

File No. 22270.
BOND and LEASE.

The Silver Belle Partnership,)
 and)
 John Venturino and associates.)

THIS AGREEMENT OF LEASE, Made and entered into this 9th day of November, 1936, by and between J.L.Bay; M.L.Rogers; J.W. Glass, and C.P.Hughes, partners, representing an undivided four-fifth (4/5ths) interest in the co-partnership known as "The Silver Belle Partnership," a mining partnership, which said undivided four-fifths (4/5ths) interest will be hereinafter called the "Lessors;" and John Venturino, and associates, of Eureka, Nevada, hereinafter called the "lessees";

WITNESSETH:

That the said lessors for and in consideration of the rents, royalties, covenants and agreements hereinafter expressed to be paid, kept and performed by the said lessees, have leased, let and demised, and by these presents do lease, let and demise unto the said lessees, all the right, title, and interest the above mentioned undivided four-fifths (4/5ths) partnership interest has in and to the following described mining property and premises, situate in the Diamond Mining District, in Eureka County, in the State of Nevada, described as follows:

Silver Belle Lode Mining Claim, unpatented.
 Silver Belle Lode Mining Claim, No.1, unpatented.
 Silver Belle Lode Mining Claim, No.2, unpatented.
 Silver Belle Lode Mining Claim, No.3, unpatented.
 Silver Belle Lode Mining Claim, No. 4, unpatented.
 Silver Belle Lode Mining Claim, No. 5, unpatented.
 Silver Belle Lode Mining Claim, No. 6, unpatented.
 Silver Belle Lode Mining Claim, No. 7, unpatented.

Spruce Lode Mining Claim, No. 1, unpatented.
 Spruce Lode Mining Claim, No. 2, unpatented.
 Spruce Lode Mining Claim, No. 3, unpatented.
 Spruce Lode Mining Claim, No. 4, unpatented.
 Spruce Lode Mining Claim, No. 5, unpatented.

Together with all mining equipment, machinery, tools, supplies and materials, now on or about the above described claims, used in connection with the mining, milling, and extracting of ores from said claim; together with all such privileges of access to and from said lands; the use of wood, timbers, water and other materials and privileges necessary to the proper working of minerals, should any be found, Including in particular, one bunk house, dining room, kitchen, sleeping room twelve by sixty-two feet; one compressor house about twenty by thirty feet; one small double unit air compressor with Dodge engine for power; one small Denver-Gardner jack hammer, and all steel that is with it; one 1926 Dodge commercial truck; and one 1929 Caterpillar tractor.

To have and to hold the above described premises, and equipment, for the purpose of mining, from the first day of December, 1936, to the first day of December, 1941, unless sooner forfeited or terminated through the violation of any of the covenants and conditions herein contained, with no power to assign this lease or any part thereof or to sublet the whole or any part of said leased premises without the written consent of the said lessors first had and obtained.

The said lessees in consideration of the premises has covenanted, contracted and agreed and by these presents does covenant, contract and agree to and with the said lessors, their executors, administrators and assigns, as follows:

1. To enter upon said leased premises and to 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 said mine or mining premises, as a workable mining property, and to the special covenants herein contained.

2. To work and mine said premises as aforesaid, steadily and continuously during the period of this lease, and in doing said work to perform at least Twenty-six (26) shifts of mining labor per month each and every month during the life of this lease, and which said work

shall include the further driving south of the tunnel, sinking the stope, or working on a cross cut on said property.

3. To repair all old timbering wherever it may become necessary, and to well and sufficiently timber said mine and mining premises at all points where proper and necessary in accordance with good and safe mining; continuing the timbering in the working shafts or tunnels now upon said premises with timber of the same dimensions as heretofore used, unless it becomes necessary for safety to use larger timber, in which event timbers of sufficient size for safety and permanent mining shall be used.

4. To allow the lessors or their agents, from time to time to enter upon and descend into all parts of said leased premises, for the purpose of inspection, surveys or taking samples therefrom, and to render to said parties proper assistance in making such inspection, surveys or examinations.

5. To occupy and hold as the property of the lessors all cross and parallel lodes, spurs, and mineral deposits of every kind which may be uncovered, disclosed or discovered within said leased ground by the said lessees or any person or persons under or in privity with them, with privilege to said lessees to work and mine the same as part and parcel of said premises.

6. To keep at all times the drifts, shafts, tunnels, and other workings, thoroughly free and drained, and clear of loose rock and rubbish, unless prevented by extraordinary mining casualty.

7. To stow no waste underground except with the consent and under the direction of the lessors.

8. To do no underhand stoping below the bottom of any main working level or winze, and to do no stoping or breaking of ore or rock so close to the side walls, top, or bottom of any working tunnel, or side walls of any working shaft, as to endanger the lateral support thereof from cave-ins, or otherwise.

9. Not to adulterate or mix any ores broken or mined without the consent of the lessors; it being understood that all ores mined which are too low grade for present shipment shall remain the property of and be subject to the control and disposition of the lessors.

10. To make all working shafts, drifts, tunnels, winzes, and raises, of at least the same size and dimensions, in the clear, as those now already started on the property. And if any of the above have not been so started, but are hereafter commenced by the lessees, they shall be at least of the ordinary and standard size and dimension, in the clear, as are commonly employed in the mining district in which the leased premises are located.

11. The lessors reserve the property and right of property in and to all ores extracted from said premises during the period of this lease, and the said lessee covenants and agrees to pay and allow the lessors as royalty upon all ores mined, shipped or sold from said leased premises in any manner during the life of this lease, as follows, to-wit:

Ten (10) per cent. royalty on the undivided interests held and owned by the lessors herein, it being understood and agreed that said undivided interest consist of an undivided Four-fifths ($\frac{4}{5}$ ths) interest in and to an undivided Five-twelfths ($\frac{5}{12}$ ths) interest in the Silver Belle Lode Mining Claim, and Silver Belle Lode Mining Claims Numbers 1, 2, 3, and 4, all unpatented; and also an undivided Four-fifths ($\frac{4}{5}$ ths) interest in and to Spruce Lode Mining Claims, Numbers 1, 2, 3, 4, and 5, all unpatented; and Silver Belle Lode Mining Claims, Numbers 5, 6, and 7, also all unpatented. All claims located in the Diamond Mining District, Eureka County, Nevada.

All settlements to be made upon the smelter, mill or sampler net assay values, deducting therefrom only the actual cost of transportation and treatment; and all net royalties and returns to be deposited to the credit of the lessors herein in the Bank of Eureka, at Eureka, Nevada.

12. The lessees shall and hereby do assume all responsibility in case of accident to them, or any of their employees in or about said property; and agree to comply with the Workmens' Compensation Law of the State of Nevada; and any other state or federal laws, rules, or regulations, now in existence, or passed during the existence of this lease, concerning the mining operations of the lessees hereunder.

13. All taxes assessed against said demised premises for ores mined and shipped under this lease shall be paid by the lessees hereunder.

14. It is expressly understood and agreed, and notice is hereby given, that nothing herein shall authorize the lessees, or any person dealing through, with, or under them, to charge said demised premises, or any interest of the lessors therein, or this lease, with any mechanic's, or materialman's lien, or any liens, or incumbrances of any kind whatever; on the contrary, and notice is hereby given, the right and power to charge any lien or incumbrance of any kind against the lessors herein, or their estate, is hereby expressly denied. The lessees covenant that they will not permit nor suffer any bills of any mechanic, labor or material men, or for any furnishing or equipment of or on said premises to be or remain unpaid, and will, during the continuance of this lease, maintain notices in conspicuous places upon said premises that the same are being worked under bond and lease, and that the owners are in no way responsible for labor, material or equipment furnished, and that no lien can be filed or claimed therefor against said property.

15. Said lessees further covenant that no person not in privity with the parties hereto shall be allowed to hold possession of said premises or any part thereof under any pretext whatever.

16. Further, that lessees will deliver to said lessors quiet and peaceable possession of said demises premises in good order and condition, reasonable wear and tear on the equipment hereby leased, excepted; with all drifts, tunnels, and other passages thoroughly drained and cleared of loose rock and rubbish, and said premises ready for immediate continued working, without demand or further notice, on the 1st day of December, 1941, at noon, or at any time previous thereto, upon demand for forfeiture; and it is mutually understood that all machinery and tools which may be placed upon said premises by the said lessees may be removed therefrom within ten days after the termination of this lease, provided, however, that no such tools or machinery shall be so removed while the said lessees may be in any manner indebted to the said lessors under any obligation incurred under this lease.

17. Upon the violation of any covenant or condition herein contained, this lease shall at the option of said lessors expire, and terminate, and the said premises with the appurtenances and all buildings and other improvements shall become forfeited to the lessors, and the said lessors, or their agents, may thereupon, after Thirty (30) days demand in writing for possession, enter upon said premises, and dispossess all persons occupying the same, with or without force, and with or without process of law, or at the option of the lessors, the said lessees, and all persons found occupying said premises or any part thereof may be proceeded against as guilty of unlawful detainer.

18. Time is of the essence of this agreement, and each and every clause of this indenture and all the covenants and conditions contained herein expressed or implied shall extend to the successors, heirs, executors, administrators and lawful assigns of all of the parties hereto.

In Witness Whereof, the parties hereto have hereunto subscribed their names the day and year first above written.

KNOW ALL MEN BY THESE PRESENTS: That J. L. Bay; M. L. Rogers; J. W. Glass, and C. P. Hughes, described as the " lessors " in the foregoing lease; party of the first part, are held and firmly bound unto John Venturing, and associates, of Eureka, Nevada, described as the " lessees " in said lease, party of the second part, in the penal sum of Six Thousand Dollars (\$6,000.00), for the payment of which well and truly to be made, we hereby bind ourselves, our heirs, executors and administrators firmly by these presents.

Witnesseth, our hands and seals this 9th day of November, A.D. 1936.

But the condition of the foregoing obligation is such that whereas the above bounden parties of the first part have on this day agreed to sell their interests to the said party of the second part, in the following described mining property, to-wit:

Silver Belle Lode Mining Claim, unpatented.
Silver Belle Lode Mining Claim, No. 1, unpatented.
Silver Belle Lode Mining Claim, No. 2, unpatented.
Silver Belle Lode Mining Claim, No. 3, unpatented.
Silver Belle Lode Mining Claim, No. 4, unpatented.
Silver Belle Lode Mining Claim, No. 5, unpatented.
Silver Belle Lode Mining Claim, No. 6, unpatented.

Spruce Lode Mining Claim, No. 1, unpatented.
Spruce Lode Mining Claim, No. 2, unpatented.
Spruce Lode Mining Claim, No. 3, unpatented.
Spruce Lode Mining Claim, No. 4, unpatented.
Spruce Lode Mining Claim, No. 5, unpatented.

Together with all mining equipment, machinery, tools, supplies and materials, now on or about the above described claims, used in connection with the mining, milling, and extracting of ores from said claims; together with all such privileges of access to and from said lands; the use of wood, timbers, water and other materials and privileges necessary to the proper working of minerals, should any be found. Including in particular, one bunk house, dining room, kitchen, sleeping room twelve by sixty-two feet; one compressor house, about twenty by thirty feet; one small double unit air compressor with Dodge engine for power; one small Denver-Gardner jack hammer, and all steel that is with it; one 1926 Dodge commercial truck; and one 1929 Caterpillar tractor. All of said mining claims, and equipment, being in the Diamond Mining District, in Eureka County, Nevada; the location and boundaries of said property being more particularly described in the location certificates of record in the office of the Clerk and Recorder of said Eureka County, Nevada; and being the same property embraced in the foregoing lease, which is simultaneously executed herewith, upon the following terms: - That the said party of the second part, also known as the lessees herein agrees to pay all Eureka, Nevada debts against the "Silver Belle Partnership " at once; and also agrees to take care of the back labor debts of said partnership if sufficient ore is shipped to do so under the same contract the Silver Belle partnership has for such labor except that second party shall not pay any labor bill claimed by any of the Silver Belle partners. And said second party further agrees to pay or deposit to the credit of first parties herein, J. L. Bay; M. L. Rogers; J. W. Glass, and C. P. Hughes, in the Bank of Eureka, at Eureka, Nevada, the further sums of One Thousand Dollars (\$1,000.00) on or before December 1st, 1937; One Thousand Dollars (\$1,000.00) on or before December 1st, 1938; One Thousand Dollars (\$1,000.00) on or before December 1st, 1939; One Thousand Dollars (\$1,000.00) on or before December 1st, 1940; and Two Thousand Dollars (\$2,000.00) on or before December 1st, 1941.

Now if the said party of the second part shall well and truly make the aforesaid payments within the time above limited, the said parties of the first part will forthwith convey said property to the said party of the second part by a good and sufficient mining deed, conveying a good and valid title to said premises, free and clear of all liens and incumbrances at the time of said conveyance except as against the United States Government.

It is understood and agreed that if by reason of the violation of any of the covenants or conditions contained in the foregoing lease, said lease shall be forfeited under the terms thereof, then the forfeiture of said lease shall likewise operate to terminate this bond, and to release the said parties of the first part from any further obligations hereunder.

Now if the said parties of the first part shall well and faithfully perform the foregoing covenants and conditions, then this obligation to be null and void, otherwise to remain in full force and effect according to the terms hereof.

It is mutually agreed between the parties hereto that any royalty payments made to the credit of the lessors herein under the terms of the foregoing lease shall be applied to, and deducted from the purchase price of said mining claims and equipment set forth herein in this bond. It is further agreed that this bond is executed by the parties of the first part, and received by the party of the second part, with the understanding that should a portion of said purchase price be paid, and default should thereafter be made by the said party of the second part by reason whereof the said parties of the first part shall be relieved from any further liability to carry out the terms of the foregoing obligation, then all moneys which have been paid prior to said default shall be forfeited to the said parties of the first part as liquidated damages for failure to perform.

IN WITNESS WHEREOF, The parties hereto have hereunto subscribed their names and seals the day and year first above written.

J.L. Bay (SEAL).

M.L. Rogers (SEAL).

J.W. Glass (SEAL).

C. P. Hughes (SEAL).

Parties of the first part.

John Venturino (SEAL).

Party of the Second Part.

State of Nevada,)
) ss.
County of Eureka.)

On this 23rd day of November, 1936, personally appeared before me, a County Recorder and Auditor, in and for said County, in the State aforesaid J.L. Bay, known to me to be the person described in and who executed the foregoing instrument, who acknowledged to me that he executed the same freely and voluntarily for the uses and purposes therein mentioned.

(SEAL)

Peter Merialdo
County Recorder & Auditor.

State of California.)
) ss.
County of Santa Clara.)

On this 18th day of November, 1936, personally appeared before me, a Notary Public, in and for said County, in the State aforesaid, M.L. Rogers, known to me to be the person described in and who executed the foregoing instrument, who acknowledged to me that he executed the same freely and voluntarily for the uses and purposes therein mentioned.

(Notarial Seal)
My Commission Expires 6-12-37.

J. C. Freedman
Notary Public.

State of Wyoming,)
) ss.
County of Natrona.)

On this 13th day of November, 1936, personally appeared before me, a Notary Public, in and for said County, in the State aforesaid, J.W. Glass, known to me to be the person described in and who executed the foregoing instrument, who acknowledged to me that he executed the same freely and voluntarily for the uses and purposes therein mentioned.

(Notarial Seal)

P. D. Cunningham
Notary Public.

State of Colorado.)
)ss.
City and County of Denver.)

On this 12th day of November, 1936, personally appeared before me, a Notary Public, in and for said County, in the State aforesaid, C.P.Hughes, known to me to be the person described in and who executed the foregoing instrument, who acknowledged to me that he executed the same freely and voluntarily for the uses and purposes therein mentioned.

(Notarial Seal)
My Commission expires March 1-1939.

Margaret Stepp
Notary Public.

State of Nevada.)
)ss.
County of Eureka.)

On this 24th day of November, 1936, personally appeared before me, a Co.Recorder & Auditor, in and for said County, in the State aforesaid, John Venturino, known to me to be the person described in and who executed the foregoing instrument, who acknowledged to me that he executed the same freely and voluntarily for the uses and purposes therein contained.

(Co.Recorder & Auditor's Seal)

Peter Merialdo
Co. Recorder & Auditor.

Recorded at the Request of J.L.Bay Oct. 25, A.D. 1937 At 0 minutes past 9 A.M.

Peter Merialdo---Recorder.