

File No.25630.

Ciriaco Herrera,)
) to) Option to Purchase
))
 W.L. Peterson.)

OPTION TO PURCHASE

This agreement, made this 11 day of October, 1945, by, and between Ciriaco Herrera of Eureka, Nevada, the party of the first part, and W. L. Peterson of Lander county, state of Nevada, the party of the second part,

W I T N E S S E T H:

That the said party of the first part, for an in consideration of the sum of \$30.00, cash in hand paid by the said party of the second part to the said party of the first part, there receipt whereof is hereby acknowledged, does by these presents grant, and give unto the said party of the second part the exclusive right and option to purchase the following described unpatented lode mining claims, situated in the Buckhorn Mining District, county of Eureka, state of Nevada, and which are described as follows: Atlas lode mining claim, and the California No.1 lode mining claim, the locations for which said lode mining claims are recorded in the recorder's office of Eureka county, Nevada, in book 1 on page 119 of mining records of said county, together with all of the improvements located thereon, and all mineral, mineral rights, earth, rock, ore, gold, silver and all other kinds of minerals contained therein or thereon, for the purchase price of twenty thousand dollars (\$20,000.00), to be paid for in installments, as follows: Thirty dollars (\$30.00), cash on the date of the execution of this agreement by the parties hereto, and thirty dollars (\$30.00), on the 11 day of each and every month thereafter until the full purchase price thereof shall have been paid, without any interest on said principal sum, or purchase price. Provided, that when the said party of the second part shall be operating, or working said mines, or either of them, there shall be added to said monthly payment of thirty dollars (\$30.00), each month during the time of such operation, an amount equal to 10% of the net returns received from smelting, milling, or marketing any and all ore taken from said premises after first deducting all freight charges for transportation of said ore, and all such additional payments shall likewise be credited by the said party of the first part of the purchase price of said property; In addition to the above mentioned payments each month; the said party of the second part agrees to pay the sum of three thousand dollars (\$3,000.00), on

~~said purchase price on or before October 11, 1949.~~

It is agreed by the parties hereto that this agreement is to be construed as an option to purchase the said premises, and not as contract to purchase, or to lease the said premises.

It is agreed by the parties hereto that the said party of the second part shall pay all taxes which may be levied against the above demised premises, and all improvements which may be placed on said premises, and all taxes levied on the net proceeds of said mines, or either of them, during the time this agreement is in effect.

It is agreed by the parties hereto that in case of default by said second party by failure to comply with its terms and conditions, that the said party of the second part may remove all machinery, buildings, and tools, and supplies, and structures, which may have been placed on said premises during the life of this agreement, except that all underground timbering or structures which are necessary to prevent caving or other damage to underground workings shall be left in place.

The said party of the first part reserves the right to examine the said premises, and every part thereof, at any time during the life of this agreement for the purpose of determining whether the said party of the second part is complying with the terms of this agreement.

It is agreed by the parties hereto that the said party of the first part on execution of this agreement will give to the party of the second part the full possession of all of said premises with the right to work and mine said premises, which shall be worked and mined in a miner-like manner so as not to damage said premises beyond the ordinary damage resulting from such work, and to hold the same during the life of this agreement.

The party of the second part agrees to comply with all laws, rules, and regulations of the United States of America, and of the state of Nevada, pertaining to working conditions, hours, and all other requirements, and to keep all employes properly insured, to the end that no part of said property may be held, or attached in any action by any person, firm or corporation for wages of any employe, or for any other purpose whatsoever.

Provided always, nevertheless, that if any installment of the said purchase price, or any part thereof, shall be in arrear or unpaid on any day of payment whereon the same ought to be paid as aforesaid, or if default shall be made in any of the covenants herein contained on the part or behalf of the said party of the second part to be paid, kept, or performed, then and from thenceforth it shall and may be lawful for the said party of the first part into and upon the said premises, and every part thereof, wholly to re-enter, and the same to have again, repossess, and enjoy as in his or their first and former estate, anything hereinbefore contained to the contrary thereof in any wise notwithstanding. And the said party of the second part does hereby covenant and agree to and with the said party of the first part that the amount which may have been paid on the purchase price up to such time shall be retained by said party of the first part as liquidated damages.

And the said party of the first part does hereby covenant and agree that the said party of the second part, paying the said installments and performing the covenants and agreements aforesaid, shall and may at all times during the life of this agreement, peaceably and quietly have, hold, and enjoy the said premises, without any manner of let, suit, trouble, or hindrance of or from the said party of the first part, or any other person or persons whomsoever, and that upon payment in full of the purchase price by the party of the second part, his heirs or assigns, on or before October 11, 1980, the party of the first part, his executors, administrators, or assigns, agree to execute and deliver to the said party of the second part a deed of conveyance to all of the above-described premises conveying all of his right, title and interest in said premises to the said party of the second part, free and clear of all incumbrances, and subject only to the paramount title of the United States of America.

It is further agreed that all provisions of this lease shall extend to and include the

heirs and assigns of the party of the first part, and the executors, administrators, and assigns of the party of the second part.

In witness whereof the said parties have hereunto set their hands the day and year first above written.

Ciriaco Herrera

W.L. Peterson

State of Nevada

ss

County of Eureka

On this 11 day of October, 1945, personally appeared before me, W. R. Reynolds, a Notary Public in and for the county of Eureka, state of Nevada, W.L. Peterson and Ciriaco Herrera, each known to me to be the person described in and who executed the foregoing instrument and each of whom 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.

(Notarial Seal)

W. R. Reynolds

Notary Public.

Recorded at the request of W. L. Peterson Oct. 11, A.D. 1945 At 0 minutes past 4 P.M.

Peter Merialdo --- Recorder.