

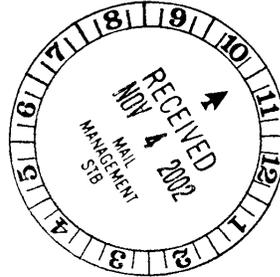


First Union Rail Corporation
 NC5811
 Commercial Leasing Group
 One O'Hare Centre
 6250 River Road, Suite 5000
 Rosemont, IL 60018
 Tel 847 318-7575
 847 318-7588

VIA UPS 2nd DAY AIR

November 1, 2002

Mr. Vernon E. Williams
 Surface Transportation Board
 1925 K Street, N.W., Room 704
 Washington, DC 20423-0001
 Attn: Recordation of Railroad Equipment



Re: Memorandum of Lease Agreement

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are three (3) originals and one (1) copy of a Memorandum of Lease Agreement, dated August 26, 2002, a secondary document as defined in the Board's Rules for the Recordation of Documents. The enclosed document relates to the Lease Agreement which was duly filed with the Commission under Recordation Number 22715.

The names and addresses of the parties to the enclosed document are:

Lessor: First Union Rail Corporation One O'Hare Center 6250 River Road, Suite 5000 Rosemont, IL 60018	Lessee: Badger Mining Corporation 409 S. Church Street Berlin, WI 54923
--	---

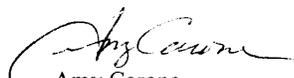
A description of the railroad equipment covered by the enclosed document is twenty-three (23) 4,700 cubic foot capacity covered hopper cars, with FURX and NDYX marks (see Exhibit A for numbers).

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

Also enclosed is a check in the amount of \$30.00 payable to the order of the Surface Transportation Board covering the required recordation fee. Kindly return one (1) stamped original of the enclosed document to the undersigned along with the additional copies.

If you have any questions or concerns regarding the above-referenced matter, please feel free to contact me at (847) 384-5342. Thank you for your cooperation in this matter.

Very truly yours,


 Amy Carone
 Manager of Documentation

Enclosures
 (BADG011)

RECORDATION NO. 22715-F FILED
 NOV 04 '02 11-52 AM
 SURFACE TRANSPORTATION BOARD

ASSGN. NO. BADG011

MEMORANDUM OF LEASE

THIS MEMORANDUM OF LEASE (the "Memorandum") is made and entered into as of this the 26th day of August, 2002, by and between First Union Rail Corporation ("Lessor"), a North Carolina corporation, and Badger Mining Corporation ("Lessee"), a Wisconsin corporation.

WITNESSETH:

The undersigned Lessor and Lessee have entered into that certain Lease Agreement (the "Lease"), dated as of November 8, 1999, whereby Lessor has agreed to lease to Lessee certain railcars pursuant to Rider No. 10 to the Lease (the "Rider"), as described in more particular on Exhibit A attached hereto, effective as of _____, 2002, and subject to the terms, conditions and provisions of the above-mentioned Lease and Rider.

IN WITNESS WHEREOF, the parties hereto have each caused this Memorandum to be duly executed under seal by their respective officers duly authorized as of the date and year first above written.

LESSOR:

FIRST UNION RAIL CORPORATION

ATTEST:

By: Richard F. Seymour

By: K.A. Dombrowski

Name: _____

Name: K.A. Dombrowski

Title: _____

Title: DIRECTOR OF DOCUMENTATION

Executed on this 26th day of Aug, 2002.

[CORPORATE SEAL]

STATE OF ILLINOIS

COUNTY OF COOK

I, SUSAN GROKULSKY, a Notary Public of the County and State aforesaid, certify that RICHARD F. SEYMOUR personally appeared before me this day and acknowledged his due execution of the foregoing Memorandum of Lease.

WITNESS my hand and official stamp or seal, this 26th day of August, 2002.

Susan Grokulska
Notary Public

My Commission Expires:

8-14-2004
(Notary Public)



RECORDATION NO. 22715-F FILED

NOV 04 '02 11-52 AM

SURFACE TRANSPORTATION BOARD

LESSEE:

BADGER MINING CORPORATION

By: 
Name: Thomas Taake
Title: President TDL

ATTEST:

By: _____
Name: _____
Title: _____

Executed on this 14th day of August, 2002.

[CORPORATE SEAL]

STATE OF Wisconsin
COUNTY OF Green Lake

I, Janell Seeliger, a Notary Public of the County and State aforesaid, certify that Tom Taake personally appeared before me this day and acknowledged his due execution of the foregoing Memorandum of Lease.

WITNESS my hand and official stamp or seal, this 14th day of August, 2002.


Notary Public

Commission Expires:

9-12-2004
(Notary Public)

EXHIBIT A
to
MEMORANDUM OF LEASE

NUMBER OF CARS: Twenty-three (23)

DESCRIPTION OF CARS: 4,750 Cubic Foot Covered Hopper Cars

CAR NUMBERS:

FURX	816596
FURX	816710
FURX	816722
FURX	816726
FURX	816734
FURX	816735
FURX	816737
FURX	818452
FURX	818723
FURX	822179
FURX	824508
FURX	827490
FURX	827491
FURX	828440
FURX	829542
NDYX	827679
NDYX	827691
NDYX	829544
NDYX	829843
NDYX	830304
NDYX	830394
NDYX	830699
NDYX	833229