

File No.28288.

HENRY C. MERRICK

to

LEASE

RAYMOND BALLARD MERRICK.

Dated October 7, 1949.

THIS INDENTURE OF LEASE AND OPTION, made and entered into this 7th day of October, 1949, by and between HENRY C. MERRICK, of the County of Eureka, State of Nevada, the party of the first part, hereinafter called the Lessor, and RAYMOND BALLARD MERRICK, of the same place, the party of the second part, hereinafter called the Lessee,

W I T N E S S E T H:

That for and in consideration of the sum of ONE (\$1.00) DOLLAR, in hand paid by the Lessee to the Lessor, the receipt whereof is hereby acknowledged, and other good and valuable consideration running between the parties hereto, and upon the covenants and agreements herein contained to be kept and performed by the parties hereto, the said Lessors do hereby lease and let unto the said Lessee, and the said Lessee does hereby rent and hire from the said Lessor the property hereinafter described for a term of three years, commencing with the 15th day of October, 1949, and expiring on the 15th day of October, 1952, for the rental as hereinafter set out and specified.

That the property herein leased is described as follows, to-wit:

1. Real Property

All of the ranching property and range land and ranges of Lessor, situate in Eureka County, Nevada, more particularly described as follows, to-wit:

All of Lessors's undivided interest in and to the following:

The Southeast quarter of Section Twenty-Two, and the South one-half of Section Twenty-three, and the southwest quarter of Section Twenty-four, Township Twenty-eight North, Range Fifty-two East M.D.B.&M., containing six hundred and forty acres.

Together with such water and water rights as may belong or be appurtenant to the said described property, including all ditches, dams, reservoirs, and water rights of every kind and nature; together with such range, ranges and range rights permits now used in connection with the described lands.

The foregoing description is meant to include, and is hereby specifically made to include all of the real estate of said Lessor situate in Eureka County, Nevada, whether the same is correctly described herein, or not, or at all, notwithstanding the foregoing description.

Together with the tenements, hereditaments and appurtenances thereunto belonging, or appertaining, and the reversion and reversions, remainder and remainders, rents, issues and profits thereof.

Together with all buildings and improvements situate thereon.

2. Personal Property

125 head of mixed cattle, branded TX low down on the left hip thus: , said cattle being made up of cows, calves, yearlings and heifers, 1949 turn-off not included.

Also included are all farm implements, tools and machinery, 1 W. C. Allis Chalmers Tractor, complete with attachments, household furniture, other than personal belongings, and reserving one saddle and 2 horses.

Together with all hay on said premises.

It is mutually understood and agreed that said cattle and livestock are good average range stock and that the said Lessee shall keep said animals up to their present standard during

the term hereof, and upon termination of this Lease the said Lessee shall return to the said Lessors the same kinds, numbers, quality and classifications of livestock hereinbefore leased, together with the same farm implements, tools and machinery above mentioned, or substitutes therefor, in good operating condition, together with the entire 1952 crop of hay on said premises, together with said premises and improvements thereon in good usable condition.

It is further agreed and understood that the rent and hire for said premises, which the said Lessee hereby covenants and agrees to deliver, and the Lessor covenants and agrees to accept, is one-half of the increase of said herd of cattle, said increase to be divided in the fall between the parties hereto each year, and the same to be settled either by delivering to the Lessor his half of the increase, or the payment therefor at the market price.

It is further agreed and understood that the Lessor is to pay all running and operating expenses of every name, nature, kind and description on said premises and property, up to and including October 15, 1949, and that thereafter said Lessee is to pay all running and operating expenses during the term of this lease, to the end that the Lessor shall pay all the 1949 taxes on said premises, and that the Lessee shall pay all taxes thereafter up to and including the year 1952, said Lessor to pay all grazing fees for 1949, and Lessee to pay all grazing fees during the term of this lease.

It is further agreed and understood that said Lessee shall at all times mark and brand all of said cattle, and the increases thereof and substitutions thereto to said herd, with the iron of said Lessor, namely TX, as above mentioned, and that on division of said increase, Lessee will vent his own cattle therefrom, and Lessor will vent his own cattle; said Lessee agrees to use said premises and handle the same in a good and farmerlike manner, and to run said herd of cattle as the same are customarily handled in the vicinity of said ranch.

That said Lessee is authorized to sell the annual turnoff of said cattle, but must at all times keep in his possession sufficient cattle to comply with the terms of the within Lease.

That after 1949, said Lessee will keep said herd serviced with good, serviceable bulls.

That said Lessee hereby covenants and agrees at the expiration or sooner termination of this Lease to turn over to said Lessor the real property and the improvements hereby leased, in as good condition as the same now are, usual wear and tear and damage by the elements along excepted, and to return all of the personal property not herein specifically mentioned or a fair equivalent thereof, together with the specific returns as hereinbefore set out.

And the said Lessee hereby covenants and agrees to make said payments and to perform all the covenants and agreements herein contained, including the proper care and handling of said properties and livestock, and at the expiration of said term to cuit and surrender said premises in as good state and condition as they now are, reasonable use and wear and tear and damage by the elements alone excepted; that if any of the property hereby leased be worn out or destroyed, the Lessee shall return the same or a fair equivalent thereof in its place to the end that the Lessor shall receive back as good property as is hereby leased, together with the livestock and personal property, as hereinbefore mentioned.

That said Lessor hereby covenants, promises and agrees that the said Lessee performing all of the covenants and agreements herein mentioned shall and may peaceable and quietly have, hold and enjoy said premises for the term aforesaid, without let or hindrance from said Lessor; it being understood, however, that should the Lessee fail to perform any one or all

of the covenants herein contained on his part to be kept and performed, the said Lessor shall have the right to enter said premises, remove all persons therefrom, and take possession thereof, and obtain from said Lessee such damage as he may have incurred, it being so agreed that the waiver of one breach hereunder shall not in any way constitute a waiver of the same or any subsequent breach of the terms of this agreement.

That these presents shall be binding upon the heirs, executors, administrators and assigns of the respective parties hereto, provided, however, that this Lease shall not be assigned, without the written consent of the Lessor being first had and obtained, assignment without such consent to be a forfeiture under this Lease.

And further, said Lessor does hereby give and grant to said Lessee the sole and exclusive option of purchasing the within described property, including ranch, cattle and equipment for the sum of \$15,000.00 cash at any time during the three years that the within lease is in force and effect. Provided, further, that if said Lessee does not exercise said option to purchase and if Lessor and Lessee can agree on terms this Lease will be continued for an additional three years.

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands, in duplicate, the day and year first above writtan.

Henry C. Merrick  
LESSOR

Raymond Ballard Merrick  
LESSEE

STATE OF NEVADA )  
:  
County of Lincoln)

On this 7th day of October, A. D. 1949, before me a Notary Public, in and for the County of Lincoln, State of Nevada, personally appeared HENRY C. MERRICK and RAYMOND BALLAR MERRICK, known to me to be the persons described in and who executed the foregoing instrument, and who severally 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 at Eureka County, State of Nevada, the day and year in this certificate first above written.

(Notarial Seal)  
My Commission Expires Nov. 6, 1950.

J. W. Lloyd  
Notary Public.

Recorded at the Request of Raymond Ballard Merrick April 13 A.D. 1950 At 30 minutes past 10 A.M.

Peter Merialdo--Recorder.