

San Francisco, November 16, 1959

Indian Valley Chemical Company
and/or John W. Scott

Gentlemen:

Re: Breaches by you of the Mining Lease
and Agreement dated October 1, 1954
between California-Engels Mining Company
and John W. Scott - Indian Valley Chemical
Company, assignee

Without waiving any other causes of action which the undersigned may have against you or either of you relating to the above agreement, the undersigned, as Lessor named in said agreement, hereby gives you and each of you notice that you and each of you have breached the above agreement in the following particulars:

- (1) failure to diligently operate said property;
- (2) failure to operate said property in any fashion whatever;
- (3) failure to install any machinery or equipment;
- (4) failure to mine or operate said property;
- (5) failure to extract any metal or mineral therefrom;
- (6) failure to exploit and mine said premises for the purpose of extracting and selling the valuable minerals therein;
- (7) failure to operate not less than 120 days per year.

You are further notified that if you have not remedied or commenced to remedy said breaches within thirty days after the date upon which this notice is deposited in the United States mail, the said agreement will become terminated and all rights granted thereunder will cease and terminate.

By authority of the Board of Directors.

15337

RECORDED AT REQUEST OF
Calif-Engels Mining Co.

November 24, 1959

AT 11 MIN. PAST 10 AM

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Official Records

PLUMAS CO. CAL RECORDS

RECORDED

FEE 2.00

CALIFORNIA-ENGELS MINING COMPANY

By

Paul W. Schwarz

President

STATE OF CALIFORNIA,

City & County of San Francisco

On this 19th day of November in the year one thousand nine hundred and fifty-nine

before me, Gertrude F. Cronan, a Notary Public in and for the City and County of
San Francisco, State of California, residing therein, duly commissioned and sworn, personally appeared
Paul W. Schwarz

known to me to be the President
of the corporation described in and that executed the within instrument, and also known to me to be
the person who executed the within instrument on behalf of the corporation therein named, and
acknowledged to me that such corporation executed the same.

California-Engels Mining Company

IN WITNESS WHEREOF I have hereunto set my hand and affixed my official seal in the
City and County of San Francisco the day and year in this certificate
first above written.

Gertrude F. Cronan
Notary Public in and for the City & County of San Francisco

My Commission Expires 10, 1961 State of California.