

FIRST UNION RAIL

One O'Hare Centre
6250 River Road, Suite 5000
Rosemont, IL 60018

Tel 847.318.7575
Fax 847.318.7588

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 September 22, 2003, 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:

<p>Lessor: First Union Rail Corporation One O'Hare Center 6250 River Road, Suite 5000 Rosemont, IL 60018</p>	<p>Lessee: Badger Mining Corporation 409 S. Church Street Berlin, WI 54923</p>
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A description of the railroad equipment covered by the enclosed document is sixty (60) 4750 cubic foot capacity covered hopper cars, with 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) 384-5355. Thank you for your cooperation in this matter.

Very truly yours,



Susan Grokulsky
Manager of Documentation

Enclosures

(BADG014)

VIA UPS 2nd DAY AIR

DEC. 16 2003
RECEIVED

December 12, 2003

RECORDATION NO. 22715-6 FILED

DEC 16 '03 2-29 PM

SURFACE TRANSPORTATION BOARD

ASSGN. NO. BADG014

MEMORANDUM OF LEASE

THIS MEMORANDUM OF LEASE (the "Memorandum") is made and entered into as of this the 22nd day of September, 2003, 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. 13 to the Lease (the "Rider"), as described in more particular on Exhibit A attached hereto, effective as of October 21, 2003, 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: RICHARD F. SEYMOUR

Name: K.A. Dombrowski

Title: Vice President Sales & Marketing

Title: DIRECTOR OF DOCUMENTATION executed on this 22nd day of September, 2003.

[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 22nd day of September, 2003.

Susan Grokulska
Notary Public

My Commission Expires:

8-14-2004
(Notary Public)



RECORDATION NO. 22715-6 FILED

DEC 16 '03 2-29 PM

SURFACE TRANSPORTATION BOARD

LESSEE:

BADGER MINING CORPORATION

By: Badger Mining Corporation
Name: [Signature]
Title: Co leader TDL

ATTEST:

By: _____
Name: _____
Title: _____

Executed on this 15th day of September, 2003.

[CORPORATE SEAL]

STATE OF Wisconsin
COUNTY OF Green Lake

I, Lynnette K. Wilde, a Notary Public of the County and State aforesaid, certify that Thomas 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 15th day of September, 2003.

Lynnette K. Wilde
Notary Public

Commission Expires:

6-11-06
(Notary Public)

EXHIBIT A
to
MEMORANDUM OF LEASE

NUMBER OF CARS: Sixty (60)

DESCRIPTION OF CARS: 4,750 cubic foot Covered Hopper Cars with continuous trough hatches and gravity outlet gates.

CAR NUMBERS:

NDYX 810028	NDYX 819003	NDYX 828633
NDYX 815420	NDYX 821513	NDYX 828690
NDYX 815501	NDYX 821514	NDYX 828710
NDYX 815503	NDYX 821525	NDYX 829206
NDYX 815504	NDYX 822273	NDYX 829740
NDYX 816917	NDYX 822331	NDYX 829883
NDYX 818901	NDYX 822343	NDYX 830289
NDYX 818917	NDYX 822345	NDYX 830305
NDYX 818921	NDYX 822346	NDYX 830329
NDYX 818929	NDYX 822347	NDYX 830381
NDYX 818931	NDYX 822497	NDYX 830428
NDYX 818939	NDYX 824479	NDYX 830447
NDYX 818944	NDYX 824526	NDYX 830663
NDYX 818945	NDYX 824627	NDYX 830677
NDYX 818967	NDYX 826558	NDYX 830998
NDYX 818983	NDYX 828231	NDYX 831007
NDYX 818988	NDYX 828354	NDYX 832159
NDYX 818989	NDYX 828358	NDYX 832187
NDYX 818990	NDYX 828456	Count: 60
NDYX 818993	NDYX 828479	
NDYX 818996	NDYX 828558	