THIS LEASE, made and entered into between Phillip R.
Stanhope, lessor, and Benjamin C. Stanhope, lessee, on the 1st
day of September, 1909, WITNESSETH:

The said lessor does hereby lease and to mine let unto
the said lessee the following described part and portion of the
Senator and Capitol lodes and veins, on Capitol Mountain, in the
Montana mining district, county of Clear Creek and state of Colo-
rado, to-wit:

Four hundred (400) feet in length of said Senator and Capitol
lodes and veins, measuring two hundred (200) feet easterly and two
hundred (200) feet westerly from the center of the Capitol shaft,
along said Senator and Capitol veins, to the height of two hundred
(200) feet, measured upwards from the bottom of said Capitol shaft;
the territory hereby leased being four hundred (400) feet in length
by two hundred (200) feet in height of said Senator and Capitol
lodes, and each of them.

TO HAVE AND TO HOLD the same, unto the said lessee, for
the purpose of mining the same, for the term and period of three
(3) years from this date, unless this lease is sooner forfeited
or determined by the lessor by reason of the violation of any cov-
enant or covenants herein against the said lessee reserved.

And in consideration of the leasing aforesaid, said les-
see hereby agrees with the said lessor as follows, to-wit:

That the said lessee shall work and mine the said leased
premises and territory from the date hereof, during the entire
term of this lease continuously and diligently, and in all res-
pects in a good and minerlike manner, with due regard to the pro-
tection, development and preservation of the same as a workable
mine, as well as to the special agreements and covenants with
respect to such working hereinafter set forth, and shall cause at
least two (2) full shifts of mining work to be done therein daily
during the term of this lease, Sundays and legal holidays excepted;
that said lessee shall properly and securely timber all shafts,
drifts, winzes and mine workings within said leased territory, in
all respects in accordance with good mining, all drifts to be tim-
bered with double square sets, set side by side, not more than five
(5) feet apart, and shall properly secure and support all stopes
so as to prevent any caving; and said lessee shall at all times keep said mine workings, tunnels, shafts, drifts and levels clear of loose rock, rubbish and debris; and shall permit the lessor, or his agents, at any and all times to enter into and upon all parts of said mining premises, and workings and excavations therein, and to make such inspections, surveys, samplings and investigations of and with respect to said mine workings and excavations therein, as the lessor may at any time desire; and that said lessee shall at all times not only safeguard and protect his workings and employees in said leased territory against any and all harm, damage or injury resulting from any mining operations or acts of any and all persons whomsoever, but shall also take suitable and proper precautions in carrying on the work and operations of said lessee to prevent any damage or injury to or interference with the workings, employees or operations of the lessor, or any person or persons working or mining, under or by authority of the lessor, in the vicinity of the territory hereby leased.

It is the understanding and intention that said leased territory is to be worked by the lessee through and by the use of the drift or level driven from the intersection of the Capitol and Blue Ridge veins to the bottom of said Capitol shaft; but it is expressly understood and agreed that the lessor shall at all times have the superior right to use the said drift or level, both within and without said leased territory, for the mining purposes and uses of the lessor, and that the said lessee shall not at any time so use or obstruct said drift or level, or the said Capitol shaft, or suffer or permit the same to be so used or obstructed, as to in any manner obstruct or interfere with the free and proper use of the same by the lessor for the purpose of carrying on any mining operations upon or in connection with other portions of said Senator and Capitol lodes or veins, or any of them, outside of the territory hereby leased.
Said lessee further agrees to pay to said lessor, as royalty, the following percentages of proceeds of all ores mined from said leased premises or territory, during the term hereof, to-wit:

ten (10) per cent of the gross proceeds of all ores sold to smelters, mills, reduction works, samplers or ore buyers, in a crude state, whether assorted for shipment or not, and five (5) per cent of the gross proceeds of all ores, which cannot be profitably shipped and sold in a crude state, and which shall be milled or concentrated by or for said lessee; it being understood that the term "gross proceeds" is intended to mean the entire proceeds realized from sales of ores or concentrates, after deducting charges for smelting and expenses of hauling the ores or concentrates to the railroad and railroad freight to smelters, but without any deduction for cost or expense of mining, or the production or concentration of ores; and that said lessee shall sell and dispose of all ores mined from said leased premises, so far as practicable so to do, in such manner as to realize and secure the highest value and price obtainable for the same, and shall pay to the lessor, or his agent, on the first day of each month, all royalties due under the terms hereof, for ores and concentrates sold or disposed of during the preceding month, and, at the time of making each such monthly settlement of royalties, deliver to the lessor, or his authorized agent, an accurate and full statement of the quality, quantity and value of all the ores removed, sold or milled by or for the said lessee during the preceding month, together with duplicate statements or returns from mills, smelters or ore buyers receiving or purchasing such ores and concentrates, or any thereof; and the lessor shall have the right at all times to see that all ores are properly assorted, assayed and classified as smelting or concentrating ore, and to assist the said lessee in handling or disposing of the ores and concentrates, so as to realize the greatest value therefrom. Said lessee further agrees to deliver to said lessor, the said leased premises, with
the appurtenances, and any mining machinery, implements and equipment now therein or thereon, in good order and condition, except for ordinary and necessary use, and with all drifts, tunnels, shafts and other passages therein clear of loose rock, rubbish or debris, and the mine ready for immediate continued working, at the expiration of the term of this lease, or at any time previous in the event of a forfeiture by reason of the violation of any covenant or covenants herein reserved; and that upon the violation of any of the covenants or agreements herein contained, the term of this lease may, at the option of the lessor, expire, and the same and the said leased premises and territory, with the appurtenances, machinery, tools and mining implements and fixtures therein, shall be forfeited to said lessor, and the said lessor shall have the right thereupon, with or without notice or demand for possession, to re-enter into said leased premises and territory, and every part of the same, and dispossess all persons occupying the same without process of law, or at the option of said lessor, the said lessee and any and all persons in possession may be proceeded against as guilty of unlawful detainer.

This lease has been granted, upon the terms, conditions and agreements aforesaid, by the said lessor, in consideration of the work already done by the said lessee in re-timbering the drift from the intersection of the Blue Ridge and Capitol veins to the said Capitol shaft; and the said lessor further agrees that, in the event the said lessee shall comply with and observe all of the terms, conditions and agreements of this lease, during the term thereof aforesaid, the said lessee shall have the first right and privilege, at the expiration of said term, if he shall so desire, of obtaining a further lease upon the territory herein described for the period of two (2) years from the expiration hereof, provided the said lessee shall be willing to take such new lease upon terms
of leasing as favorable to the lessor as the latter may then be able to obtain from any other person or persons, who may desire and be willing to lease the same.

IN TESTIMONY WHEREOF, we have hereunto set our hands on the day and year first above written.

[Signature]

[Signature]