

Edgar Sadler, )  
 to ) Agreement.  
 Eureka Prairie Mining Company, )

THIS AGREEMENT made and entered into this 15th day of May, 1921, by and between Edgar Sadler, of the town and county of Eureka, state of Nevada, the party of the first part, and Eureka Prairie Mining Company, of the same town, county and state, the party of the second part, WITNESSETH:

That the party of the first part, in consideration of the sum of One dollar, current lawful money of the United States of America, to him in hand paid by the said party of the second part, the receipt whereof is hereby acknowledged, and the covenants and agreements hereinafter contained on the party of the said party of the second part to be kept and performed, the said party of the first part hereby grants and gives to the said party of the second part, for a period of one year from the date hereof, the exclusive right and option to purchase from the party of the first part, on the terms and conditions hereinafter contained, all right, title and interest both at law and in equity, as well in possession as in expectance, of the party of the first part, of, in and to those certain lode mines or lode mining claims situated in the Eureka Mining District, County of Eureka, state of Nevada, which said lode mining claims are particularly described as follows, to wit: MACON CITY (patented), MORNING STAR (patented), FRASER AND MOLINO, and LONE PINE, lode mining claims, together with all buildings, and improvements thereon, and all privileges thereto, and together with all and singular the lodes and veins apexing within the lines of said claims, and the dips, spurs, angles, and mineral-bearing earth and rock therein, and all easements, mining fixtures, privileges and appurtenances thereunto belonging, or in anywise appertaining.

And it is hereby covenanted and agreed that the party of the second part may take possession, immediately, of said mining claims, together with all the buildings and improvements thereon, and retain the possession thereof during the life of this agreement, upon the compliance by the said party of the second part with the covenants and agreements herein contained, on his part to be kept and performed.

The said party of the first part hereby further grants and gives to said party of second part, the exclusive right and privilege to work and mine the several mining claims above named, during the life of this agreement, to extract any and all ores therefrom, provided, that the said party of the second part shall pay and deliver to the party of the first part, as royalty for said party of the first part twenty percent of the net proceeds of all ore shipped, milled, reduced or taken from said mining claims, the terms "NET PROCEEDS" means the amount returned by the smelter, or other reduction works, and the party of the second part hereby covenants and agrees to exhibit to the party of the first part a copy of all smelter, or other reduction works, settlement statements; said royalties hereinabove provided for shall be applied to the purchase price of

said property, if the option hereinabove provided for shall be exercised by the said party of the second part under the terms of this agreement, otherwise said royalties shall be and become the property of the said party of the first part, said party of the first part hereby covenants and agrees that he will, upon the final payment for said mining claims, make and execute good and sufficient deed conveying to the said party of the second part all the right, title and interest, both at law and in equity, as well in possession as in expectance, of said party of the first part, of, in, and to the several mining claims above named, together with all the buildings and improvements thereon, and all privileges appertaining thereto, and together with all and singular the lodes, ledges and veins, apexing within the limits of said mining claims and the dips, spurs, angles, mineral-bearing earth and rock therein, and all easements mining fixtures and appurtenances thereunto belonging, or in anywise appertaining.

It is agreed that the purchase price of the above described mining claims is and shall be the sum of Twenty Thousand Dollars (\$20,000.00), lawful money of the United States of America, to be paid as follows, to-wit: One Thousand Dollars Paid in hand and nine thousand five hundred Dollars, May 20th, 1922, and nine thousand five hundred Dollars November 20th, 1922, and any such payment of money on the purchase price shall forthwith become the property of the said party of the first part, and in the event of the failure of the said second party to pay the full sum of Twenty Thousand Dollars, at the time and in the manner hereinabove specified and agreed, any payment less than the full purchase price shall be forfeited unto the said party of the first part and shall vest in or transfer to said second party no legal or equitable interest or property in said premises, and further that upon payment of the full sum of Twenty Thousand Dollars, as agreed, the said party of the first part shall and will execute and deliver to said second party a good and sufficient deed to said premises and mining claims as hereinabove provided for.

Said party of the second part agrees to enter upon said mining claims, or premises, and work the same in mine fashion, in manner necessary to good and economical mining, so as to take out the greatest amount of ore possible with due regard to the development and preservation of the same as a workable mine, and to the special covenants herein reserved, and to work and mine said premises as aforesaid steadily and continuously, from and after May 15th, 1921, as said party of first part may determine. To well and sufficiently timber said mine at all points where proper, in accordance with good mining;

And further that the said party of the first part shall have the right at all times to enter upon, inspect and examine said premises at any time during the life of this agreement.

The said party of the first part further covenants and agrees that there are not now any unpaid taxes, liens, or incumbrances, upon said mining claim, or any of them, or upon any of the buildings or improvements thereon, and that he will not, during the life of this agreement, make or permit to be made, by himself or others acting for him, any liens, or incumbrances thereon, and said party of the second part, in consideration of the premises and agreements of the party of the first part, agrees that he will not, during the life of this agreement, make or permit to be made, by himself or by other acting for him any honest bona fide liens, or incumbrances thereon.

In consideration of the foregoing covenants, and agreements on the party of the said party of the first part, the said party of the second part hereby agrees that he will take immediately possession of the aforescribed mining claims, and buildings and improvements thereon, and that he will post and keep posted during the life of this agreement, a sufficient notice or notices, notifying all persons employed by him that said mines will not be held for any laborers, miners, mechanics, or materialmens liens; and on his failure to post said notices, on said mining claims, the said party of the first part is hereby given the right to go upon said premises and post said notices.

And the said party of the second part agrees, that if he shall fail to keep and perform all or any of the covenants or agreements by him agreed to be kept and performed, or shall fail to make any of the payments hereinabove mentioned, at the time and in the manner hereinabove specified, that the party of the first part may enter upon and take possession of the said premises, without notice of forfeiture other than such entry, and that upon this agreement shall cease and terminate, and that all sums of money paid thereunder shall be forfeited to and be retained by the said party of the first part as rents and for liquidated damages. And all improvements, machinery and tools placed upon, or to be placed upon said mining claims, and all veins or lodes which have been discovered by the said party of the second part while working said premises, shall become absolutely the property of the party of the first part, free from any claim or demand from the party of the first part, in case of any forfeiture as hereinabove provided for, occurs.

Upon the payment of the said sum of Twenty Thousand Dollars in full, all further covenants and agreements hereinbefore provided for on the part of the above parties, shall immediately become null and void.

This agreement shall be binding upon and inure to the heirs, executors, administrators and assigns of the respective parties hereto.

IN WITNESS WHEREOF the respective parties have hereunto set their hands on the day and year first above written.

Edgar Sadler  
Party of the first part.

Eureka Prairie Mining Co. by Hugh Leonard  
Party of the second part.

State of Nevada  
ss.  
County of Eureka

On this 16 day of May, 1921, personally appeared before me, R. McCharles, County Clerk of Eureka County, Edgar Sadler, known to me to be the person described in and who executed the foregoing instrument and who acknowledged to me that he 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.

(County Clerk's Seal)

R. McCharles, County Clerk,  
And ex-officio Clerk of the District Court,  
Eureka County.

Recorded at the request of Hugh Leonard May 16, A.D. 1921 At 20 minutes past 3 P.M.

Edgar Eather--Recorder.

By Peter Merialdo--Deputy.