

AGREEMENT - SHORT FORM

This Agreement - Short Form is entered into effective as of January 28, 1983, by and between TEXACO INC., a Delaware corporation (hereinafter referred to as "Texaco"), CANYON RESOURCES CORPORATION, a Delaware corporation (hereinafter referred to as "Canyon"), and BLUESKY OIL & GAS, INC., a Colorado corporation (hereinafter referred to as "Bluesky").

Recitals

A. Texaco, Canyon, and Bluesky desire to explore, develop and exploit certain mineral properties situate in the states of Nevada and Utah.

B. Texaco, Canyon, and Bluesky set forth their agreement as to the relationship between Texaco, Canyon, and Bluesky pursuant to which they will carry out such exploration, development and exploitation operations in that certain Minerals Exploration Agreement between the parties made and entered into effective as of January 28, 1983 (hereinafter referred to as "the Agreement").

C. It is the purpose of this Agreement - Short Form to give notice of record of the existence of the Agreement.

NOW, THEREFORE, in consideration of the mutual agreements and covenants contained herein and other good and valuable consideration, Texaco, Canyon, and Bluesky hereby agree and covenant as follows:

1. The Property:

Canyon and Bluesky are owners as co-tenants and in possession of certain real property interests as more particularly described on Exhibit A attached hereto and made a part hereof (hereinafter referred to as "the Property").

2. Acquisition of Interest:

Texaco hereby agrees and obligates itself to perform or cause to be performed certain exploration activities as described in the Agreement on or before January 1, 1984. When Texaco has fulfilled such obligation, and subject to the conditions set forth in the Agreement, Texaco shall be entitled to an undivided 60% interest in the Property under the conditions set forth hereinafter and in the Agreement. At such time Texaco shall have the option to take a Restricted Assignment from Canyon and Bluesky of 60% of each of Canyon's and Bluesky's respective interests as co-tenants in the Property. Consideration for such assignment shall be as set forth in the Agreement.

3. Phase II:

Following assignment of a 60% interest in the Property as set forth in Paragraph 3 above, Texaco shall have the option of satisfying certain conditions (hereinafter referred to as "Phase II Obligations"), as are more fully set forth in the Agreement, within two years following the date of the Restricted Assignment.

If Texaco fails to fulfill its Phase II Obligations Texaco shall offer to reassign all of its right, title, and interest in and to the Property to Canyon and Bluesky.

Upon fulfillment of Texaco's Phase II Obligations, Texaco shall become entitled to retain its interest in the Property, which interest shall be evidenced by an Unrestricted Assignment delivered from Canyon and Bluesky to Texaco. Upon delivery of such Unrestricted Assignment Texaco, Canyon, and Bluesky agree to enter into a Joint Operating Agreement in form attached to the Agreement, which Joint Operating Agreement shall govern further operations on the Property.

4. Assignment:

Any assignment, transfer or conveyance by any Party of all or any part of its right, title or interest in the Property shall be subject to an optional prior right of first refusal of the other parties hereto, for a period of thirty (30) days after receipt of notice thereof. The terms and conditions governing such right of first refusal are more fully set forth in Paragraph 17 of the Agreement. The provisions of this paragraph shall not apply to any assignment by a party to its parent corporation, to a wholly owned subsidiary or to its successor by way of merger, consolidation or reorganization.

Any party hereto may assign, convey, or transfer all or any part of its interests in the Property and in this Agreement - Short Form to any financially responsible third party, subject to the terms and provisions of this paragraph and of the Agreement, provided that any such assignment, conveyance or transfer shall be expressly subject to, and the assignee shall expressly agree to assume the assignor's obligations concerning, all of the terms, conditions, and covenants of the Agreement and this Agreement - Short Form.

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5. Notices:

Any notice or election required or permitted to be given hereunder shall be sufficiently given when made in writing and delivered as herein provided. Any notice or other document contemplated by this Agreement - Short Form may be delivered by telegram, telex, or telecopies or by registered or certified mail, return receipt requested, postage prepaid, addressed as follows:

Canyon: Canyon Resources Corporation  
2207 Jackson Street, Suite B-101  
Golden, CO 80401

Bluesky: Bluesky Oil & Gas, Inc.  
333 5th Avenue SW, Suite 700  
Calgary, Alberta, Canada T2P3B6

Texaco: Texaco Inc.  
Alternate Energy & Resources Department  
4601 South Tamarac Parkway  
Denver, CO 80237  
Attention: Department Head

With Copies To: Texaco Inc.  
4601 South Tamarac Parkway  
Denver, CO 80237  
Attention: Legal Department

Texaco Inc.  
4601 South Tamarac Parkway  
Denver, CO 80237  
Attention: Alternate Energy and Resources  
Department, Lease Records

A notice sent by mail shall be effective when actually received at the address for notice stated above, as evidenced by the postal return receipt.

Any notice or other document contemplated by this Agreement - Short Form may be delivered by personally serving the notice or other document at the address first listed above in this paragraph for each party hereto. In the event of delivery by personal service, delivery shall be deemed effective and complete on the date of personal service. The party serving the notice or other document shall also mail courtesy copies thereof to the party so served at the addresses indicated in this paragraph, but failure to do so will not affect the effectiveness of the notice.

The address to which a party desires notices or other documents to be delivered may be changed at any time by giving written notice thereof in the manner herein provided to the other parties.

6. Acquisitions in Area of Interest:

If during the term of the Agreement or this Agreement - Short Form any party hereto (herein referred to as the "Acquiring Party") acquires

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or is offered any rights to minerals of any nature whatsoever or property rights valuable or usable in connection with exploration activities or development or mining of minerals (such minerals or property rights are hereinafter referred to as the "Property Right") in lands within an area having as its boundary a line one mile distant and parallel to the boundaries of the Property as of the effective date of the Agreement, it shall promptly notify the other parties of such acquisition or availability. Each such other party shall have a period of thirty (30) days following receipt of the notice of acquisition in which to elect to participate in acquisition of the Property Right. If each such other party elects to participate in acquisition of the Property Right, the Property Right so acquired shall thereupon become a part of the Property for all purposes.

If less than all other parties elect to acquire the Property Right, the Acquiring Party and the other party who does elect to acquire an interest shall acquire the Property Right, but such Property Right shall not become part of the Property. If no other party elects to have such Property Right added to the Property, then the Acquiring Party shall have the right for one hundred eighty (180) days after the expiration of the thirty (30) day period provided above to complete the acquisition of the Property Right on the terms and conditions specified in the notice given to each other party, and thereafter to hold the Property Right free and clear of the Agreement and this Agreement - Short Form. If the Acquiring Party fails to complete acquisition of the property right within such one hundred eighty (180) day period, any subsequent acquisition of the Property Right shall again be subject to the provisions of this paragraph. If the Agreement and this Agreement - Short Form shall be terminated as to the Property for any reason other than the execution of a Joint Operating Agreement pursuant to the terms of the Agreement, the obligations of Texaco as an Acquiring Party under this paragraph shall continue for two (2) years from the date of any such termination. Also, upon termination of the Agreement and this Agreement - Short Form by Texaco without fulfillment of its obligations thereunder as to the Property, Texaco shall, at the request of Canyon and Bluesky, convey to Canyon and Bluesky its interest in any Property Rights added to the Property pursuant to this paragraph. The terms and conditions governing acquisitions in the Area of Interest are more fully set forth in Paragraph 20 of the Agreement.

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This Agreement - Short Form is an abstract of the Agreement, and it is the purpose of this Agreement - Short Form to give notice or record of the existence of the Agreement. In the event of any inconsistency between this Agreement - Short Form and the Agreement, the same shall be governed and controlled by the Agreement. The execution and recordation of this Agreement - Short Form shall not extinguish, supercede, amend, modify or in any other manner affect the responsibilities, rights, interests, obligations and warranties of the parties as set forth in the Agreement. This Agreement - Short Form is binding upon the parties hereto and their successors and assigns.

IN WITNESS WHEREOF, each of the parties hereto has executed this Agreement - Short Form on the date set forth under its signature below, effective as of the date first here and above set forth.

CANYON RESOURCES CORPORATION

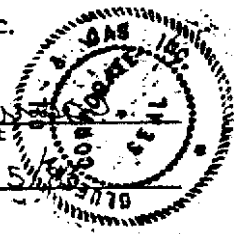


By: William D. Walker  
Vice President  
Date 3/23/83

ATTEST:

[Signature]  
Secretary

BLUESKY OIL & GAS, INC.



By: [Signature]  
President  
Date April 5/83

TEXACO INC.

By: R. E. Griswold  
Attorney-in-Fact  
Date 3/17/83

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State of Colorado  
County of Denver

On this 17th day of March, 1993, personally appeared before me, as Agent & Attorney-in-Fact, P.E. Griswold, the Attorney-in-Fact of Texas Inc., a corporation, who acknowledged that he executed the above instrument on behalf of said corporation.



My commission expires 2/11/96

Katy Ulibarri  
Notary Public

8712 S. High St.  
Westminster, Colo 80031

State of Colorado  
County of Jefferson

On this 17th day of March, 1988, personally appeared before me, a Vice President of Canyon Resources, a corporation, who acknowledged that he executed the above instrument on behalf of said corporation.



My commission expires 11/28/85

Kristy L. Thomas  
Notary Public

2201 Jackson, Ste B-101  
Golden, CO 80401

CANADA OF \_\_\_\_\_  
Province of ALBERTA

On this 5th day of April, 1983, personally appeared before me, a President, BARRY W. HARRISON, the PRESIDENT of BLUESKY OIL & GAS INC., a corporation, who acknowledged that HE executed the above instrument on behalf of said corporation.

NORMA L. ZAJICEK

MY COMMISSION EXPIRES DEC. 31, 1983

A NOTARY PUBLIC  
PROVINCE OF ALBERTA



355 - 5 Ave. S.W.  
CALGARY, ALTA.

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EXHIBIT A

AGREEMENT - SHORT FORM

Dated January 28, 1983

IV. Golden Gate Project Area

(A) Those eighty nine (89) lode claims located in Sections 1 and 2, T. 1 N., R. 58 E.; Sections 35 and 36, T. 2 N., R. 58 E.; Sections 5 and 6, T. 1 N., R. 59 E.; and Sections 29, 30, 31, and 32, T. 2 N., R. 59 E., Lincoln County, Nevada.

Locator: Canyon Resources Corporation

Location Dates: June 5-12, 1981

Recordation Date: August 3, 1981

<u>Claim Name</u>	<u>Book</u>	<u>Page</u>	<u>BLM Serial No.</u>
TL #1-51	45	242-292	N MC 209673- 209723
JIT #1-15	45	293-307	N MC 209724- 209738
JIT #17-21	45	308-312	N MC 209739- 209743
NS #1-18	45	313-330	N MC 209744- 209761

(B) The Golden Gate Project Area claims are in two non-contiguous blocks, an eastern area (TL #1-51) and a western area (NS #1-18, JIT #1-15 and JIT #17-21). Both blocks are internally contiguous but are separated by senior lode claims.

No. 77605  
FILED AND RECORDED AT OFFICE OF  
TEXACO, Inc.  
April 12, 1983  
AT 1 MINUTES PAST 2 O'CLOCK  
P M IN BOOK 54 OF OFFICIAL  
RECORDS, PAGE 352 LINCOLN  
COUNTY, NEVADA

James A. Taylor  
COUNTY RECORDER