

per centum of the gross amount of gold and other minerals produced, mined and recovered from said leased locations, claims and lands. In computing the amount of said royalty, the value of said gold and/or other minerals shall be the price paid by the United States Mint or the price received by the Operators, whichever is the higher price. Said royalty shall be payable in cash, and shall be deposited to the credit of the individual locators, or their assigns, in the Casper National Bank of Casper, Wyoming, or such other bank as the individual locator shall hereafter, in writing delivered to the Operators, request. Said royalty shall be paid and deposited to the credit of the locator or his assign on or before the fifteenth day of the calendar month following date of sale by the Operators of gold or other mineral. Operators shall, from time to time, and in accordance with good mining practice, make clean-ups or otherwise recover and save gold and other mineral, and Locators shall have the right in person or by agent to be present and check such clean-ups and recoveries, and to examine the books of account and records of the Operators pertaining to production recovery, inventory and/or sale of gold and other minerals. In the event Operators shall not sell gold or other mineral recovered and saved within thirty (30) days after such recovery or saving, then in that event any locator or his or her assignee may demand and shall receive at the mines or other storage his or her royalty in kind. Deposit of the royalty in the bank designated by the owner of royalty, to his credit, shall be payment and full acquittance therefor by and for the Operators, provided notice of such deposit shall be mailed to the owner at such post office address as he or she shall have filed with the operators. Time and manner of payment of royalty as in this paragraph designated shall be held and construed as of the essence of this contract; and

4. Subject to the options hereinafter agreed to, Operators shall each year, when and as required by law, at their own expense, do and perform all assessment work and other acts necessary and proper to maintain and preserve the possessory title of Locators and their assigns to all of the above leased lands now covered by valid mining claims owned by said locators; Operators shall perform said assessment work and make proof and file the same as required by law at least thirty days before the performance, proof and filing are required by law to be made; and in event any of said leased mining locations are now invalid by reason of any law of the United States or the State of Wyoming, Operators have the right, and they are hereby authorized, at their option and own sole expense, to cure such defects and/or validate said mining claims and locations for the benefit of Locators and subject to this lease and contract.

SECOND. It is mutually covenanted and agreed that Operators have and shall have the following options:

1. On or before June 1, 1935, Operators may by a proper instrument in writing entitled to record in the office of the clerk and recorder of Sublette County, Wyoming, cancel and surrender unto the Locators and their assigns this contract of lease and all right held under the lease terms hereof, and upon the tendering of said instrument and and the filing of the same by Operators for recording in said office, Operators shall be released from all future obligations to further perform thereunder; and

2. At any time or times, from time to time, hereafter, Operator may surrender unto Locators and their assigns and thereby exclude from this lease, any locations or locations or forty acres in any location; provided that before any valid location or locations or parts thereof shall be so surrendered, Operators shall have performed assessment work thereon for the current year; and provided further that no location shall be so surrendered less than thirty (30) days prior to the date assessment work shall be required to be performed.

3. Operators, both or either of them, have and shall have the right and authority to apply for and secure United States patents in the name of the Locators and their assigns and for their benefit, for any of the lands above leased, and said Operators are hereby irrevocably constituted and appointed by said Locators, individually and collectively, as their several agents and attorneys in fact, with full power in them of substitution. The exercise of the power herein granted shall not preclude its further exercise from time to time. In the event a majority interest in the royalty contracted under this lease shall request Operators to apply for patent to any of the leased lands and Operators shall decline to make such application, then Locators and assigns may make such application and secure patent, at their own sole expense. The expense of patent applications and patenting by Operators as attorneys-in-fact for the Locators, shall be reimbursed to Operators by Locators and their assignees from future royalty accruing to them, and not otherwise.

Any further possessory right or title to the first above described lands which may be held or acquired by Locators or their assigns, shall be held and inure to this lease and assignment of royalty.

This lease and assignment shall inure to the benefit of and be binding upon the parties hereto, their heirs, assigns and successors in interest.

WITNESS the hands and seals of first parties and the corporate seals of second parties and the hands of their proper respective officers hereunto sealed and signed by due authority of their respective boards of directors, the day and year first above written.

Witness:

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|------------------------|----|-----------------------------|
| <u>Marie M. Herman</u> | to | <u>A. W. Haworth</u> (SEAL) |
| <u>Marie M. Herman</u> | to | <u>Ray Dame</u> (SEAL) |
| <u>A. W. Haworth</u> | to | <u>A. O. Hixson</u> (SEAL) |
| <u>Marie M. Herman</u> | to | <u>C. M. Rhodes</u> (SEAL) |
| <u>A. W. Haworth</u> | to | <u>Wm. E. Reeves</u> (SEAL) |
| <u>J. L. Covey</u> | to | <u>D. A. Curtis</u> (SEAL) |
| <u>Marie M. Herman</u> | to | <u>Hattie Kelsey</u> (SEAL) |
| <u>Marie M. Herman</u> | to | <u>Emily Warner</u> (SEAL) |