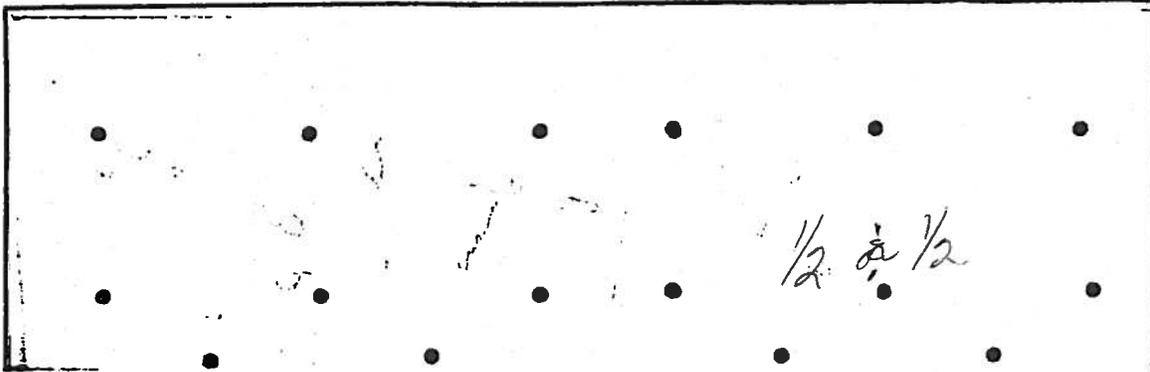


ELKO COUNTY



Net 467.50

When recorded, mail to:  
Marvel & Hansen  
P.O. Box 2645  
978 Commercial St.  
Elko, Nevada 89801

Mail tax statements to:  
Lawson Trust  
302 East Carson Avenue  
Suite 810  
Carson City, Nevada 89101

GRANT, BARGAIN AND SALE DEED

THIS INDENTURE, made this 16 day of March, 1988,  
by RANCHO GRANDE, INC., a Nevada corporation, hereinafter  
referred to as GRANTOR; for the benefit of FREEPORT-MCMORAN GOLD  
COMPANY, a Delaware corporation, as agent for the Freeport-FMS  
Jerritt Canyon Joint Venture, a joint venture between  
Freeport-McMoran Gold Company and FMC Jerritt Canyon Corporation,  
hereinafter referred to as FREEPORT-MCMORAN; and GENE C. DAVIS,  
ERIC A. JAMIESON, and CHARLES J. KING, Trustees under that  
certain Trust Agreement, dated January 27, 1975, as amended, for  
the benefit of Sam L. Lawson, hereinafter collectively referred  
to as LAWSON.

W I T N E S S E T H:

That the said GRANTOR, in consideration of the sum of  
TEN DOLLARS (\$10.00), lawful money of the United States of  
America, to it in hand paid by FREEPORT-MCMORAN and by LAWSON  
through FREEPORT MCMORAN, the receipt whereof is hereby  
acknowledged, does by these presents grant, bargain and sell unto  
FREEPORT-MCMORAN and LAWSON, and to their successors and assigns,  
those certain real property interests situate in the County of  
Elko, State of Nevada, more particularly described below:

FREEPORT-MCMORAN:

Granting unto FREEPORT-MCMORAN ONE-THIRD (1/3 or  
33.333...) of all the remaining (previously  
unreserved) coal, oil, gas and other hydrocarbons, all  
geothermal resources, and all other minerals of every

EL-1718

20

ELKO COUNTY

kind and nature, if any, regardless of the method of extraction (subject to reasonable compensation for disturbance to the surface), in, on or under those lands described in Exhibit A attached hereto, that have not been reserved or excepted previously by predecessors in interest to the GRANTOR, together with all surface rights incidental or appurtenant thereto necessary to utilize and extract the minerals so reserved.

TOGETHER WITH the tenements, hereditaments and appurtenances thereunto belonging or appertaining, and the reversion and reversions, remainder and remainders, rents, issues and profits thereof.

*1/2 water rights*

SUBJECT TO any and all exceptions, reservations, restrictions, restrictive covenants, assessments, easements, rights and rights of way, and other encumbrances of record.

LAWSON:

Granting unto LAWSON the surface estate and ONE-THIRD (1/3 or 33.333...%) of all the remaining (previously unreserved) coal, oil, gas and other hydrocarbons, all geothermal resources, and all other minerals of every kind and nature, if any, regardless of the method of extraction (subject to reasonable compensation for disturbance to the surface), in, on or under those lands described in Exhibit A attached hereto, that have not been reserved or excepted previously by predecessors in interest to the GRANTOR, together with all surface rights incidental or appurtenant thereto necessary to utilize and extract the minerals so reserved.

*1/3 water rights*

TOGETHER WITH all fixtures, improvements, corrals, fences, stockwater troughs, water tanks, pipelines, stockwater and domestic water systems situate on the property.

TOGETHER WITH the tenements, hereditaments and appurtenances thereunto belonging or appertaining, and the reversion and reversions, remainder and remainders, rents, issues and profits thereof.

TOGETHER WITH all springs, wells, water and water rights applied for, adjudicated, appropriated, decreed, vested or appurtenant to the subject property, or any portion thereof, including all permits, applications, proofs, certificates and maps therefor, and all dams, ditches, diversions, licenses, easements, structures, measuring devices, headgates, culverts, ponds, reservoirs, canals, pipelines, well casings, well pumping equipment, troughs and all other means, methods

and systems of diverting and using water and water rights and applying them to beneficial use on the subject property, or any portion thereof, or now or hereafter used or enjoyed in connection therewith and for the repair, cleaning, replacement and maintenance of such facilities, and including but not limited to, all irrigation, stockwater, domestic or any other use or rights to use water on or appurtenant to the subject property; and including, but not limited to, the following permits, applications or certificates issued by the Office of the State Engineer of the State of Nevada:

Permit No. 46458;

and including, but not limited to, all water rights decreed to the subject property by the Bartlett and Edwards Decrees in Civil Action No. 2804 in the Sixth Judicial District Court of the State of Nevada, in and for the County of Humboldt, entitled "In the Matter of the Determination of the Relative Rights of Claimants and Appropriators of the Waters of the Humboldt River Stream System and Tributaries", as set forth in the commonly called "Blue Book" compilation of those court proceedings and described therein on page 207 of the Bartlett Decree and on page 79 of the Edwards Decree, as follows:

Claimant-Diana Morgan-Hill.

Source-Springs.

Ditch-Diana Morgan-Hill Ditches, designated as Proof C0576 in the Office of the State Water Engineer of the State of Nevada, being 242.5 acres of the subject property with decreed water rights in the first bracket under said Source and Ditch and 158 acres of the subject property with decreed water rights in the second bracket under said Source and Ditch; and

Claimant-Diana Morgan-Hill.

Source-Springs and Foreman Creek.

Ditch-Diana Morgan-Hill Ditches, designated as Proof 00576 in the Office of the State Water Engineer of the State of Nevada, being 494 acres of the subject property with decreed water rights in the first bracket under said Source and Ditch.

GRANTOR represents and warrants, as to such water rights, only that neither it, nor its principals, have previously conveyed such water rights to others, and that to the best of its knowledge and belief that such water rights are in good standing.

ELKO COUNTY

SUBJECT TO any and all exceptions, reservations, restrictions, restrictive covenants, assessments, easements, rights and rights of way, and other matters evidenced by documents of record.

EXCEPTING THEREFROM all mineral rights of whatever kind and nature, and all rights appurtenant thereto, that have been reserved by predecessors in interest to the GRANTOR that appear of record in the office of the Elko County Recorder, Elko County, Nevada.

RESERVING unto GRANTOR ONE-THIRD (1/3 or 33.333...%) of all the remaining (previously unreserved) coal, oil, gas and other hydrocarbons, all geothermal resources, and all other minerals of every kind and nature, if any, regardless of the method of extraction (subject to reasonable compensation for disturbance to the surface), in, on or under those lands described in Exhibit A attached hereto, that have not been reserved or excepted previously by predecessors in interest to GRANTOR, together with all surface rights incidental or appurtenant thereto necessary to utilize and extract the minerals so reserved.

TO HAVE AND TO HOLD the said premises, together with the appurtenances, unto FREEPORT-MCMORAN and LAWSON, and to their successors and assigns.

IN WITNESS WHEREOF, the GRANTOR has executed this conveyance the day and year first above written.

GRANTOR:

RANCHO GRANDE, INC., a  
Nevada corporation

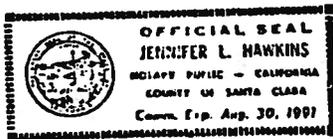
By:   
Manuel G. Moitozo, Pres.

By:   
Philip Ferrara, Secretary

ELKO COUNTY

STATE OF California  
COUNTY OF Santa Clara SS.

On March 16, 1988, personally appeared before me, a Notary Public, Manuel G. Moitozo, known to me to be a duly qualified and acting officer of RANCHO GRANDE, INC., who acknowledged to me that he executed the above instrument in that capacity.



Jennifer L. Hawkins  
NOTARY PUBLIC

STATE OF California  
COUNTY OF Santa Clara SS.

On March 16, 1988, personally appeared before me, a Notary Public, Philip Ferrara, known to me to be a duly qualified and acting officer of RANCHO GRANDE, INC., who acknowledged to me that he executed the above instrument in that capacity.



Jennifer L. Hawkins  
NOTARY PUBLIC

ELKO COUNTY

EXHIBIT A  
RANCHO GRANDE - FREEPORT-MCMORAN - LAWSON

Those certain lands generally located in Elko County, Nevada  
more particularly described as follows:

TOWNSHIP 41 NORTH, RANGE 54 EAST  
SECTION 16: E1/2, SE1/4SW1/4;  
SECTION 21: E1/2W1/2, E1/2;  
SECTION 28: E1/2E1/2, W1/2NE1/4;

1/2 1/2

NOTE: It is the intent of Grantor, as to all the lands set forth  
above, that Grantor is reserving a ONE-THIRD interest, that  
Freeport-McMoran is receiving a ONE-THIRD interest, and that Lawson  
is receiving a ONE-THIRD interest, in and to the minerals remaining  
unexcepted or unreserved as of the date of this indenture.

Documentary Transfer Tax \$ 467.50  
Computed on full value of property conveyed or  
computed on full value less liens and encumbrances re-  
sisting thereon at time of transfer  
Under penalty of perjury  
Jerry D. Reynolds  
Signature of document or agent Jerry D. Reynolds  
tax-fee name

FEE \$10.00 248499  
FILED FOR RECORD  
Frontier Title Co.  
MAR 25 11:26  
RECORDED 609  
JERRY D. REYNOLDS  
ELKO COUNTY CLERK  
INDEXED

CERTIFICATION OF COPY  
STATE OF NEVADA )  
COUNTY OF ELKO ) ss.  
I, JERRY D. REYNOLDS, the duly elected and  
qualified Recorder of Elko County, in the State of  
Nevada, do hereby certify that this is a true, full  
and correct copy of the instrument on record  
in this office. IN WITNESS WHEREOF, I have  
hereunto set my hand and affixed the seal of my  
office, in Elko, Nevada this  
day of MAY - 4 1988 A.D. 19  
JERRY D. REYNOLDS, COUNTY RECORDER  
By Missie Madigan  
(SEAL) Deputy

218499 EXHIBIT A BOOK 609 PAGE 06