30' West 600.0 feet to Corner No. 4 of said Magnet Lode; thence North 34°30' East 668.0 feet, more or less, to the West side line of the said Magnet Lode; thence South 58°30' West 391.0 feet to Corner No. 3 of the American Boy Lode (Survey No. 5328); thence North 30°20' West 600.1 feet to Corner No. 2 of the said American Boy Lode; thence North 58°30' East 900.0 feet to Corner No. 5 of the D & H Lode (Survey No. 5404); thence North 48°04' West 446.9 feet to Corner No. 6 of said D & H Lode; thence South 53°18' West 236.8 feet to Corner No. 4 of the Thurman Junior Lode (Survey No. 6899); thence North 26°45' West 216.6 feet to Corner No. 5 of said Thurman Junior Lode; thence North 59°52' East 160 feet, more or less, to the North side line of the said Thurman Junior Lode; thence North 36°25' West 461.7 feet to Corner No. 4 of the overlooked Fraction Lode (Survey No. 6026); thence North 36°29' West 145.2 feet to Corner No. 3 of said overlooked Fraction Lode; thence North 47°11' East 907.1 feet to Corner No. 2 of said overlooked Fraction Lode; thence South 36°29' East 145.2 feet to Corner No. 1 at said overlooked Fraction Lode; thence North 47°30' East 600 feet, more or less, to Corner No. 2 of the Uncle Charles Lode (Lot 448) thence South 42°30' East 200 feet to Corner No. 3 of the said Uncle Charles Lode; thence North 47°30' East 695.0 feet to a point on the North Line of Harwood Lode (Lot 450); thence North 58°19' West 266.0 feet, more or less, to Corner No. 3 of the Clipper Lode (Lot 570); thence North 83°00' West 230.3 feet to Corner No. 4 of said Clipper Lode; thence North 36°57' East 854.0 feet to Corner No. 5 of said Clipper Lode; thence North 25°25' East

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650.7 feet to Corner No. 6 of the said Clipper Lode; thence South 83°00' East 210.3 feet to Corner No. 6 of the Columbia Lode (Lot 569); thence South 57°45' East 201.4 feet to Corner No. 3 of the Viola No. 2 Lode (Lot 562); thence North 44°35' West 287.0 feet to Corner No. 2 of said Viola No. 2 Lode; thence North 71°28' East 600.0 feet to Corner No. 1 of said Viola No. 2 Lode; thence North 8°40' East 105.10 feet to Corner No. 3 of Viola Lode (Lot 273); thence North 60°47' East 1500.0 feet to Corner No. 2 of said Viola Lode; thence South 8°40' West 253.4 feet to Corner No. 1 of said Viola Lode; thence South 3°14' East 280.0 feet, more or less, to Corner No. 6 of the Richmond Lode (Survey No. 4968); thence North 60°47' East 600.0 feet to Corner No. 1 of said Richmond Lode; thence South 15°00' East 750.0 feet to Corner No. 2 of said Richmond Lode; thence South 14°47' West 625 feet, more or less, to the North line of the J.I.C. Lode (Lot 561); thence North 72°28' East 854 feet, more or less, to Corner No. 4 of the said J.I.C. Lode; thence South 10°30' East 160.0 feet, more or less; thence North 79°00' East 95.0 feet, more or less, along the North line of the Southeast Extension of the Maybell Lode (Lot 374), to the East line of the Rose Bud Lode (Survey No. 6546); thence North 24°06' West 335.0 feet, more or less, to Corner No. 4 of the said Rose Bud Lode; thence North 84°03' East 411.8 feet to Corner No. 1 of the said Rose Bud Lode; thence South 7°56' East 22.5 feet, more or less to the North line of the City of Edinburg Lode (Survey No. 3288); thence North 70°15'15" East 960.0 feet, more or less, to Corner No. 4 of the said City of Edinburg Lode; thence North 67°38' East 492.0 feet to Corner No. 5 of the Denver Lode (Survey No. 4967); thence North 88°08' West 474.1 feet to Corner No. 4 of the said Denver Lode; thence North 20°23' West 198.2 feet to Corner No. 3 of the said Denver Lode; thence South 69°37' West 856.0 feet to Corner No. 2 of the said Denver Lode; thence North 30°30' West 288.9 feet to Corner No. 1 of the said Denver Lode; thence North 82°36' East 910.4 feet to Corner No. 9 of the said Denver Lode; thence North 19°51' West 526.5 feet to Corner No. 3 of the Denver No. 2 Lode (Survey No. 4967); thence South 81°45' West 363.5 feet to Corner No. 2 of the said Denver No. 2 Lode; thence North 4°30" East 450.0 feet to Corner No. 1 of the said Denver No. 2 Lode; thence South 73°27' East 127.0 feet to Corner No. 2 of the Denver No. 5 Lode (Lot 4967); thence North 4°30' East 526.9 feet to Corner No. 1 of the said Denver No. 5 Lode; thence South 78°50' East 781.5 feet to Corner No. 5 of the said Denver No. 5 Lode; thence South 59°37' East 274 feet; more or less, to the North line of the Juliet Lode (Lot 115); thence North 86°00' East 482.5 feet, more or less, along said North line to the North line of the Error No. 1 Lode (Survey No. 7046); thence North 66°33' East 1500 feet, more or less, to Corner No. 4 of the said Error No. 1 Lode; thence North 85°00' East 1200 feet, more or less, to Corner No. 2 of the Little Kate Lode (Lot 111); thence South 17°45' East 126.8 feet to the North line of the Cumberland Lode (Lot 120); thence North 86°04' East 375 feet, more or less, to the North line of the Independence Lode (Lot 171); thence North 60°00' East 952 feet, more or less, to the West line of the Libert Extension Lode (Survey No. 6751); thence North 27°30' West 85 feet, more or less, to Corner No. 1 of the said Libert Extension Lode; thence North 66°01' East 1493.2 feet to Corner No. 4 of the said Libert Extension Lode;

thence South 27°30' East 603.8 feet to Corner No. 3 of said Libert Extension Lode; thence South 69°00' West 498 feet; more or less, to the East line of Cataract Lode (Lot 103); thence South 23°22' East 170.0 feet to Corner No. 3 of the said Cataract Lode; thence North 66°38' East 60 feet, more or less to Corner No. 5 of the Belcher No. 5 Lode (Lot 195); thence South 22°30' East 245 feet, more or less, to the North line of Homestake No. 3 Lode (Survey No. 5028); thence North 62°13' East 800 feet, more or less, to the South side line of the Lincoln Lode (Survey No. 3278); thence South 85°10' West 205.2 feet, more or less, to Corner No. 3 of said Lincoln Lode; thence North 4°50' West 600 feet to Corner No. 4 of said Lincoln Lode; thence North 85°10' East 1500 feet to Corner No. 1 of said Lincoln Lode; thence North 6°15' East 174.9 feet to Corner No. 3 of the Lost Boulder No. 4 Lode (Survey No. 5070); thence North 10°00' West 200 feet to the South side line of the Susie G. Lode (Survey No. 6732); thence South 81°10' West 361.8 feet, more or less, to Corner No. 2 of said Susie G. Lode; thence North 538.4 feet to Corner No. 3 of said Susie G. Lode; thence North 78°25' East 1000.0 feet to the point of beginning.

Also:

Beginning at Corner No. 1 of the Hebe Lode (Survey No. 3920) which point is situated South 8°22' West 684.0 feet from the South 1/4 Corner of Section 35, Township 2 South, Range 4 East, Salt Lake Base and Meridian; thence South 65°43' East 1,500 feet to Corner No. 2 of said Hebe Lode; thence North 40°58' East 626.4 feet to Corner No. 3 of said Hebe Lode; thence North 65°43' West 144 feet, more or less, to Corner No. 2 of the Adla Lode (Survey No. 3916); thence North 40°58' East 626.4 feet to Corner No. 3 of said Adla Lode; thence North 65°43' West 3,622.6 feet, more or less, to Corner No. 4 of the Gerda Lode (Survey No. 3917); thence South 40°58' West 626.4 feet to the North side line of the Valkyrien Lode (Survey No. 3918); thence North 65°43' West 733.4 feet, more or less to Corner No. 4 of said Valkyrien Lode; thence South 40°58' West 626.4 feet to Corner No. 3 of said Valkyrien Lode; thence South 65°43' East 3,000 feet, more or less, to the point of beginning.

Also:

Beginning at a point on the West side line of the Undine Lode (Survey No. 5130), which point is situated 1,495 feet, more or less, West of the South 1/4 corner of Section 2, Township 3 South, Range 4 East, Salt Lake Base and Meridian; thence North 22°02' East 1,370 feet, more or less, to Corner No. 2 of said Undine Lode; thence North 19°20' East 1,500 feet to Corner No. 1 of the Buckeye Lode (Survey No. 4297); thence South 85°20' East 621.0 feet to Corner No. 3 of the Susie G. Lode (Survey No. 4297); thence North 19°17' East 1,496.2 feet to Corner No. 2 of said Susie G. Lode; thence North 85°20' West 606.1 feet to Corner No. 1 of the Susie G. No. 2 Lode (Survey No. 4297); thence North 61°30' West 711.3 feet to Corner No. 4 of the Eclipse Lode (Survey No. 5130); thence South 39°02' West 1,508.3 feet, more or less, to Corner No. 3 of said Eclipse Lode; thence South 19°20' West 1,500 feet to Corner No. 3 of the Rising Star Lode

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(Survey No. 5130); thence South 15°51' West 1,500 feet to Corner No. 3 of the Plantic Lode (Survey No. 5130); thence South 61°30' East 1,050.5 feet to Corner No. 3 of the said Undine Lode; thence North 22°02' East 103 feet, more or less to the point of beginning.

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