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PREPARED BY AND WHEN
RECORDED RETURN TO:
ALAN S. HOFFMAN
WHITMAN BREED ABBOTT & MORGAN LLP
200 PARK AVENUE
NEW YORK, NEW YORK 10166

MORRIS W. CARTEF
RECORDER

MEMORANDUM OF LEASE AGREEMENT

THIS MEMORANDUM OF LEASE AGREEMENT (this "Memorandum"), dated as of August 18, 2000, is by and between WINSLOW HILL FUNDING, LIMITED PARTNERSHIP, a Delaware limited partnership having an address c/o ML Leasing Equipment Corp., Project and Lease Finance Group, World Financial Center, North Tower, 250 Vesey Street, New York, New York 10281 ("Lessor"), and IRONSIDE ENERGY LLC, an Indiana limited liability company having an office at 8407 Virginia Street, Merrillville, Indiana 46410 ("Lessee").

Pursuant to the terms of an unrecorded Lease Agreement, dated as of August 18, 2000 (the "Lease"), between Lessor and Lessee, Lessor has leased, demised, and let to Lessee, and Lessee has leased and taken from Lessor, certain premises situated in Lake County, Indiana, and more particularly described on Exhibit A attached hereto and by this reference made a part hereof, together with all rights, easements, licenses and appurtenances thereto, including, without limitation, all easements granted pursuant to the Ground Lease (as hereinafter defined) (the "Facility Site"), together with all improvements located or to be located thereon as more particularly described and defined in the Lease and being the same improvements identified as the "Facility" to be constructed under the Ground Lease dated as of November 15, 1999 (together with any future modifications, amendments and supplements thereto the "Ground Lease") between LTV Steel Company, Inc. as lessor and Lessee, for which a Short Form and Memorandum of Ground Lease dated November 15, 1999, was recorded on February 23, 1999, in the Office of the Recorder of Lake County, Indiana, as Document No. 2000012249.

The Lessor's interest in the Facility Site is created pursuant to a certain Assignment of Ground Lease dated as of August 18, 2000 (the "Assignment") between Lessee as assignor and Lessor as assignee recorded immediately prior hereto in the Office of the Recorder of Lake County, Indiana, as Document No. 2000060045

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The commencement date of the Lease with respect to the Project (as defined in the Lease) (the "Effective Date") shall be the date when to occur of (i) Lessor's and Lessee's completion of their respective obligations with respect to the Project under a certain unrecorded Agreement for Lease, dated as of August 18, 2000, between Lessor, as owner therein, and Lessee, as agent therein ("Agreement for

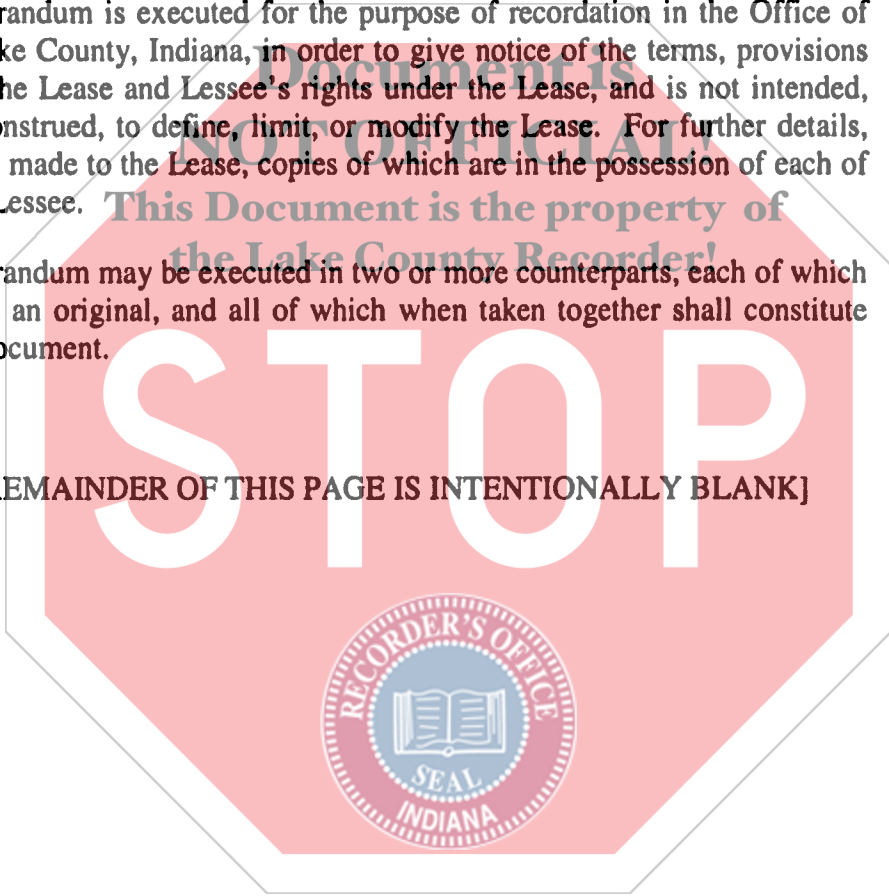
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Lease”), or (ii) the date designated by Lessee as the Designated Effective Date (as defined in the Agreement for Lease) in a written notice to Lessor given in accordance with the Agreement for Lease, but in no event shall the Effective Date occur on a date which is later than the date which is twenty-one years after the date of death of the last to die of all descendants of Joseph P. Kennedy, father of John F. Kennedy, the former President of the United States, who were living on November 15, 1999. The initial term of the Lease shall be five (5) years from the Effective Date. The Lease term shall be extended for an additional two five (5) year terms unless sooner terminated pursuant to the terms of the Lease.

This Memorandum is executed for the purpose of recordation in the Office of the Recorder of Lake County, Indiana, in order to give notice of the terms, provisions and conditions of the Lease and Lessee’s rights under the Lease, and is not intended, and shall not be construed, to define, limit, or modify the Lease. For further details, reference should be made to the Lease, copies of which are in the possession of each of the Lessor and the Lessee. This Document is the property of the Lake County Recorder!

This Memorandum may be executed in two or more counterparts, each of which shall be considered an original, and all of which when taken together shall constitute one and the same document.

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WITNESS WHEREOF, this Memorandum has been executed by Lessor and Lessee as of the day and year first above mentioned.

**WINSLOW HILL FUNDING, LIMITED
PARTNERSHIP**

By: Winslow Hill Capital, Inc.,
its General Partner

By: *Frank Conley*
Name: Frank Conley
Title: Vice President

This Document is the property of
the Lake County Recorder!



IRONSIDE ENERGY LLC
By: *V. Michael Alverson*
Name: V. MICHAEL ALVERSON
Title: VICE PRESIDENT

State of New York)
) ss.
County of New York)

On the 17th day of August, in the year 2000, before me, the undersigned, personally appeared FRANK J. CONLEY, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

[Signature]
Notary Public

SARALYN VASILE
NOTARY PUBLIC, State of New York
No. 43-4992597
Qualified in Suffolk County
Commission Expires: 4/5/02

State of New York)
) ss.
County of New York)

On the 17th day of August, in the year 2000, before me, the undersigned, personally appeared V. MURAZ ANDERSON, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

[Signature]
Notary Public

SARALYN VASILE
NOTARY PUBLIC, State of New York
No. 43-4992597
Qualified in Suffolk County
Commission Expires: 4/5/02

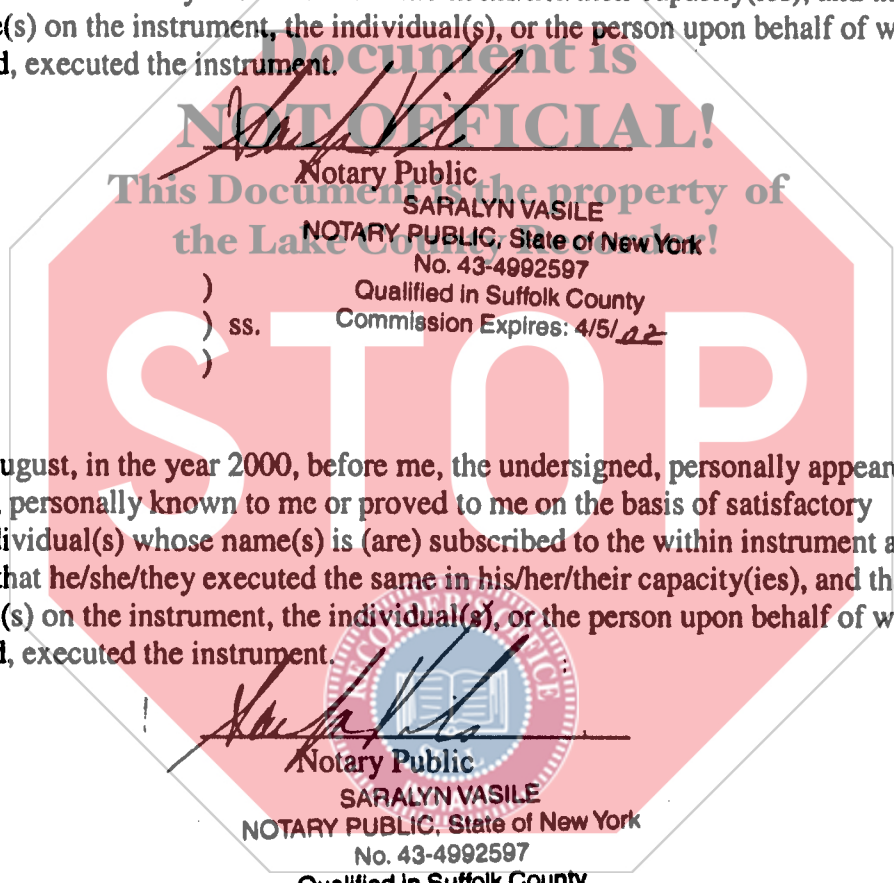


EXHIBIT A

Legal Description of Facility Site



EXHIBIT A

LEGAL DESCRIPTION OF PREMISES

PARCEL "A"

A part of Fractional Sections (15) and (16) all in Township (37) North, Range (9) West, Second Principal Meridian, Lake County, Indiana more particularly described as follows:

Commencing at Point "L" said point being located 200.00 feet northwesterly at right angles from the approximate centerline of the Indiana Harbor Canal (Book 44, Page 472-475, Lake County, Indiana) and on the northeastern right of way line of the Elgin, Joliet and Eastern Railway Company (said point referenced in Parcel Three (3), Item Three (3), Group Six (6) of the First Mortgage to the Bankers Trust Company from Youngstown Sheet and Tube Company, recorded in Volume 308 of Mortgages, Page 1, Office of the Recorder, Lake County, Indiana); thence North $46^{\circ}55'58''$ West (this and all subsequent bearings are based upon Indiana State Plane Coordinates, West Zone, NAD 27, 2nd Principal Meridian) along the northeastern right of way line of said Elgin, Joliet and Eastern Railway Company, a distance of 739.92 feet; thence North $43^{\circ}04'02''$ East, at right angles to said northeastern right of way, a distance of 538.15 feet to the Point of Beginning of this description; thence along the following (8) bearings and distances; (1) North $46^{\circ}05'24''$ East, 257.00 feet (2) South $43^{\circ}54'36''$ East, 16.00 feet (3) North $46^{\circ}05'24''$ East, 74.00 feet (4) South $43^{\circ}54'36''$ East, 30.00 feet (5) South $20^{\circ}02'54''$ West, 82.00 feet (6) South $46^{\circ}05'24''$ West, 187.00 feet (7) South $59^{\circ}40'47''$ West, 72.35 feet (8) North $43^{\circ}54'36''$ West, 65.00 feet to the point of beginning and containing 0.552 acres, more or less.

PARCEL "B"

Commencing at Point "L", said point being located 200.00 feet northwesterly at right angles from the approximate centerline of the Indiana Harbor Canal (Book 44, Page 472-475, Lake County, Indiana) and on the northeastern right of way line of the Elgin, Joliet and Eastern Railway Company (said point referenced in Parcel Three (3), Item Three (3), Group Six (6) of the First Mortgage to the Bankers Trust Company from Youngstown Sheet and Tube Company, recorded in Volume 308 of Mortgages, Page 1, Office of the Recorder, Lake County, Indiana); thence North $46^{\circ}55'58''$ West (this and all subsequent bearings are based upon Indiana State Plane Coordinates, West Zone, NAD 27, 2nd Principal Meridian) along the northeastern right of way line of said Elgin, Joliet and Eastern Railway Company, a distance of 621.43 feet; thence North $43^{\circ}04'02''$ East, at right angles to said northeastern right of way, a distance of 658.07 feet to the Point of Beginning of this description; thence along the following (7) bearings and distances; (1) North $46^{\circ}05'24''$ East, 131.00 feet (2) North $23^{\circ}41'25''$ East, 80.00 feet (3) North $46^{\circ}05'24''$ East, 149.00 feet (4) South $43^{\circ}54'36''$ East, 88.00 feet (5) South $46^{\circ}05'24''$ West, 307.00 feet (6) South $50^{\circ}22'12''$ West, 47.10 feet (7) North $43^{\circ}54'36''$ West, 54.00 feet to the point of beginning and containing 0.596 acres, more or less.

Easement Parcels

EAST BRIDGE ROAD

A 30.00 foot wide easement for access being part of Fractional Sections (15) and (16) both in Township (37) North, Range (9) West, Second Principal Meridian, Lake County, Indiana more particularly described as follows:

Commencing at Point "L", said point being located 200.00 feet northwesterly at right angles from the approximate centerline of the Indiana Harbor Canal (Book 44, Page 472-475, Lake County, Indiana) and on the northeastern right of way line of the Elgin, Joliet and Eastern Railway Company (said point referenced in Parcel Three (3), Item Three (3), Group Six (6) of the First Mortgage to the Bankers Trust Company from Youngstown Sheet and Tube Company, recorded in Volume 308 of Mortgages, Page 1, Office of the Recorder, Lake County, Indiana); thence North $46^{\circ}55'58''$ West (this and all subsequent bearings are based upon Indiana State Plane Coordinates, West Zone, NAD 27, 2nd Principal Meridian) along the northeastern right of way line of said Elgin, Joliet and Eastern Railway Company, a distance of 621.43 feet; thence North $43^{\circ}04'02''$ East, at right angles to said northeastern right of way, a distance of 658.07 feet to the westerly corner of lease parcel "B" for the cogeneration facility; thence North $46^{\circ}05'24''$ East along the northwesterly line of said parcel "B" a distance of 74.00 feet; thence North $43^{\circ}54'36''$ West a distance of 15.00 feet to the Point of Beginning of this description, which describes the centerline of said 30.00 foot wide easement; thence South $46^{\circ}05'24''$ West a distance of 131.46 feet along the approximate centerline of a road; thence South $59^{\circ}40'47''$ West a distance of 81.51 feet, along the approximate centerline of said road also being along the north side of the blast furnace (BF) maintenance office; thence North $72^{\circ}38'46''$ West a distance of 42.14 feet along the approximate centerline of said road and the north side of the blast furnace (BF) maintenance office; thence North $30^{\circ}26'30''$ West a distance of 124.74 feet along the northeast side of the BF utilities operations building to the point of beginning of a tangent curve to the left having a radius of 153.61 feet, a central angle of $75^{\circ}59'37''$ and a long chord bearing North $68^{\circ}26'19''$ West a distance of 189.13 feet; thence Northwesterly along said curve a length of 203.74 feet along said roadway and along the northeast side of the BF welfare building to the point of tangency; thence South $73^{\circ}33'53''$ West a distance of 103.44 feet along said roadway and along the northwest side of the flat rolled chemical lab and the east side of the Main Office Building to the point of curvature of a tangent curve to the right, having a radius of 127.56 feet, a central angle of $91^{\circ}05'07''$ and a long chord bearing North $60^{\circ}53'34''$ West a distance of 182.10 feet; thence Northerly and Northwesterly along said curve a length of 202.79 feet along said roadway and the east side of the Main Office Building to the point of tangency; thence North $15^{\circ}21'00''$ West a distance of 28.66 feet along said roadway and the east side of the Main Office Building to the end of the east approach of the east bridge; thence North $74^{\circ}50'12''$ West a distance of 493.17 feet along the approximate centerline of the east bridge approach; thence South $85^{\circ}51'55''$ West a distance of 166.43 feet along the approximate centerline of said east bridge; thence South $66^{\circ}33'48''$ West a distance of 221.25 feet along the approximate centerline of said east bridge; thence South $50^{\circ}06'38''$

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West a distance of 87.32 feet along the approximate centerline of said east bridge; thence South $45^{\circ}56'49''$ West a distance of 861.98 feet along the approximate centerline of the east bridge to the approximate location to the guard house and to a point on the North Right of Way Line of Riley Road, said point being the terminus of said centerline description. The sidelines of said 30.00 foot easement are extended and /or shortened as to meet at angle points on said North Right of Way line of Riley Road.

WEST BRIDGE ROAD

A 30.00 foot wide easement for access being part of Fractional Sections (9), (10), (15) and (16) all in Township (37) North, Range (9) West, Second Principal Meridian, Lake County, Indiana more particularly described as follows:

Commencing at Point "L", said point being located 200.00 feet northwesterly at right angles from the approximate centerline of the Indiana Harbor Canal (Book 44, Page 472-475, Lake County, Indiana) and on the northeastern right of way line of the Elgin, Joliet and Eastern Railway Company (said point referenced in Parcel Three (3), Item Three (3), Group Six (6) of the First Mortgage to the Bankers Trust Company from Youngstown Sheet and Tube Company, recorded in Volume 308 of Mortgages, Page 1, Office of the Recorder, Lake County, Indiana); thence North $46^{\circ}55'58''$ West (this and all subsequent bearings are based upon Indiana State Plane Coordinates, West Zone, NAD 27, 2nd Principal Meridian) along the northeastern right of way line of said Elgin, Joliet and Eastern Railway Company, a distance of 621.43 feet; thence North $43^{\circ}04'02''$ East, at right angles to said northeastern right of way, a distance of 658.07 feet to the westerly corner of lease parcel "B" for the cogeneration facility; thence North $46^{\circ}05'24''$ East along the northwesterly line of said parcel "B" a distance of 74.00 feet; thence North $43^{\circ}54'36''$ West a distance of 15.00 feet to the Point of Beginning of this description, which describes the centerline of said 30.00 foot wide easement; thence South $46^{\circ}05'24''$ West a distance of 131.46 feet; along the approximate centerline of a road; thence South $59^{\circ}40'47''$ West a distance of 81.51 feet, along the approximate centerline of said road also being along the north side of the blast furnace (BF) maintenance office; thence North $72^{\circ}38'46''$ West a distance of 42.14 feet along the approximate centerline of said road and the north side of the blast furnace (BF) maintenance office; thence North $30^{\circ}26'30''$ West a distance of 124.74 feet along the northeast side of the BF utilities operations building to the point of beginning of a tangent curve to the left having a radius of 153.61 feet, a central angle of $75^{\circ}59'37''$ and a long chord bearing North $68^{\circ}26'19''$ West a distance of 189.13 feet; thence Northwesterly along said curve a length of 203.74 feet along said roadway and along the northeast side of the BF welfare building to the point of tangency; thence South $73^{\circ}33'53''$ West a distance of 103.44 feet along said roadway and along the northwest side of the flat rolled chemical lab and the east side of the Main Office Building to the point of curvature of a tangent curve to the right, having a radius of 127.56 feet, a central angle of $91^{\circ}05'07''$ and a long chord bearing North $60^{\circ}53'34''$ West a distance of 182.10 feet; thence Northerly and Northwesterly along said curve a length of 202.79 feet along said roadway and the east side of the Main Office Building to the point of tangency; thence North $45^{\circ}21'35''$ East a distance of 212.58 feet along said roadway and the east side of the iron foundry, to the point of curvature of a

tangent curve to the left, having a radius of 197.00 feet, a central angle of $53^{\circ}49'35''$ and a long chord bearing North $18^{\circ}26'48''$ East a distance of 178.34 feet; thence Northeasterly along said curve, also being along the north side of the machine shops, a length of 185.07 feet to the point of tangency; thence North $08^{\circ}28'00''$ West a distance of 64.89 feet along the north side of the central shops to the point of curvature of a tangent curve to the right, having a radius of 446.73 feet, a central angle of $25^{\circ}14'08''$ and a long chord bearing North $04^{\circ}09'04''$ East a distance of 195.17 feet; thence Northerly along said curve, also being along the north side of the central shops a length of 196.76 feet to the point of tangency; thence North $16^{\circ}46'08''$ East a distance of 115.41 feet along the north side of the central shops to the point of curvature of a tangent curve to the right having a radius of 341.49 feet, a central angle of $32^{\circ}38'36''$ and a long chord bearing North $33^{\circ}05'26''$ East a distance of 191.94 feet; thence Northeasterly along said curve, also being along the north side of the central shops, a length of 194.56 feet to the point of tangency; thence North $49^{\circ}24'44''$ East a distance of 819.13 feet along the north side of the fabrication shop; thence North $57^{\circ}46'16''$ East a distance of 163.13 feet along the north side of the fabrication shop; thence North $46^{\circ}34'28''$ East a distance of 519.18 feet along the north side of said fabrication shop to the point of curvature of a tangent curve to the left having a radius of 383.04 feet, a central angle of $42^{\circ}46'15''$ and a long chord bearing North $25^{\circ}11'20''$ East a distance of 279.34 feet; thence Northeasterly along said curve, also along the north side of said fabrication shop, a length of 285.94 feet to the point of tangency; thence North $03^{\circ}48'13''$ East a distance of 61.80 feet along said north side of the fabrication shops to the point of curvature of a tangent curve to the left, having a radius of 186.80 feet, a central angle of $77^{\circ}40'43''$ and a long chord bearing North $35^{\circ}02'09''$ West a distance of 233.67 feet; thence Northwesterly along said curve a length of 252.58 feet to the point of tangency; thence North $73^{\circ}52'30''$ West a distance of 901.36 feet along the south side of the steel producing facility; thence North $57^{\circ}23'47''$ West a distance of 397.38 feet along the south side of said steel producing facility to the point of curvature of a tangent curve to the right having a radius of 232.43 feet, a central angle of $46^{\circ}33'31''$ and a long chord bearing North $34^{\circ}07'01''$ West a distance of 183.72 feet; thence Northwesterly along said curve, also along the south side of said steel producing facility, a length of 188.87 feet to the point of tangency; thence North $10^{\circ}50'16''$ West a distance of 252.06 feet along the west side of the steel producing facility to the point of curvature of a tangent curve to the left having a radius of 297.87 feet, a central angle of $37^{\circ}06'56''$ and a long chord bearing North $29^{\circ}23'43''$ West a distance of 189.60 feet; thence Northwesterly along said curve, also being along the west side of said steel producing facility, a length of 192.96 feet to the point of tangency; thence North $47^{\circ}57'11''$ West a distance of 156.86 feet along the west side of said steel producing facility to the point of curvature of a tangent curve to the left having a radius of 400.06 feet, a central angle of $28^{\circ}04'07''$ and a long chord bearing North $61^{\circ}59'15''$ West a distance of 194.03 feet; thence Northwesterly along said curve, also being along the northeast side of the No. 2 pump house, a length of 195.98 feet to the point of tangency; thence North $76^{\circ}01'18''$ West a distance of 380.22 feet along the north side of the steel plant paint shop; thence North $73^{\circ}39'25''$ West a distance of 1214.16 feet, along the north side of the No. 9 lift station to the point of curvature of a tangent curve to the right, having a radius of 1142.79 feet, a central angle of $24^{\circ}40'46''$ and a long chord bearing North $61^{\circ}19'02''$ West a distance of 488.45 feet; thence Northwesterly along said curve, also being along the north side of the contractor badge reading station — steel plant, a length of 492.25 feet to the point of tangency; thence North $48^{\circ}58'38''$ West a distance of 303.22 feet to the southeast approach of the west bridge and the point of curvature of

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a tangent curve to the left, having a radius of 127.85 feet, a central angle $95^{\circ}11'44''$ and a long chord bearing South $83^{\circ}25'30''$ West a distance of 188.81 feet; thence Westerly along said curve and the west side of the steel producing annex and the approximate centerline of the west bridge, a length of 212.42 feet to the point of tangency; thence South $35^{\circ}49'38''$ West a distance of 932.64 feet along the west side of the steel producing annex to the point of curvature of a tangent curve to the left having a radius of 609.96 feet, a central angle of $66^{\circ}30'43''$, and a long chord bearing South $02^{\circ}34'16''$ West a distance of 668.98 feet; thence Southerly along said curve and the approximate centerline of the west bridge a length of 708.08 feet to the point of tangency; thence South $30^{\circ}41'06''$ East a distance of 1017.47 feet along the approximate centerline of said west bridge to the point of curvature of a tangent curve to the right having a radius of 595.61 feet, a central angle of $74^{\circ}08'37''$ and a long chord bearing South $06^{\circ}23'13''$ West a distance of 718.09 feet; thence Southerly along said curve and along the approximate centerline of said west bridge a length of 770.76 feet to the point of tangency; thence South $43^{\circ}27'32''$ West a distance of 2363.18 feet along the approximate centerline of said west bridge; thence South $60^{\circ}17'02''$ West a distance of 162.89 feet to a point on the East Right of Way Line of Dickey Place, said point being the terminus of said centerline description. The sidelines of said 30.00 foot easement are extended and/or shortened as to meet at angle points on said East Right of Way Line of Dickey Place.

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PARCEL CONNECTION EASEMENT AREA:

Commencing at Point "L", said point being located 200.00 feet northwesterly at right angles from the approximate centerline of the Indiana Harbor canal (Book 44, Page 472-475, Lake County, Indiana) and on the northeastern right of way line of the Elgin, Joliet and Eastern Railway Company (said point referenced in Parcel Three (3), Item Three (3), Group Six (6) of the First Mortgage to the Bankers Trust Company from Youngstown Sheet and Tube Company, recorded in Volume 308 of Mortgages, Page 1, Office of the Recorder, Lake County, Indiana); thence North $46^{\circ}55'58''$ West (this and all subsequent bearings are based upon Indiana State Plane Coordinates, West Zone, NAD 27, 2nd Principal Meridian) along the northeastern right of way line of said Elgin, Joliet and Eastern Railway Company, a distance of 621.43 feet; thence North $43^{\circ}04'02''$ East, at right angles to said northeastern right of way, a distance of 658.07 feet to the westerly corner of Parcel "B"; thence North $46^{\circ}05'24''$ East along the northwesterly line of Parcel "B", 74.00 feet to the Point of Beginning of this description; thence North $43^{\circ}54'36''$ West, 30.00 feet to the northeasterly line of Parcel "A"; thence North $46^{\circ}05'24''$ East, along said line, 57.33 feet; thence North $20^{\circ}02'54''$ East, along the easterly line of Parcel "A", 28.33 feet; thence South $66^{\circ}18'35''$ East, 29.41 feet to the westerly line of Parcel "B"; thence South $23^{\circ}41'25''$ West, along said line, 40.00 feet; thence South $46^{\circ}05'24''$ West 57.00 feet to the Point of Beginning and containing 0.062 acres more or less.

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