

G. W. Jones,
Miles Mc Kinon and
O. H. Mc Donald.

To
P. D. Delmas

Eureka County, Palisade, Nevada,
Mining Lease and Bond.

No. 641.

Lease and Bond
On The "Humboldt" Group,

This Indenture, made this 20th day of October, A. D., 1906, between G. W. Jones, Miles Mc Kinon, and O. H. Mc Donald, all of the town of Palisade, Eureka County, State of Nevada, lessors, and P. D. Delmas of Salt Lake, Utah, lessee, witnesseth; That the said lessors for and in consideration of the royalties, covenants and agreements hereinafter reserved, and by the said lessee to be paid, kept and performed, have granted, demised and let unto the said lessee all the following described mines and mining property, situated in Safford Mining District, County of Eureka, State of Nevada, known as the "Humboldt" Mining group, consisting of the following named mining claims, to-wit: Humboldt, #1, #2, #3, #4, #5, #6 and #7, and more fully described on the records of said Eureka County, together with the water and water rights thereto appurtenant; together with the appurtenances, to have and to hold unto the said lessee for the term of Fifteen months from the date of signing hereof, expiring at noon on the 20th day of October, A. D. 1908, unless sooner forfeited through the violation of any covenant against the said lessee reserved. And in consideration of said demise, the said lessee does covenant and agree with the said lessors as follows, to-wit: First; To commence

work within sixty (60) days from the date of signing said lease and bond hereof upon said mines, and work the same in good and workmanlike manner, working the aforesaid premises steadily and continuously from said date; and that a failure to work said premises with at least two (2) persons for at least twenty (20) full days of one shift each in each calendar month after said time mat at the option of said lessors be considered a violation of this covenant.

Second- To timber said mines when and where necessary at lessees' own expense.

Third- To allow said lessors or their agents to enter upon and into all parts of said mines, for the purpose of inspection.

Fourth- To pay to the Commercial National Bank of Salt Lake City, Utah in favor of said lessors as royalty fifteen (15) per cent of the net value of all ores extracted from said premises during the life of this lease, net value means; after the costs of transportation from the mines to the smelter or sampler, and sampling and assaying charges have first been deducted, then the royalties as aforesaid to the Commercial National Bank of Salt Lake City, Utah in favor of said lessors.

Fifth- To not incumber the said premises or any part thereof, and to keep a notice conspicuously posted on said premises at or near the mouth of the tunnels or shafts to be worked to the effect that the said premises or the owners thereof are not to be held responsible for any debts incurred by the said lessee or his assigns for any work or material furnished the said lessee during the life of this lease.

Sixth; To deliver to said lessors a duplicate copy of the smelter or sampler returns of all shipments of ore made from said mines.

Seventh; To deliver up to the said lessors or their agents the said premises thereon, in good order and condition, without demand or further notice, on said 20th day of October, A.D., 1908, at noon or at any time previous, upon proper demand for forfeiture, but reserving from this covenant the ownership of all machinery and tools, and the right to remove the same from the said premises upon the termination of this lease. It Is Agreed by the parties herunto that all moneys received as royalties by the terms of the aforesaid shall be credited to the purchase price of said property, in case the same be purchased with the bond for a deed hereinafter mentioned, but in the event of a failure to so purchase then and in that case all such royalties together with any part payments that may have been made shall

be forfeited to the said lessors. And The Said Lessors
 for and in consideration of one dollar in hand
 paid by said lessee, the receipt whereof is hereby
 acknowledged, do hereby bind ourselves and they
 are hereby firmly bound unto said lessee, his
 heirs or assigns, in the sum of twenty five thousand
 (\$25,000.00) dollars, lawful money of the United States
 of America, to make, execute and deliver a good and
 sufficient deed, free from all incumbrances, In
 Escrow in the Commercial National Bank of Salt
 Lake City, Utah, in favor of the lessee herein, his
 heirs or assigns, on the date thereof, conveying to the
 said lessee herein all their right, title and interest,
 in and to the said premises, and the water and
 water rights above mentioned. Said deed to be
 delivered to said lessee. Provided, the said lessee
 his heirs or assigns, shall pay to the Commercial
 National Bank in favor of the said lessors, their
 heirs or assigns, the sum of twenty-five thousand (\$25,
 000.00) dollars, lawful money of the United States of
 America, within Fifteen (15) months from the date hereof,
 as follows; two thousand five hundred (\$2,500.00)
 dollars, said lawful money of the United States,
 within six (6) months from date of signing this
 agreement; ten thousand (\$10,000.00) dollars within
 twelve months and twelve thousand five hundred
 (\$12,500.00) dollars within fifteen months from
 date of signing hereof, the said lawful money
 being the price agreed upon between said lessors
 and said lessee for the premises, and Provided
 Further, that the said lessee shall well and
 truly execute, perform and keep all the covenants
 in the lease foregoing. The said Bank shall be
 authorized upon violation of any of the terms of
 this lease or an abandonment thereof the bond for
 a deed herein, to return said deed to the lessors
 herein upon ten days notice to the said lessee
 of such its intention to so do; and it shall
 be also authorized upon information of a compliance
 with all the covenants of the foregoing lease and the
 bond for a deed herein to deliver to the said
 lessee, the said deed on five days notice to the paid
 lessors of such its intention so to do. Each And Every
 Clause And Covenant of This Indenture, shall extend
 to the assigns, heirs, executors and administrators
 of all parties hereto. In witness whereof the paid
 parties, lessors and lessee have hereunto set their
 hands and seals, and to another of even tenor,
 the day and year first above written.

signed in the Presence of }
 W. F. Quinton
 A. O. Malley

G. W. Jones (Seal.)
 Miles McKinnon (Seal)
 O. H. Mc Donald (Seal)
 P. D. Delmas (Seal)

State of Nevada }
 County of Esmeralda } ss.

On this 20th day of October, A.D. 1906, before me J. R. Jewell, a Justice of Peace for Palisade Precinct in and for said county, duly commissioned and qualified, personally appeared the within named G. W. Jones, Miles McKinnon and O. H. Mc Donald whose names are subscribed to the foregoing instrument, personally known to me to be the identical persons mentioned, and who executed the same, and they each for himself and not one for the other, duly acknowledged to me that they executed the same freely and voluntarily, and for the uses and purposes therein mentioned. In Witness Whereof I have hereunto set my hand and affixed my official seal, the day and year in this certificate first above written.

J. R. Jewell, Justice of Peace

Recorded at the request of P. D. Delmas, Nov. 19 A.D. 1906, at 3⁵ mins. past 2 P.M.

Wm. Spinner Recorder

L. 2 in 1907