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Item 142

THIS INDENTURE, made the 20th.day of October 1911, between the Chollar Gold & Silver Mining Company, a corporation organized and existing under and by virtue of the laws of the State of California, party of the first part, and Paul Hannewald, of the County of Storey, State of Nevada, party of the second part

WITNESSETH: That said party of the first part for and in consideration of the rents, royalties, covenants and agreements, hereinafter mentioned to be paid, kept and performed by said party of the second part, hath granted, demised and let, and by these presents doth grant, demise and let, unto the said party of the second part, all of the following described part of the Chollar Mine, situated in the Virginia Mining District, County of Storey, State of Nevada, towit:

All of that portion of the Chollar Mine, between the north end line and the south end line of said Chollar Mine and above a point of said Chollar Mine Six Hundred (600 ) feet below the Joint Tunnel level, the mouth of which tunnel is below the Chollar Hoisting Works, which tunnel was run by the Potosi Mining Company and the Chollar Gold & Silver Mining Company, together with the appurtenances heretofore had and enjoyed by other Lessees of the party of the first part.

To have and to hold unto the said party of the second part, for a term of Two Years from October 20th.1915, to Oct. 20th, 1917, upon the same terms and conditions as are hereinafter set forth, provided however that said party of the second part does not violate any covenant herein set forth, to be performed by said party of the second part, and this covenant of forfeiture shall apply to the whole term of this lease from and after Oct. 20th.1915, and also to any extensions thereof as hereinafter provided.

And in consideration whereof, the said party of the second part doth covenant and agree, to enter upon said portion of said mine, and work the same in a miner-like fashion, and in a manner necessary to good and economical mining, with due regard to the safety, development and preservation of said premises, as an a workable mine.

And in further consideration whereof, said party of the second part covenants and agrees to pay, the said party of the first part as rent and royalties upon all ores extracted by said party of the second part under this lease during the preceding calendar month on or before the fifteenth day of each month, at the office of the said party of the first part at the City of Virginia, County of Storey, State of Nevada, the following per cent of the battery assay value of all ore extracted and worked by said party of the second part, from said mine, as shown by the battery assays of samples taken at the mill or reduction plant, where said ores are reduced, by or for said party of the second part, to wit; 3 per cent for ore of the assay value of $3.00 per ton, 3.01/100 per cent for ore of the assay value of $3.01 per ton, 3.02/100 per cent for ore of the assay value of $3.02 per ton and so on up to ore of the assay value of $18.00 per ton which shall be 18 per cent, the percentage to be equal to the battery assay value of the ore in dollars and cents up to a maximum value of $18.00 per ton, and on ore of the value of $18.00 per ton and upwards the rotalty shall be 25 per cent of the battry assay value.

A rebate of one third of the royalty shall be made on all ores of the value of $6.00 and under, of the battery assay value.

First party hereby reserves the right to take battery samples jointly, if they so desire.

And the said party of the second part further covenants and agrees, to work and mine said portion of said Chollar Mine steadily and continuously, and to continually employ and keep at work two miners per day in said mine after the execution of this lease to the termination thereof, and that any failure to work said portion of said mine continuously with at least two men will be considered a violation of this lease.

And said party of the second part agrees, that he will extract at least 100 tons of ore from said portion of said mine during each and every month, or so many tons per annum as will average for the year 100 ton per month.

And said party of the second part agrees, that he will well and sufficiently timber said portion of said mine at all points where necessary, and also to repair all old timbering wherever it is necessary or may become necessary, and to permit said party of the first part, its superintendent, directors and agents to enter into and upon all parts of said mine for the purpose of inspection, and also to take samples of ore in place and also of ore extracted, at any time and to have full use of all ladders, openings, ropes, windlasses and all other means of ingress and egress.

And said party of the second part further agrees, that he will not allow any person or persons, except said party of the second part and its employees to take or hold possession of said leased premises, or any part thereof, under any pretense whatsoever, and that he will keep at all times the drifts, shafts, tunnels and other passages and workings of said mine thoroughly drained and clear of loose rock and rubbish of all kinds.

And said party of the second party further agrees to report the number of cars and assays correctly, weekly.

It is further mutually understood and agreed that, said party of the second part shall have the right to sublet said premises or any part thereof,but said party of the second part shall be held liable for any royalties thereof,to first party.

And said party of the second part further agrees,in consideration of this lease,that he will pay all State,County, municipal and other taxes upon said ores and the bullion therefrom,and from tailings from said ores,and render at all times when required by law such statements as are required by law to the officers entitled to the same,and that he will pay to the Compstock Tunnel Company.when due,all royalties due and to become due said Comstock Tunnel Company when due,upon all bullion from said ores and tailings therefrom,under contract between said party of the first part,or its predecessors in interest the Chollar Mining Company,and said Comstock Tunnel Company,and to deliver up to the said party of the first part,the said premises with the appurtenances and all improvements,except as hereinafter stated,in good order and condition,with all points ready for immediate, continued mining( accidents not arrising from negligence alone excusing)without demand,or further notice at the time fixed for the termination of this lease,or at any time previous thereto,upon demand for forfeiture,and to deliver said mine at the termination of this lease free and clear of all leins or encumberances thereon,made or suffered to be made by the party of the second part.

And said party of the second part further covenants and agrees,that this lease shall,at the option of said party of the first part,terminate upon the violation of any of the covenants and agreements of said party of the second part in this lease contained,and for such violation,said party of the first part or its Superintendent,or other agent,may,after demand

of possession in writing,enter upon said premises and dispossess said party of the second part with or without force and with or without process of law.

It is further mutually understood and agreed that this agreement and lease shall not only bind the parties hereto, but their successors,assigns,heirs,executors and administrators and that said party of the second part agrees to deliver to said party of the first part,or its Superintendent,duplicates of all battery samples and that the Agent or Superintendent of said party of the first part may take at any time car or battery samples of said ores.

And said party of the second part further agrees to correctly count the number of cars of all ore taken by him from said portion of said mine under this lease and agreement,and to keep a correct record of the number of cars,and to furnish a correct copy of such record to the Superintendent of said party of the first part,at its office in Virginia City,Nevada,on or before the 15th., day of each calendar month during the existence of this lease and agreement.The net dry weight of a car to be mutually agreed upon as 1400 pounds.

It is mutually understood and agreed,that at the termination of this lease or within a reasonable time thereafter said party of the second part,shall and will,at his own expense, remove from said premises,all machinery,electric hoists, electric motors,rockbreakers,bins tramways,and all other structures,or improvements that may be erected or constructed by him under or during this lease,that can be removed without injury to said premises and also all drills,tools,and other implements used by him,or his employees,in carrying on the work under said lease,and that all the foregoing shall remain the property of the said party of the second part to be removed by him at his pleasure.

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of possession in writing, enter upon said premises and dispossess said party of the second part with or without force and with or without process of law.

It is further mutually understood and agreed that this agreement and lease shall not only bind the parties hereto, but their successors, assigns, heirs, executors and administrators and that said party of the second part agrees to deliver to said party of the first part, or its Superintendent, duplicates of all battery samples and that the Agent or Superintendent of said party of the first part may take at any time car or battery samples of said ores.

And said party of the second part further agrees to correctly count the number of cars of all ore taken by him from said portion of said mine under this lease and agreement, and to keep a correct record of the number of cars, and to furnish a correct copy of such record to the Superintendent of said party of the first part, at its office in Virginia City, Nevada, on or before the 15th., day of each calendar month during the existence of this lease and agreement. The net dry weight of a car to be mutually agreed upon as 1400 pounds.

It is mutually understood and agreed, that at the termination of this lease or within a reasonable time thereafter said party of the second part, shall and will, at his own expense, remove from said premises, all machinery, electric hoists, electric motors, rockbreakers, bias tramways, and all other structures, or improvements that may be erected or constructed by him under or during this lease, that can be removed without injury to said premises and also all drills, tools, and other implements used by him, or his employees, in carrying on the work under said lease, and that all the foregoing shall remain the property of the said party of the second part to be removed by him at his pleasure.

And said party of the second part further agrees to secure the performance by him of all the terms, conditions and agreements contained in this lease by him to be performed, by ~~the~~ a Bond ~~of some Surety Company~~ for the sum of Twenty Five Hundred ($2500.00) Dollars, satisfactory to said party of the first part.

IN WITNESS WHEREOF, the parties hereunto have set their hands and affixed their seals, this ____ day of October, 1915.

Executed in triplicate.

Cholla Gold & Silver Mining Co.

By _____ President.

By _____ Secretary.

_____ (SEAL)

Witness.

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