CORPORATION SERVICE COMPANY

June 17, 2005

RECORDATION NO. 25654 FILED

JUN 21 '05 3-34 PM

SURFACE TRANSPORTATION BOARD

JUN 20 2005 RECEIVED

Barbara Saddler
Surface Transportation Board
Recordation Office
1925 K Street, N.W., Suite 70
Washington D.C. 20423
(202) 565-1656
(202) 565-9004 – Fax
Barbara.Saddler@stb.dot.gov

RE: 144286-1

Dear Barbara,

Enclosed are two (2) originals of the **Memorandum of Railcar Lease** dated as of April 20, 2005 between the following parties:

Names and address of the following parties:

Lessor: **THE CIT GROUP/EQUIPMENT FINANCING, INC.**
1211 Avenue of the Americas New York, NY 10036

Lessee: **EXCALIBAR MINERALS INC.**
15425 North Freeway, Suite 370 Houston, TX 77090

A short summary of the document to appear in the index follows:

Memorandum of Railcar Lease between Lessor: **THE CIT GROUP/EQUIPMENT FINANCING, INC.** and Lessee: **EXCALIBAR MINERALS INC.**
covering 30 hopper cars with reporting marks and numbers –CEFX 96553 – CEFX 96582 - INCLUSIVE.

Please file this memorandum as a PRIMARY document and return one (1) stamped original to my attention. A check covering the filing fee of thirty-three dollars ($33.00) is enclosed.

If you have any questions regarding the filing, please feel free to call me at 800-995-5071 ext. 3813.

Thank you for your prompt assistance.

Sincerely,

April O'Shea
Motor Vehicle Specialist
Corporation Service Company
801 Adlai Stevenson Drive
Springfield, IL 62703
(800) 995-5071 ext. 3813

MEMORANDUM OF RAILCAR LEASE

THIS MEMORANDUM OF RAILCAR LEASE dated as of this 20TH day of APRIL, 2005, is made by THE CIT GROUP/EQUIPMENT FINANCING, INC., a Delaware corporation, with an address at 1211 Avenue of the Americas, 20th Floor, New York, New York 10036 (the "Lessor"), and EXCALIBAR MINERALS INC., a TEXAS corporation, with an address at 15425 N. Freeway, Suite 370, Houston, TX 77090 (the "Lessee" and, together with the Lessor, the "Parties").

KNOW ALL PERSONS BY THESE PRESENTS THAT:

WHEREAS, the Lessor and the Lessee entered into that certain Master Railcar Lease (the "Lease") dated as of APRIL 20, 2005 covering the equipment listed on Schedule A hereto (the "Equipment").

WHEREAS, the Parties wish to show for the public record the existence of the aforesaid Lease, and the respective interests therein of the parties and accordingly the Parties have caused this memorandum to be executed by their respective duly authorized officers, as of the date first above written.

NOW, THEREFORE, for valuable consideration, the receipt and sufficiency of which are hereby acknowledged by each of the Parties hereto, by this instrument the Lessor hereby leases and confirms the lease of the Equipment to the Lessee in accordance with the terms and conditions of the Lease, and the Lessee confirms and accepts such terms and conditions, which are incorporated by reference as if fully set forth herein.

I certify that I hold the title set forth below, that this instrument was signed on behalf of the Lessor by authority of its Board of Directors and that I acknowledge that the execution of the foregoing instrument was the free act and deed of the Lessor. I further declare under penalty of perjury that the foregoing is true and correct.

THE CIT GROUP/EQUIPMENT FINANCING, INC.

By: Joseph J. Mankowski
Name: Joseph Mankowski
Title: Senior Vice President

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I certify that I hold the title set forth below, that this instrument was signed on behalf of the Lessee by authority of its Board of Directors and that I acknowledge that the execution of the foregoing instrument was the free act and deed of the Lessee. I further declare under penalty of perjury that the foregoing is true and correct.

EXCALIBAR MINERALS INC.

By: T. E. Eisenman
Name: T. E. EISENMAN
Title: PRESIDENT

Schedule A

Number of Cars	Equipment Description
30	3,230 C.F., P.D. covered hopper car

1	CEFX	96553
2	CEFX	96554
3	CEFX	96555
4	CEFX	96556
5	CEFX	96557
6	CEFX	96558
7	CEFX	96559
8	CEFX	96560
9	CEFX	96561
10	CEFX	96562
11	CEFX	96563
12	CEFX	96564
13	CEFX	96565
14	CEFX	96566
15	CEFX	96567
16	CEFX	96568
17	CEFX	96569
18	CEFX	96570
19	CEFX	96571
20	CEFX	96572
21	CEFX	96573
22	CEFX	96574
23	CEFX	96575
24	CEFX	96576
25	CEFX	96577
26	CEFX	96578
27	CEFX	96579
28	CEFX	96580
29	CEFX	96581
30	CEFX	96582