

Chicago Pacific Corporation and Rock Island
Improvement Company

to

International Mining Corporation

(MINERAL QUIT
(CLAIM DEED

(-----
(Dated March 15, 1985
(Filed April 8, 1985
(Misc. Book 13, page 270
(-----

For consideration of the sum of \$10.00 and other good and valuable consideration, grantors hereby grant, bargain, quitclaim and convey unto grantee, its successors and assigns, forever, all of grantor's mineral rights and interests in the County of Palo Alto, State of Iowa, (Mineral Interests).

It is the intention of the parties hereto that this conveyance shall extend to and include without limitation, all right, title and interest, legal and equitable, including without limitation after acquired title of the grantor in and to all minerals of every kind, character and description, and wherever located in the above referenced county, now owned, leased or otherwise held by Chicago Pacific Corporation, a Delaware corporation, or Rock Island Improvement Company, a New Jersey corporation, including without limitation those Mineral Interests underlying the property described in Exhibit A attached hereto and made a part hereof, together with:

(A) All of the appurtenances, tenements, hereditaments, ways, improvements, structures, fixtures, licenses, leaseholds, easements, reversions, remainders, rents, issues, income, profits, royalties, rights, powers, franchises, privileges, immunities and other interests and items belonging to or in anyway appertaining to such Mineral Interests, and

all mineral estates, subsurface leasehold estate, subsurface licenses, subsurface subleases, subsurface sublicenses, farmouts, royalty interests, overriding royalty interests, working interests, production payment interests, net profit interests, unit agreements, unit operating agreements, pooling agreements, joint operation agreements, gas processing plants, gasoline plants, pipelines and division orders covering or relating to all portions of the Mineral Interests now owned by Grantor; and

(B) All of the coal, iron, uranium, gravel, limestone, molybdenum, copper, oil, gas, casinghead gas, and all other solid, liquid and gaseous ores, minerals, salts, rare earths, hydrocarbons and other substances and associated or related substances of every kind and nature (herein called hydrocarbons) in, on, under or attributed to any of the Mineral Interests; and

(C) All wells, platforms, derricks, casing, tubing, tanks, tank batteries, separators rods, pumps, flow lines, water lines gas lines, machinery, pipelines, power lines and other equipment, and all of the personal property and fixtures, as defined under applicable state law, now of hereafter located in, on, under, affixed or attributed to or obtained or used in connection with any of the Mineral Interest or to any of said estates, property rights or other interests referred to above, which are used or were purchased for the production, treatment, storage, transportation, manufacture or sale of Hydrocarbons; and

(D) All of the severed and extracted Hydrocarbons produced from or attributed to any of the Mineral Interests, or to any of said estates, property rights or other interests referred to above; and

(E) The full right, privilege, and license at any and all times to explore, or drill for, or to protect, conserve, mine, take, extract, remove, and market any and all Hydrocarbons provided that: (i) such grant or exercise does not unreasonably interfere with grantor's then existing or reasonably anticipated use, operation, maintenance, and interest, if any, in the surface of the Mineral Interests; (ii) the plans, specifications and methods of construction for the proposed occupation and use of those Mineral Interests as to which Grantor owns the surface, are submitted to grantor for prior written approval, which approval will be granted in all instances where the proposed occupation and use meet grantor's minimum established technical specifications for an occupancy and use of the type sought; (iii) the recipients of the easement, license, leasehold interest or the party exercising any right or reservation above agrees (a) with regard to all Mineral Interests as to which Grantor owns the surface, to bear all costs of modification, installation, maintenance, relocation, reclamation as required by law or change in railroad operation or facilities, and preparation of any necessary legal documents or agreements in regard to the above, provided in the event that the recipient does not bear such costs under the terms and conditions of its agreement with grantee, then grantee shall forever protect, defend, indemnify and hold grantor harmless from and against any such costs; and (b) to bear all liability for, and to forever protect, indemnify, defend, and hold grantor

harmless from and against any loss, damage, destruction, injury, or death growing out of the occupation and use of those Mineral Interests as to which grantor owns the surface; and provided further, grantee shall indemnify and hold harmless grantor, its successors and assigns, from any and all liability for any loss, damage, destruction, injury or death growing out of the occupation and use of those Mineral Interests as to which Grantor owns the surface.

In the event grantee has the surface of the Mineral Interests surveyed (said survey to be at grantee's sole expense) and a different legal description of the surface of the Mineral Interests is recommended by the surveyor which, in Grantor's reasonable opinion, more closely conforms to or more accurately reflects the aforesaid mutual intention, or in the event grantee otherwise determines that a different legal description of the surface of the Mineral Interests more closely conforms to or more accurately reflects the aforesaid mutual intention and Grantor reasonably agrees, then upon grantee's demand therefor and furnishing of any such survey and quitclaim deed, grantor, its successors and assigns shall execute at no cost to grantee a corrective quitclaim deed on

the surface of the Mineral Interests using the description recommended by the surveyor or the description mutually agreed to by grantor and grantee.

Notwithstanding any other provision of this instrument, the grantor shall in no event incur liability to the grantee for failure of or defect in the title or estate of the grantor in and to the Mineral Interests herein described.

This conveyance is made pursuant to the terms of a Purchase and Sale Agreement dated as of February 28, 1985 between Chicago Pacific Corporation and Grantee, and the terms thereof shall survive delivery of this Mineral Quitclaim Deed except as specified therein.

Executed for Chicago Pacific Corporation by "A. Steven Crown", Vice President and attested by "Howard E. Japlon", Assistant Secretary; no corporate seal shown.

Executed for Rock Island Improvement Company by "A. Steven Crown", President and attested by "Nancy A. Norman", Secretary; no corporate seal shown.

NOTE: Attached Exhibit A provides as follows, in part:

Segment Two (B)
Goldfield to Estherville

Palo Alto County, State of Iowa:

Beginning at the intersection of the centerline of the Grantor's main line track and the easterly line of Palo Alto County; thence Northwesterly along said centerline through Sections 13, 12, 11, 2 and 3, Township 94 North, Range 31 West of the Fifth Principal Meridian; thence continuing Northwesterly through Sections 34, 33, 28, 21, 20, 19 and 18, Township 95 North, Range 31 West of the Fifth Principal Meridian; thence continuing Northwesterly through Sections 13, 12, 11, 2, 3 and 4, Township 95 North, Range 32 West of the Fifth Principal Meridian; thence continuing Northwesterly through **Sections 33, 32, 29, 30, 19 and 18, Township 96 North, Range 32 West of the Fifth Principal Meridian;** thence continuing Northwesterly through Sections 13, 12 and 1, Township 96 North, Range 33 West of the Fifth Principal Meridian; thence continuing Northwesterly through Sections 36, 25, 26, 23, 14, 15, 10, 9, 4 and 5 to the northerly line of said Palo Alto County, Township 97 North, Range 33 West of the Fifth Principal Meridian.
