



CONTACT INFORMATION

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Arizona Department of Mines and Mineral Resources Mining Collection

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02/27/90

ARIZONA DEPARTMENT OF MINES AND MINERAL RESOURCES FILE DATA

PRIMARY NAME: BEACON LIGHT CLAIMS

ALTERNATE NAMES:

COCHISE COUNTY MILS NUMBER: 675

LOCATION: TOWNSHIP 16 S RANGE 19 E SECTION 16 QUARTER NE
LATITUDE: N 32DEG 02MIN 46SEC LONGITUDE: W 110DEG 24MIN 13SEC
TOPO MAP NAME: GALLETA FLAT WEST - 7.5 MIN

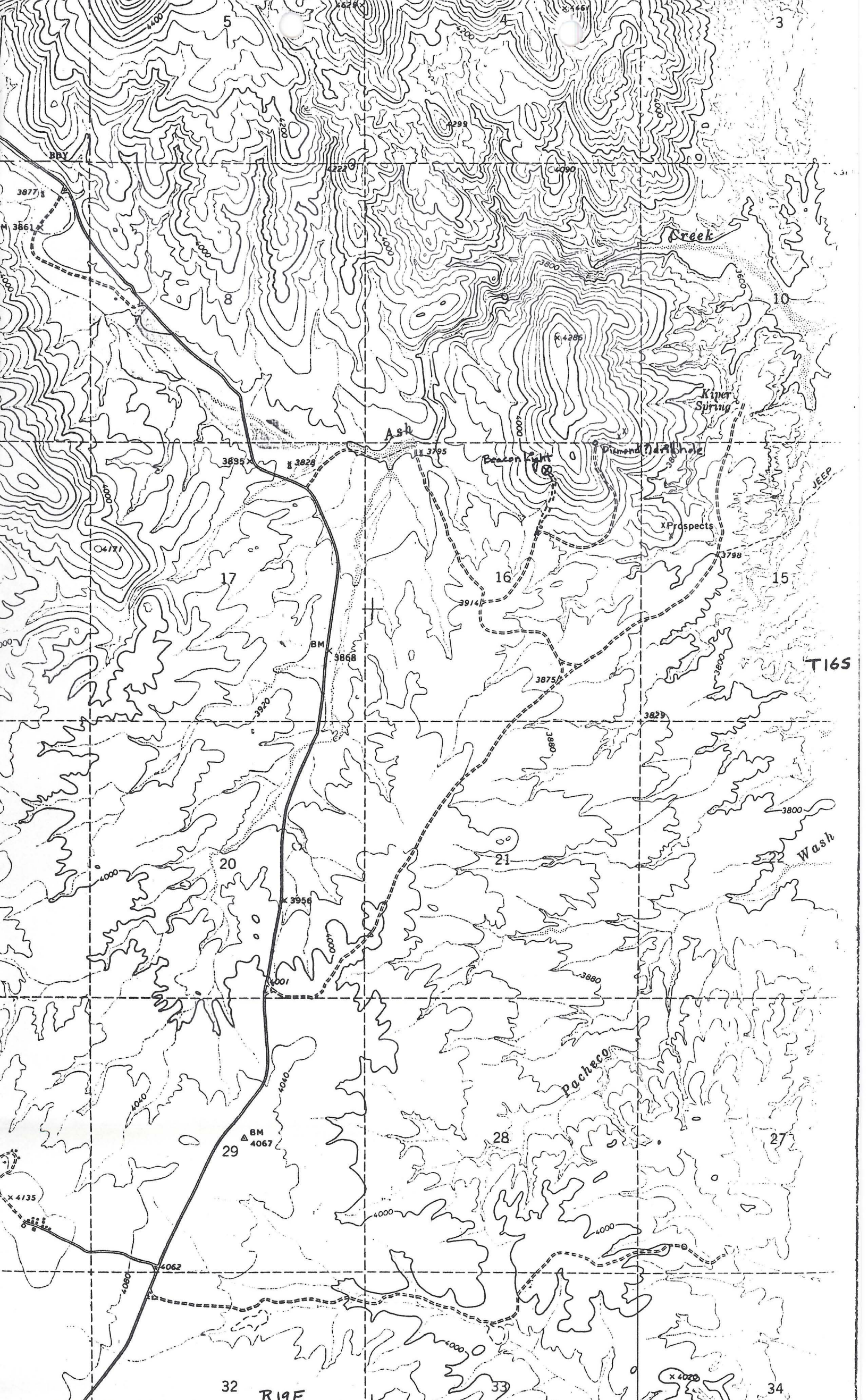
CURRENT STATUS: RAW PROSPECT

COMMODITY:

COPPER
SILVER

BIBLIOGRAPHY:

AZ. STATE LAND DEPT. 1979, MINERAL LEASE LIST
LEASE NO. 44082-44085
ADMMR BEACON LIGHT CLAIM FILE



T165

(MESCAL) 3.3 MI. TO INTERSTATE 10
3947 IV NW BENSON 12 MI.

RI9E
Flat 555 25'

970 000 FEET (CENTRAL)

1957

INTERIOR-GEOL.

BEACON LIGHT CLAIMS

Cochise County
Whetstone

RRB WR 7/25/80: Mrs. R. M. Compton, P.O. Box 522, Pearce, Arizona 85625, has mineral leases No. 44082, 3, 4, & 5 on state land called Beacon Light Nos. 1-4, covering the N $\frac{1}{2}$, NE $\frac{1}{4}$, Sec. 16, T16S, R19E, in Cochise County. She wants to get leases on state land around her present leases so I advised her to get prospecting permits. Apparently she has an oxide copper prospect with some silver and she would like to sell or lease it to a mining company. She will contact the local copper companies and would like for us to refer anyone who may be interested to her.

ARIZONA DEPARTMENT OF MINERAL RESOURCES

Mineral Building, Fairgrounds

Phoenix, Arizona

9,6

1. Information from: Ruth Compton
Address: P.O. Box 522, Pearce, AZ 85625 Phone: 826-3433
2. Mine: BEACON LIGHT 3. No. of Claims - Patented _____
(Cochise Co.) Unpatented 10 state parcels
4. Location: In Little Rincon Mtns. via J-6 Ranch Rd. (see Galleta Flat West 7 1/2' quad.)
5. Sec NE 1/4 16 Tp 16S Range 19E 6. Mining District None
7. Owner: Ruth Compton
8. Address: Same as above
9. Operating Co.: _____
10. Address: _____
11. President: _____ 12. Gen. Mgr.: _____
13. Principal Metals: Cu-Ag 14. No. Employed: _____
15. Mill, Type & Capacity: _____
16. Present Operations: (a) Down (b) Assessment work (c) Exploration
(d) Production (e) Rate _____ tpd.
17. New Work Planned: _____

18. Misc. Notes: Country rock is Precambrian Pinal Schist containing some phyllite and gneiss. Foliation generally strikes NE and has a shallow dip to the SE. Parallel or sub-parallel to the foliation are local occurrences of Precambrian(?) granite or qtz monzonite, massive white quartz and pematitic quartz and muscovite. Associated with one quartz zone is moderately heavy concentration of chrysocolla, reportedly assaying about 4 oz/ton silver.
In 1982 some rock was mined from surface cuts and reportedly leached.
Property is State land comprised of prospecting permits and mineral leases.
There are two diamond(?) drill holes in the general vicinity.

Date: October 4, 1983

R. W. Greeley
(Signature) Field Engineer

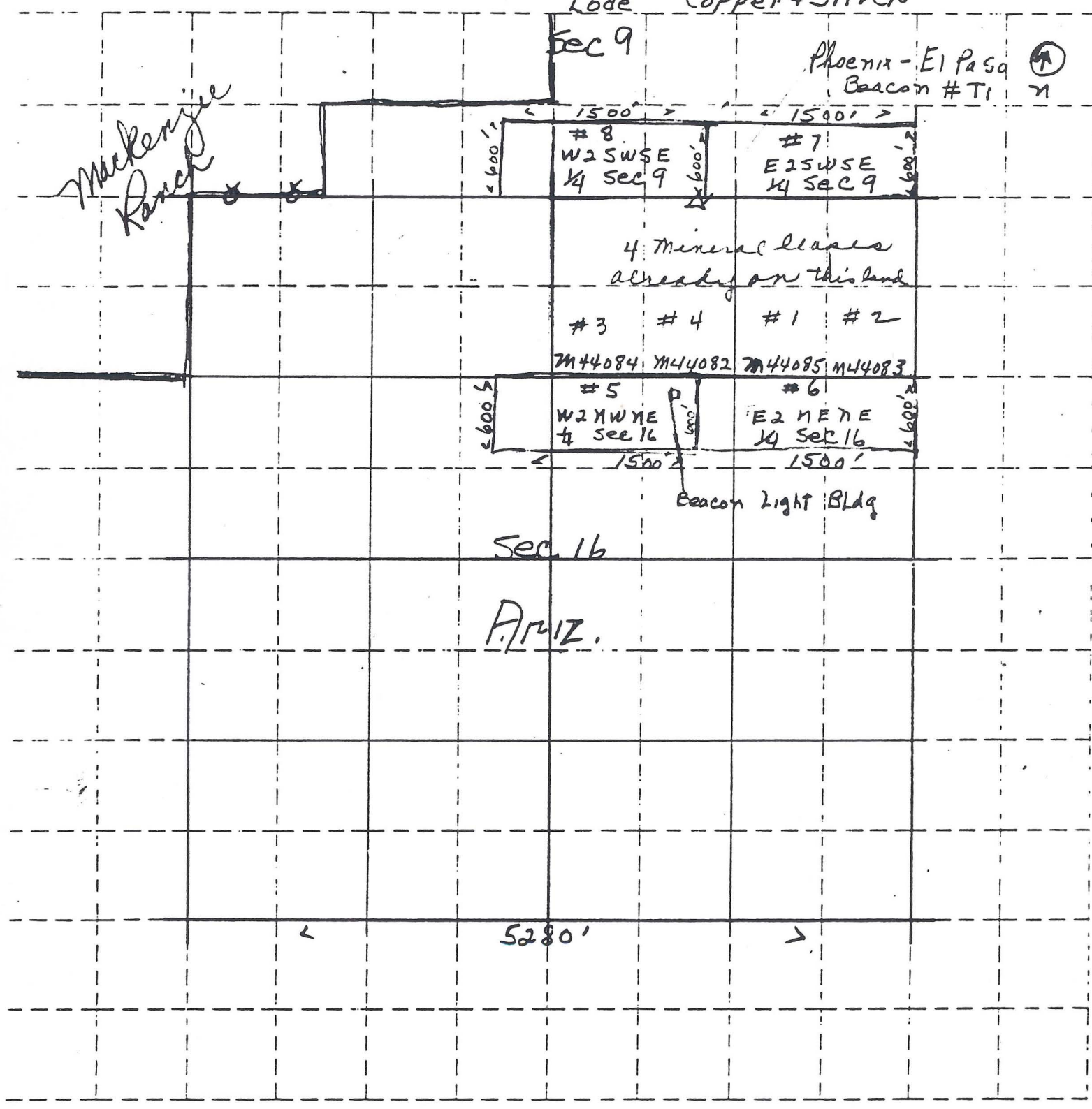
Beacon Light 5-8

ARIZONA STATE LAND DEPT.

Lode Copper + Silver

Phoenix - El Paso
 Beacon # T1

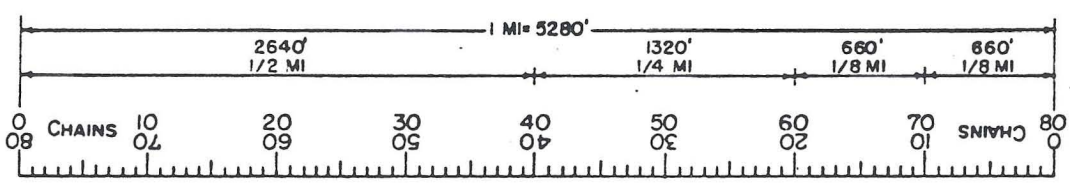
Mackenzie Ranch



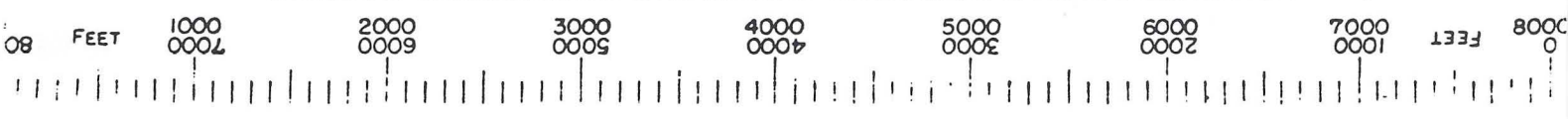
Sec 16
 ARIZ.

5280'

1-ROD = 16 1/2 FEET
 1-CHAIN = 66 FEET
 1-ACRE = 43560 SQ. FT.



1 MILE =
 5280 FEET
 80 CHAINS
 320 RODS
 1760 YARDS
 1609.3 METERS



PLACER AMEX INC.

REGIONAL OFFICE: ~~6920 E. BROADWAY XXXXXXXX SUITE 106~~ • TUCSON, ARIZONA 85710 • (602) 296-4781
6992 E. Broadway, Suite 106

June 3, 1980

Mrs. R. M. Compton
P. O. Box 522
Pearce, Arizona 85625

Dear Mrs. Compton:

Enclosed is a copy of the assay results of the samples taken on our tour of the Beacon Light property on May 15, 1980.

The results are not very encouraging. Copper is the only element that comes close to the value obtained on the first Beacon Light assay. The gold and silver values are significantly lower than those previously obtained; however, this is not too surprising since both gold and silver values can vary greatly within a small area. This is why a large number of assays are necessary in order to obtain a representative value for the entire mineralized zone.

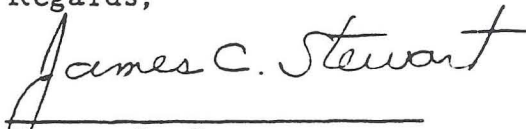
As I suspected, and as I think I mentioned, I will be going to Nevada for the summer, beginning next week. Am not sure exactly how long this means, but suspect until sometime in September.

Say hello to Manuel. I regret that I won't be able to follow-through on his East Hill property in the near future.

Enjoyed our tour of the Beacon Light property, and as regards our discussion on your partnership status I hope you are able to satisfactorily resolve it.

Feel free to stay in contact and keep us posted on your activities--- never know when there might be a breakthrough.

Regards,


James C. Stewart
Placer Amex Inc.

JCS:mc
Enclosure:

A subsidiary of Placer Development Limited

SOUTHWESTERN ASSAYERS & CHEMISTS, INC.

WIL WRIGHT
ARIZONA REG. NO. 5875

REGISTERED ASSAYERS
P. O. BOX 7517
TUCSON, ARIZONA 85725

710 E. EVANS BLVD.
PHONE 602-884-5811
884-5812

DNYANENDRA A. SHAH
ARIZONA REG. NO. 8888

Placer Amex, Inc.

Page 2 of 2

JOB # 023710 Continued

RECEIVED _____

REPORTED _____

SAMPLE NUMBER	GOLD OZ.*	SILVER OZ.*	LEAD %	COPPER %	ZINC %	MOLYBDENUM %
Upper Road Cut	Nil	Nil	-			
BLC	.008	4.00	.39	1.66	1.65	SAMPLE SUBMITTED BY MRS COMPTON, PEARCE LOCATION UNKNOWN

Beacon Light Claims



Dnyanendra A. Shah
12-28-79

1435 SOUTH 10TH AVENUE
TUCSON, ARIZONA 85713

Jobs Assay Office

Registered Assayers

Since 1880

Tucson, Arizona,



PHONE 622-0813

17 July 1980

Sample Submitted by Mr.

R.A. Compton

Sample Marked	GOLD Ozs. per ton ore	GOLD Value per ton of ore	SILVER Ozs. per ton ore	COPPER Per cent Wet Assay	LEAD Per cent Wet Assay	Per Cent Wet Assay	Per Cent Wet Assay	Per Cent Wet Assay
<i>C#6</i>	<i>Trace</i>	<i>—</i>	<i>0.05</i>	<i>Trace</i>				
<i>C#7</i>	<i>Trace</i>	<i>—</i>	<i>< 0.05</i>	<i>0.72</i>				
<i>C#8</i>	<i>Trace</i>	<i>—</i>	<i>< 0.05</i>	<i>0.77</i>				
<i>A</i>								

* Gold Figured ~~\$300.00~~ per oz. Troy

Charges \$

25.50

Very respectfully:

M. S. Jacobs

LABORATORIO DE ENSAYES DE MINERALES

Reg. Fed. Ctes. MIBA-300527

MORELOS No. 102 MAGDALENA DE KINO, SON.

Sr. *Jesús León*
Junio 27

DE 19.80

Hacemos constar que los siguientes resultados fueron obtenidos de las muestras de los minerales que se sirvió mandar para su ensayo.

No. PROG.	DESCRIPCION	Ley por Ton. Met. en Gms.		PORCIENTO				IMPORTE
		ORO	PLATA	PLOMO	COBRE			
3864	<i>mta. # 1 Rock</i>	-	66		220			<i>B.L.C</i> <i>U.E.M</i> \$120-
3865	<i># 2 fina</i>	-	102		262			

1 Kilo..... igual a 32.1507 Onzas Troyanas.
 1 Onza Troyana igual a 31.1035 Gramos.

Nº 2087

(Signature)

Alejandro Miranda B.-Ensayador.

SOUTHWESTERN ASSAYERS & CHEMISTS, Inc.

REGISTERED ASSAYERS

WIL WRIGHT
ARIZONA REG. NO. 5875

DNYANENDRA A. SHAH
ARIZONA REG. NO. 8888

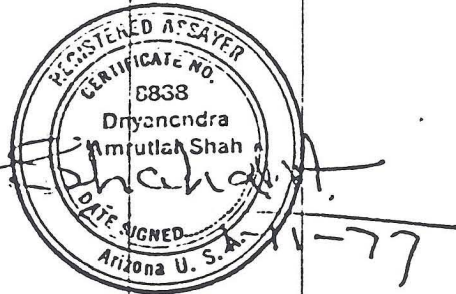
P.O. BOX 7517
TUCSON, ARIZONA 85725

710 E. EVANS BLVD.
PHONE 602-294-5811

Mr. Donald B. Hearn
P.O. Box 658
Benson, Arizona 85602

JOB # 020229
RECEIVED 1-6-77
REPORTED 1-11-77

SAMPLE NUMBER	GOLD OZ.	SILVER OZ.	LEAD %	COPPER %	ZINC %	MOLYBDENUM %
1	.003	.06		1.13		
2	.002	.03		1.55		
3	.007	.03		1.56		
4	.002	.03		1.55		



CHARGE \$ 32.00

* Gold and Silver reported in troy oz. per 2,000 lb. ton.

INVOICE

LABORATORY REPORT

Mariposa Spectrographic Laboratory

5029 FOURNIER ROAD, MARIPOSA, CALIFORNIA 95338

Telephone (209) 966-2591

Date 12/14/79

CHARGES: \$10.00

LAB NO. 31986

SUBMITTED BY:

Qualitative Spectrographic Analysis

M. Compton
O. Box 522
Maricopa Arizona 85625

ELEMENTS FOUND AND ESTIMATED PERCENTAGE RANGE OF CONCENTRATION

SAMPLE MARK

#12 Assay

Beacon Light -4

ELEMENT	Not Less Than %	Not More Than %	ELEMENT	Not Less Than %	Not More Than %	ELEMENT	Not Less Than %	Not More Than %
Aluminum Al ₂ O ₃	8.0	15.0	Lithium			Thallium		
Antimony			Magnesium MgO	0.5	1.0	Thorium		
Arsenic			Manganese	0.03	0.10	Tin		
Barium	0.05	0.15	Mercury			Titanium	0.05	0.15
Beryllium	Not detected		Molybdenum			Tungsten		
Bismuth			Nickel	.0008	.004	Uranium		
Boron			Osmium			Vanadium	.001	.006
Calcium CaO	2.0	4.0	Palladium			Zinc	.003	.008
Cadmium			Phosphorus			Zirconium	.0006	.004
Cesium			Platinum	Not detected		RARE EARTHS:		
Chromium	.001	.006	Potassium	2.0	4.0	Cerium		
Cobalt	.00008	.0004	Rhenium			Dysprosium		
Columbium			Rhodium			Erbium		
Copper	0.5	1.0	Rubidium			Europium		
Gallium			Ruthenium			Gadolinium		
Germanium			Scandium			Holmium		
Gold	Not detected		Silicon (as SiO ₂)	60.0	80.0	Lanthanum		
Iridium			Silver	.0001	.0004	Neodymium		
Indium			Sodium	1.0	3.0	Praseodymium		
Iridium			Strontium	.001	.006	Samarium		
Iron FeS ₂ /Fe ₂ O ₃	2.0	4.0	Tantalum			Ytterbium		
Lead	.001	.006	Tellurium			Yttrium		

Remarks: This material is a highly compressed supergene developed mineral vein. The mica-like material is a form of Kyanite and Muscovite mica. Silver does not exceed 12 parts per million. Gold was not detected down to 20 parts per million. Beryllium was not detected down to 12 parts per million.

Respectfully Submitted

[Signature]

(Spectrographer)

MARIPOSA SPECTROGRAPHIC LABORATORY

Percent to ton (2,000 lbs.)
 .0% = 20.0 Lbs. AVOIR.
 .10% = 2.0 Lbs. AVOIR.
 .01% = 3.2 oz. AVOIR.
 .001% = 0.32 oz. AVOIR.

SOUTHWESTERN ASSAYERS & CHEMISTS, INC.

WIL WRIGHT
ARIZONA REG. NO. 8878

REGISTERED ASSAYERS
P. O. BOX 7817
TUCSON, ARIZONA 85725

710 E. EVANS BLVD.
PHONE 602-884-5811
884-5812

DNYANENDRA A. SHAH
ARIZONA REG. NO. 8888

Placer Amex, Inc.
Mr. Jim Stewart
6992 E. Broadway, Suite 105
Tucson, Arizona 85710

JOB # 024534
RECEIVED 5-16-80
REPORTED 5-29-80

SAMPLE NUMBER	GOLD OZ.*	SILVER OZ.*	LEAD PPM	COPPER %	ZINC PPM	MOLYBDENUM %
BL-1	<.001	.15	10	1.09	15	
2	<.001	Trace	11	1.09	84	
<p><i>BL-1, OUTCROP ON NORTHWEST SIDE OF HILL. SAME ELEVATION AND MOST LIKELY SAME LEDGE OR SILICIOUS LAYER AS MAIN WORKING-DOZER CUT.</i></p> <p><i>BL-2 - DOZER CUT AND SMALL PROSPECT PIT.</i></p> <p style="font-size: 2em; font-family: cursive;">Shah</p> <p style="font-size: 1.5em;">5-29-80</p> <p style="font-size: 1.2em;">BEACON LIGHT CLAIMS NE 1/4, SEC. 16, T15S, R19E HAPPY VALLEY QUADRANGLE COCHISE Co. AZ.</p>						

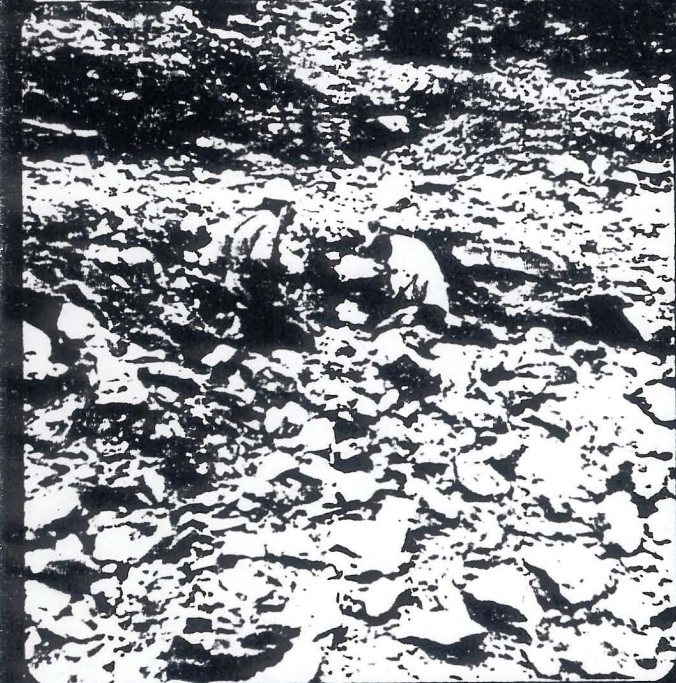
1 ppm = 0.0001%

1 troy oz./ton = 34.286 ppm

1 ppm = 0.0292 troy oz./ton

* Gold and Silver reported in troy oz. per 2,000 lb. ton.





AFFIDAVIT OF PERFORMANCE OF ANNUAL ASSESSMENT WORK AND MINING ACTIVITY

44082
44083
44084
44085

STATE OF ARIZONA) ss
County of Cochise)

Arizona State Lease No. 44085

R.M. Compton, being first duly sworn, deposes and says:
Name of Lessee or Agent

That he is a citizen of the United States and more than twenty-one years of age, resides at 1161 Christmas Tree Lane, Pearce, Az. 85625 Cochise County, Arizona, and is lessee of, or lessee's authorized agent of record for State Mineral Lease No. 44082 44083 44084 44085, and is personally acquainted with the 4 (number) mining claim(s) held under said lease.

ASSESSMENT WORK

That between the 8 day of May, A.D. 19 80, and the 15 day of May, A.D. 19 80, at least \$ 1156.00 worth of work and improvements were done and performed upon said lease area, not including the original location work of said claim(s). Such work and improvements were made by, or at the expense of the owners of said lease, for the purpose of complying with the laws of the State of Arizona, pertaining to assessment or annual work, (at least One Hundred Dollars worth of work for each claim) and; (Give names and addresses of miners or other workman or firm who worked the claims).

Manuel Hernandez (Cat. Op.)
P.O. Box 61
Pearce, Az. 85625

Marvin Dunagan (Trucker)
Willoox, Az.

were the men or firm employed by said owner and labored upon said claims, did said work and improvements, the same being as follows, to-wit:

(Describe work done) A D8 Cat. was moved out to the road leading to the claims unloaded and walked into the claims smoothing the existing road to claims and repairing and grading road to the adit on claim to uncover vein of the claims N to S. MINING ACTIVITY
Approx. 14 1/2 hrs. cost per hr. for Cat. \$100.00 per hr. approx. Total cost \$1450.00

That records of all mineral, rock or earth material removed from said lease area during the last lease year have been filed with the Arizona State Land Department and proper royalty credited or paid thereon, or does hereby certify under the penalty of perjury, that no mineral, rock or earth material has been removed from said lease area during the lease year.

I certify that the foregoing is a true and correct statement of the work performed, of improvements made, and of mining activity, of my knowledge.

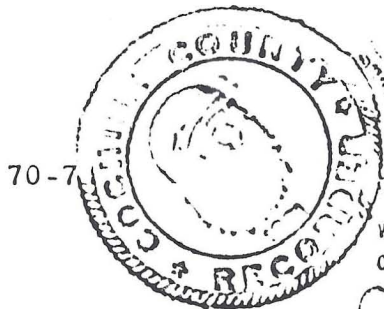
R.M. Compton
Signature

STATE OF ARIZONA) ss
County of Cochise)

Subscribed and sworn to before me this 3 day of June, 19 80

My Commission Expires: My Commission Expires Dec. 12, 1983

Albert C. K... ..
Notary Public



STATE OF ARIZONA) ss
COUNTY OF COCHISE)
WITNESSED BY HAND AND OFFICIAL SEAL
CHRISTINE RHOLES, COUNTY RECORDER

I HEREBY CERTIFY THAT THE WITHIN INSTRUMENT WAS FILED AND RECORDED AT REQUEST OF: R.M. Compton
Box 522 Pearce, Ariz.
FEE \$ 33.00
DATE JUN 4 80 10 30 AM (85625)
1426 PAGE 317 11784
318

1426 PAGE 317

ASSIGNMENT OF LEASE

Phoenix, Arizona February 19, 1980

Donald B. Hearn Sr. and K ren D. Hearn, married

The application of _____ for permission to assign Lease No. M-44085, and the application of RUTH M. COMPTON, a single woman for the assumption of said Lease, having been duly considered this 19th day of February, 19 80, and without walver of State rights which may exist against the lease assigned, and with this consent not to be construed as intitlating any new rights in assignee of lease, consent is hereby given for the assignment applled for and it is ordered that the said Lease No. M-44085, and all rights thereunder be and are hereby transferred to the said RUTH M. COMPTON, a single woman

P. O. Box 522 Pearce, Arizona 85625

FOR THE State Land Commissioner [Signature] By: Deputy State Land Commissioner

ASSIGNMENT OF LEASE

Phoenix, Arizona

The application of _____ for permission to assign Lease No. _____, and the application of _____ for the assumption of said Lease, having been duly considered this _____ day of _____, 19____, and without walver of State rights which may exist agalnst the lease assigned, and wth this consent not to be construed as intitlating any new rights in assignee of lease, consent is hereby given for the assignment applled for and it is ordered that the said Lease No. _____, and all rights thereunder be and are hereby transferred to the said _____

State Land Commissioner

By: Deputy State Land Commissioner

ASSIGNMENT OF LEASE

Phoenix, Arizona

The application of _____ for permission to assign Lease No. _____, and the application of _____ for the assumption of said Lease, having been duly considered this _____ day of _____, 19____, and without walver of State rights which may exist against the lease assigned, and with this consent not to be construed as intitlating any new rights in assignee of lease, consent is hereby given for the assignment applled for and it is ordered that the said Lease No. _____, and all rights thereunder be and are hereby transferred to the said _____

State Land Commissioner

By: Deputy State Land Commissioner

ASSIGNMENT OF LEASE

Phoenix, Arizona

The application of _____ for permission to assign Lease No. _____, and the application of _____ for the assumption of said Lease, having been duly considered this _____ day of _____, 19____, and without walver of State rights which may exist against the lease assigned, and with this consent not to be construed as intitlating any new rights in assignee of lease, consent is hereby given for the assignment applled for and it is ordered that the said Lease No. _____, and all rights thereunder be and are hereby transferred to the said _____

State Land Commissioner

By: Deputy State Land Commissioner

STATE LAND DEPARTMENT
STATE OF ARIZONA

MINERAL LEASE

This lease made and entered into this 31st day of March, 19 77, by and between the State Land Department, party of the first part, hereinafter called the lessor, by reason of the authority vested in it by the Arizona Revised Statutes, as amended, and DONALD B. HEARN, SR. and KAREN D. HEARN, married, party of the second part, hereinafter called the lessee.

WITNESSETH:

The lessor has this day leased to the said lessee, for and in consideration of the rental, royalties, covenants, stipulations and conditions hereinafter contained, and hereby agreed to be paid, observed and performed by the said lessee, for the purpose of extracting and shipping ores and mineral substances from or under the land described in lease supplement, attached hereto and made a part hereof, containing 20.00 acres, more or less, with a total annual rental of \$15.00.

TO HAVE AND TO HOLD the same for the period ending the 30th day of March, 19 97.

THIS LEASE CONFERS ON THE LESSEE THE RIGHT:

1. Type A. In case of leases made pursuant to locations under Section 27-232 A., A.R.S., to extract and ship minerals, mineral compounds and mineral aggregates from each claim located within planes drawn vertically downward through the exterior boundary lines thereof and to extralateral rights in the discovery vein only.
2. Type B. In case of leases made pursuant to locations under Sec. 27-232 B., A.R.S., to extract and ship minerals, mineral compounds and mineral aggregates from each claim located within planes drawn vertically downward through the exterior boundary lines thereof.
3. To use so much of the surface as may be required for purposes incident to mining; and
4. Of ingress to and egress from other State lands, whether or not leased for purposes other than mining.

IT IS UNDERSTOOD AND AGREED THAT:

1. The lessee hereby agrees to pay or cause to be paid to the State Land Commissioner, annually in advance, a rental of \$15.00 per annum for each claim or fraction thereof.
2. The lessee further agrees to pay as royalty 5% of the net value of the minerals produced from the leased premises, which net value shall be the gross value after processing, if processing is necessary for commercial use, less the actual cost of transportation from the place of production to the place of processing, less costs of processing and taxes, if any, levied and paid upon the production thereof. In the case of minerals not processed for commercial use, the net value shall be the gross proceeds, or gross value at the place of sale or use, less the actual cost of transportation from place of production to the place of sale or use, less taxes, if any, levied and paid upon the production thereof.
3. So that the State may be properly advised of the removal of ores and mineral substances from the lands involved in this lease, the lessee agrees to file with the State Land Commissioner, within twenty (20) days after the removal of any such ores or mineral substances, an authenticated statement of the gross values found and accounted for by the smelter, mint, or other place of customs treatment and sale.
4. The lessee agrees to pay all royalties under this lease to the State Land Commissioner within twenty (20) days after the close of each month within which the minerals were extracted; such payments will be accompanied by a sworn statement on forms furnished by the Department.
5. The lessee shall at all times conduct operations in a workmanlike manner, protect all mines and deposits, and not commit nor suffer any waste upon the land. He shall not use nor permit the use of said lands and premises for any other purpose than as herein authorized, and at the expiration of this lease he shall return the premises to the owner in as good condition as received.
6. The lessee shall keep an accurate account of said operations showing the amount of mineral mined or extracted and all mineral shipped, smelted, used, or disposed of, the cost of such operations, and the gross

value of the output of the minerals at the mine. The State Land Commissioner and other proper representatives of the Department shall have the right at all times during the existence of this lease, and for six months thereafter, to make such reasonable examinations of the papers and books of account of the said lessee and of the mines as may be necessary to obtain all information desired.

7. This lease confers the right to the lessee to construct necessary improvements, including the installation of necessary machinery and equipment, with the right to remove the same upon the expiration, termination, or abandonment of the lease, if all monies owing to the State under the terms of this lease have been paid. There is hereby created a lien on all implements, tools, movable machinery, and other personal chattels belonging to the lessee and used in the mining operations, and upon all minerals obtained from the land leased herein, as security for the payment of all monies owed the State under the terms of this lease.

8. The lessee agrees that, should he sell, mortgage, or assign this lease, it will be without prejudice to the State, and that such transaction shall not become effective until a copy thereof is filed with the State Land Commissioner and his written consent thereto secured.

9. The lessee, may, however, surrender the lease for cancellation with the consent of the lessor, and all royalties and other obligations due and accrued to date of completion of application for cancellation, in addition to a fee of One (\$1.00) Dollar, must be paid and discharged before such an application for cancellation will be considered, provided that, if the lease has been recorded, the lessee or assignee shall execute a release, record the same in the proper recording office and file the release with the State Land Commissioner. An application for cancellation will be considered as completed on the date such application is filed in the office of the State Land Commissioner provided the foregoing requirements have been fully observed.

10. In the event of failure or neglect of the lessee to perform any obligation under this lease, the lessor shall have the right at any time to cancel this lease unless, within thirty (30) days after notice specifying the terms and conditions violated, the lessee shall correct such failure and make good any loss caused thereby.

11. The lessee agrees to perform the annual labor, as required by the laws of the United States, upon each claim, commencing at the expiration of one year from the date of location, and that he will furnish proof of such annual labor to the State Land Commissioner.

12. The lessee agrees to fence all shafts, prospect holes, adits, tunnels and other dangerous mine workings for the protection of livestock.

13. This lease is made and accepted subject to existing law and any laws hereafter enacted, also to the regulations relative to such leases heretofore or hereafter prescribed by the lessor; and in no event shall the State or the lessor be liable in damages or otherwise under the provisions hereof.

14. The lessee has the right, under this lease, to the cutting and use of timber and stone upon the claim, not otherwise appropriated, for fuel, construction of necessary improvements, or for drains, roadways, tramways, supports, or other necessary purposes; provided, that nothing herein contained shall be construed to permit the cutting of timber for any purpose without the written consent of the State Land Commissioner.

15. It is understood and agreed that this lease is made subject to all legally established rights of way heretofore granted or that may hereafter be granted over and across such land; and the lessee agrees to respect the property rights of all persons lawfully upon the demised premises.

16. It is expressly understood and agreed that there is reserved to the State the right to lease, under existing law or laws hereafter enacted, so much of the surface of the lands covered by this lease as is not actually used or necessary for mining purposes.

17. The obligations and agreements hereinbefore expressed shall extend to and be binding upon the successors in interest of the parties hereto.

18. Any mining exploration, development or operation under the terms of this lease shall be subject to a reclamation bond in an amount satisfactory to the Commissioner; said bond to embrace the constant implementation of whatever work must be done to provide for the safety and protection of human life and livestock by the adequate fencing and/or other closing or filling of all shafts, prospect holes, adits, tunnels and other dangerous mine workings, and insofar as it is reasonable, to reclaim the surface to a condition satisfactory to the Commissioner upon termination of this lease or a renewal thereof.

SPECIAL CONDITION:

No permanent dwellings and temporary dwellings only to be permitted upon such mineral development being accomplished that requires surveillance.

SPECIAL CONDITION

If the removal of plants protected under the Arizona native plant law is necessary to enjoy the privilege of this document, the permittee hereunder must previously acquire the written permission of the Arizona State Land Department and Arizona Commission of Agriculture and Horticulture to remove those plants.

22. Lessee certifies that the land embraced by this Mineral lease has been properly monumented and memorandaed in accordance with statutory requirements and that failure to have done so properly is at lessee's peril.

23. No permanent dwellings, and temporary dwellings only, to be permitted upon such mineral development being accomplished that requires surveillance.

The lessee agrees to indemnify, hold and save lessor harmless against all loss, damage, liability, expense, costs and charges incident to or resulting in any way from any injuries to person or damage to property caused by or resulting from the use, condition or occupation of the land.

IN WITNESS WHEREOF, the lessor has caused these presents to be signed by the legal representative of the State Land Department, at Phoenix, Arizona, and the lessee has hereunto affixed his signature at the place and on the day and year first above written.

STATE LAND DEPARTMENT

By: *[Signature]*
State Land Commissioner

(SEAL)

(Sign here) *Donald B. Beam Sr*
Lessee

Karen D. Beam
Lessee

This lease is issued in duplicate

See Special Conditions Under Lease Supplement