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A

GEOLOGICAL, SAMPLING & EVALUATION

REPORT

of the

LIZ LIMESTONE CLAIMS

El Capitan Mining District

Gila County, Arizona

by

**Richard E. Mieritz
Mining Consultant
Phoenix, Arizona**

December 28, 1974

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PHOTO 2 - View of El Capitan Canyon, looking down Canyon.
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MAP No.6 - DRILL HOLE PROJECTION MAP, LIZ Limestone Claims.

INTRODUCTION:

At the request of and authorized by Paul Lime Plant, Inc., Douglas, Arizona, the writer has geologically examined and surface sampled the LIZ Limestone Claims in the El Capitan Mining District, Gila County, Arizona, or more specifically, Secs. 10, 11, 12, 13, 14, 15, 23 and 24 of T. 3 S., R. 15 E. and Sec. 18, T. 3 S., R. 16 E., G. & S. R. B. & M.

This examination and sampling program commenced on August 19, 1974 and at various other times dependent on the availability of the writer, being completed on December 28, 1974.

This report is based on the writer's field examination of the property, his geologic knowledge of the area and the review, study and use of available factual data provided by Paul Lime Plant, Inc., in particular a memorandum and drill hole data prepared by Dirk Den-Baars, Consulting Geologist, Tucson, Arizona.

PROPERTY, LOCATION and ACCESSIBILITY:

The claimed property consists of 16 placer claims of 160 acres each, 2 claims of 120 acres each and one claim of 40 acres totaling 2840 acres (less the acreage in conflict with the Indian Reservation on the east) and are known as the LIZ No. 1 through No. 19. These claims occur as two separate groups, one of fifteen (15) claims and the second group of four (4) claims, each of which is contiguous. These two groups are common only at one corner, consequently the contiguous chain for the 19 claims is broken. The group of four claims includes the LIZ No. 10, 11, 16 and 17, the larger group including claims 1 through 9, 12 through 15, 18 and 19.

The legal descriptions and recorded data of the claims are as follows:

Claim Name	Legal Description	Acres	Recorded		
			Date	Book	Page
LIZ No. 1	SW/4, Sec. 10, T.3S., R.15E.	160	5/8/67	212	438
LIZ No. 2	NW/4, Sec. 15, T.3S., R.15E.	160	"	"	439
LIZ No. 3	SW/4, Sec. 15, T.3S., R.15E.	160	"	"	440
LIZ No. 4	SE/4, Sec. 15, T.3S., R.15E.	160	"	"	441
LIZ No. 5	NE/4, Sec. 15, T.3S., R.15E.	160	"	"	442
LIZ No. 6	SE/4, Sec. 10, T.3S., R.15E.	160	"	"	443
LIZ No. 7	SW/4, Sec. 11, T.3S., R.15E.	160	"	"	444
LIZ No. 8	E/2 NW/4 & NW/4 NW/4, Sec. 14, T.3S., R.15E.	120	"	"	445
LIZ No. 9	NW/4 SW/4, Sec. 14, T.3S., R.15E.	40	"	"	446
LIZ No. 10	N/2 NW/4, Sec. 23, SE/4 SW/4, Sec. 14, T.3S., R.15E.	120	"	"	447
LIZ No. 11	N/2 NE/4, Sec. 23, S/2 SE/4, Sec. 14, T.3S., R.15E.	160	"	"	448
LIZ No. 12	NE/4, Sec. 14, T.3S., R.15E.	160	"	"	449
LIZ No. 13	SE/4, Sec. 11, T.3S., R.15E.	160	"	"	450
LIZ No. 14	SW/4, Sec. 12, T.3S., R.15E.	160	"	"	451
LIZ No. 15	NW/4, Sec. 13, T.3S., R.15E.	160	5/9/67	"	452

Claim Name	Legal Description	Acres	Recorded Date	Book	Page
LIZ No. 16	N/2 NW/4, Sec. 24, S/2 SW/4, Sec. 13, T3S., R.15E.	160	5/9/67	212	453
LIZ No. 17	S/2 SE/4, Sec. 13, N/2 NE/4, Sec. 24, T3S., R.15E.	160	"	212	454
LIZ No. 18	NE/4, Sec. 13, T.3S., R.15E.	160	"	212	455
LIZ No. 19	NW/4, Sec. 18, T.3S., R.16E.	160	"	212	456

Total (Including conflict areas of Claim No. 19 & San Carlos Indian Reservation) 2840 acres

Travel to the property from Globe, Arizona is eastward three miles on U. S. Highway 70 (towards Safford) to south junction with State Highway 77. A right turn at this junction towards Winkelman and 14½ miles travel southward the highway passes the northwest corner of LIZ No. 1 claim which is also the northwest corner of the property. (See Map No. 1). This point is also approximately halfway between highway mile post 157 and 156. (See Maps No. 1 and 2). The highway actually traverses the northwest quarter and south central portion of LIZ No. 3 claim, with highway milepost 155 in the southern half of the claim.

Access within and about the property is very limited, there being but one "jeep trail" which junctions on the east side of the highway about 0.6 miles south of milepost 154. There is a gate in the highway right-of-way fence which is locked and a key would have to be obtained from a Mr. Harry Smith, Winkelman, Arizona, who is the owner of the fee land within the claimed area. (See Claim Map No. 2).

The jeep trail traverses LIZ No. 10, No. 4, No. 5 and terminates at a spring on fee land between LIZ No. 5 and No. 8.

FACILITIES:

No facilities as gas and electricity exist on or near the property. The topography quadrangle indicates existence of three springs, one each on claims LIZ No. 7, No. 14 and No. 18.

GEOLOGY:

The property is located on the northern portion of the southwestern flank of the Mescal Mountain range which has a northwest trend. There are many sedimentary dip slopes cut by southwest trending, steep, young erosion canyons which usually provide a fairly good stratigraphic section of the sediments where so cut by the canyons.

Geology of the claimed area is quite simple, being for the most part the outcropping of Cambrian (t) sandstone and Troy quartzite, overlain by Carboniferous and Devonian (CDI) limestone, shale and sandstone and includes the Pennsylvanian Neco formation, Mississippian Redwall limestone and Devonian limestone and sandstone.

The sediments in the general area of the claims have been tilted during the mountain building period such that their general strike is NE with a dip of 20° SW, this creating in part the dip slopes which are very conspicuous by their presence.

Rocks in the area of the claims are classified on the County Geological Map as (CDI), Carboniferous-Devonian sediments of limestones, shales and sandstones which are underlain by (t), younger Precambrian, Cambrian and Devonian sediments, also as limestones, sandstones and quartzites, all of which form the northwest trending Mescal Mountain range. The claims cover the south center slope of this range for approximately 3 plus miles along its northwest trend. Within this area are many beds of limestone, sandstone and quartzite.

A lithographic sequence of these sediments, commencing with the older age, most northern rock, is the:

Troy quartzite	t	Late Precambrian-Cambrian
Martin limestone	ml	Upper Devonian
Escabrosa limestone	Ce	Lower Mississippian
Naco limestone	Cn	Pennsylvanian
Whitetail conglomerate	Tw	Tertiary

The northern tier of claims (LIZ Nos. 1, 6, 7, 13 and 14) in part cover the contact between the Troy quartzite and the Martin limestone near the base of the northwest trending escarpment forming the "high points" of the range. (See Photo No. 1). From the "high ridge" the various limestone formations are tilted southwestward at dips equal to or slightly more than the slope of the range. (See Photo No. 1).

Several narrow, young south and/or southwest trending canyons cut deeply into the formations exposing their true thicknesses and physical characteristics (See Photo Nos. 1, 2 and 3). Progressing from the range crest southwestward down the hill slope, the contact between the Escabrosa limestone and the Naco limestone is quite traceable at an elevation of about 4,100 feet on LIZ No. 12 claim to an elevation of about 3,800 feet or less on LIZ No. 2 and No. 5 claims. (See Photo No. 1 and Geological Map No. 3).

For the most part, the various formations and their included beds follow in the respective geological positions with strikes of N. 70° to 80° E. Local conditions of anticlinal structures tend to vary the norm strike as well as the norm dip of 20° to 25° to the south. Some westerly trending faults may, by movement, interrupt to some degree the apparent stratigraphic continuity. The major structural feature appears to be a N. 20° W. striking fault which forms the deep eroded main canyon a short distance west of R. S. Spring and which traverses the eastern portion of LIZ No. 13 claim. (See Geology Map No. 3 and Photo No. 1).

The deeply eroded El Capitan canyon traversing the western portions of LIZ claims No. 1 and No. 2, just east of Highway 77, (See Geology Map No. 3 and Photo Nos. 2 and 3), provides an excellent visually observable stratigraphic section of the Escabrosa limestone and its underlying component, the Martin limestone.

Seven surface outcrop samples were taken by the writer to provide some information as to the lime and impurity content of the various exposed beds in this particular area. (See Sample Map No. 4). The lime and impurity results and rock (bed) descriptions are shown below:

Sample Number	Sample-Rock Description	% L.O.I.	% Total CaO	% Silica, R ₂ O ₃ , other
1272	Chip sample of outcrop just above sandstone bed. Rock is dark gray, weathers to light gray, some very thin chert seams. Med. to fine grained.	45.30	32.88	21.82
1273	Chip sample of outcrop of bed above sample 1272. Rock is medium gray, medium grained, weathers to light tan or cream.	44.05	32.22	23.73
1274	Chip sample of outcrop above a dark tan or cream bed of sandstone--or very siliceous material. Rock is brownish, very light gray at top of bed, but much darker at base. Fine to med. grained.	43.65	55.98	0.37
1275	Chip sample of outcrop. Rock is medium gray, weathers about same color, perhaps a little lighter, quite crystalline. Sample is of bed immediately below vertical wall in El Capitan Canyon on the east side.	43.93	54.68	1.38
1276	Chip sample of outcrop which is part of the vertical wall exposed in El Capitan Canyon on the east side. Sample taken from knob on west side of canyon. Rock is brownish to dark gray, weathers white to very light gray, quite fine grained. Bed is at base of vertical wall probably part of Escabrosa limestone.	43.20	54.89	1.91
1277	Chip sample of outcrop. Rock is light gray, fine grained, weathers light gray and is bed above sample 1276. Contains some chert, but minor amounts.	43.10	54.02	2.88
1278	Chip sample of outcrop in N. 70° W. gully just west of El Capitan Canyon. Is probably bed of Naco limestone formation. Rock is light gray, weathers light gray and is on top of yellow tan stained bed. Contains brown chert nodules or lenses, medium grained.	42.98	54.23	2.79

Assays of the above samples were completed by Paul Lime Plant, Inc. The impurity column includes silica, alumina, magnesium oxide, iron oxide, etc.

The last five samples show excellent total calcium oxide (CaO) values and these samples represent limestone beds aggregating an estimated 150 foot thickness for the Escabrosa limestone series of beds. Drill hole penetrations and sampling would be required to substantiate such thickness, continuity and purity.

EXPLORATION:

Exploration and/or development of the limestone property includes down-the-hole-hammer drilling of four holes, (January 1972) and so located as shown on Drill Hole Map No. 5. These locations were re-plotted from a print of a map by Geologist Dirk Den-Baars dated April 16, 1972/ The re-plotted positions indicate drill holes K-1 and K-2 were drilled in the SW/4NW/4 of Section 14 which actually is "Fee" land. It appears also that the quarter corner between Sections 14 and 15 on this print is mis-labeled by having the Section numbers reversed.

The sample results of these holes, as averages, are shown on the Drill Hole Section Map No. 6. Results of individual samples and geologic descriptions are of record in a report dated April 25, 1972 by Dirk Den-Baars and the writer sees no reason of importance for duplicating such information here.

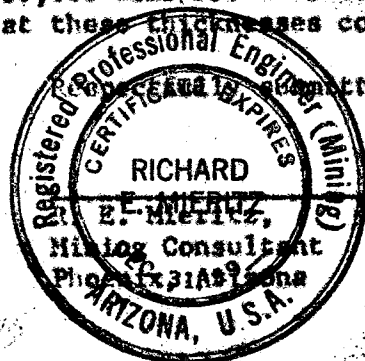
Drill Holes K-1 and K-2 showed several intersections of good limestone, thus confirming to some extent the results of the last five samples taken by the writer. Drill Holes K-3 and K-4 were void of any good limestone beds, thus, no averages shown on Map No. 6. Based on the drill results and the writers sample results, the target area for development of large tonnage reserves of good lime content and with little to no overburden problems should be on LIZ claims No. 1, 6 and 7.

POTENTIAL LIMESTONE RESERVES:

No appreciable measured or indicated limestone reserve exist on the property due to the very minimal and limited exploration completed.

An inferred tonnage can be estimated by mere observation of the geological evidence on the ground. As mentioned earlier, the immediate potential area are claims 1, 6 and 7. Using 400 acres as an available area, a factor of 1,452,000 tons per foot of depth for the 400 acres could be assumed. Thus, 70,000,000 tons of limestone could be inferred for a 50 foot depth or thickness, or, 108,880,000 tons for a 75 foot depth or thickness. The writer suspects that these thicknesses could have a lime content averaging 54.5% CaO.

December 28, 1974



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The last five samples show excellent total calcium oxide (CaO) values and these samples represent limestone beds aggregating an estimated 150 foot thickness for the Escabrosa limestone series of beds. Drill hole penetrations and sampling would be required to substantiate such thickness, continuity and purity.

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POTENTIAL LIMESTONE RESERVES:

No appreciable measured or indicated limestone reserves exist on the property due to the very minimal and limited exploration completed thus far.

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Respectfully submitted,

R. E. Mieritz
Mining Consultant
Phoenix, Arizona

December 28, 1974

GEOLOGICAL, SAMPLING & EVALUATION

REPORT

of the

LIZ LIMESTONE CLAIMS

El Capitan Mining District

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EXHIBITS

- PHOTO 1 - View of South slope of Mescal Mountain Range.
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The claimed property consists of 16 placer claims of 160 acres each, 2 claims of 120 acres each and one claim of 40 acres totaling 2840 acres (less the acreage in conflict with the Indian Reservation on the east) and are known as the LIZ No. 1 through No. 19. These claims occur as two separate groups, one of fifteen (15) claims and the second group of four (4) claims, each of which is contiguous. These two groups are common only at one corner, consequently the contiguous chain for the 19 claims is broken. The group of four claims includes the LIZ No. 10, 11, 14 and 17, the larger group including claims 1 through 9, 12 through 15, 18 and 19.

The legal descriptions and recorded data of the claims are as follows:

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LIZ No. 4	SE/4, Sec. 15, T.3S., R.15E.	160	"	"	441
LIZ No. 5	NE/4, Sec. 15, T.3S., R.15E.	160	"	"	442
LIZ No. 6	SE/4, Sec. 10, T.3S., R.15E.	160	"	"	443
LIZ No. 7	SW/4, Sec. 11, T.3S., R.15E.	160	"	"	444
LIZ No. 8	E/2 NW/4 & NW/4 NW/4, Sec. 14, T.3S., R.15E.	120	"	"	445
LIZ No. 9	NW/4 SW/4, Sec. 14, T.3S., R.15E.	40	"	"	446
LIZ No. 10	N/2 NW/4, Sec. 23, SE/4 SW/4, Sec. 14, T.3S., R.15E.	120	"	"	447
LIZ No. 11	N/2 NE/4, Sec. 23, S/2 SE/4, Sec. 14, T.3S., R.15E.	160	"	"	448
LIZ No. 12	NE/4, Sec. 14, T.3S., R.15E.	160	"	"	449
LIZ No. 13	SE/4, Sec. 11, T.3S., R.15E.	160	"	"	450
LIZ No. 14	SW/4, Sec. 12, T.3S., R.15E.	160	"	"	451
LIZ No. 15	NW/4, Sec. 13, T.3S., R.15E.	160	5/9/67	"	452

Claim Name	Legal Description	Acres	Recorded		
			Date	Book	Page
LIZ No. 16	N/2 NW/4, Sec. 24, S/2 SW/4, Sec. 13, T3S., R.15E.	160	5/9/67	212	453
LIZ No. 17	S/2 SE/4, Sec. 13, N/2 NE/4, Sec. 24, T3S., R.15E.	160	"	212	454
LIZ No. 18	NE/4, Sec. 13, T.3S., R.15E.	160	"	212	455
LIZ No. 19	NW/4, Sec. 18, T.3S., R.16E.	160	"	212	456

Total (Including conflict area of Claim No. 2840 acres
19 & San Carlos Indian Reservation)

Travel to the property from Globe, Arizona is eastward three miles on U. S. Highway 70 (towards Safford) to south junction with State Highway 77. A right turn at this junction towards Winkelman and 14 1/2 miles travel southward the highway passes the northwest corner of LIZ No. 1 claim which is also the northwest corner of the property. (See Map No. 1). This point is also approximately halfway between highway mile post 157 and 156. (See Maps No. 1 and 2). The highway actually traverses the northwest quarter and south central portion of LIZ No. 3 claim, with highway milepost 155 in the southern half of the claim.

Access within and about the property is very limited, there being but one "jeep trail" which junctions on the east side of the highway about 0.6 miles south of milepost 154. There is a gate in the highway right-of-way fence which is locked and a key would have to be obtained from a Mr. Harry Smith, Winkelman, Arizona, who is the owner of the fee land within the claimed area. (See Claim Map No. 2).

The jeep trail traverses LIZ No. 10, No. 4, No. 5 and terminates at a spring on fee land between LIZ No. 5 and No. 8.

FACILITIES:

No facilities as gas and electricity exist on or near the property. The topography quadrangle indicates existence of three springs, one each on claims LIZ No. 7, No. 14 and No. 18.

GEOLOGY:

The property is located on the northern portion of the southwestern flank of the Mescal Mountain range which has a northwest trend. There are many sedimentary dip slopes cut by southwest trending, steep, young erosion canyons which usually provide a fairly good stratigraphic section of the sediments where so cut by the canyons.

Geology of the claimed area is quite simple, being for the most part the outcropping of Cambrian (t) sandstone and Troy quartzite, overlain by Carboniferous and Devonian (CDI) limestone, shale and sandstone and includes the Pennsylvanian Naco formation, Mississippian Redwall limestone and Devonian limestone and sandstone.

The sediments in the general area of the claims have been tilted during the mountain building period such that their general strike is NE with a dip of 20° SW, this creating in part the dip slopes which are very conspicuous by their presence.

Rocks in the area of the claims are classified on the County Geological Map as (CDI), Carboniferous-Devonian sediments of limestones, shales and sandstones which are underlain by (t), younger Precambrian, Cambrian and Devonian sediments, also as limestones, sandstones and quartzites, all of which form the northwest trending Mescal Mountain range. The claims cover the south center slope of this range for approximately 3 plus miles along its northwest trend. Within this area are many beds of limestone, sandstone and quartzite.

A lithographic sequence of these sediments, commencing with the older age, most northern rock, is the:

Troy quartzite	t	Late Precambrian-Cambrian
Martin limestone	ml	Upper Devonian
Escabrosa limestone	ce	Lower Mississippian
Naco limestone	ca	Pennsylvanian
Whitetail conglomerate	tv	Tertiary

The northern tier of claims (LIZ Nos. 1, 6, 7, 13 and 14) in part cover the contact between the Troy quartzite and the Martin limestone near the base of the northwest trending escarpment forming the "high points" of the range. (See Photo No. 1). From the "high ridge" the various limestone formations are tilted southwestward at dips equal to or slightly more than the slope of the range. (See Photo No. 1).

Several narrow, young south and/or southwest trending canyons cut deeply into the formations exposing their true thicknesses and physical characteristics (See Photo Nos. 1, 2 and 3). Progressing from the range crest southwestward down the hill slope, the contact between the Escabrosa limestone and the Naco limestone is quite traceable at an elevation of about 4,100 feet on LIZ No. 12 claim to an elevation of about 3,800 feet or less on LIZ No. 2 and No. 5 claims. (See Photo No. 1 and Geological Map No. 3).

For the most part, the various formations and their included beds follow in the respective geological positions with strikes of N. 70° to 80° E. Local conditions of anticlinal structures tend to vary the norm strike as well as the norm dip of 20° to 25° to the south. Some westerly trending faults may, by movement, interrupt to some degree the apparent stratigraphic continuity. The major structural feature appears to be a N. 20° W. striking fault which forms the deep eroded main canyon a short distance west of R. S. Spring and which traverses the eastern portion of LIZ No. 13 claim. (See Geology Map No. 3 and Photo No. 1).

The deeply eroded El Capitan canyon traversing the western portions of LIZ claims No. 1 and No. 2, just east of Highway 77, (See Geology Map No. 3 and Photo Nos. 2 and 3), provides an excellent visually observable stratigraphic section of the Escabrosa limestone and its underlying component, the Martin limestone.

Seven surface outcrop samples were taken by the writer to provide some information as to the lime and impurity content of the various exposed beds in this particular area. (See Sample Map No. 4). The lime and impurity results and rock (bed) descriptions are shown below:

Sample Number	Sample-Rock Description	% L.O.I.	% Total CaO	% Silica, R ₂ O ₃ , other
1272	Chip sample of outcrop just above sandstone bed. Rock is dark gray, weathers to light gray, some very thin chert seams. Med. to fine grained.	45.30	32.88	21.82
1273	Chip sample of outcrop of bed above sample 1272. Rock is medium gray, medium grained, weathers to light tan or cream.	44.05	32.22	23.73
1274	Chip sample of outcrop above a dark tan or cream bed of sandstone--or very siliceous material. Rock is brownish, very light gray at top of bed, but much darker at base. Fine to med. grained.	43.65	55.98	0.37
1275	Chip sample of outcrop. Rock is medium gray, weathers about same color, perhaps a little lighter, quite crystalline. Sample is of bed immediately below vertical wall in El Capitan Canyon on the east side.	43.93	54.68	1.38
1276	Chip sample of outcrop which is part of the vertical wall exposed in El Capitan Canyon on the east side. Sample taken from knob on west side of canyon. Rock is brownish to dark gray, weathers white to very light gray, quite fine grained. Bed is at base of vertical wall probably part of Escabrosa limestone.	43.20	54.89	1.91
1277	Chip sample of outcrop. Rock is light gray, fine grained, weathers light gray and is bed above sample 1276. Contains some chert, but minor amounts.	43.10	54.02	2.88
1278	Chip sample of outcrop in N. 70° W. gully just west of El Capitan Canyon. Is probably bed of Naco limestone formation. Rock is light gray, weathers light gray and is on top of yellow tan stained bed. Contains brown chert nodules or lenses, medium grained.	42.98	54.23	2.79

Assays of the above samples were completed by Paul Lime Plant, Inc. The impurity column includes silica, alumina, magnesium oxide, iron oxide, etc.

The last five samples show excellent total calcium oxide (CaO) values and these samples represent limestone beds aggregating an estimated 150 foot thickness for the Escabrosa limestone series of beds. Drill hole penetrations and sampling would be required to substantiate such thickness, continuity and purity.

EXPLORATION:

Exploration and/or development of the limestone property includes down-the-hole-hammer drilling of four holes, (January 1972) and so located as shown on Drill Hole Map No. 5. These locations were re-plotted from a print of a map by Geologist Dirk Den-Baars dated April 16, 1972/ The re-plotted positions indicate drill holes K-1 and K-2 were drilled in the SW/4NW/4 of Section 14 which actually is "Fee" land. It appears also that the quarter corner between Sections 14 and 15 on this print is mis-labeled by having the Section numbers reversed.

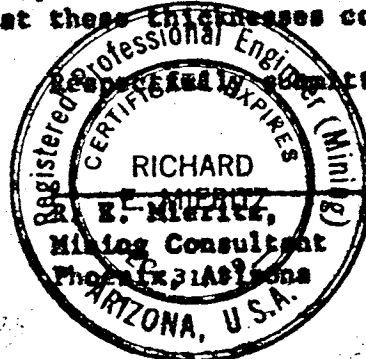
The sample results of these holes, as averages, are shown on the Drill Hole Section Map No. 6. Results of individual samples and geologic descriptions are of record in a report dated April 25, 1972 by Dirk Den-Baars and the writer sees no reason of importance for duplicating such information here.

Drill Holes K-1 and K-2 showed several intersections of good limestone, thus confirming to some extent the results of the last five samples taken by the writer. Drill Holes K-3 and K-4 were void of any good limestone beds, thus, no averages shown on Map No. 6. Based on the drill results and the writers sample results, the target area for development of large tonnage reserves of good lime content and with little to no overburden problems should be on LIZ claims No. 1, 6 and 7.

POTENTIAL LIMESTONE RESERVES:

No appreciable measured or indicated limestone reserve exist on the property due to the very minimal and limited exploration completed.

An inferred tonnage can be estimated by mere observation of the geological evidence on the ground. As mentioned earlier, the immediate potential area are claims 1, 6 and 7. Using 400 acres as an available area, a factor of 1,452,000 tons per foot of depth for the 400 acres could be assumed. Thus, 70,000,000 tons of limestone could be inferred for a 50 foot depth or thickness, or, 108,880,000 tons for a 75 foot depth or thickness. The writer suspects that these thicknesses could have a lime content averaging 54.5% CaO.



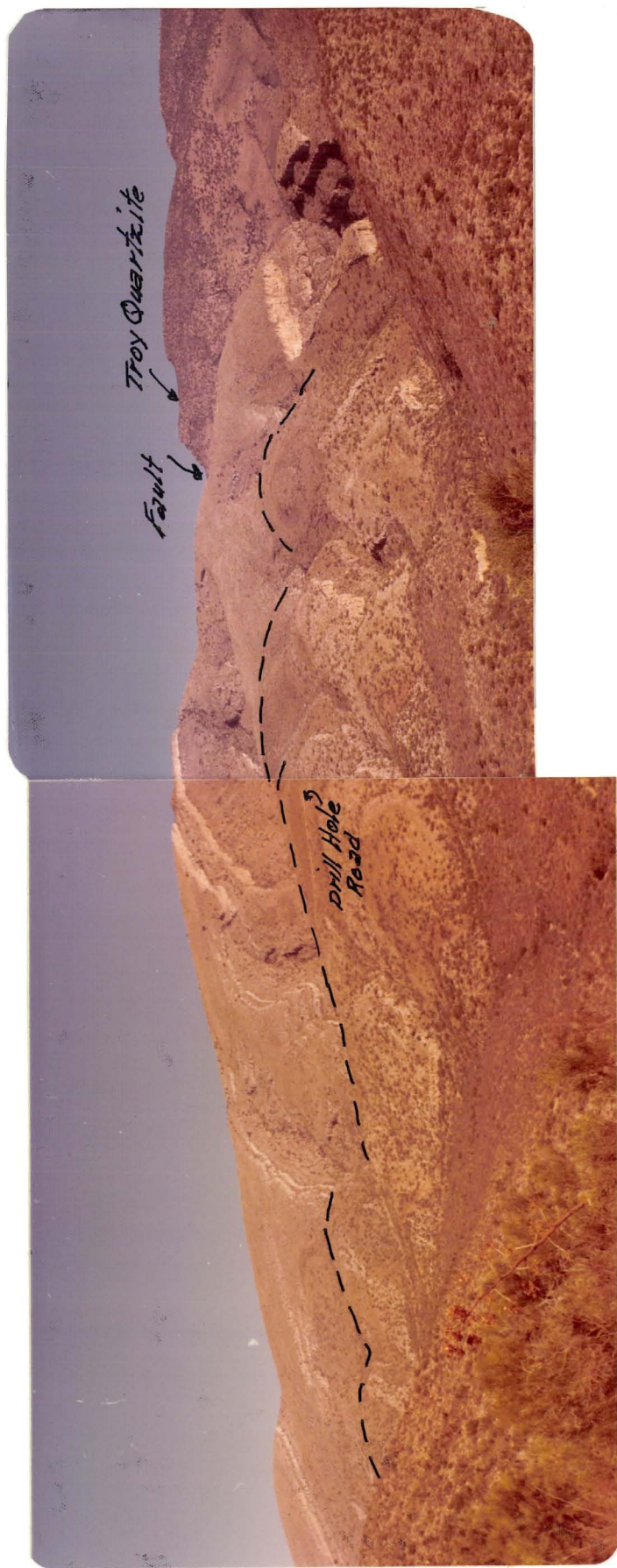


PHOTO No. 1

Panoramic view of south slope of Mescal Mountain Range taken from a point on the Jeep trail (See Geologic Map no. 3) and looking Northwest-North and Northeast onto LL claims nos. 1, 2, 5, 6, 7, 8, 12, 13 and 14. Showing the Becebrose limestone (light tan color) and the lace limestone (slightly darker tan) near base of slope. The major N. 20° W. fault is in back of the main canyon on the right side of the view. The Troy quartzite shows in the very upper right hand corner.

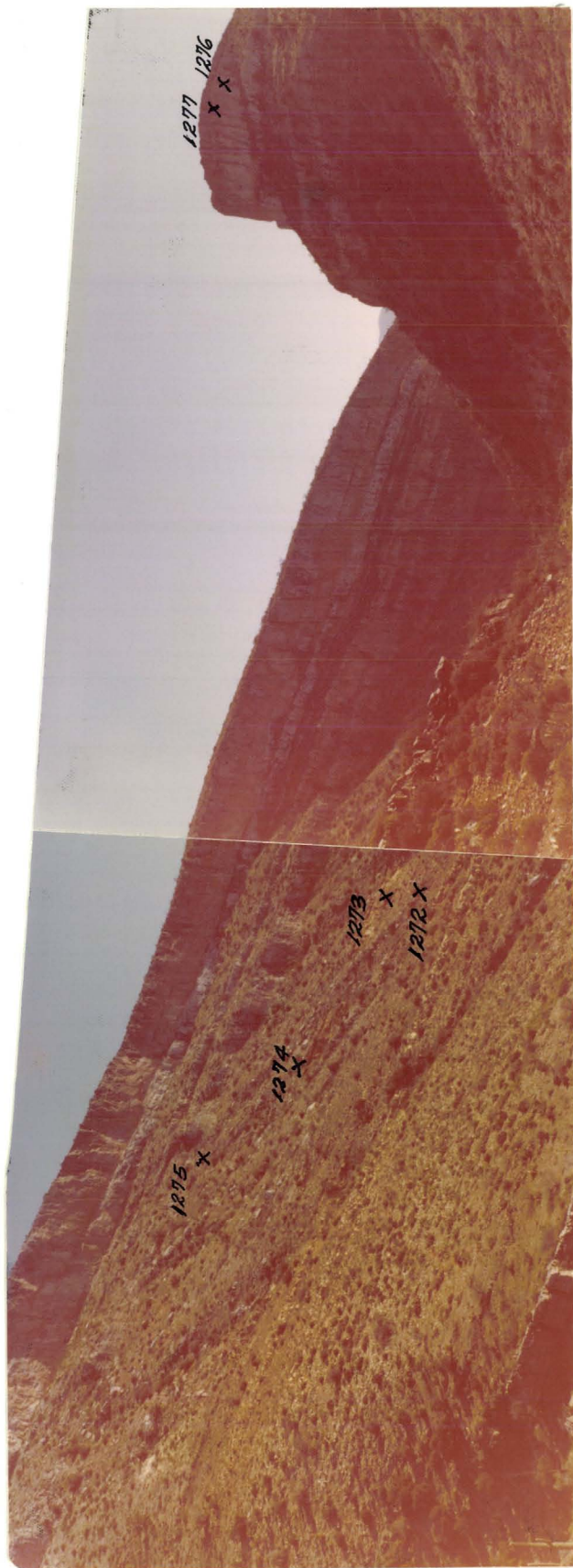


PHOTO No. 2

Panoramic view of El Capitan Canyon in southern portion of LIZ claim No. 1 taken from point on U. S. Highway 77 near northwest corner of LIZ claim No. 1 and the northwest corner of the LIZ property, looking Southeast and exposing the various bedding and/or layering of the Escabrosa limestone as well as the Martin limestone and Troy quartzite. Locations of some samples taken by the writer are also shown.

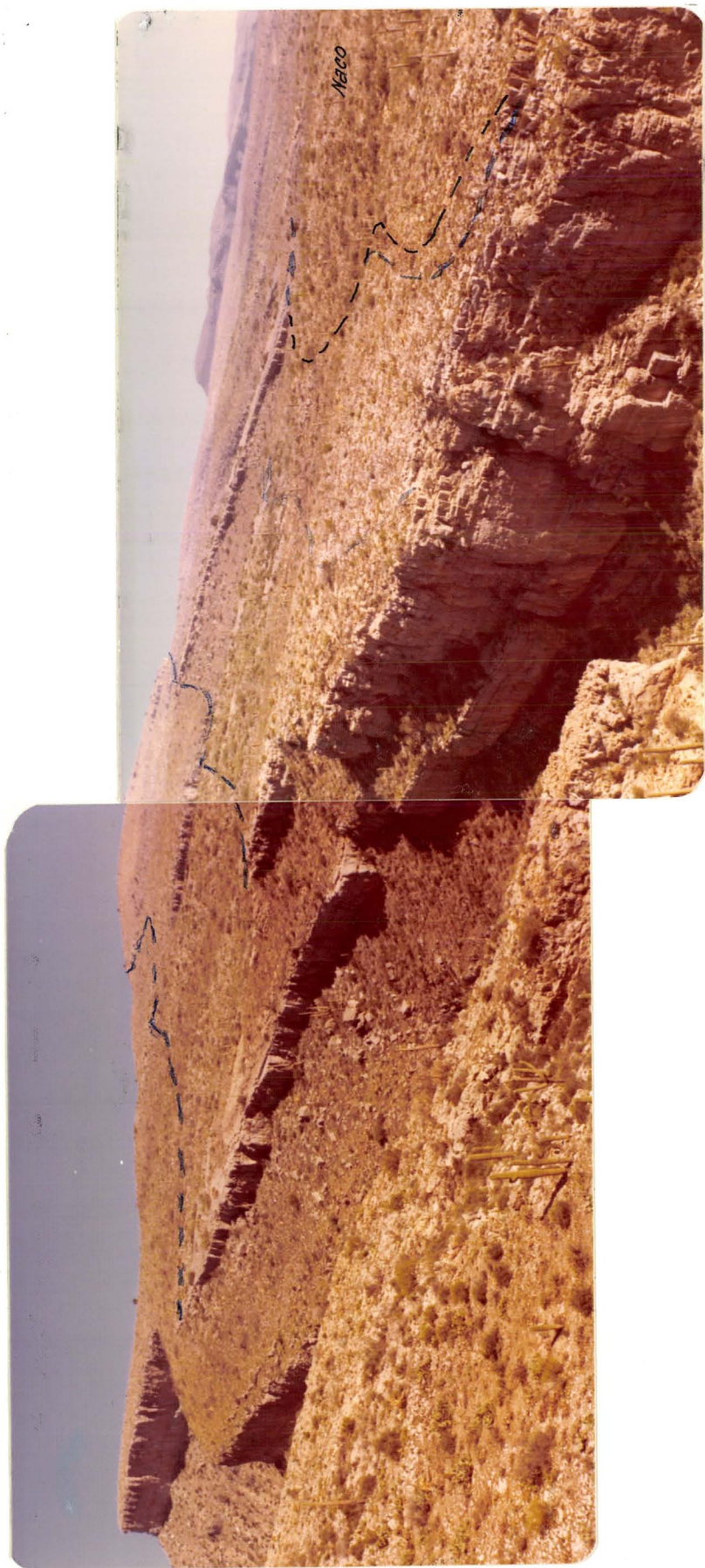
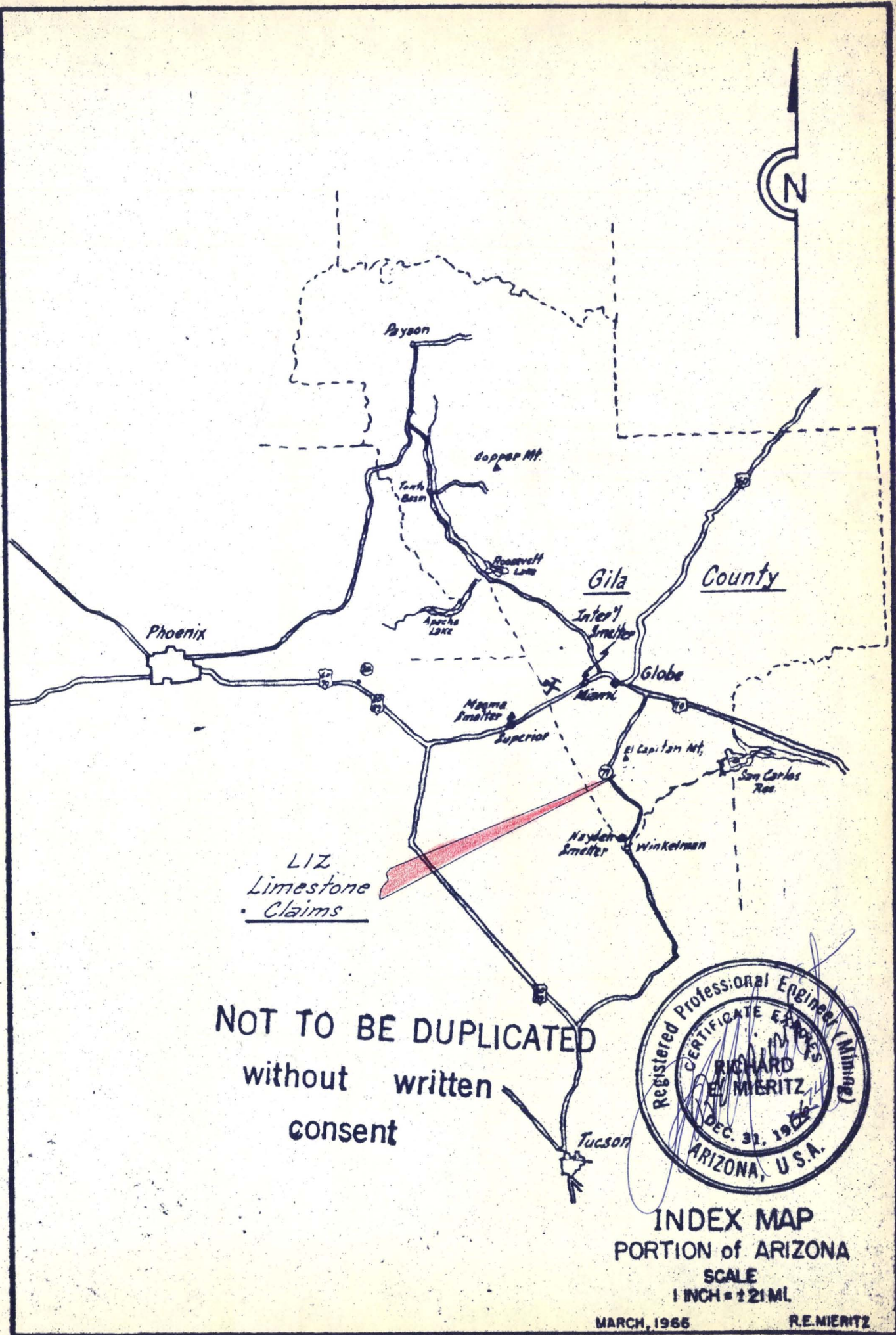


PHOTO No. 3

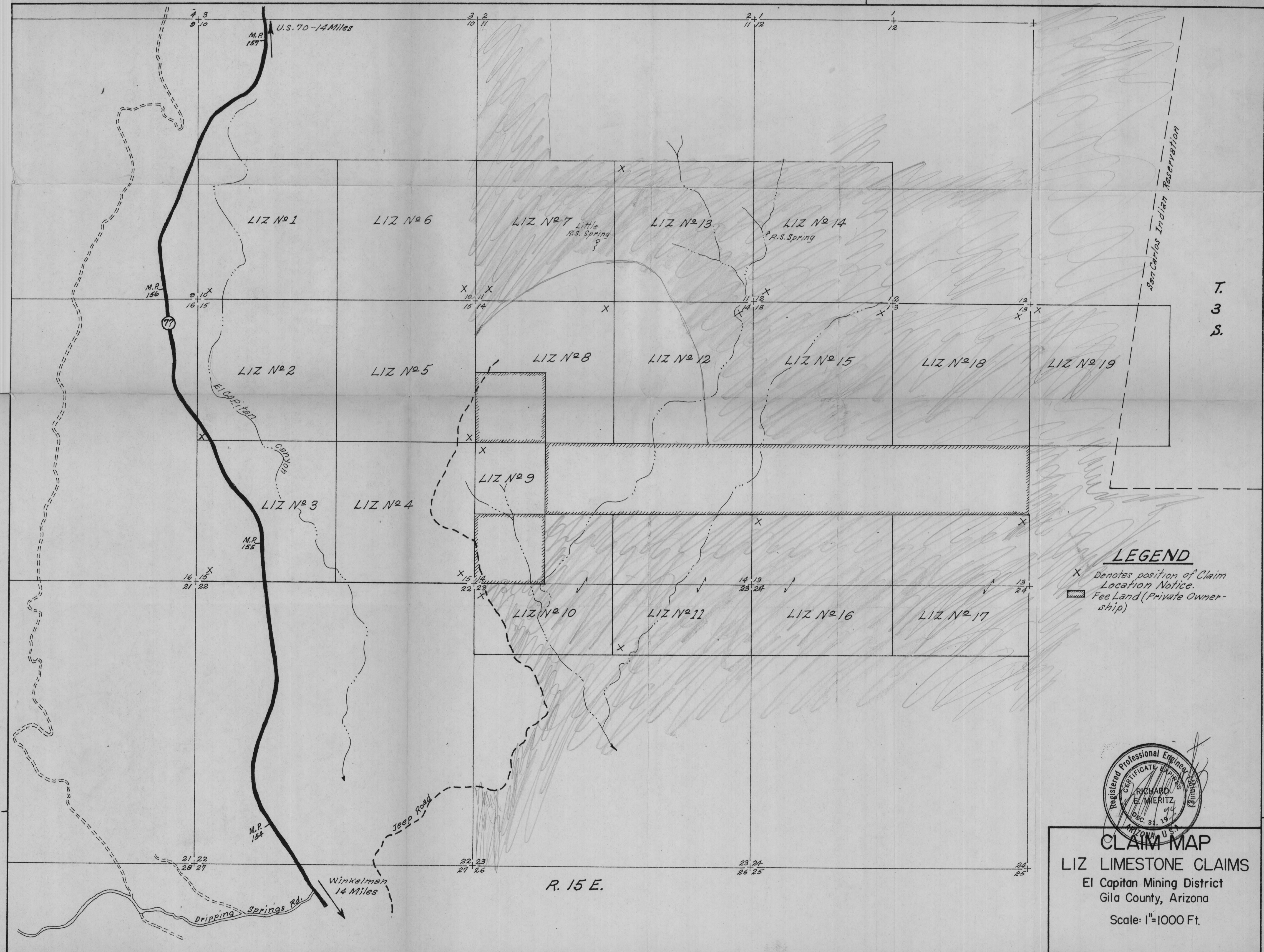
Panoramic view of El Capitan Canyon in northern portion of Láz Claim No. 2 taken from point near west wall of canyon edge looking northeast up the canyon east wall of the canyon as well as the general slope of mountain toward the east. View shows the continuity of the Escabreas beddings.. The Naco limestone appears near the right edge center of the Photo.



MARCH, 1965

R.E. MIERITZ

MAP No 1



LEGEND

- X Denotes position of Claim Location Notice.
- Fee Land (Private Ownership)

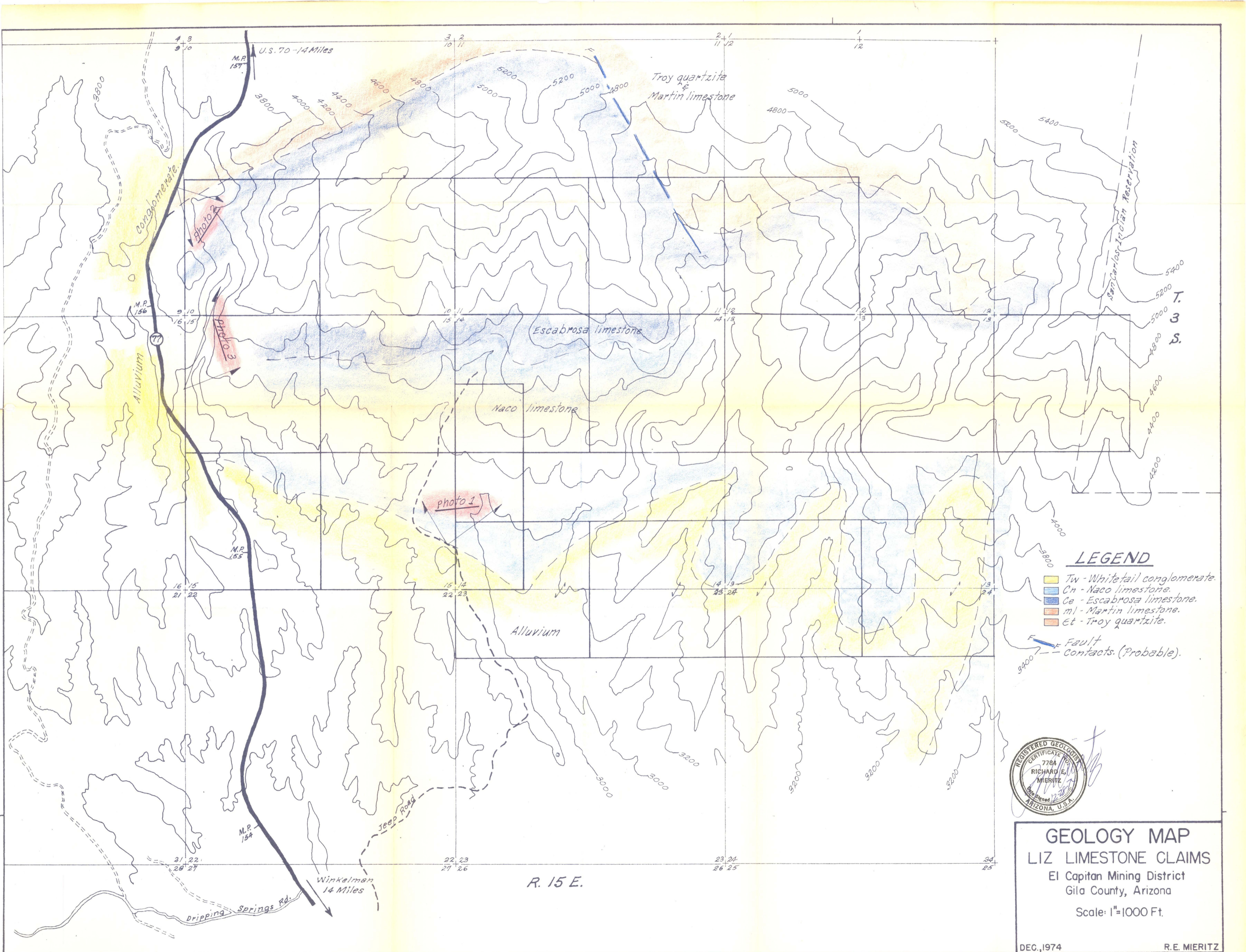


CLAIM MAP
LIZ LIMESTONE CLAIMS
El Capitan Mining District
Gila County, Arizona
Scale: 1"=1000 Ft.

DEC, 1974

R.E. MIERITZ

MAP No. 2



LEGEND

- Tw - Whitetail conglomerate.
- Cn - Naco limestone.
- Ce - Escabrosa limestone.
- Ml - Martin limestone.
- Et - Troy quartzite.

F - Fault
--- Contacts. (Probable).

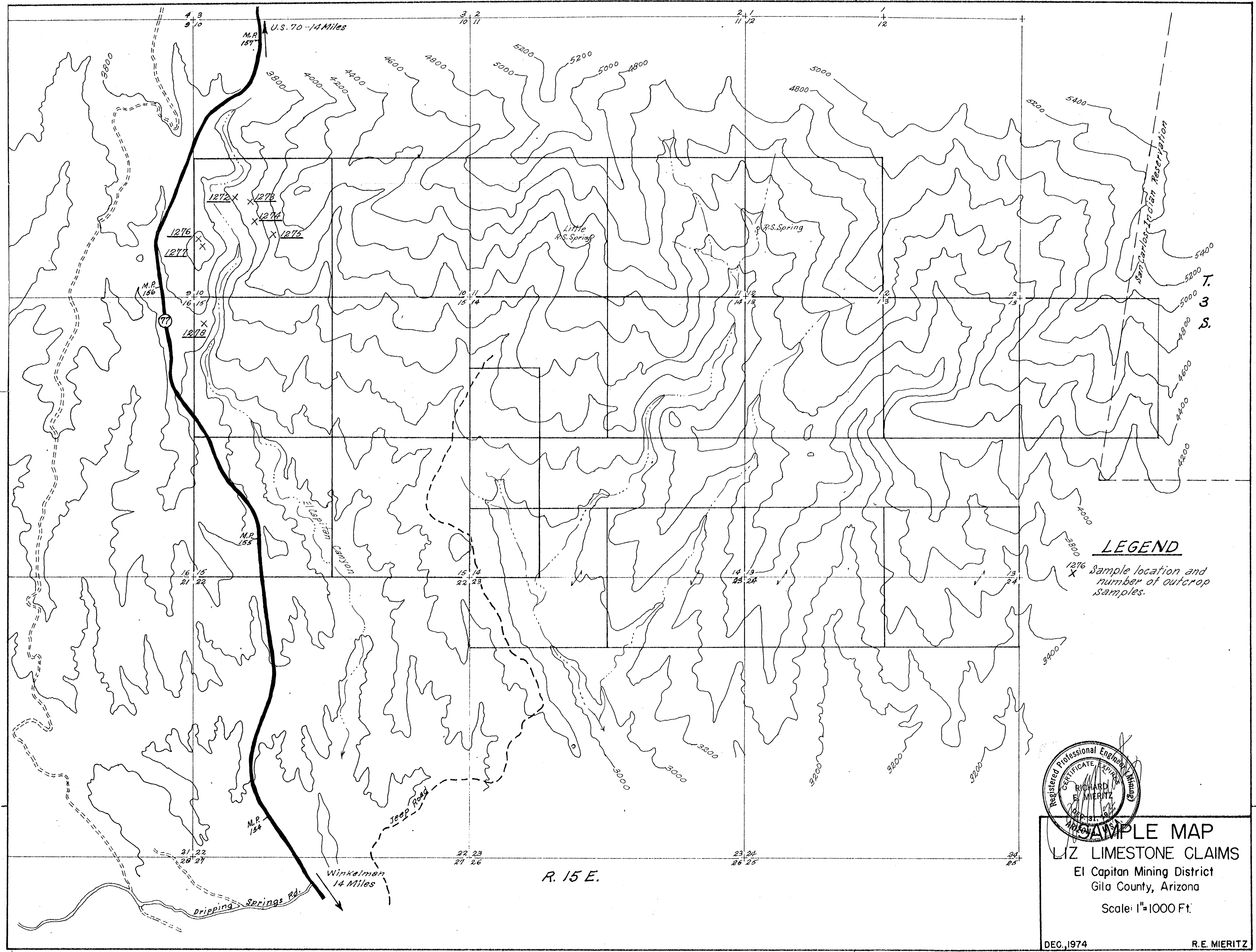


GEOLOGY MAP
LIZ LIMESTONE CLAIMS
El Capitan Mining District
Gila County, Arizona
Scale: 1"=1000 Ft.

DEC, 1974

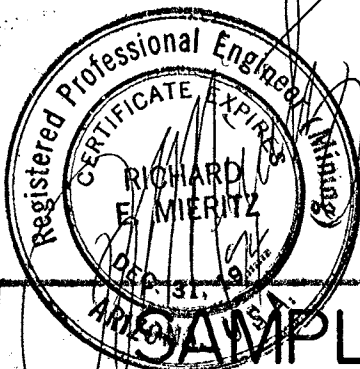
R.E. MIERITZ

MAP No. 3



LEGEND

1276 X Sample location and number of outcrop samples.

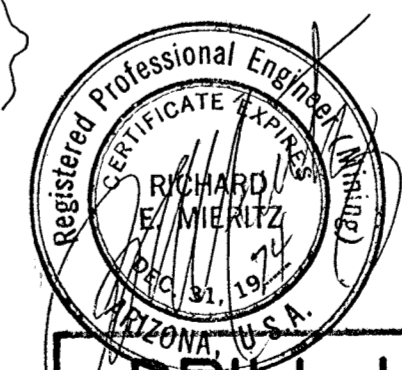
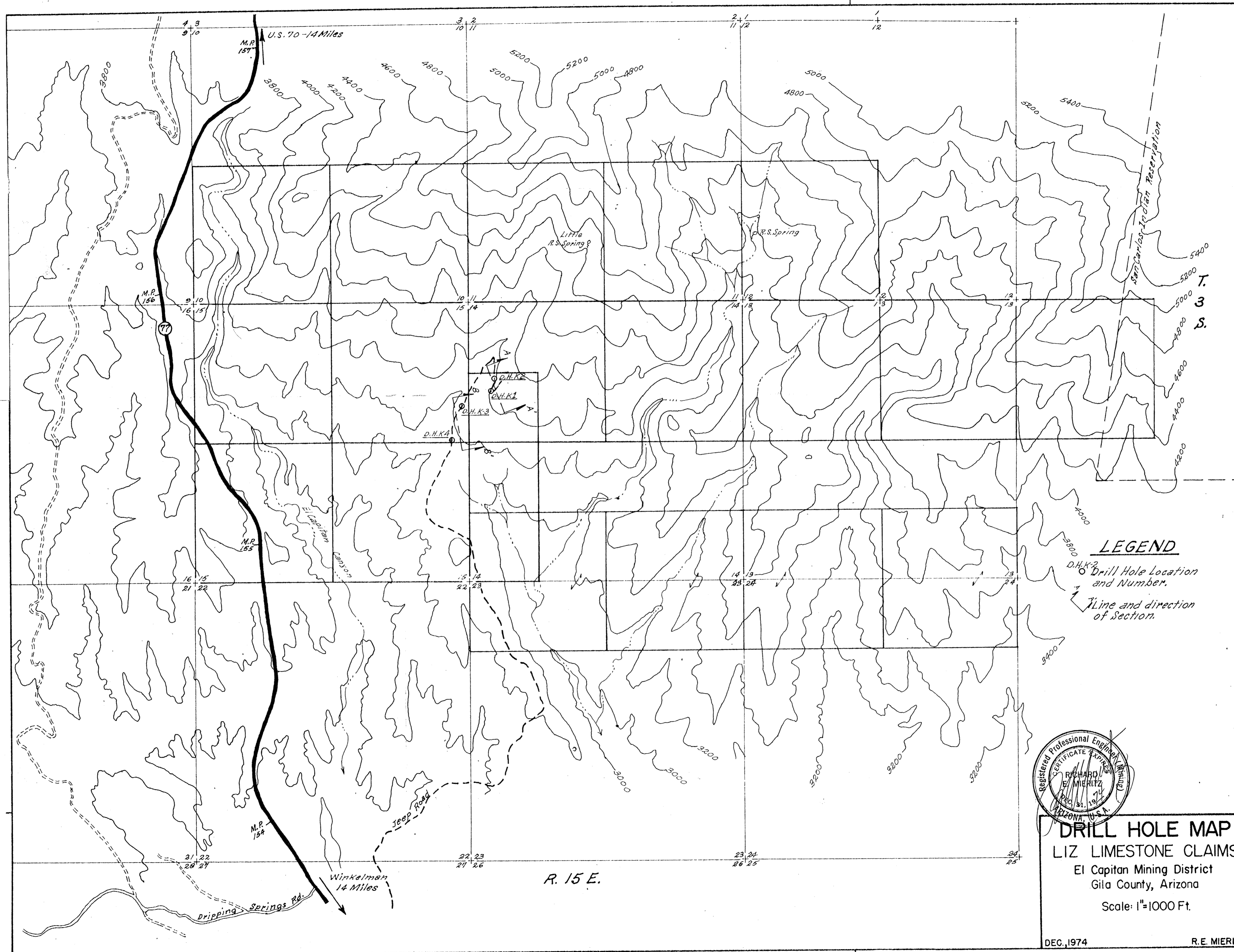


SAMPLE MAP
LIZ LIMESTONE CLAIMS
El Capitan Mining District
Gila County, Arizona
Scale: 1"=1000 Ft.

DEC, 1974

R.E. MIERITZ

MAP N^o 4



DRILL HOLE MAP
LIZ LIMESTONE CLAIMS
El Capitan Mining District
Gila County, Arizona
Scale: 1"=1000 Ft.

DEC. 1974

R.E. MERITZ

MAP No. 5

PAUL LIME

DIVISION OF CAN AM CORPORATION

PAUL SPUR, ARIZONA

July 9, 1976

ADDRESS MAIL TO:
DRAWER T
DOUGLAS, ARIZONA 85607

TELEPHONE VIA DOUGLAS
AREA CODE 602
364-2429

Richard E. Mieritz
2940 N. Casa Tomas
Phoenix, Arizona 85016

Reference: Liz Claims

Dear Dick:

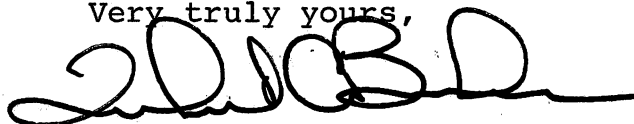
I would greatly appreciate your working out a proposed schedule for coring and geological evaluations of the above referenced claims.

In working out the above, please keep foremost the thought of accessibility of high quality material together with the near proximity to a good plant site. We might have to suffer a little on plant site location but whenever possible, keep this thought in mind.

Upon receipt of your proposal we can get together and further discuss going ahead with the over-all plan. It might be well for you to obtain quotes on coring, etc.. All testing can be carried out in our lab here in Paul Spur.

This letter should constitute approval of charges for your services as required to prepare the necessary proposal.

Very truly yours,



Robert A. Barbero
President
Can-Am Corporation

CC: Sherwood Owens

RAB:hb

xxxxxxxxxxxxxxxxxxxx
* 16
2940 N. Casa Tomas

July 16, 1976

Mr. Robert M. Barbero, President
Can-Am Corporation
Drawer T
Douglas, Arizona, 85607

Dear Mr. Barbero:

Herewith the original and three copies of my Report covering the proposed exploration required on the LIZ claims in Gila County, Arizona as requested in your letter of July 9, 1976.

I have given the subject much thought and consideration and feel what I have presented and outlined in the Report is the best possible route to follow since, in essence, we really know little about the property except in a general way. Basically, we have little fact or concrete evidence we can point to and say this is it. We must get the facts.

The program is so designed that if any phase should not materialize as hoped, there would be sufficient evidence to condemn the property. I have firm convictions in my mind that this would not happen, but it is best to be somewhat pessimistic at this early stage. If down the line we must condemn it, the shock would not be all that great.

If I am selected to accomplish and complete the overseeing of the program, while in the field I would definitely be on the lookout for the most likely plant site with regard the location of the potential deposit and access to the Highway west of the property.

Unless the material fails in the crushing tests, burning tests or reactivity tests, I have little doubt that a 20,000,000 ton reserve is inevitable.

Hope the Map I provided through Mr. Owens has been helpful to you in determining consumptions of lime at the various mines and smelters.

Sincerely yours,

cc: Sherwood B. Owens

R. E. Mieritz

A
PROPOSED PROGRAM REPORT
for
EXPLORATION and DEVELOPMENT
of the

LIZ LIMESTONE CLAIMS

in
Gila County, Arizona

by

Richard E. Mieritz
Mining Consultant
Phoenix, Arizona

July 16, 1976

TABLE of CONTENTS

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PAST EXPLORATION	1
AREA ANALYSIS	1
PROPOSED EXPLORATION and SCHEDULING	2
ESTIMATED EXPLORATION COSTS	4

Included Exhibit:

Map No. 1 - Sample Map, LIZ Limestone Claims

INTRODUCTION:

Mr. Robert A. Barbero, President, Can-Am Corporation, Douglas, Arizona, by letter of July 9, 1976, has requested and authorized the writer to propose a designed plan and schedule for an exploration program to test and explore the LIZ limestone claims, held by Can-Am Corp., in T. 3 S., R. 15 E., Gila County, Arizona, approximately 17 miles south of Globe, Arizona, or approximately 15 miles north of Winkelman, Arizona, immediately east of State Highway 77 which connects Globe with Winkelman.

HISTORY:

Nineteen Placer claims totaling 2,840 acres have been held by right of location and assessment work since year 1967. LIZ No. 20 claim (40 acres) was located by the writer and Quit deeded to Can-Am Corp. in November 1976. This claim was necessary in order to make all claims of a contiguous nature.

PAST EXPLORATION:

Exploration to date has been sporadic because it was accomplished through the annual assessment route on a yearly basis. This plan produced and isolated two areas of "work done". (See included Map.)

Exploration work completed thus far includes:

- (1) Access road construction and later some road restoration.
- (2) Early diamond drilling of four holes in the vicinity of LIZ No. 8 and No. 9 claims. Two holes encountered three separate 30 foot beds of good limestone but were separated by 10 to 20 foot beds of poor limestone.
- (3) In 1974, the writer took seven surface samples in the vicinity of LIZ No. 1 and 2 claims of which five showed very good to excellent lime values.
- (4) In 1975, the writer took eight surface samples in and around the area of the early drill holes (LIZ No. 8 and 9 claims) and caused some drill roads and drillsites to be constructed.

The results of the completed exploration thus far only provide some good and bad indicators. The amount of exploration is not sufficient at this time to make comprehensive, positive correlations for a massive volume calculation.

AREA ANALYSIS:

As mentioned earlier, two areas were the recipients of limited exploration work. The area in the vicinity of LIZ No. 8 and 9 claims has surface samples and some drilling. In the writer's opinion, the area covers in part the Naco limestone formation which appears to be stratified with "good and bad" limestone beds as indicated by the intercepts of drill holes K-1 and K-2. A lime deposit developed in

- this area, in this formation, could well be an expensive, selective mining method operation which the writer believes should be avoided if possible.

The area in the vicinity of LIZ No. 1 and 2 claims covers in part what the writer believes to be the Escabrosa limestone formation. Here, in 1974, the writer took seven outcrop samples and attempted to sample the formation over much of its thickness. (See included Map.) The seven samples cover a vertical thickness in excess of 100 feet. The last five of these samples had good to excellent results, in fact better than what was intercepted in the drill holes and the outcrop samples taken by the writer in the other area around LIZ No. 8 and 9 claims.

Visual observation of the formation in the area of LIZ No. 1 and 2 claims indicates massiveness, a characteristic of the Escabrosa formation, as well as a high purity lime. Admittedly, the seven samples do not test the formation foot by foot as a drill hole, but the writer believes the results are indicative of what purity lime may be available in this area and that the sample results justify further consideration of exploring and testing.

The claims cover a very large area - an average of 16,000 feet long and 8,000 feet wide. Can-Am desires a 20,000,000 ton reserve of high quality crude limestone. Such a reserve, with a 60 foot thickness, has surface dimensions of only 2,000 feet by 2,000 feet, a relatively small area compared to that which is covered by the claims. The smaller area - limestone reserve potential - must be isolated. This can be done to some extent by visual observation and geological consideration of the formation's physical characteristics of massiveness, silica intrusions, crystallinity, fractures, bedding and the like. The proof of usable material is, of course, the chemical assaying and the physical testing of the material such as crushing characteristics, burning characteristics, degree of reactivity of the final product - lime - for use by the copper mills, etc.

PROPOSED EXPLORATION and SCHEDULING:

The foregoing, although somewhat detailed but yet generalized, was necessary to provide the foundation, justification, and the "why" for the exploration program and scheduling step by step, herein proposed by the writer. Submission of the proposed program has considered the following phases:

- (I) Isolation of an area considered "tops" for the claimed area.
- (II) Bulk Sampling for metallurgical testing of crushing characteristics, burning characteristics, reactivity characteristics of the lime product, etc.
- (III) Reconnaissance Drilling (wide space) initially to determine formation continuity grade-wise, structure-wise, etc.
- (IV) Development Drilling (fill-in, closer space) to delimit the potential reserve to permit proper, economical mine planning and operation, and
- (V) Plantsite location.

The area favored by the writer for the above program is that covered by LIZ No. 1, 2, 5 and 6 claims. Here is exposed the Escabrosa limestone formation and here also - in El Capitan Canyon - five good to excellent samples were taken by the writer in 1974.

Phase I - Surface Sampling - This can best be accomplished by the taking of outcrop samples in horizontal and vertical directions on the surface and the walls of the canyons where accessible. Sampling the surface should be completed on a grid pattern where possible and in the canyon walls at successive heights - an improvised drill hole so to speak. Thirty to fifty samples might be required. The location of the samples taken should be marked on the ground and flagged. If the results of the samples taken are not satisfactory, the same program should move forward to LIZ claims No. 7, 8, 12 and 13. If the results of the initial samples are satisfactory, then Phase II - Bulk Sampling - should commence.

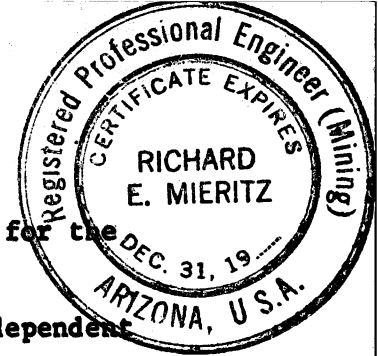
Phase II - Bulk Sampling - At least four, possibly eight, samples should be taken to Can-Am's specifications (piece size, amount, etc.) so Can-Am can complete crushing tests, burning tests, reactivity tests of the prepared lime and any other tests required to determine the suitability of the crude material for the product to be made. This phase should not commence until Phase I has indicated a sufficiently large area which could contain at least a 20,000,000 ton crude limestone reserve of good to excellent quality.

Phase III - Reconnaissance Drilling - should move forward only after Phases I and II have indicated favorable results which can answer any questions or possible problems which may arise. Twelve 200 foot diamond drill holes should be considered for completion of Phase III. Such holes should be spaced on a 500-600 foot regular grid spacing where possible. Five holes or 1,000 feet would be a minimum required to determine whether the lime content and formation continuity are of such degree to minimize any problems or questions as regards the source or area to be utilized as the crude material. The twelve hole program should be completed if the first five holes prove to be satisfactory.

Phase IV - Development Drilling - is a continued program of drilling to "block out", grade-wise, the indicated crude material deposit. This can best be done using the cheaper down-the-hole hammer drilling or air-trac percussion drilling. Sample lengths should be five feet, rather than the customary ten foot length.

Having once proven the existence of a good limestone deposit through the execution of Phases I through IV, a plantsite location can be chosen which would be favorable to the developed limestone deposit. Such plantsite selection is, time-wise, "down-the-line" and would be premature at this time. However, the banks of El Capitan Canyon or the banks of some of the tributary canyons are likely locations.

Time-wise, the proposed schedule, Phases I through IV, could consume six months or more of activity on the property, in the laboratory, in the office. The writer can only provide approximate estimates of time because of the uncertainty and unpredictable exploration and



testing activity required.

The following is an approximate estimate of time required for the four Phases if carried to completion:

Phase I - Surface Sampling - From two to four weeks dependent on the extent of area to be covered.

Phase II - Bulk Sampling and Testing - Sampling would require about one week dependent on the area and the accessibility to sample area. A half month for testing.

Phase III - Diamond Drilling - One and a half to two and a half months would be required to drill twelve 200 foot holes and perhaps an additional half month for office work.

Phase IV - Development Drilling - Down-the-hole hammer or percussion drilling is quite fast, however, the number of holes required is dependent on the lime assays consistency or inconsistency of correlation from hole to hole. A complete program of 100 holes, 200 feet each, could require about five months.

As a continuing program for the above four Phases, assuming satisfactory results for each Phase, Can-Am is thus looking at a ten month period for development of the deposit.

ESTIMATED EXPLORATION COSTS:

Phases I and II are absolutely pre-requisites to Phases III and IV, and must be thoroughly and satisfactorily completed to determine the negative or positive worth of the property. Both Phases involve field labor (professional for the first Phase, professional and unskilled for the second Phase) as well as the utilization of Can-Am's laboratory.

The writer's cost estimates for the purpose of this report do not reflect the charges Can-Am might assign to the Project for the laboratory work necessary to assay and test the various types of samples obtained. This "costing" stipulation would apply to all four Phases, the writer's estimates only considering the "outside" costs.

Assuming the Project went the distance of completing the four Phases as outlined, the estimated costs might be:

	For Phase	Accumulated Total
<u>Phase I</u>		
Four weeks Sampling, professional person, expenses, etc.	\$ 3,500.-	
	\$ 3,500.-	\$ 3,500.-
<u>Phase II</u>		
Bulk Sampling, one week professional person, laborer, travel expenses, etc.	1,300.-	
	\$ 1,300.-	\$ 4,800.-
<u>Phase III</u>		
Dozer work, access road and Drillsite construction	\$ 7,000.-	
2,400 feet diamond drilling @ \$15.00/ft.	36,000.-	
Supervision, professional person, 3		

(three) months and expenses

10,200.-	
<u>\$ 53,200.-</u>	<u>\$ 58,000.-</u>

Phase IV

Dozer work, additional access road
and drillsite construction
20,000 feet percussion type drilling
@ \$12.00/foot
Supervision, professional person,
expenses, 5 (five) months

\$ 3,500.-	
240,000.-	
14,500.-	
<u>\$ 258,000.-</u>	<u>\$ 316,000.-</u>

25% contingencies

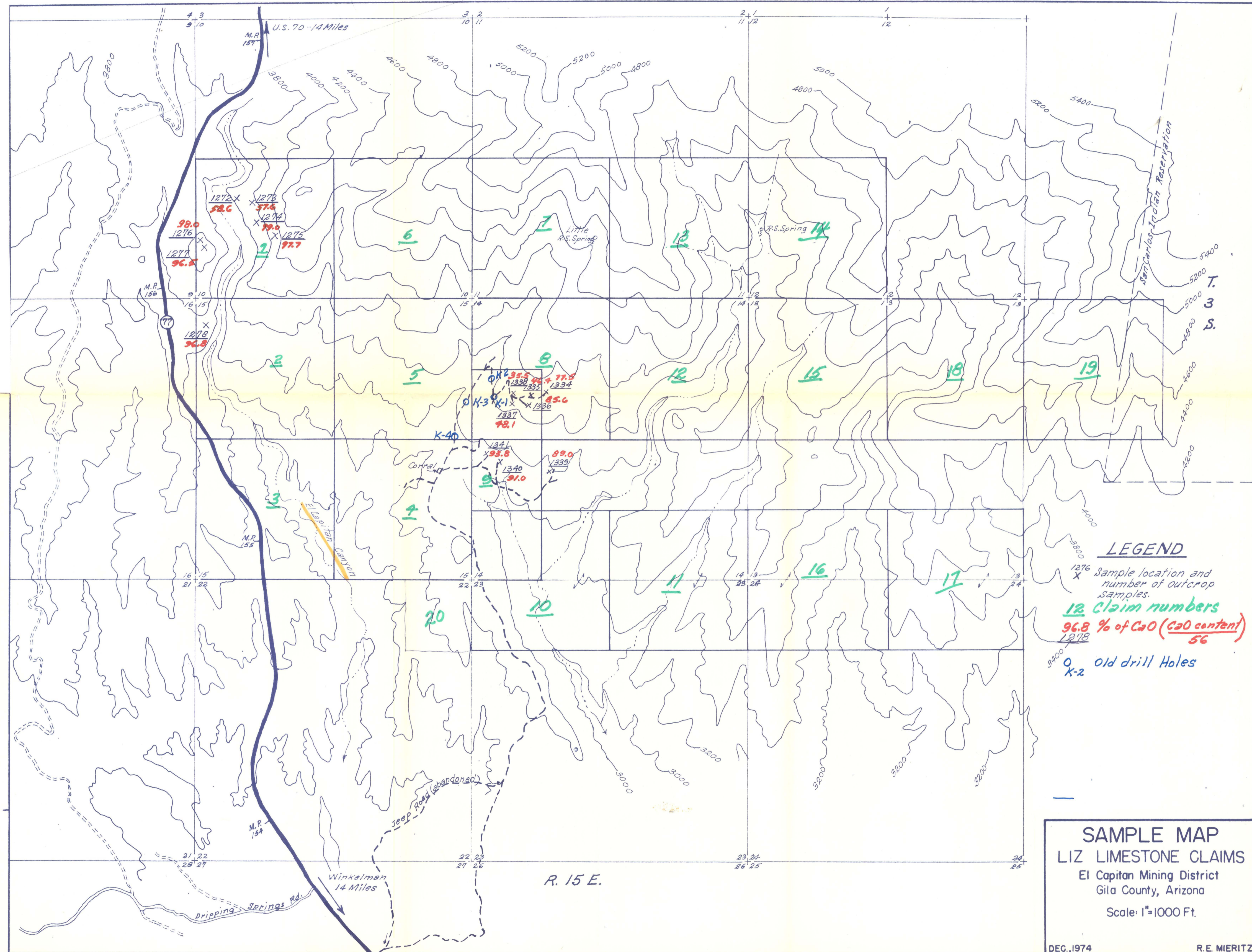
\$ 75,000.-	
<u>\$ 75,000.-</u>	<u>\$ 391,000.-</u>

The total estimated expenditure of \$391,000.- would, at first glance, appear to be high for a limestone deposit, but if such exploration proved 20,000,000 tons of excellent limestone, the exploration cost is but \$0.02 per ton of limestone or \$0.04 per ton of lime. The gross worth of the deposit - in place - would approach \$150,000,000.- assuming a \$15.00 value per ton of lime.

Respectfully submitted,

R. E. Mieritz
Mining Consultant
Phoenix, Arizona

July 16, 1976



REPLY TO:

XXXXXXXXXXXXXXXXXXXX
XXXXXXXXXXXXXXXXXXXX
TELEPHONE (602) 277 6053

2940 N. Casa Tomas
Phoenix, AZ 85016

Richard E. Mieritz

MINING CONSULTANT

ARIZONA REGISTERED
MINING ENGINEER AND GEOLOGIST

GEOLOGY
EXPLORATION
EVALUATION
FEASIBILITY
OPERATION

Robert Barbero, President
Can-Am Corporation

Dear Mr. Barbero:

With the receipt of your September 9th letter, the writer has moved forward to analyze the results of the 24 surface samples taken by the writer on August 6 and 7, 1976.

The purpose of the sampling program was basically to test a portion of the outcropping limestone beds in a small accessible area of the LIZ claims and if possible to isolate those beds or formations which would be a good to excellent crude material to produce a satisfactory and marketable lime product.

During our visit to the LIZ claims on August 3rd, it was decided to concentrate the initial sampling on the outcropping limestones between the highway and El Capitan Canyon, or claim-wise, in the area covered by the western half of LIZ No. 1 and No. 2 claims. It is here - and elsewhere - that portions of the Naco and Escabrosa limestone formations outcrop and are quite accessible.

SAMPLING:

Twenty-four samples, in a grid type pattern, were taken. These samples fall into two groups: those which were taken strictly from surface rock-in-place exposures and those taken at the crest of a bank or cliff where a vertical sample of 5 to 8 feet was taken from the cliff face where it was possible to do so. All samples taken are, of course, subject to any weathering effects which might have been present. Such effects could possibly reduce the calcium and magnesium content through leaching or bleaching. Samples taken in "unweathered rock", - drill holes, etc. - could show content improvements.

Samples were taken by the writer to provide negative as well as positive information. Twelve of the 24 samples have been determined by Mr. Brinker to be equal to or better than the limestone currently being used at Paul Spur. These twelve samples showed good burning characteristics, cryptocrystalline in character, non-decrepitating and hydrate satisfactorily. Mr. Brinker's report on all samples is herewith included.

SAMPLE RESULT ANALYSIS:

The 24 samples were taken as shown on Map No. 8. Their locations

were determined by a range finder and Brunton survey as referred to the common corner of Sections 9, 10, 15 and 16 - shown on Map No. 8. As each sample was taken, a 4 foot length of lath driven into the ground, sample number marked on the lath and red and yellow engineers ribbon tied to the lath.

Some geological mapping as regards silica occurrence and color was completed during the sample taking process. Surface-wise, the area sampled is the south slope of a prominent hill bounded on the west by the highway and by the steep cliff-like banks of the El Capitan Canyon on the east. The general attitude of the limestone beds here is N. 65° W. Dips near the peak and for about one third the way down the 1800 foot sampled south sloping surface are about 12° S. Further south, the limestone beds and/or formations begin to steepen to a maximum of 20° S. while the slope surface remains at approximately 12° S. (See Section A-A¹ on Map No. 8.) We have in effect a limb of an anticline.

The formation of interest is - and has been - the Escabrosa limestone, which has proven its high purity and good quality in several parts of the State. The Escabrosa limestone is exposed and outcrops for 1000 feet from the hill peak southward. The purity and good quality of this limestone is confirmed by the chemical results of the samples taken. These results are shown on Map No. 8 - in Plan and Section.

Within this area, there are two bad samples, Nos. 1378 and 1380. These are, in the opinion of the writer, very local situations, just as the two high purity samples, Nos. 1385 and 1387, occur in a large area of very poor limestone. (Is it possible a mixup of the four samples occurred? Results of the #1387 really being #1378 and #1385 really being #1380? or any other combination? Magnesium contents should not vary that much locally.) The frequency of such low grade occurrences in the Escabrosa limestone formation should be minimal.

The sampling completed has by no means penetrated the Escabrosa beds, consequently, we have no information concerning the quality below the present surface except where the writer's samples were taken vertically across a bed for a very short distance.

Based on the chemical test results and the physical character test results, as well as the writer's geologic knowledge and experience of the Escabrosa formation, it is his early opinion that these good features should carry depth-wise to 100 and possibly 200 feet normal to the dip. Drill cutting sampling and more surface sampling of the cliff faces where possible should be done to confirm or disprove the writer's opinion.

POTENTIAL RESERVE:

The limited sampling completed indicates a possible mining area with dimensions of 1200 feet north-south and 300 feet east-west. At a depth of 100 feet there would be 3,000,000 tons available, or at a 200 foot depth, 6,000,000 tons available. The latter tonnage would be the ultimate in this area because the last mining would be

close to El Capitan Canyon floor.

The same Escabrosa limestone formation exists and outcrops east of El Capitan Canyon. Here, the surface area of the Escabrosa formation is much larger, at least 3 times and possibly 4 times, consequently a greater potential reserve would exist. (The writer's report of July 16, 1976.)

Unfortunately, the area sampled just is not large enough surface-wise to provide the necessary tonnage required. The sampling, however, did demonstrate that the Escabrosa limestone is of good to excellent quality, of good physical characteristics, and should be a good crude material to supply a lime plant.

EXPLORATION PROGRAM:

At this writing, we have confirmed that good quality limestone is present on the LIZ claims in the small area sampled. The unknown factor at this time is how thick this good quality limestone might be.

The north end and east side of the sampled hill have cliff-like faces ranging from 5 to 60 or 70 feet high - (almost vertical). Surface vertical sampling of these two sides should be done wherever possible, simulating to a great degree the drilling of and sampling a drill hole. Such samples would provide some information as to the continuity of the good quality and also answer to some extent the depth to which the good quality limestone would extend.

If the thickness of this limestone is such that it could be satisfactorily mined as a good crude material source for a plant, then a sampling program should be completed on the outcropping limestone on the east side of El Capitan Canyon where a much larger area of the same material is available - thus more tonnage available - sufficient for your requirements.

When these two sampling programs are completed and the sample results satisfactory, then the company's airtrack drill can move in and drill several 40 foot holes. Deeper holes, 100 to 200 feet, would provide more conclusive information on which to base the justification of a plant and the required financial capital investment commitment.

Thus, the writer recommends:

- (a) Vertical wall sampling of the small area recently sampled,
- (b) Surface and vertical wall sampling of the larger area east of El Capitan Canyon, and
- (c) Short hole drilling of both areas if the results of samples of (a) and (b) are satisfactory and acceptable to your specifications.

NEW CLAIMS:

Two claims, Nos. 21 and 22, of 80 acres each were staked or located on August 5, 1976, for added protection. The locations of these claims are shown on Map No. 2 (Claim Map) and are outlined in orange.

Respectfully submitted,

R. E. Mieritz
Mining Consultant
Phoenix, Arizona

September 18, 1976

CAR-AM CORPORATION

P.O. DRAWER T
DOUGLAS, ARIZONA 85607
TELEPHONE (602) 364-2429

AUGUST 25, 1976

TO: JOHN AMES
ROBERT BARBERO
SUBJECT: LIZ CLAIM SAMPLES

I HAVE COMPLETED TESTS ON THE ABOVE SURFACE SAMPLES, SOME 24 IN NUMBER. I TESTED FOR CHEMICAL PROPERTIES.


I ALSO BURNED A SMALL SAMPLE IN THE MUFFLE FURNACE OF THESE SAMPLES WHICH WOULD MEET THE CHEMICAL REQUIREMENTS WE NEED. I THEN HYDRATED THE BURNT SAMPLE TO NOTE HYDRATION CHARACTERISTICS.

IN GENERAL IT CAN BE SAID THAT A FULL VARIETY OF LIMESTONE TYPES WERE REPRESENTED. THERE WERE NO COARSE CRYSTALLINE CALCITIC TYPES, HOWEVER, MOST BEING CRYPTOCRYSTALLINE. THEY RANGED FROM ULTRA PURE HIGH CALCIUM TO POOR GRADE DOLOMITIC INsofar AS CHEMICAL CHARACTER WAS CONCERNED.

IN MY OPINION THE EXACT EXTENT OF SOME OF THE LIMESTONES REPRESENTED BY THESE SURFACE SAMPLES IS WORTHWHILE DETERMINING, SINCE THEY ARE FAR SUPERIOR TO ANY STONE WE HAVE. I REFER SPECIFICALLY TO SAMPLE NUMBERS 1391 AND 1393.

THE FOLLOWING CONSISTS OF AN INDIVIDUAL DESCRIPTION OF EACH SAMPLE'S BURNING AND HYDRATION CHARACTER AND GENERAL INFORMATION. ALSO, CHEMICAL RESULTS WERE TABULATED FOR YOUR INFORMATION.

RESPECTFULLY SUBMITTED,



R. BRINKER

CHEMIST

ENCLOSURE

RB:HB

#1370 CRYPTOCRYSTALLINE GRAY-BLACK DOLOMITIC LIMESTONE, UNSUITABLE FOR USE IN MAKING LIME FOR THE COPPER INDUSTRY UNDER PRESENT SPECIFICATIONS.

✓ #1371 CRYPTOCRYSTALLINE GRAY HIGH CALCIUM ROCK CONTAINING 2.5% MgO. WHEN BURNT COMPLETELY AN AVAILABLE CaO OF 88.2% IS OBTAINED. THIS JUST PASSES OUR PRESENT SPEC. AND THIS ROCK COULD BE USED TO BLEND WITH BETTER GRADE ROCK. THE OXIDE HYDRATES RAPIDLY AND LEAVES A SLOW SETTLING MILK OF LIME. THERE WAS NO DECREPITATION DURING BURNING.

✓ #1372 THIS ROCK LOOKS AND TESTS VERY SIMILAR TO #1371. AN AVAILABLE CaO OF 89.5% IS OBTAINED WHEN BURNED AND COULD BE USED WITHOUT BLENDING. IT ALSO HYDRATES LIKE #1371.

✗ #1373 THIS ROCK IS SIMILAR TO #1371 AND #1372 EXCEPT SLIGHTLY LESS PURE TESTING ONLY 86.2% AVAILABLE CaO WHEN BURNED. IT COULD BE USED TO BLEND WITH BETTER GRADE ROCK. THE OXIDE HYDRATES SATISFACTORY.

#1374 THIS ROCK, WHILE LIGHTER IN COLOR AND STILL CRYPTO-CRYSTALLINE, HAS MORE IMPURITY AND THUS TESTS LOWER IN AVAILABLE CaO WHEN BURNED. (85.7%). AS WITH #1371 THRU #1373 THERE IS NO DECREPITATION DURING BURNING AND THE OXIDE HYDRATES SATISFACTORILY.

#1375 THIS ROCK IS DOLOMITIC LIMESTONE. IT IS CRYPTO-CRYSTALLINE AND LIGHT BROWN IN COLOR. IT IS VERY HARD TO CRUSH AND GRIND. IT TESTS MUCH TOO LOW WHEN BURNED TO BE OF VALUE FOR USE AS LIME IN THE COPPER INDUSTRY. (28.2% AVAILABLE CaO).

✓ #1376 THIS IS CRYPTOCRYSTALLINE LIGHT GRAY HIGH CALCIUM ROCK OF A QUALITY AS GOOD OR BETTER THAN OURS. WHEN BURNT, THE OXIDE TESTED 91.7%. IT HYDRATES VERY WELL AND IS NON-DECREPITATING.

✓ #1377 THIS IS SIMILAR IN APPEARANCE TO #1376 BUT HAS SLIGHTLY MORE IMPURITY. WHEN BURNT THE OXIDE TESTS 88.3%. NO DECREPITATION. HYDRATES WELL.

#1378 THIS IS A DOLOMITIC LIMESTONE AND THE OXIDE TESTS TOO LOW FOR OUR USE. IT IS CRYPTOCRYSTALLINE AND BROWN-GRAY IN COLOR. ALSO IT IS VERY HARD TO CRUSH AND GRIND.

✓ #1379 A CRYPTOCRYSTALLINE HIGH CALCIUM ROCK, GRAY IN COLOR WHICH WHEN BURNT, TESTS 90.2%. THIS ROCK COULD BE BURNT WITHOUT BLENDING AND COMPARES WITH OUR PRESENT MATERIAL QUITE WELL. NO DECREPITATION. HYDRATES SATISFACTORILY.

#1380 DOLOMITIC LIMESTONE. GRAY-BROWN COLOR, CRYPTOCRYSTALLINE WITH A TENDENCY TO CONCHOIDAL FRACTURE. WHEN BURNED TESTS 61.8% AND THUS IS OF NO VALUE.

#1381 SIMILAR TO 1380 EXCEPT LESS MAGNESIA. WHEN BURNED TESTS 76.2% AND THUS OF NO VALUE

#1382 DOLOMITE LIMESTONE ALMOST IDENTICAL TO #1380, #1381. WHEN BURNED TESTS ONLY 73.9%, THUS NO VALUE.

#1383 DOLOMITIC LIMESTONE IDENTICAL TO 1380 THRU 1382, TESTING 75.5% WHEN BURNED.

#1384 DOLOMITIC LIMESTONE. FLINTLIKE IN HARDNESS AND FRACTURE. TESTED 78.1% AFTER BURNING. NOT SUITABLE FOR OUR USE.

✓ #1385 A FAIR GRADE OF HI CALCIUM LIMESTONE TESTING 90.3% WHEN BURNED. NO DECREPITATION. HYDRATION IS SATISFACTORY. THIS ROCK COULD BE USED AS IS WITHOUT BLENDING.

#1386 DOLOMITIC LIMESTONE. HARD LIGHT GRAY AND CRYPTOCRYSTALLINE, TESTING 63.7% AFTER BURNING AND THUS UNSUITABLE.

✓ #1387 A GOOD GRADE OF HI CALCIUM STONE TESTING 91.5% AFTER BURNING. LIGHT GRAY IN COLOR AND CRYPTOCRYSTALLINE. NO DECREPITATION. HYDRATION IS SATISFACTORY. THIS ROCK EXCEEDS OUR AVERAGE PRODUCTION IN QUALITY.

#1388 A DOLOMITIC LIMESTONE - LIGHT BROWN IN COLOR AND CRYPTOCRYSTALLINE, TESTING 51.6% AFTER BURNING. IT IS OF NO VALUE.

✓ #1389

THIS HIGH CALCIUM ROCK IS VERY SIMILAR TO #1387. IT ALSO WOULD BE SUPERIOR TO OUR AVERAGE PRODUCTION IN QUALITY. HOWEVER, IT IS NOT ENTIRELY CRYPTOCRYSTALLINE IN THAT OCCASIONAL LARGE CRYSTALS OF CALCITE OCCUR IN SOME PIECES. SOME DECREPITATION TOOK PLACE DURING BURNING. HOWEVER, IT IS NO WORSE THAN OUR OWN PRODUCTION IN THIS RESPECT.

✓ #1390

THIS ROCK COMPARES CHEMICALLY TO OUR OWN AVERAGE WITH PERHAPS SLIGHTLY MORE MAGNESIA. THERE IS ALSO AN OCCASIONAL CALCITE CRYSTAL. WHEN BURNED IT TESTS 90.5% AND COULD BE USED WITHOUT BLENDING. ONLY SLIGHT DECREPITATION. HYDRATION WAS VERY SATISFACTORY.

✓ #1391

THIS ROCK IS VERY HIGH GRADE HIGH CALCIUM LIMESTONE TESTING 95.3% WHEN BURNT. IT IS FAR SUPERIOR TO OUR AVERAGE PRODUCTION. LIGHT GRAY AND CRYPTOCRYSTALLINE. NO DECREPITATION. HYDRATION IS EXCELLENT.

✓ #1392

THIS ROCK IS SIMILAR TO #1391 WITH ONLY SLIGHTLY MORE IMPURITY. ALL OTHER CHARACTERISTICS ARE THE SAME AS #1391.

✓ #1393

AN EXCEPTIONAL HIGH QUALITY HI CALCIUM LIMESTONE NEARLY CHEMICALLY PURE. SIMILAR IN APPEARANCE TO #1391 AND #1392. NO DECREPITATION. HYDRATION IS EXCELLENT.

LOSS ON IGNITION

AVAILABLE CAO OF
RESIDUE AFTER IGN.

TOTAL CAO

TOTAL MgO

	S	A	M	P	L	E
	#1370	#1371 ✓	#1372 ✓	#1373 ✓	#1374	
	44.68%	43.49%	43.33%	43.55%	42.61%	
	67.1%	88.2%	89.5%	86.2%	85.7%	
	40.93%	52.07%	54.00%	53.93%	53.76%	
	12.61%	2.52%	1.94%	2.27%	1.66%	

LOSS ON IGNITION

AVAILABLE CAO OF
RESIDUE

TOTAL CAO

TOTAL MgO

	S	A	M	P	L	E
	#1375	#1376 ✓	#1377 ✓	#1378	#1379 ✓	
	38.70%	43.50%	42.85%	42.05%	43.48%	
	28.2%	91.7%	88.3%	64.2%	90.2%	
	28.09%	53.16%	54.02%	43.22%	53.97%	
	15.46%	2.55%	1.63%	7.85%	1.62%	

LOSS ON IGNITION

AVAILABLE CAO OF
RESIDUE

TOTAL CAO

TOTAL MgO

	S	A	M	P	L	E
	#1380	#1381	#1382	#1383	#1384	
	39.31%	44.20%	44.62%	44.38%	44.50%	
	61.8%	76.2%	73.9%	75.5%	78.1%	
	42.78%	44.80%	45.28%	45.07%	47.04%	
	6.47%	8.70%	9.34%	8.35%	7.40%	

LOSS ON IGNITION

AVAILABLE CAO OF
RESIDUE

TOTAL CAO

TOTAL MgO

	S	A	M	P	L	E
	#1385 ✓	#1386	#1387 ✓	#1388	#1389 ✓	
	43.50%	45.50%	43.95%	44.96%	43.86%	
	90.3%	63.7%	91.5%	51.6%	91.2%	
	53.76%	39.20%	54.84%	31.80%	54.66%	
	1.61%	14.12%	1.02%	18.36%	1.30%	

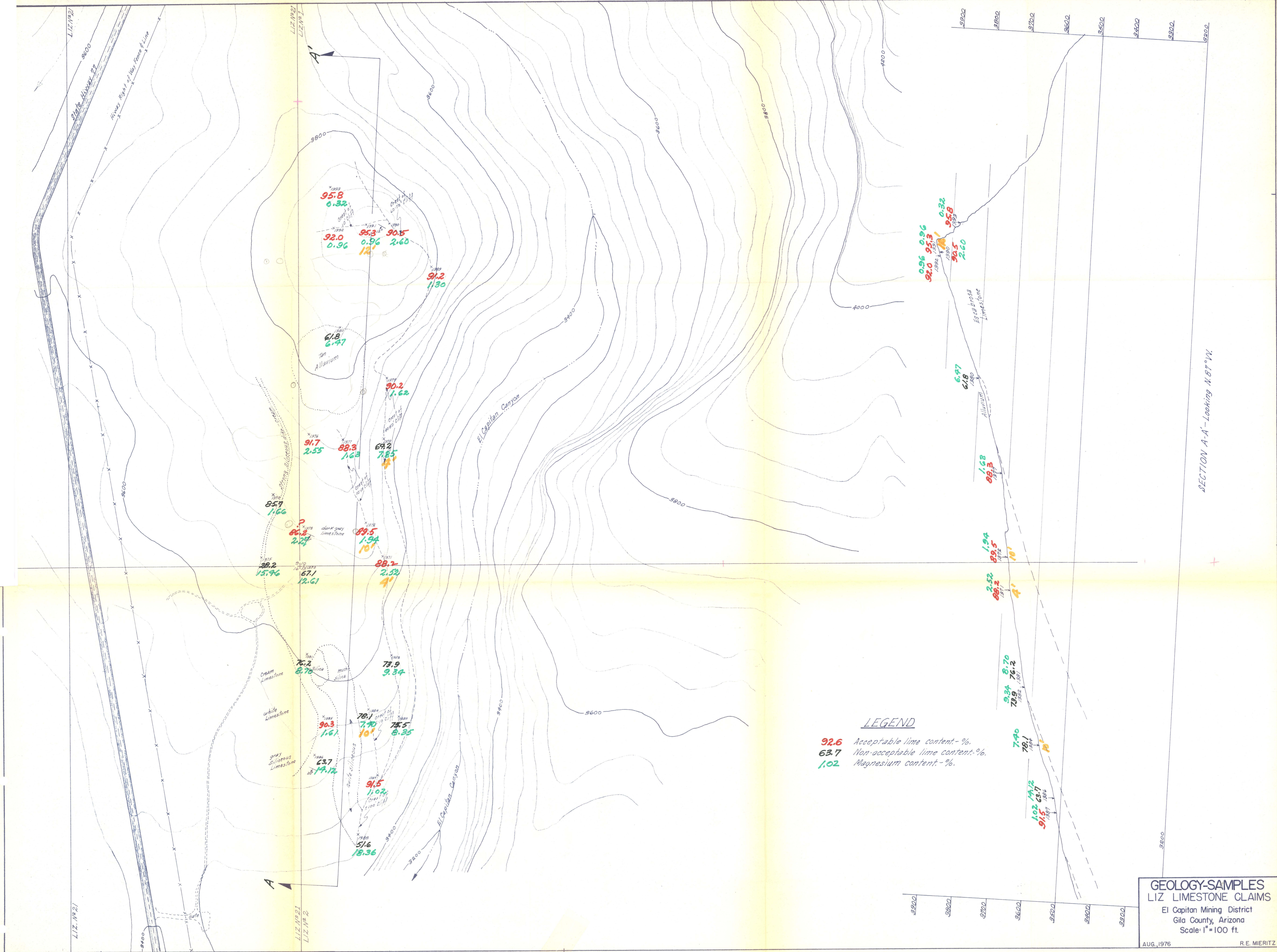
LOSS ON IGNITION

AVAILABLE CAO OF
RESIDUE

TOTAL CAO

TOTAL MgO

	S	A	M	P	L	E
	#1390 ✓	#1391 ✓	#1392 ✓	#1393 ✓		
	43.11%	43.61%	43.19%	43.61%		
	90.5%	95.3%	92.0%	95.8%		
	54.10%	54.10%	54.16%	56.33%		
	2.60%	.96%	.96%	.32%		



REPLY TO:

~~XXXXXXXXXXXX~~
PHOENIX, ARIZONA 85015XO
TELEPHONE (602) 277-6053
2940 N. Casa Tomas

Richard E. Mieritz

MINING CONSULTANT

ARIZONA REGISTERED
MINING ENGINEER AND GEOLOGIST

GEOLOGY
EXPLORATION
EVALUATION
FEASIBILITY
OPERATION

September 12, 1977

CAN-AM Corp.
Paul Lime Division
P.O. Drawer "T"
Douglas, Arizona 85607

Gentlemen:

At the verbal request of and authorization by your Mr. Hal Hansen on August 30, 1977, the writer completed a check of the "Land Status" at and surrounding the LIZ limestone claim area. To gather the necessary and required information, the writer personally visited the Gila County Assessor's Office on September 6, the Bureau of Land Management and the State Land Department on September 8, 1977.

A Land Status Map has been prepared which shows the various land classifications and the status of such classifications at this time. The classifications include the following:

- (1) Federal Land - U. S. Government has surface and mineral rights - open to claim location.
- (2) State Land - State has surface and mineral rights - Surface can be leased for grazing, plant sites, right of way. Prospecting permit and/or mineral lease can be obtained.
- (3) Federal Land - Surface Patent issued to Patentee - mineral rights reserved by U. S. Government and open to claim location,
- (4) State Land - State owns surface rights - leasable as grazing, etc. Mineral rights retained by U. S. Government and thus open to claim location, and
- (5) Fee Land - Surface and mineral rights privately owned. Not open to entry unless previously arranged for by purchase/lease, etc.

All five of these land classifications are represented in and within the area of the LIZ claims.

CLAIM LEGALITY and STATUS:

The writer is herewith listing each claim of the LIZ group and noting on what land classification the claim is located.

LIZ No. 1: The northern half of the claim covers patented surface rights (Ortega) where mineral rights are U. S. Government. The southern half of claim is on Federal land. Claim is legal.

LIZ Nos. 2, 3, 4 and 5: These claims cover ground patented surface

rights (Tatum) but the mineral rights are U. S. Government. All four claims are legal.

LIZ No. 6: This claim is on patented surface rights (Ortega) but minerals are U. S. Government. Claim is legal.

LIZ Nos. 7 thru 19: These claims are all located on Federal land with surface and mineral rights. All claims are legal.

LIZ No. 20: This claim was located by the writer two years ago to make the group of 19 claims a contiguous group. Unfortunately, this claim covers Fee Land and therefore invalid. The claim is NOT legal.

LIZ No. 21: The north half of this claim (Section 9) is on Federal land with surface and mineral rights. The southern half of the claim (Section 16) is on State land. Surface rights and mineral rights belong to the State. Therefore, the southern half of the claim is NOT legal.

LIZ No. 22: The western one quarter ($\frac{1}{4}$) of the claim is located on Fee Land, therefore, this portion is not legal. The eastern three quarters ($\frac{3}{4}$) of the claim is located on patented surface rights (Ortega) but mineral rights are U. S. Government and thus this portion of the claim is legal.

RECOMMENDATIONS and CORRECTIONS REQUIRED:

To protect the company's position on the ground as well as from a legal standpoint, the following recommendations and corrections are submitted for your review and consideration:

- (1) Since LIZ No. 20 is on Fee Land, do not include this claim in any Affidavit of Labor in the future. To remedy the purpose of the original intent of LIZ No. 20, obtain a State Mineral Lease on the N2S2 of Sec. 13, T. 3 S., R. 15 E. for the mineral rights. At the moment, Harry Smith has the surface grazing rights.
- (2) LIZ No. 21: An Amended Placer Location notice should be prepared and recorded to read as the E2E2SE4 of Sec. 9, T. 3 S., R. 15 E. Secondly, a State Mineral Lease on the E2E2NE4 Sec. 16, T. 3 S., R. 15 E. should be obtained.
- (3) LIZ No. 22: This claim could well be abandoned since its purpose of location was to "cover" a possible entrance way to the claims from the highway, as was LIZ No. 21. The writer recommends that LIZ No. 22 be dropped by not including this claim in any future Affidavit of Labor.

GENERAL:

It should be noted that Paul Lime has an indefinite Right-of-Way privilege in the NE4 of Section 27, T. 3 S., R. 15 E. (left bottom

of Map. This notation is in the records of the State Land Department, Phoenix.

Where there is a lack of notations on the Map as to land classifications, the land is Federal and has surface and mineral rights.

Parks, shown as owner of Fee Land on Map, may not be the present owner. A further check with the County Assessor should be made to determine the present owner's name and address. The writer's initial check was completed en route from the Property to Phoenix on September 7 before the visit to the B.L.M. and the State Land Department.

If the Corporation wishes to adopt and move forward on any or all of the recommendations, the writer can take care of such matters here in Phoenix if so desired.

The writer will prepare the Affidavits of Labor for the LIZ claims for the years 1976-77 and 1977-78. LIZ claim No. 20 will not be included nor will No. 22 be included if you wish to drop same.

Respectfully submitted,

Richard E. Mieritz
Mining Consultant
Phoenix, Arizona






Attachments:

Map No. 1 - Land Classification Map
Map No. 2 - Land Status Map

R. 15 E.



LEGEND

- | | |
|---|--|
|  | FEE LAND - Owner has surface and Mineral Rights. |
|  | FEDERAL LAND - U. S. Gov. has surface and mineral Rights. |
|  | FEDERAL LAND - Patentee has surface Rights, U. S. Gov. has mineral Rights. |
|  | STATE LAND - STATE has surface and mineral Rights. |
|  | STATE LAND - STATE has surface Rights, U. S. Gov. has mineral Rights. |

LAND CLASSIFICATION MAP

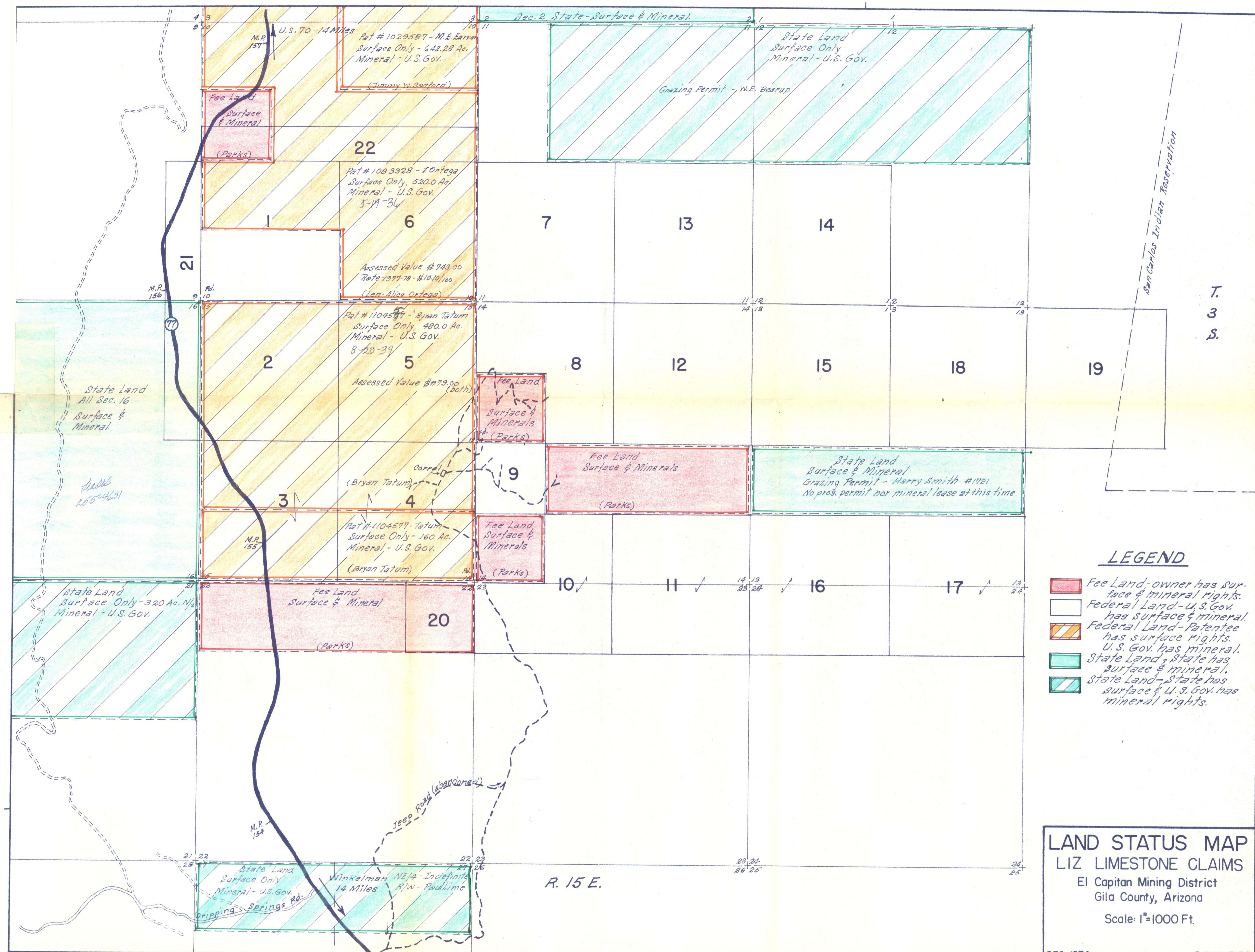
LIZ CLAIM AREA
Gila County, Arizona

SCALE: 1"= 1 Mile.

Sept., '77

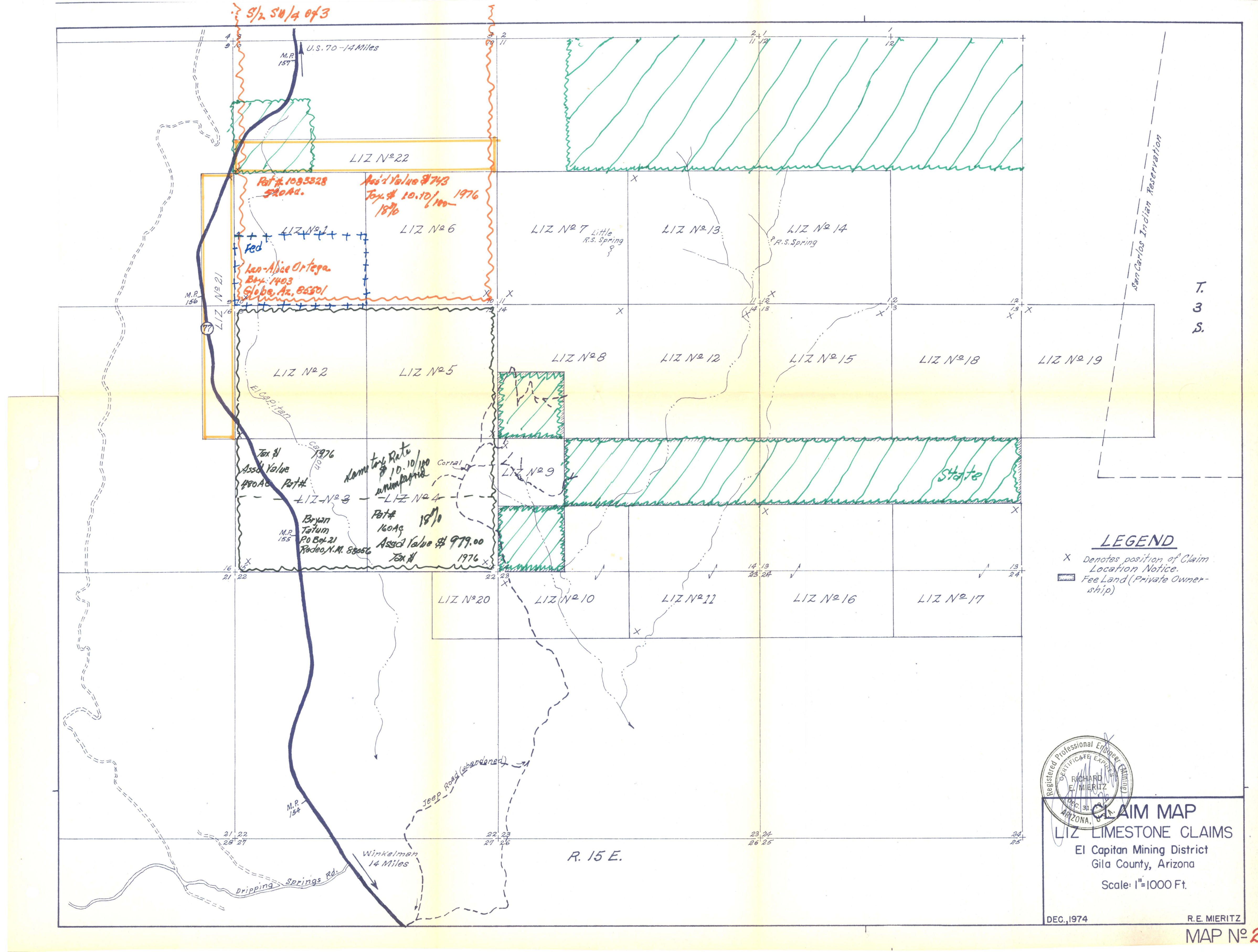
R. E. M.

MAP NO 1



- LEGEND**
- Fee Land - owner has surface & mineral rights.
 - Federal Land - U.S. Gov. has surface & mineral.
 - Federal Land - Patentee has surface rights. U.S. Gov. has mineral.
 - State Land - State has surface & mineral.
 - State Land - State has surface & U.S. Gov. has mineral rights.

LAND STATUS MAP
LIZ LIMESTONE CLAIMS
El Capitan Mining District
Gila County, Arizona
Scale: 1"=1000 Ft.



A REPORT

on the

DRILLING PROGRAM

at the

LIZ LIMESTONE CLAIMS

Gila County, Arizona

by

Richard E. Mieritz
Mining Consultant
Phoenix, Arizona

September 29, 1977

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Included Exhibits:

Drill Shift Report (9 sheets)
Drill Hole Sample Efficiency Schedule - LIZ Limestone Claims
LIZ Claims Test Data (2 sheets)
Map No. 8 - Geology - Samples

INTRODUCTION:

At the request of and authorization by Mr. Robert A. Barbero, President, CAN-AM Corp., Paul Lime Division, a percussion drilling exploratory program on the LIZ limestone claims in Gila County, Arizona, was conducted and completed under the supervision of the writer.

Surface samples taken in the past indicated the presence of good to excellent limestone beds within the claimed area. The exploratory drilling was designed to test to some depth a small portion of the area, basically to determine if the good to excellent quality is present at depth and if a more energetic exploration drilling program using diamond drilling should be pursued.

The limited exploration program completed, including preparatory work, was started on August 29, 1977 and physically completed in the field on September 7, 1977.

THE PROGRAM:

The selected area for this test drilling was the long south sloping hill in the vicinity of LIZ claims No. 1 and No. 21 - west of El Capitan Canyon and east of the main highway. This hill exposes the Naco and Escabrosa limestone beds. It is on this hill also that the writer took many surface samples which indicated the Escabrosa bed to be a good potential for a high quality limestone.

A secondary reason for choosing this area was its accessibility for unloading and loading heavy equipment such as a dozer, compressor and drill.

The writer made arrangements with Mr. Gordon Wainwright of Winkelman for a dozer (D8H) and Mr. Gorbail arranged to send the Company's Gardner-Denver airtrack drill and a 600 CFM compressor to the property. A driller and a dozer operator - company employees - Messrs. R. Moran and R. Luzania, were also sent.

The dozer was unloaded and ready to work at 10:30 AM on Wednesday, August 31, 1977. The drill and compressor arrived at 2:00 PM the same day. The contractor's dozer operator, the trucker and the writer unloaded the compressor and drill. The company employees arrived shortly after 2:30 PM on August 31. By this time, the dozer had completed "re-vamping" the old existing road and was on the way to the first and second "planned" drill hole locations.

On September 1, the drill and compressor were moved up the hill the first thing to a point that it could be checked out. While the dozer completed the first two locations and building a trail to the third and fourth holes, the driller, your dozer operator and the writer worked on the drill and completed an "experimental" hole designated as L-1.

Thereafter, trail building and drilling continued September 2, 6

and 7. The drilling program was finished at mid-day on the 7th but the truck to return the compressor and drill to Douglas did not arrive until mid-morning September 8, 1977.

FIELD PROBLEMS:

No isolated or semi-isolated field project is without problems. This project was no exception.

- (1) Initially, an attempt was made to move the compressor "up the hill" from the level unloading area using the drill as the mover. At approximately 400 feet from the unloading area on a grade of plus or minus 9%, the airtrack drill reached its limit as a mover. The dozer was called to move the unit "up the hill."
- (2) Apparently, the drill had been used to drill angle holes. The vertical swing of the boom had to be changed, necessitating removal and re-insertion of a 1½" diameter pin on the swivel. With the aid of the writer's tools, this change was accomplished.
- (3) The collar standpipe venturi fabricated at the shop broke twice, once where the venturi pipe was welded to the standpipe, then the brass inlet air valve. These conditions were repaired as well as possible but the effectiveness of the venturi was reduced.
- (4) The adjustment bolt for the left track drive chain on the drill was stripped and same had to be repaired.
- (5) An air hose to the hammer of the drill unit blew. Same was repaired.
- (6) On the last day, with the compressor and drill on top of the hill, the tongue of the compressor cracked on the channel sides, also the underplate was cracked and the web of the channel was bent. Same had to be removed, taken to Winkelman for repair and replaced.
- (7) To fuel the compressor, it was necessary to have the dozer pull the compressor down and up the hill. The 20% grade was even too much for Wainwright's 4 wheel drive pickup loaded with fuel. Two such trips were necessary.
- (8) The flatbed truck to return the drill and compressor to Douglas, scheduled for 11:00 AM on September 7, did not arrive until mid-morning September 8.
- (9) The rented dozer slipped a track twice on the rocky, steep slope hillside. This problem only caused a ½ hour delay for the drill.

DRILLING OPERATIONS and ANALYSIS:

As mentioned earlier, an experimental hole (L-1) was drilled to test the equipment - drill and sampling - to determine the procedure to be followed.

Data was noted and observed that would aid to analyze the drilling effectiveness and efficiency. Such data consisted of:

- (1) length of time to drill each successive 10 feet,
- (2) character of the cuttings - estimated amount of "dust" lost to the air, amount of material collecting at the hole collar, volume of the received sample, etc., and
- (3) compressor efficiency.

The end result of this data is the one fact that no more than 50 feet could be drilled in any one hole. This type and model of drill - in good condition, with an efficient compressor - is capable of at least a 100 foot hole. Unfortunately, this was not the case with the equipment used. In checking the compressor, we found it to be set at 100 psi and delivering 70 psi pressure at the hammer head. This hammer requires 85 psi pressure to operate at its best efficiency. The compressor discharge pressure was increased to 115 psi but this seemed to add little to the drill operation.

Drilling time usually increased with each successive ten foot run. The first ten feet were usually drilled in 11 to 13 minutes, whereas the last ten feet (40-50 foot depth) required 21 to 24 minutes. This time spread is just too much and indicates a very ineffective blow by the hammer caused mostly by lack of air pressure and some worn hammer parts.

As a result of the above conditions, the character of the sample changed considerably as the depth increased. The first 10 foot sample contained chips of rock up to 1/4 and 5/16 of an inch in size, some powder and a fair amount of "dust" to the air. The 10 to 20 foot sample contained some rock chips but only up to 1/8 inch in size, more powder, more dust to the air. The next three succeeding samples (20 to 30 to 40 to 50 feet) were mostly fine powder (few chips) and a great abundance of dust to the air.

The physical character and/or makeup of the rock drilled would have some effect on these conditions but not the extent and consistency noted by the writer as drilling progressed.

Basically no physical drilling problems as stuck rods, caving holes and the like were encountered. An encountered vertical fracture in hole L-4 prevented the collection of samples from 20 to 30 feet and beyond. From 20 to 40 feet, the drill was drilling but no cuttings were received. We had no problem with stuck rods, so the condition was not a "vug" or "cavity." Hole L-4A was drilled further west.

SAMPLING PROCEDURE and EFFICIENCY:

By use of the fabricated - repaired collar standpipe venturi and a 10 foot long 1½ I.D. hose, the cuttings were directed to a galvanized wash tub, covered to prevent the escape of as much dust as possible.

Unless contaminated by "blowing" the hole, the sample collected in the tub was representative of the drilled run. Use of the standpipe minimized the deposition of cuttings around the collar of the hole. The hole was most appropriately "blown" after each sample run to assure a proper sample and avoid the possibility of stuck rods.

After the hole was clean, the writer collected the sample and using a Jones type dry splitter, cut the sample to 1/2, 1/4, 1/8 or 1/16 the original size, to a sufficient amount for Mr. Brinker. The sample was bagged, identified on the outside of the bag as to hole number and footages. A numbered sample tag was also placed in the bag.

The cuttings of a 3 inch diameter hole ten feet long should have a volume of 848.28 cubic inches or 0.491 cubic feet. At a 12 cubic foot factor for a ton of limestone (in place), the resulting ten foot sample should weigh 81.83 pounds. Allowing for a slightly increased hole size, the weight would be 85 pounds for the drilled length.

Mr. R. Brinker was kind enough to weigh each sample sent to him. Using the weight of the sample, the number of splits, a total recovered sample weight was calculated. This weight divided by 85 (weight of rock for a 10 foot section of hole) provides an approximate figure of sample collection efficiency. The included schedule provides the basic figures and results of this exercise.

Individual sample efficiencies ranged from a low of 5% to a high of 45% and the average for Holes L-2, 3, 4A, 5, 6 and 7 is 24.5% with a range from 18% to 27.5%.

This low efficiency is due to:

- (1) Lack of air pressure at the drill hammer and poor overall working condition of the drill - creating much dust,
- (2) lack of air volume at the bit to force the chips to surface, creating much powder-dust,
- (3) lack of cyclone to reduce loss of much powder-dust, and
- (4) loss of cuttings in some cracks or fractures in the rock.

The cuttings received are, in the opinion of the writer, representative portions of a 10 foot sample run. The escaping powder-dust was almost always observed by the writer during the drilling of a run in an attempt to determine the consistent or irregular discharge of the powder-dust which would denote cracks or fractures in the rock formations penetrated.

DRILL HOLE SAMPLE EFFICIENCY SCHEDULE
LIZ LIMESTONE CLAIMS

<u>Drill Hole</u>	<u>Depth</u>	<u>Sample Wt. Split Portion</u>	<u>No. of Splits</u>	<u>Fraction of Samp.</u>	<u>Weight Original Sample</u>	<u>% Theoretical Sample Weight</u>
L-1	10	3.53	1	1/2	7.06	8.3
	20	2.58	1	1/2	5.16	6.1
	30	3.33	1	1/2	6.66	7.8
	40	3.11	1	1/2	6.22	7.3
	50	2.51	4	1/16	40.16	47.2
L-2	10	2.71	3	1/8	21.68	25.5
	20	3.19	3	1/8	25.52	30.0
	30	2.20	3	1/8	17.60	20.7
	40	2.56	3	1/8	20.48	24.1
	50	3.75	3	1/8	30.00	35.3
						<u>Avg. 27.5</u>
L-3	10	2.83	2	1/4	11.32	13.4
	20	3.44	2	1/4	13.76	16.2
	30	3.10	3	1/8	24.80	29.2
	40	3.59	3	1/8	28.72	33.8
	50	2.60	3	1/8	20.80	24.5
						<u>Avg. 26.0</u>
L-4A	10	2.54	3	1/8	20.32	23.9
	20	4.05	3	1/8	32.40	38.1
	30	3.31	3	1/8	26.48	31.2
	40	2.16	3	1/8	17.28	20.3
	50	1.52	3	1/8	12.16	14.3
						<u>Avg. 26.0</u>
L-5	10	3.67	2	1/4	14.68	17.3
	20	2.31	3	1/8	18.48	21.7
	30	2.63	3	1/8	21.04	24.7
	40	2.20	3	1/8	17.60	20.7
	50	2.04	2	1/4	4.08	4.8
						<u>Avg. 18.0</u>
L-6	10	4.05	3	1/8	32.40	38.1
	20	2.37	4	1/16	37.92	44.6
	30	2.04	3	1/8	16.32	19.2
	40	2.29	2	1/4	9.16	10.8
	50	2.31	3	1/8	18.48	21.7
						<u>Avg. 24.0</u>
L-7	10	2.05	3	1/8	16.40	19.2
	20	2.35	3	1/8	18.80	22.1
	30	2.57	3	1/8	20.56	24.2
	40	3.08	3	1/8	24.64	29.0
	50	2.93	3	1/8	23.44	27.6
						<u>Avg. 25.7</u>
						<u>Overall Avg. 24.5</u>

Average Recovery efficiency is based on the last four samples of each hole.

The efficiency percent is obtained by dividing the weight of the original sample by 85 - number of pounds for a ten foot drill run with 3 inch bit.

DRILLING PROGRAM:

The purpose of this preliminary drilling program was to determine if the "good" limestone as surface sampled in year 1976 continues at depth, as well as to test the limestone formations overlying the "good" bed. The drill hole locations and numbers are shown on the included Map. These holes are numbered L-1, L-2, L-3, L-4 (incomplete), L-4A, L-5, L-6 and L-7.

Seven complete holes (50 foot depths) plus 20 feet in an eighth hole were drilled, totaling 370 feet of hole. The depth of hole was limited by the equipment used.

Drill Holes L-1 through L-4A were so located to test portions of the Naco limestone formation. Drill Holes L-5 through L-7 were designed to test a portion of the Escabrosa limestone formation. Because of the steep hill slope and rock outcroppings, drill site locations were chosen to obtain the greatest or best geologic intersection possible with the easiest and least expensive accessibility. The shallow depth of the holes leaves something to be desired.

SAMPLE RESULTS:

Your chemist, Mr. Robert Brinker, completed analysis of the drill hole samples taken by the writer. The included sample result schedule provides the necessary data of each sample and the "Available Calcium Oxide of Residue After Ignition - % by Weight" figures have been plotted on Cross Section A-A' on the included Map.

On review of this Section, it can be seen that Holes L-1 through L-4A almost completely penetrated the Naco limestone formation, which in this area is very poor in calcium carbonate content. Holes L-5, L-6 and L-7 intersected and penetrated the Escabrosa limestone formation to depths of 30 feet for Hole L-5 and 40 feet for Holes L-6 and L-7. These penetrations show good "Available Calcium Carbonate" content.

These results are encouraging but unfortunately the holes are not deep enough to provide a good thickness picture. Drill Holes L-5, L-6 and L-7 certainly warrant deepening at some future date, preferably by diamond drilling.

OPINION:

In the opinion of the writer, the initial limited drilling program completed on the LIZ limestone claims has demonstrated that the Escabrosa limestone formation in this area does, at least in part, contain a sufficient calcium oxide content which is suitable as a raw material source but it must be further demonstrated that this material has a greater thickness than now indicated by the recent shallow drilling.

Respectfully submitted,

Richard E. Mieritz
Mining Consultant
Phoenix, Arizona

September 29, 1977

SAMPLE NUMBER (Mieritz)	WEIGHT OF SAMPLE # (Mieritz)	TEST DRILL HOLE NUMBER	FOOTAGE LEVEL REPRESENTED BY SAMPLE	LOSS ON IGNITION % by WEIGHT	AVAILABLE		CALCIUM CARBONATE EQUIVALENT OF THE ROCK SAMPLE AS PER TEST METHOD ASTM C602 (% by weight)
					CALCIUM OXIDE OF RESIDUE AFTER IGNITION % by weight	CALCIUM CARBONATE EQUIVALENT OF THE ROCK SAMPLE AS PER TEST METHOD ASTM C602 (% by weight)	
#1421	3.53 lbs.	L-1	0-10'	45.66%	56.1%	102.80%	
1422	2.58	L-1	10-20	42.16%	64.7%	99.47%	
1423	3.33	L-1	20-30	42.56%	61.1%	96.17%	
1424	3.11	L-1	30-40	37.55%	43.3%	83.90%	
1425	2.51	L-1	40-50	40.04%	62.8%	92.35%	
1426	2.71	L-2	0-10	43.16%	80.1%	96.95%	
1427	3.19	L-2	10-20	42.44%	85.8%	95.35%	
1428	2.20	L-2	20-30	37.70%	66.8%	85.26%	
1429	2.56	L-2	30-40	36.28%	46.5%	81.60%	
1430	3.75	L-2	40-50	27.82%	20.3%	63.49%	
1431	2.83	L-3	0-10	42.39%	82.5%	94.49%	
1432	3.44	L-3	10-20	43.24%	87.5%	98.19%	
1433	3.10	L-3	20-30	39.03%	69.8%	88.31%	
1434	3.59	L-3	30-40	35.36%	55.4%	79.06%	
1435	2.60	L-3	40-50	35.49%	39.4%	79.05%	
1436	2.63	L-4	0-10	41.72%	79.3%	92.58%	
1437	2.23	L-4	10-20	40.95%	75.5%	89.91%	
1438	3.67	L-5	0-10	42.85%	59.7%	95.74%	
1439	2.31	L-5	10-20	37.20%	69.4%	87.82%	
1440	2.63	L-5	20-30	42.63%	89.8%	98.03%	
1441	2.20	L-5	30-40	44.29%	88.2%	97.78%	
1442	2.04	L-5	40-50	42.86%	84.4%	96.94%	

LIZ CLAIMS TEST DATA 9/2/77 (continued - page 2)

<u>SAMPLE NUMBER</u> (Mieritz)	<u>WEIGHT OF SAMPLE in # (Mieritz)</u>	<u>TEST DRILL HOLE NUMBER</u>	<u>FOOTAGE LEVEL REPRESENTED by SAMPLE</u>	<u>LOSS ON IGNITION (% by weight)</u>	<u>AVAILABLE CALCIUM OXIDE OF RESIDUE AFTER IGNITION (% by weight)</u>	<u>CALCIUM CARBONATE EQUIVALENT OF the ROCK SAMPLE AS PER TEST METHOD ASTM C602 (% by weight)</u>
1443	4.05 lbs.	L-6	0-10 '	43.47%	64.7%	98.33%
1444	2.37	L-6	10-20	42.60%	85.7%	96.23%
1445	2.04	L-6	20-30	43.14%	90.1%	97.89%
1446	2.29	L-6	30-40	41.12%	83.0%	94.09%
1447	2.31	L-6	40-50	42.16%	84.4%	96.33%
1448	2.05	L-7	0-10	43.04%	62.9%	96.89%
1449,	2.35	L-7	10-20	42.85%	88.4%	96.41%
1450	2.57	L-7	20-30	43.23%	90.5%	98.31%
1451	3.08	L-7	30-40	42.96%	89.2%	96.97%
1452	2.93	L-7	40-50	42.81%	88.4%	97.30%
1453	2.54	L-4A	0-10	39.99%	75.8%	89.47%
1454	4.05	L-4A	10-20	36.74%	64.4%	82.81%
1455	3.31	L-4A	20-30	46.62%	59.6%	83.21%
1456	2.16	L-4A	30-40	25.80%	25.0%	57.29%
1457	1.52	L-4A	40-50	24.58%	20.6%	53.90%

CHURN DRILL SHIFT REPORT

PROPERTY

DATE Aug 13 1921
SHIFT Day

DRILL No _____

BIT TYPE _____

CASING LOWERED - SIZE - FROM - TO

DRILLER _____

HELPER _____

_____ FEET

WATER - DEPTH ENCOUNTERED _____ FEET

FEET

BIT USED _____ FEET

_____ FEET

EMPLOYMENT OF TIME

MOVING AND SETTING UP _____

REPAIRING ENGINE OR RIG _____

DRILLING AND BAILING

CEMENTING HOLE _____ FROM _____ TO _____

SETTING CASINO _____

FISHING _____

REMOVING CASING _____

REAMING HOLE _____ FROM _____ TO _____

EQUIPMENT REPAIR

CLEANING HOLE _____ FROM _____ TO _____

OTHER DELAYS _____

SAMPLES

[illegible]

GENERAL REMARKS

DEPTH OF HOLE AT BEGINNING OF SHIFT _____ FEET

DEPTH OF HOLE AT END OF SHIFT _____ FEET

~~SAMPLES LEFT IN TUBS~~ _____

SAMPLES CANNED _____

SAMPLER PC/104

CHURN DRILL SHIFT REPORT

PROPERTY L12

HOLE No L-1

DATE Sept 1 19 72

DRILL No _____

SHIFT Day

BIT TYPE _____

DRILLER Raymond Moran

HELPER Raymundo Luzania

CASING LOWERED - SIZE - FROM - TO

WATER - DEPTH ENCOUNTERED _____ FEET

_____ FEET

_____ FEET

BIT USED _____ FEET

_____ FEET

EMPLOYMENT OF TIME

MOVING AND SETTING UP _____

REPAIRING ENGINE OR RIG Apr 15 - Boom in

DRILLING AND BAILING at 9:15 AM

CEMENTING HOLE Wrong hole TO _____

SETTING CASING _____

FISHING Stand pipe broke

REMOVING CASING _____

REAMING HOLE _____ FROM _____ TO _____

EQUIPMENT REPAIR _____

CLEANING HOLE _____ FROM _____ TO _____

OTHER DELAYS _____

SAMPLES

DEPTH		COLOR OF SLUDGE	CONDITION OF HOLE	HARDNESS OF ROCK V.H. VERY HARD H. HARD M. MEDIUM S. SOFT V.S. VERY SOFT	IS SAMPLE RELIABLE, ETC.	SIZE TO WHICH SAMPLE WAS CUT (NUMBER OF SPLITS)	NUMBER OF BAILERS	DRY WEIGHT OF SPLIT SAMPLE	REMARKS
FROM	TO		CAVING, ETC.						(NOTE THICKNESS OF EXTREMELY SOFT AREAS. SPECIFY DRY WEIGHT OF AQUA-GEL ADDED.)
0	10								<u>1/2 in 5 tan 5-8-11/15-10</u>
10	20	wh							<u>1/2 in 1/4 most of way - 10/15</u>
20	30	wh-tan							<u>1/2 in 1/4 tan 1/4 wh - powder 20 min</u>
30	40	whish							<u>1/2 in Same tan-gray mix - powder 10/15</u>
40	50	whish							<u>1/16 Blowing Hole - 10/15</u>
<u>Not enough Air - Machine Bact.</u>									

GENERAL REMARKS

Cooper slipped truck 8:45 - Fixed @ 10:30 AM
 Started drilling 9:15 AM.
 Hole is 270' S 60' W of Sec cor. $\frac{9}{10} \frac{10}{15}$

DEPTH OF HOLE AT BEGINNING OF SHIFT _____ FEET

DEPTH OF HOLE AT END OF SHIFT _____ FEET

SAMPLES LEFT IN TUBS _____

SAMPLES CANNED _____

SAMPLER J. Affinity

CHURN DRILL SHIFT REPORT

PROPERTY

DATE _____

19 11

HOLE NO

DRILL No

BIT TYPE

CASING LOWERED - SIZE - FROM - TO

FEET

WATER - DEPTH ENCOUNTERED

- FREE T

BIT USED

FEET

FEET

EMPLOYMENT OF TIME

MOVING AND SETTING UP

REPAIRING ENGINE OR RIG

DRILLING AND BAILING

CEMENTING HOLE

FROM _____ TO _____

SETTING CASING

FISHING

REMOVING CASING

READING HOLE

FROM _____ TO _____

EQUIPMENT REPAIR

CLEANING HOLE

FROM TO

OTHER DELAYS

SAMPLES

[illegible]

GENERAL REMARKS

DEPTH OF HOLE AT BEGINNING OF SHIFT _____ FEET

DEPTH OF HOLE AT END OF SHIFT _____ FEET

SAMPLES LEFT IN TUBS

SAMPLES CANNED

SAMPLER

CHURN DRILL SHIFT REPORT

PROPERTY h/h

DATE APR 12 1977

SHIFT 2nd

DRILLER KENNETH W. RYAN

HELPER EDUARDO MORALES

WELL NO 4-3

DRILL No _____

BIT TYPE _____

CASING LOWERED - SIZE - FROM - TO

FEET

WATER - DEPTH ENCOUNTERED

- FEE?

FEET

BIT USED _____ FEET

FEET

EMPLOYMENT OF TIME

MOVING AND SETTING UP

REPAIRING ENGINE OR RIG _____

DRILLING AND BAILING

CEMENTING HOLE _____ FROM _____ TO _____

SETTING CASINO _____

FISHING _____

REMOVING CASING _____

REAMING HOLE _____ FROM _____ TO _____

EQUIPMENT REPAIR _____

CLEANING HOLE _____ FROM _____ TO _____

OTHER DELAYS _____

SAMPLES

[illegible]

GENERAL REMARKS

DEPTH OF HOLE AT BEGINNING OF SHIFT _____ FEET

DEPTH OF HOLE AT END OF SHIFT _____ FEET

SAMPLES LEFT IN TUBS _____

SAMPLES CANNED 11

SAMPLER: 11/1/81

CHURN DRILL SHIFT REPORT

PROPERTY

HOLE NO

DRILL No**BIT TYPE**

CASING LOWERED - SIZE - FROM - TO

_____ FEET

_____ FEET

BIT USED _____ FEET

FEET

DATE _____

SHIF

DRILLER

HELPER

WATER - DEPTH ENCOUNTERED

19

EMPLOYMENT OF TIME

MOVING AND SETTING UP

DRILLING AND BAILING

SETTING CASING

REMOVING CASING

EQUIPMENT REPAIR

OTHER DELAYS

REPAIRING ENGINE OR RIG

CEMENTING HOLE

FISHING

REAMING HOLE

CLEANING HOLE

SAMPLES

[illegible]

GENERAL REMARKS
Dozer Ready at 10:30 AM. - Filled Compressor Diesel 10:40 AM
on 1-4 11:20 AM

DEPTH OF HOLE AT BEGINNING OF SHIFT _____ FEET

DEPTH OF HOLE AT END OF SHIFT _____ FEET

SAMPLES LEFT IN TUBS

SAMPLES CANNED

SAMPLER

CHURN DRILL SHIFT REPORT

PROPERTY L12

DATE Sept 7 1927

HOLE NO L-4A

DRILL NO _____

BIT TYPE _____

CASING LOWERED - SIZE - FROM - TO

_____ FEET

_____ FEET

BIT USED _____ FEET

_____ FEET

SHIFT Day

DRILLER Raymond McLean

HELPER Raymond McLean

WATER - DEPTH ENCOUNTERED _____ FEET

EMPLOYMENT OF TIME

MOVING AND SETTING UP _____

REPAIRING ENGINE OR RIG _____

DRILLING AND BAILING _____

CEMENTING HOLE _____ FROM _____ TO _____

SETTING CASING _____

FISHING _____

REMOVING CASING _____

REAMING HOLE _____ FROM _____ TO _____

EQUIPMENT REPAIR _____

CLEANING HOLE _____ FROM _____ TO _____

OTHER DELAYS _____

SAMPLES

DEPTH		COLOR OF SLUDGE	CONDITION OF HOLE	HARDNESS OF ROCK	IS SAMPLE RELIABLE, ETC.	SIZE TO WHICH SAMPLE WAS CUT (NUMBER OF SPLITS)	NUMBER OF BAILERS	DRY WEIGHT OF SPLIT SAMPLE	REMARKS
FROM	TO		CAVING, ETC.	V.H. VERY HARD H. HARD M. MEDIUM S. SOFT V.S. VERY SOFT					(NOTE THICKNESS OF EXTREMELY SOFT AREAS. SPECIFY DRY WEIGHT OF AQUA-GEL ADDED.)
0	10	Grayish Brown			Chips to 5/16"			1/8	8:57 AM
10	20	Grayish w/pt.			Powder			1/8	1453 9:05 AM
20	30	" "			Mostly Powder			1/8	1454 9:14 AM
30	40	Tanish			" "	" "		1/8	55 9:33
40	50	Tanish			" "	" "		1/8	56 10:42
								1/8	1457 11:00
								1/8	1457 11:12

GENERAL REMARKS

Hole is 24 ft westerly of Hole 4 Cut off fail at 9:35 Filled - primed start at 10:42 AM Tongue on compressor broke - Welded - delayed breaking

DEPTH OF HOLE AT BEGINNING OF SHIFT _____ FEET

SAMPLES LEFT IN TUBS _____

DEPTH OF HOLE AT END OF SHIFT _____ FEET

SAMPLES CANNED _____

When Tongue broke Comp, & drill on hill.

SAMPLER Raymond McLean

CHURN DRILL SHIFT REPORT

PROPERTY

DATE _____

1977

HOLE No

DRILL No

BIT TYPE

CASING LOWERED - SIZE - FROM - TO

FEET

WATER - DEPTH ENCOUNTERED

- FEET

BIT USED

FEET

LEET

EMPLOYMENT OF TIME

MOVING AND SETTING UP

REPAIRING ENGINE OR RIG

DRILLING AND BAILING

CEMENTING HOLE

FROM

TO

SETTING CASING

FISHING

REMOVING CASING

READING HOLE

FROM

TO

EQUIPMENT REPAIR

CLEANING HOLE

FROM

TO

OTHER DELAYS

SAMPLES

[illegible]

GENERAL REMARKS

Shale is 60 ft S 70 W of #1378

2:30 Moving to 1-6

DEPTH OF HOLE AT BEGINNING OF SHIFT _____ FEET

SAMPLES LEFT IN TUBS

DEPTH OF HOLE AT END OF SHIFT

SAMPLES CANNED

SAMPLER

CHURN DRILL SHIFT REPORT

PROPERTY

DATE _____

SHIFT

DRILLER

HELPER

HOLE No**DRILL No****BIT TYPE**

CASING LOWERED - SIZE - FROM - TO

_FEET

WATER - DEPTH ENCOUNTERED

FEET

FEET

BIT USED

FEET

FEET

EMPLOYMENT OF TIME

MOVING AND SETTING UP

REPAIRING ENGINE OR RIG

DRILLING AND BAILING

CEMENTING HOLE _____ FROM _____ TO _____

SETTING CASING

FISHING

REMOVING CASING

REAMING HOLE _____ FROM _____ TO _____

EQUIPMENT REPAIR

CLEANING HOLE _____ FROM _____ TO _____

OTHER DELAYS

SAMPLES

[illegible]

GENERAL REMARKS

air base on Hammer Lake 12:55 PM. GENERAL REMARKS

Yak is 361 S 75° E of #12507

DEPTH OF HOLE AT BEGINNING OF SHIFT _____ FEET

DEPTH OF HOLE AT END OF SHIFT _____ FEET

SAMPLES LEFT IN TUBS

SAMPLES CANNED

SAMPLER

CHURN DRILL SHIFT REPORT

PROPERTY 41h

DATE 2/27/61 1961

DRILL NO _____

SHIFT 734

BIT TYPE _____

DRILLER ARMON V. KILPAT

CASING LOWERED - SIZE - FROM - TO

HELPER K. J. V. M. H. D. L. 17. 3. 10

FLEET

WATER - DEPTH ENCOUNTERED

FREE T

FEET

BIT USED _____ FEET

FEET

EMPLOYMENT OF TIME

MOVING AND SETTING UP _____

REPAIRING ENGINE OR RIG _____

DRILLING AND BAILING

CEMENTING HOLE _____ FROM _____ TO _____

SETTING CASINO _____

FISHING _____

REMOVING CASING _____

REAMING HOLE _____ FROM _____ TO _____

EQUIPMENT REPAIR

CLEANING HOLE _____ FROM _____ TO _____

OTHER DELAYS _____

SAMPLES

[illegible]

GENERAL REMARKS

DEPTH OF HOLE AT BEGINNING OF SHIFT _____ FEET

DEPTH OF HOLE AT END OF SHIFT _____ FEET

SAMPLES LEFT IN TUBS _____

SAMPLES CANNED

SAMPLER 

AN EVALUATION REPORT

of the

SURFACE SAMPLING PROGRAM

in an area

East of El Capitan Canyon

on the

LIZ LIMESTONE CLAIMS

Gila County, Arizona

by

Richard E. Mieritz
Mining Consultant
Phoenix, Arizona

September 22, 1979

INTRODUCTION:

At the request of and authorization by Mr. Hal Hansen, CAN-AM Corporation, Paul Lime Division, Douglas, Arizona, the writer completed assessment work on the Liz group of limestone claims in T. 3 S., R. 15 E., in Gila County, Arizona, between August 22 and September 22, 1979.

THE WORK:

Lack of road access to the middle portion of the claims has deterred wide spaced or concentrated serious exploration of the limestone beds, in fact, no information, to the writer's knowledge, has previously been obtained in this area.

In view of this situation, a surface sampling of the several limestone beds in the area was in order. This area of concern is east of the deep, narrow, cliff-like El Capitan Canyon. It is only accessible by horseback or by foot which is time consuming.

Twenty four samples were taken and their locations surveyed by brunton and range finder in a north-south, east-west grid type pattern, usually on a 200 foot center. The zig-zag type pattern was 1350 feet east-west and in excess of 2000 feet north-south. (See Map No. 9.) (See Photo I.)

GEOLOGIC CONSIDERATIONS:

The Naco and Escabrosa limestones are present in the area of the claims and strike northwesterly-southeasterly with local variance throughout the east-west length of the claims. The dip of the beds is to the south, varying from 10 to 30 degrees. The slope of the surface is also to the south or southwest and usually at a flatter angle - almost approaching a "dip slope." Drainage is predominantly to the south or southwesterly which tends to create a southwesterly trending hogback or flat ridge of exposed limestone beds between the drainage gullies.

The presence of these conditions creates a "cross-cutting" effect of the limestone beds on the surface. (See Photo I.) This permits a degree of sampling which can be used to possibly isolate a respective bed and determine its adaptability for use as a raw material.

SAMPLING:

Using the common corner of Sections 9, 10, 15 and 16 or the west common corner of Liz No. 1 and 2 as a starting point and with coordinates of 0.0 East and 4000 N., the writer surveyed an east line across El Capitan Canyon to coordinates 768 E. and 4000 N., the location of the first sample, No. 1537. The sampling and surveying progressed eastward and northward - a northeast trend direction - to the top of hill and beyond. Sampling started at an elevation of about 3750 and topped out at 4400 plus feet. The last sample taken was No. 1560.

PHOTO I:

Photo I is a very good view of the area east of El Capitan Canyon - the area the writer sampled. It should first be noted that the writer has attempted to indicate "various beds" (Naco #1) and four beds of the Escabrosa limestone formation. The outlines of the beds are approximate and drawn on the basis of visually observed physical characteristics of the rock such as type of crystallization, color, hardness, presence of visual silica, presence of fossils, massiveness or thin bedded, etc. These outlines are not based on chemical analysis results or other physical chemical tests completed in the laboratory. Outlines based on laboratory tests would differ to a degree.

The writer has also attempted to spot the approximate locations of the samples taken and the line of direction of the grid. This presentation is, of course, quite approximate, but at least a "third dimension" is available for a better perspective of the geological setting on the east side of the canyon.

Of the 20 samples shown, only four, samples Nos. 1544, 45, 47 and 48, show results below 88% available CaO of Residue. This indicates a possible dolomitic condition exists in the lower part of bed #3 and possibly the upper part of bed #4. The criteria is not particularly an easy characteristic to define in the field. The writer did note a tannish color and a hard, flinty, fine grained, dense appearance.

PHOTO II:

Photo II, as Photo I, is an early photo, showing, in part, the East and West walls of El Capitan Canyon - looking southeasterly. Beds #5, 6, 7 and 8 are easily traceable in the photo - on both sides of the canyon. Early samples 1276 and 1277 in bed #5 were 98.0 and 96.5% available CaO in Residue.

Chemical-wise and stratigraphic-wise, the East side compares favorably with the West side.

SAMPLE RESULTS:

Mr. Brinker tested the 24 samples taken and has tabulated the test results most satisfactorily. A majority of the samples have good to excellent test results which indicate their potential use as a raw material.

The results by Mr. Brinker have been xeroxed and incorporated in this report as the next three pages.

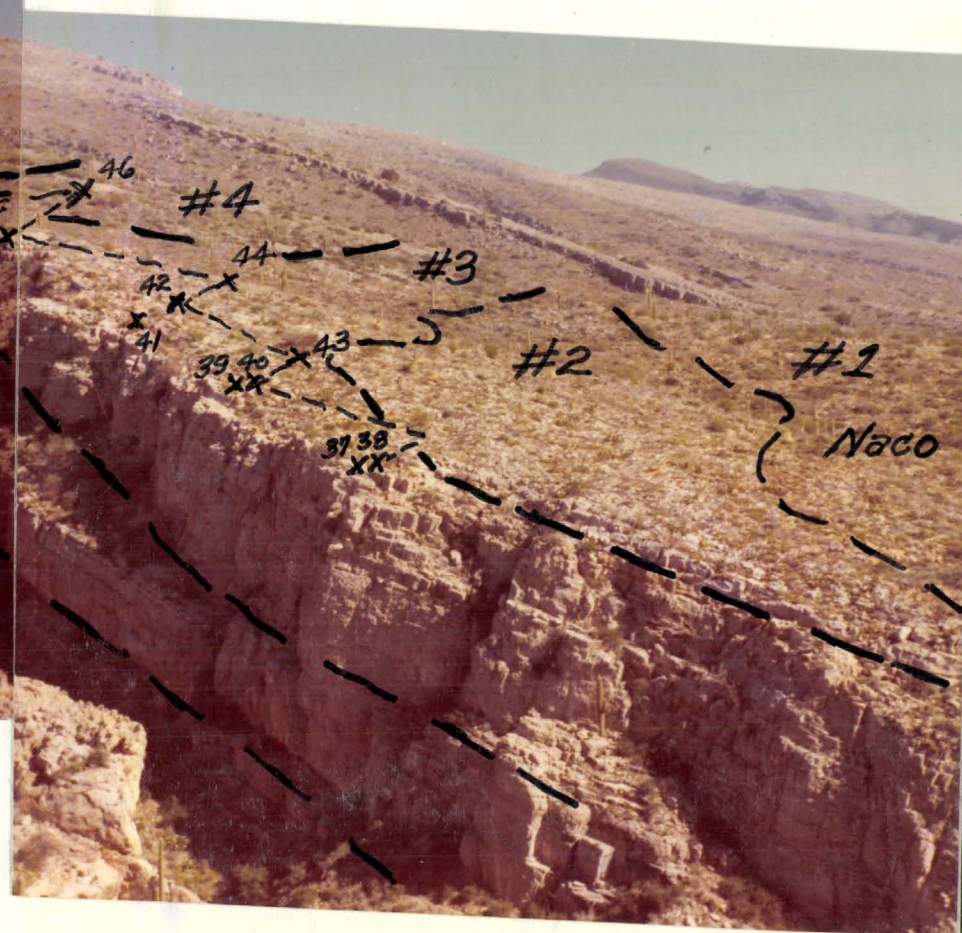


PHOTO I - View of Surface on east side of El Capitan Canyon showing the approximate outline of the various limestone beds in this Area. An attempt has been made to indicate the approximate position or location of samples Nos. 1537 through 1556. Lines between samples are east-west and north-south, the distance in most cases being 200 feet in a grid type pattern. The limestone outcroppings north of the Naco contact, are all probably Escabrosa limestone.



PHOTO II - Looking southeasterly down El Capitan Canyon showing the limestone beds on the East side of the Canyon and the back or north side of the limestone hill between the Canyon and the Highway (west side of the Canyon. Beds #6, 7 and 8 all contain nodules and globules of chert or silica. These limestones would be quite impure.

Tabulation of test results:

<u>Sample Number</u>	<u>LOI</u>	<u>Avail. CaO of Residue</u>	<u>Properties of Oxide After Burning</u>	<u>Hydration Properties</u>
1537	43.84%	94.57%	Slight shrinkage some decrepitation friable white oxide	Fast hydration except for a few select pieces
Note: This sample also checked for Silica - .81% and R ₂ O ₃ - .21%				
1538	44.03%	92.32%	No shrinkage or decrepitation or dust. Friable white oxide	Very fast hydration
1539	42.64%	88.66%	Slight shrinkage Some decrepitation and dust. White oxide	Medium to slow hydration speed
1540	43.32%	91.85%	Slight shrinkage No decrepitation or dust. Firm white oxide	Starts slow then very fast
1541	42.96%	89.45%	No shrinkage No decrepitation or dust. Firm white oxide	Fast hydration
1542	43.15%	88.94%	Slight shrinkage No decrepitation or dust. Crisp white oxide	Almost explosive hydration speed
1543	42.34%	87.98%	Some decrepita- tion and dust No shrinkage White friable oxide	Fast hydration
1544	42.69%	85.26%	Slight shrinkage No decrepitation or dust. Crisp white oxide	Almost explosive hydration speed

<u>Sample Number</u>	<u>LOI</u>	<u>Avail. CaO of Residue</u>	<u>Properties of Oxide After Burning</u>	<u>Hydration Properties</u>
1545	36.01%	28.95%	Not tested further due to very low grade	
1546	42.86%	88.50%	Slight shrinkage Some decrepitation and dust. White oxide	Medium to slow hydra- tion speed
1547	44.08%	86.48%	Not tested further Dolomitic limestone	
1548	44.34%	72.07%	Not tested further Dolomitic limestone	
1549	43.75%	92.50%	Shrinkage approxi- mately 33%. No decrepitation or dust. White crisp oxide	Heats up slow Hydrates slow
1550	43.11%	92.75%	Slight shrinkage No decrepitation or dust. Crisp white oxide	Medium to slow hydra- tion
1551	42.98%	89.26%	No shrinkage Some decrepitation and dust. Friable oxide	Slightly slow hydra- tion
1552	44.20%	92.46%	No shrinkage Some decrepitation and dust. Friable oxide	Fast hydration
1553	43.93%	91.83%	No shrinkage Some decrepitation and dust. Friable oxide	Very fast hydration
1554	43.35%	90.75%	No shrinkage Some decrepitation and dust. Friable oxide	Fast hydration
1555	44.07%	94.47%	No shrinkage Some decrepitation and dust. Friable oxide	Very fast hydration

<u>Sample Number</u>	<u>LOI</u>	<u>Avail. CaO of Residue</u>	<u>Properties of Oxide After Burning</u>	<u>Hydration Properties</u>
1556	43.84%	98.17%	High shrinkage Almost 50	Extremely slow hy- dration
Note: Silica of this sample .22% R ₂ O ₃ .11%				
1557	42.91%	92.23%	No shrinkage Some decrepitation and dust. Friable oxide	Fast hydration
1558	43.34%	43.79%	This dolomite sample was burned and hydra- ted to compare with (Typical dolomite) high calcium stones. No shrinkage, no decrepitation or dust. Grey crisp oxide	Slow but steady hydration.
1559	43.95%	88.26%	No shrinkage No decrepitation or dust. Firm oxide	Fast hydration
1560	46.59%	60.30%	Dolomitic-not tested further	

If it is desired to run further tests on these samples, I have reserved of both ground sample as well as coarse pieces.

Respectfully submitted,

Robert Brinker
Chemist

Robert Brinker

RB:jr

INTERPRETATION of SAMPLE RESULTS:

The results of the samples taken at a 200 foot grid type spacing as shown on Map No. 9 (samples 1537 through 1560) indicate, surface-wise, that limestone of good to excellent quality does exist in the area. This sampling is, of course, a preliminary type program, which, because of its good results, requires that additional work be done.

The dip of the beds is slightly steeper than the dip of the hill slope - therefore - a cross-cutting effect is in evidence and the surface sampling provides an insight into the beds' quality and thickness. The sampling crosscuts - to a degree - what the writer shows as beds #3, 4, 5, 6 and 7. (See Map and Photos.)

Beds #3, 4 and 5 contain good limestone, however, a dolomitic condition appears to exist at or near the base of bed #3 and perhaps at the top of bed #4. Bed #6 and bed #8 also appear to be dolomitic.

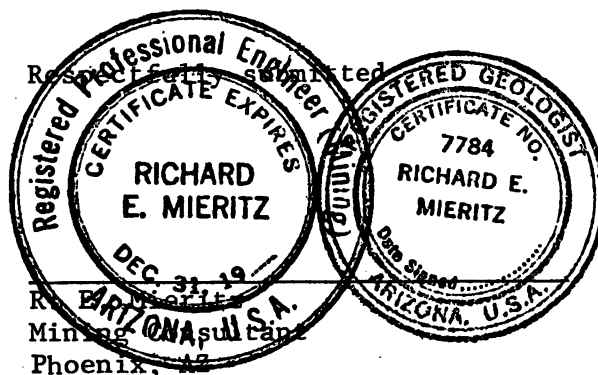
Viewing Section A-A' (a generalized section) on Map No. 9, it appears that the bottom of bed #5 would be the base of good usable limestone with a possible thickness of 80 to 140 feet through beds #3, 4 and 5. The thickness of the dolomitic "member" between beds #3 and #4 could be about 15 feet - ??

FUTURE WORK:

The sampling program completed - although time consuming - is quite successful in the right direction.

Regardless of what future exploration is done in this area of the property, it will be expensive simply because of its present state of inaccessibility, resulting in slow, time consuming progress.

Exploration that can be done is (1) further surface sampling using the present means of ingress-egress - and obtain more surface information over a broader area, and (2) provide an ingress-egress and drill percussion or diamond core holes, to provide subsurface data as to quality and thickness of good limestone beds.



September 22, 1979

AN ADDENDUM

to the Writer's

EVALUATION REPORT

Dated September 22, 1979

of the

SURFACE SAMPLING PROGRAM

on the

LIZ LIMESTONE CLAIMS

Gila County, Arizona

by

Richard E. Mieritz
Mining Consultant
Phoenix, Arizona

November 1, 1979

The following is an addendum to the writer's report of September 22, 1979 and reports on the continuation of the surface sampling program on the Liz limestone claims, Gila County, Arizona.

Because of the good results of the initial surface sampling on a 200 foot wide grid type pattern of the hill or slope east of El Capitan Canyon, but on the western edge of this hill or slope, it was decided to take similar surface samples near the east edge of the hill or slope just west of the next canyon east and to sample a single line south of coordinate 4000 N. (See Map No. 9A.)

Twenty four samples were taken during the initial program and twenty eight samples were taken during the second phase. Two of the latter samples (Nos. 1589 and 1598) were taken outside of the area. Thirty seven samples were above 85% CaO and averaged 91.25%. Four samples had 50% shrinkage but were not included in the 37 sample average. Eleven samples were less than 85% CaO.

The overall results point to an indicated area of approximately 1000 feet wide average (east-west) and 3000 feet long (north-south) or about 70 acres, with 250,000 tons limestone per foot of depth. Were there a fifty (50) foot thickness of usable grade limestone beneath the 70 acre area, some 12,500,000 tons could exist.

The results of the latest sampling as well as results of pervious programs are shown on Map No. 9A, herewith included.

In addition to the sample results shown on the Map, the writer has attempted to relate his conception of how the various beds and their respective purities are aligned with regard the southward slope of the hill. The cross-section on the right side of the Map attempts to depict the relative thicknesses of the beds present. The plan and section concepts are pictorial in scope. Drilling of vertical diamond core holes would more accurately show the true thicknesses of the beds.

Exploration-wise, 60 to 140 foot holes should be drilled to explore the limestone beds down the south slope of the hill from coordinate 5890 N. to coordinate 3400 N. The writer recommends the following holes, locations and depths.

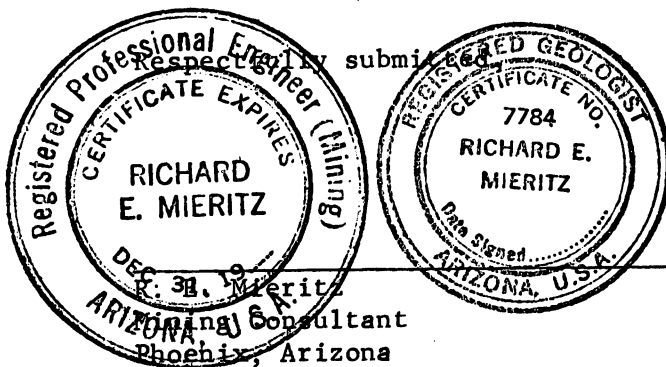
<u>Hole</u>	<u>Coordinates</u>	<u>Approx. Depth</u>
1	N. 5890 E. 2150	60 Ft.
2	N. 5200 E. 2000	100 "
3	N. 4600 E. 1800	140 "
4	N. 4000 E. 1600	140 "
5	N. 3400 E. 1370	140 "
		580 Ft.

These recommended holes should be drilled to the depths indicated to obtain the very important stratigraphic information of the various beds in order to be able to reasonably project the beds as well as to project the quality of the good material and the poor material.

The chosen locations of these holes were designed to test the east-west

"center" of the hill and basically to test the greatest north-south length of the exposed limestone beds - good or poor.

Mr. Brinker has tabulated the assay results of the samples taken during this program, including the cross reference for several samples (retaken) which were lost (stolen). The tabulations have been xeroxed and included in this report.



November 1, 1979

CAN-AM CORPORATIONPAUL LIME DIVISION
PAUL SPUR**Date:** October 15, 1979**To:** R. Barbero, H. Gorbali**Subject:** El Capital ^M Claims
Testing of Samples**From:** R. Brinker

Report covering testing of a set of 8 samples sent by Mieritz from El Capital claims on October 2nd, 1979

These samples consisted of 1" to 1½" pieces collected from the surface and approximately one pint in volume.

These samples were processed and tested in the same manner as 24 other samples from the same area and collected by the same person and reported in a report dated September 17, 1979.

Briefly the essential tests conducted were as follows:

Crushing, splitting and grinding one split for Loss on Ignition and an Available CaO test on the residue after ignition.

Burning a portion of the coarse particles in the other split in the electric muffle furnace for 1½ to 2 hours and noting the character of the lumps of lime thus produced.

Adding water to the above lumps of lime and noting hydration speed.

The results were nearly identical to some of the 24 samples tested previously from this same area.

Results are tabulated below:

<u>Sample Number</u>	<u>Loss on Ignition</u>	<u>Ave. CaO of Residue</u>	<u>Character of Burned Lumps</u>	<u>Hydration Speed</u>
X 1561	43.95%	98.21%	50% shrinkage firm oxide - no dust	Extremely slow
X 1562	44.01%	98.52%	same as above	Same as above
1563	43.98%	92.88%	Very slight shrinkage firm - no dust	Fast
1564	44.02%	88.94%	Slight decrepitation some dust	fast
1565	44.05%	95.14%	15% shrinkage - slight decrepitation & dust	Very slow

R. Barbero

H. Gorbali

Re: El Capital Claim - Samples (continued)

<u>Sample Number</u>	<u>Loss on Ignition</u>	<u>Ave CaO of Residue</u>	<u>Character of Burned Lumps</u>	<u>Hydration Speed</u>
1566	44.06%	89.74%	Slight shrinkage - some decrepitation and dust	Very fast
1567	41.66%	62.32%	Slight shrinkage no decrepitation or dust.	Very slow
1568	42.96%	88.67%	No shrinkage - no decrepitation or dust - very firm oxide	Fast

If it is desired to have any further tests made on these samples,
I have some of all held in reserve.

Respectfully submitted,


R. Brinker
Chemist

CC: Dick Mieritz

RB:hb

CAN-AM CORPORATIONPAUL LIME DIVISION
PAUL SPUR**Date:** October 30, 1979**To:** Robert A. Barbero
Howard Gorbali**Subject:** Samples - El Capitan
Claims**From:** Bob Brinker

Report covering testing of a set of 20 samples sent by Mieritz from El Capital claims on October 22nd, 1979.

These samples were the same type and the tests conducted in the same manner as those covered in previous reports dated 10/15/79 and 9/17/79.

These prior reports covered samples taken by Mieritz from the same general area as those 20 samples. Test results for these samples are tabulated below.

Some of the sample numbers are cross-referenced with another number. The reason for this is explained in the copy of a letter to me from Mieritz attached to this report.

Tabulation:

<u>Sample Number</u>	<u>Loss on Ignition</u>	<u>Av. CaO of Residue</u>	<u>Character of Burned Lime</u>	<u>Hydration Speed</u>
1579	43.64%	92.17%	Crisp, firm, no decrepitation or dusting	Fast
1580(1569)	43.58%	93.42%	Same as above	Fast
1581(1570)	43.92%	92.95%	Same as above except some dusting	Fast
1582(1571)	43.87%	92.15%	Slight shrinkage - some dusting	Fast
1583(1572)	43.82%	92.88%	No shrinkage, decrepitation or dusting	Fast
1584(1573)	43.43%	90.93%	Same as above	Fast
1585(1574)	43.80	91.85%	Same as above but some dusting	Fast
1586	43.80%	92.69%	same but a slight shrinkage	Fast

R. Barbero
H. Gorbali
Subject: El Capitan Claims
October 30, 1979 (continued)

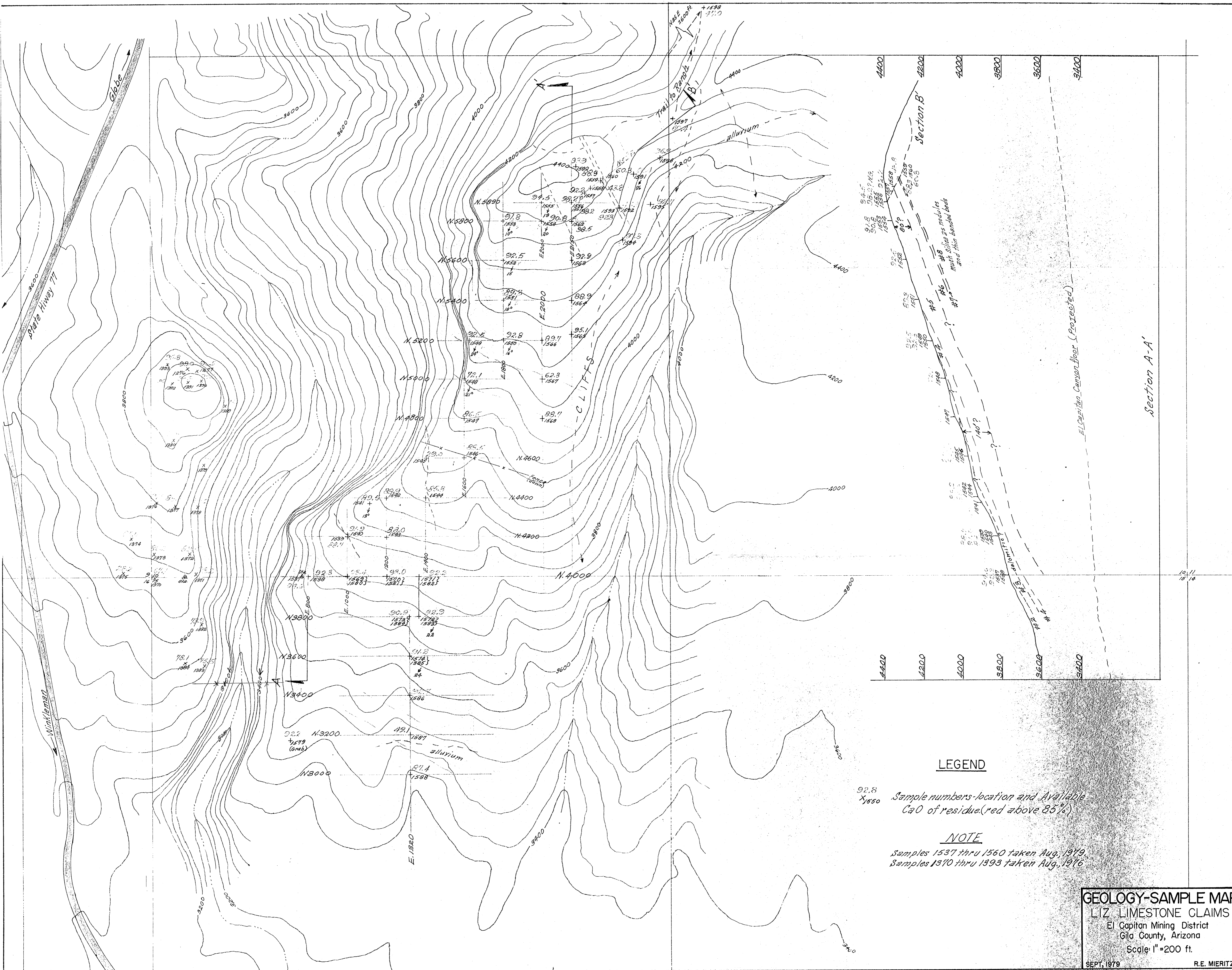
Sample Number	Loss On Ignition	Av. CaO of Residue	Character of Burned Lime	Hydration Speed
1587	45.80%	49.13%	(Dolomitic limestone - no burning or hydration tests made)	
1588	43.85%	87.44%	Slight shrinkage - no decrepitation or dusting	
1589	43.60%	44.36%	(Dolomitic limestone - no further testing	Fast <i>El Capitan Canyon bot- tom. 112 3 or 4</i>
1590	43.50%	93.88%	Approx. 10% shrinkage no decrepitation or dusting	Fast
1591	45.50%	50.38%	(Dolomitic Limestone - no further testing)	
1592	43.80%	44.35%	Same as above	
1593	43.30%	92.33%	Slight shrinkage but no decrepitation or dusting	
1594	43.83%	97.30%	Approx. 30% shrinkage but no decrepitation or dusting	Extremely slow
1595	44.30%	92.67%	Approx. 15% shrinkage but no decrepitation or dusting	Fast
X 1596	43.91%	96.34%	Approx. 50% shrinkage but no decrepitation or dusting	Extremely slow
1597	46.24%	60.35%	(Dolomitic limestone no further testing)	
1598	45.16%	47.02%	Same as above	<i>NE of NW cor of 112 #6</i>

I have some of each sample left if it is desired to make more tests.

Respectfully submitted,

Robert Brinker
Chemist

CC: R. Mieritz
RB:hb



LEGEND

92.8
X/550 Sample numbers-location and Available
CaO of residue (red above 85%)

NOTE

Samples 1537 thru 1560 taken Aug, 1979
Samples 1370 thru 1393 taken Aug, 1976

GEOLOGY-SAMPLE MAP
LIZ LIMESTONE CLAIMS
El Capitan Mining District
Gila County, Arizona
Scale: 1" = 200 ft.
SEPT, 1979 R.E. MIERITZ

CAN-AM CORPORATION

R.A. BARBERO
PRESIDENT-C.E.O.

P.O. DRAWER T
DOUGLAS, ARIZONA 85607
TELEPHONE (602) 364-2429.

SEPTEMBER 9, 1976

RICHARD E. MIERITZ
2940 N. CASA TOMAS
PHOENIX, ARIZONA 85016

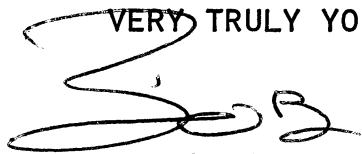
DEAR DICK:

THANKS FOR YOUR LETTER OF AUGUST 30, 1976.

I DO AGREE YOU SHOULD MOVE FORWARD AND
COMPLETE SAMPLE LOCATION MAP IN ORDER THAT WE MAY
HAVE AN OVERALL PICTURE OF THE AREA SAMPLED.

I'VE ASKED HAL HANSEN TO CONTACT YOU REGARDING
THE TWO CLAIMS STAKED. YOU AND HE DISCUSS THIS
SITUATION AND HE WILL ADVISE ME REGARDING A POSSIBLE
TRANSFER.

VERY TRULY YOURS,



ROBERT A. BARBERO

CC: H. C. HANSEN

RAB:HB

REPLY TO:

2940 N. CASA TOMAS
PHOENIX, ARIZONA 85016
TELEPHONE (602) 277-6053

Richard E. Mieritz

MINING CONSULTANT

ARIZONA REGISTERED
MINING ENGINEER AND GEOLOGIST

GEOLOGY
EXPLORATION
EVALUATION
FEASIBILITY
OPERATION

December 30, 1981

Mr. R. A. Barbero
CAN-AM Corporation
7110 N. Oracle Rd., Suite 211
Tucson, Arizona, 85704

Re: LIZ Road Project

Dear Mr. Barbero:

Pursuant to the letter of December 23, 1981 (Janice Backus) regarding the LIZ Road Project, the following information has been obtained.

For the most part, the following prices are those of Bryant Construction Co., Superior, Arizona. Other contractor prices in the Globe-Miami area are equal to or slightly higher.

EQUIPMENT RENTAL

D8H Dozer with ripper, including oil, fuel, operator, insurance, SS., etc	\$105.-/hr.
D7F Dozer with ripper, including oil, fuel, operator, insurance, SS., etc	\$ 80.-/hr.
Hough Loader, 2½ yd., including oil, fuel, operator, insurance, SS., etc.	\$ 45.-/hr.
Compressor, 160cfm including drilling & blasting equipment (jack hammer) and 2 men, oil, fuel, insurance, SS., etc	\$450.-/8hr sh.
Move in-move out costs depends on availability of required low boys and type of equipment. Can range from \$700.- down to \$200.- round trip.	

LABOR

Labor, including insurance, SS., transportation, etc. \$ 18.-/hr/man
Overtime is 1½ times hourly rate.

SUPPLIES, - Jaquays in Globe, Union Oil Bulk Plant, Miami.

Ammonia Pellets	\$ 15.00/100 lbs.
Gelatine sticks, 50 pound box	\$ 50.50/box
Fuse, 100 ft. rolls.	\$ 11.95/roll
Fuse, E. Cord, 1000 ft. rolls	\$ 84.00/roll
Caps, #6. box of 100	\$ 20.50/box
Diesel Fuel, bulk	\$ 1.111/gal.
Diesel engine Oil (Guradal, 30 wt.)	\$ 4.05/gal.


R. E. Mieritz

cc: H. Gorbail

B.X. International, Inc.

Continental Financial Center
7501 East McCormick Pkwy. / Suite 209N
Scottsdale, Arizona 85258
(602) 948-7106

December 23, 1981

Mr. Dick Mieritz
2940 North Casa Tomas
Phoenix, Arizona 85016

Re: Liz Claims

Dear Mr. Mieritz:

Mr. Barbero unable to contact you regarding above reference claims.

Is required that all work on Liz Claims be suspended pending meeting between you, Gorball and Barbero immediately after 1st of year.

We would appreciate your obtaining information regarding rental rates, labor costs, etc. prior to meeting.

Thank you. We will contact you at the earliest possible day.

Sincerely,



Janice Backus
Secretary

/jb

cc: R. Barbero
H. Gorball

CAN-AM CORPORATION

ROBERT A. BARBERO
PRESIDENT — C.E.O.

7110 NORTH ORACLE ROAD
SUITE 211
TUCSON, ARIZONA 85704
TELEPHONE (602) 742-1159

December 2, 1981

Richard Mieritz
2940 North Casa Lomas
Phoenix, Arizona 85016

Dear Dick:

I received a copy of your letter of December 1st relating to the progress and proposed working on the LIZ claims.

Everything seems to be going according to schedule. However, when we get to the "rock" workings I feel it's necessary that you, Howard Gorball and I sit down and all agree on the procedure together with the utilization of equipment and manpower. In all probability, we will use our equipment and manpower and, based on unit cost, obtain explosive materials locally or from our regular supplier.

I'm feeling great now and want to personally contact Bill Petulla and see what his work force consists of, etc. If you remember, I was hopeful Bill could do some work for us in the very beginning.

Your letter of December 1st directed to Hal Hansen was conveyed with your invoice; however, from this point forward, I would appreciate that correspondence relating to the workings of the project be directed to me with copies to Howard Gorball. Invoices should continue to be sent to Hal Hansen and it would be much appreciated if you would attach copies of any and all reports to such invoices. We are involved with others now and the protocol has yet to be fully perfected.

My best to Carolyn.



cc: H.C. Hansen
LIZ File
Howard Gorball

REPLY TO:

2940 N. CASA TOMAS
PHOENIX, ARIZONA 85016
TELEPHONE (602) 277-6053

Richard E. Mieritz

MINING CONSULTANT

ARIZONA REGISTERED
MINING ENGINEER AND GEOLOGIST

GEOLOGY
EXPLORATION
EVALUATION
FEASIBILITY
OPERATION

August 30, 1983

Mr. Kenneth Arne, V. Pres., Gen'l Mgr.
Can-Am Corporation
Paul Lime Division
Suite 208
2302 E. Speedway
Tucson, Arizona, 85719

Re: LIZ Limestone Claims
Gila County, Arizona
1982-83 Assessment Work

INTRODUCTION:

At the request of and authorization by yourself, the writer visited the LIZ Limestone Claims, Gila County, Arizona to complete a rather close spaced, grid type surface sampling program of the outcropping beddings which covered an area approximately 300 feet by 250 feet.

SAMPLING PROGRAM:

On August 13, 14 and 15, 1983, the writer surveyed a north-south, east-west grid by brunton and tape starting at the common corner of Sections 9, 10, 15 and 16 which is also the common corner of LIZ Placer claims No. 1, No. 2 and No. 21.

A sample grid pattern was laid out on a 100 foot spacing to the north of the Section corner, viz, Section corner plus 1 + 00 N., plus 2 + 00 N. and plus 3 + 00 N. The sample spacing along these east-west lines was at 50 foot intervals east to the cliff's edge and westward at a varying interval towards the limestone-Silica dike contact. In all, 25 samples were taken but only 24 assayed by Paul Lime's chemistry laboratory.

PURPOSE OF SAMPLING PROGRAM:

The detailed sampling program is designed to provide information which can be used as a preparatory basis for future development drilling and operation planning.

The sampled area is on the north-south trending ridge located between State Hiway 77 and the deep ElCapitan canyon to the east.

SAMPLE RESULTS:

The chemist at Paul Lime laboratory completed assays of L.O.I., available CaO, Insol (considered silica), R₂O₃ and total CaO. A

copy of his Assay Report is included.

Assay values for Available CaO and Insol have been posted above or below the sample numbers (2936 through 2960, except for 2954) which appear on the included Map No. 10. Sample 2954 was taken but apparently the writer missed picking up that sample when collecting them from that line. (See Map No. 10).

On the same Map a 1300 series of samples are also posted which were taken in year 1976. The assay figures adjoining these sample numbers represent the Available CaO and the magnesium content and reported as MgO. The magnesium content was a concern at that time.

ANALYSIS OF SAMPLED AREA:

The writer has indicated a $\pm 65^\circ$ E. line passing through sample 2940 and between samples 2948 and 2949. Samples southwest of this line are very poor--not suitable material. Samples northeast of this line --bounded on the east by the canyon cliff edge and on the west by the siliceous dike, are all relatively good limestone. Twelve new samples in this area (northeast of the southern limit line) average 92.5% available CaO and 2.56% Insol.

This information coupled with the drilling results of an earlier year, indicate there is about a 10 to 12 foot depth of good limestone in the sampled area.

It also appears that the northern limit of the better material will be just south of the southern outline of the tan colored alluvium area. The tan colored bed -- about 10 to 12 feet thick, is poor quality material.

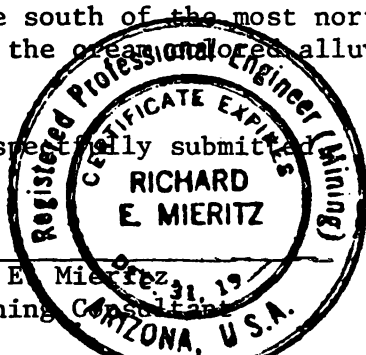
Better material should then appear from the northern edge of the tan colored alluvium, north to the cliff's edge. This thought is indicated by the results of drill holes L-6 and L-7. These holes encountered the Excabrosa limestone beds and had 40 feet of good material after penetrating up to 10 feet of poor material at the top of the hole.

CONCLUSIONS:

Considering the past and current evidence at hand, it appears that the bulk of the better limestone material with greater thicknesses lie south of the most northern cliff edge to near the northern tip of the tan colored alluvium area.

Respectfully submitted

R. E. Mieritz
Mining Consultant



Exhibits: Assay Report by Paul Lime Laboratory
Map No. 10--GEOLOGY-SAMPLES, August, 1983

CAN-AM CORPORATION

P.O. DRAWER T
DOUGLAS, ARIZONA 85607
TELEPHONE (602) 364-2429

August 26, 1983

TO: O. H. Gorbail
J. J. Filippine

FROM: Louis Roqueni

SUBJECT: Miertz Drilling

The drilling samples submitted by Richard Miertz have been assayed as follows:

Number	L.O.I.	Avail. CaO	Insol	R ₂ O ₃	CaO
2936	41.81	50.74	16.76	8.82	54.76
2937	45.86	59.83	4.70	4.32	63.68
2938	43.72	65.63	6.90	18.60	69.72
2939	43.68	58.71	8.92	5.90	67.40
2940	43.80	90.46	3.70	.80	94.50
2941	43.51	93.86	2.82	.88	95.86
2942	45.15	61.23	4.38	5.28	68.36
2943	44.53	93.69	1.90	1.24	95.36
2944	43.70	93.85	2.18	1.06	97.96
2945	43.80	91.65	2.16	1.00	88.92
2946	43.33	91.85	2.02	.76	96.78
2947	42.84	92.91	3.12	.98	95.18
2948	43.25	89.83	3.28	1.04	94.52
2949	42.43	79.96	2.18	3.40	83.30
2950	44.05	92.45	1.64	.84	96.08
2951	42.34	84.62	6.16	1.06	90.84
2952	43.59	92.29	3.08	1.12	91.78
2953	43.89	93.42	2.62	.90	95.52
2955	43.76	93.21	2.16	.76	95.94
2956	42.59	88.05	3.00	1.10	93.68
2957	42.08	86.62	2.38	1.22	92.32
2958	43.86	93.65	2.96	.98	93.80
2959	42.75	92.35	3.06	1.06	94.18
2960	42.06	93.40	3.02	1.16	94.80

Respectfully,



Louis Roqueni

LR/ket

REPLY TO:

2940 N. CASA TOMAS
PHOENIX, ARIZONA 85016
TELEPHONE (602) 277-6053

Richard E. Mieritz

MINING CONSULTANT

ARIZONA REGISTERED
MINING ENGINEER AND GEOLOGIST

GEOLOGY
EXPLORATION
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August 30, 1983

Mr. Kenneth Arne, V. Pres., Gen'l Mgr.
Can-Am Corporation
Paul Lime Division
Suite 208
2302 E. Speedway
Tucson, Arizona, 85719

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Gila County, Arizona
1982-83 Assessment Work

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A sample grid pattern was laid out on a 100 foot spacing to the north of the Section corner, viz, Section corner plus 1 + 00 N., plus 2 + 00 N. and plus 3 + 00 N. The sample spacing along these east-west lines was at 50 foot intervals east to the cliff's edge and westward at a varying interval towards the limestone-Silica dike contact. In all, 25 samples were taken but only 24 assayed by Paul Lime's chemistry laboratory.

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ANALYSIS OF SAMPLED AREA:

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This information coupled with the drilling results of an earlier year, indicate there is about a 10 to 12 foot depth of good limestone in the sampled area.

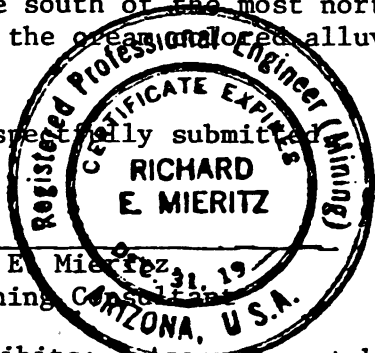
It also appears that the northern limit of the better material will be just south of the southern outline of the tan colored alluvium area. The tan colored bed -- about 10 to 12 feet thick, is poor quality material.

Better material should then appear from the northern edge of the tan colored alluvium, north to the cliff's edge. This thought is indicated by the results of drill holes L-6 and L-7. These holes encountered the Excabrosa limestone beds and had 40 feet of good material after penetrating up to 10 feet of poor material at the top of the hole.

CONCLUSIONS:

Considering the past and current evidence at hand, it appears that the bulk of the better limestone material with greater thicknesses lie south of the most northern cliff edge to near the northern tip of the occasional alluvium area.

Respectfully submitted



R. E. Mieritz
Mining Engineer
ARIZONA, U.S.A.

Exhibits: Assay Report by Paul Lime Laboratory
Map No. 10--GEOLOGY-SAMPLES, August, 1983

CAN-AM CORPORATION

P.O. DRAWER T
DOUGLAS, ARIZONA 85607
TELEPHONE (602) 364-2429

August 26, 1983

TO: O. H. Gorball
J. J. Filippine

FROM: Louis Roqueni

SUBJECT: Miertz Drilling

The drilling samples submitted by Richard Miertz have been assayed as follows:

Number	L.O.I.	Avail. CaO	Insol	R ₂ O ₃	CaO
2936	41.81	50.74	16.76	8.82	54.76
2937	45.86	59.83	4.70	4.32	63.68
2938	43.72	65.63	6.90	18.60	69.72
2939	43.68	58.71	8.92	5.90	67.40
2940	43.80	90.46	3.70	.80	94.50
2941	43.51	93.86	2.82	.88	95.86
2942	45.15	61.23	4.38	5.28	68.36
2943	44.53	93.69	1.90	1.24	95.36
2944	43.70	93.85	2.18	1.06	97.96
2945	43.80	91.65	2.16	1.00	88.92
2946	43.33	91.85	2.02	.76	96.78
2947	42.84	92.91	3.12	.98	95.18
2948	43.25	89.83	3.28	1.04	94.52
2949	42.43	79.96	2.18	3.40	83.30
2950	44.05	92.45	1.64	.84	96.08
2951	42.34	84.62	6.16	1.06	90.84
2952	43.59	92.29	3.08	1.12	91.78
2953	43.89	93.42	2.62	.90	95.52
2955	43.76	93.21	2.16	.76	95.94
2956	42.59	88.05	3.00	1.10	93.68
2957	42.08	86.62	2.38	1.22	92.32
2958	43.86	93.65	2.96	.98	93.80
2959	42.75	92.35	3.06	1.06	94.18
2960	42.06	93.40	3.02	1.16	94.80

Respectfully,



Louis Roqueni

LR/ket

CAN-AM CORPORATION

P.O. DRAWER T
DOUGLAS, ARIZONA 85607
TELEPHONE (602) 364-2429

TO: O. H. Gorball

FROM: J. J. Filippine

RE: Description of Liz samples submitted by R. E. Mieritz for 1983 Assessment work.

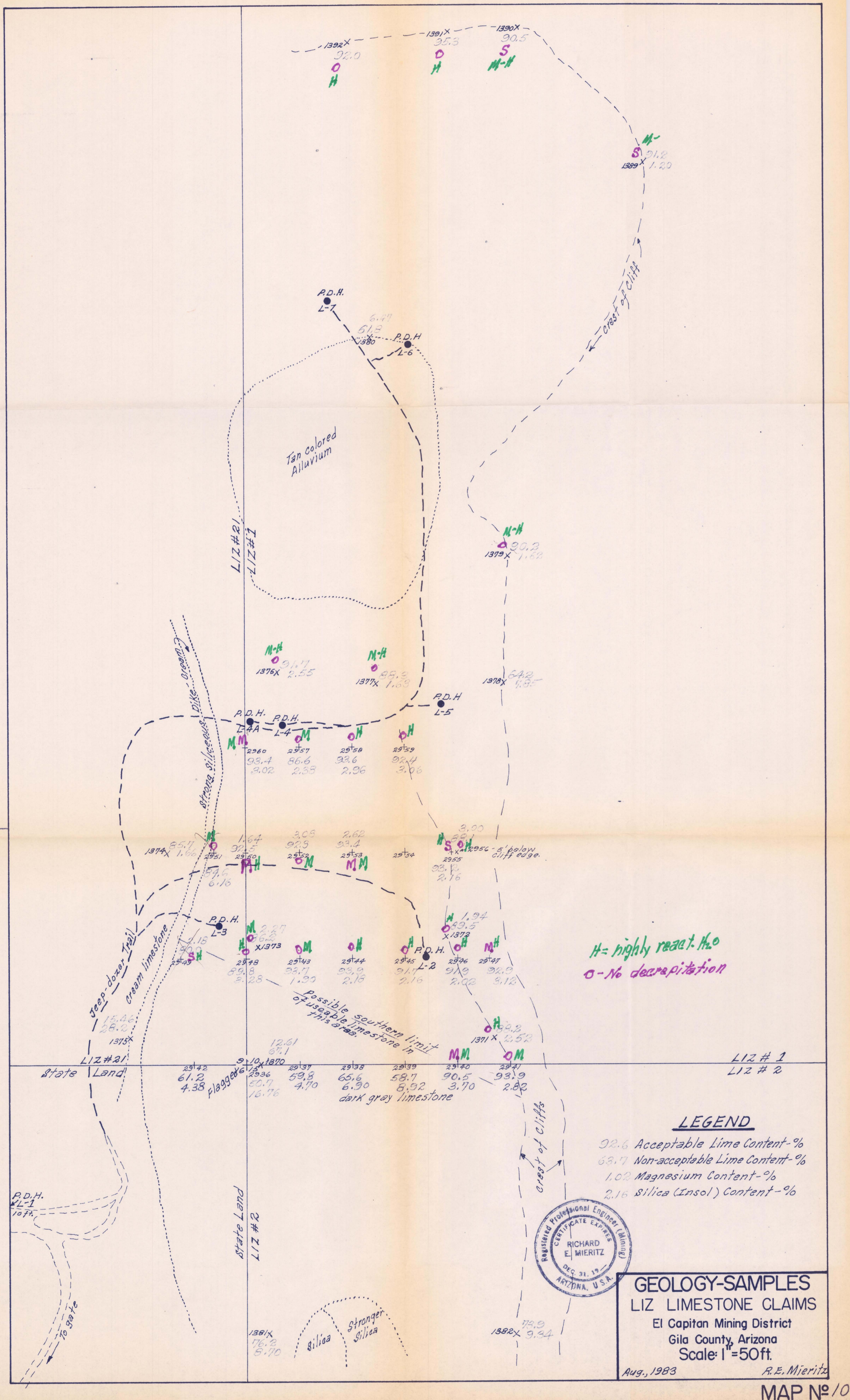
DATE: September 1, 1983

- #2936 A grayish brown amorphous rock which burns to a white color with slight decrepitation. The oxide is moderately reactive with water.
- #2937 A brown gray amorphous rock which burns to a white color without decrepitation. The oxide is highly reactive with water.
- #2938 A gray crystalline rock which burns to white color with slight decrepitation. The resulting oxide is moderately reactive with water.
- #2939 A brown amorphous rock that burns to a white color without decrepitation and the resulting oxide react slightly with water.
- #2940 A pink crystalline rock which burns to a white color with moderate decrepitation. The oxide is moderately reactive with water.
- #2941 A dark gray crystalline rock which burns to a white color without decrepitation. The oxide is moderately reactive with water.
- #2942 A light brown amorphous rock which burns to a whitish brown color without decrepitation. The oxide of which is highly reactive with water.
- #2943 A light gray cryptocrystalline rock which burns to a brown color without decrepitation and whose oxide is moderately reactive with water.
- #2944 A gray crystalline rock which burns to a white color without decrepitation. The oxide is highly reactive with water.
- #2945 A gray cryptocrystalline rock which burns to a white color without decrepitation. The oxide of which is highly reactive with water.
- #2946 A dark gray crystalline rock which burns to a white color without decrepitation. The oxide is highly reactive with water.
- #2947 A gray crystalline rock which burns to a white color with moderate decrepitation. The oxide is highly reactive with water.
- #2948 A dark gray crystalline rock which burns to a brown color without decrepitation. The oxide is highly reactive with water.

- #2949 A light gray crystalline rock which burns to a white color with slight decrepitation. The oxide is highly reactive with water.
- #2950 A gray crystalline rock which burns to white color with moderate decrepitation. The oxide is highly reactive with water.
- #2951 A dark gray crystalline rock which burns to a white color without decrepitation. The oxide is moderately reactive with water.
- #2952 A gray crystalline rock which burns to a white color without decrepitation and the oxide is moderately reactive with water.
- #2953 A gray cryptocrystalline rock which burns to a white color with moderate decrepitation. The oxide reacts moderately with water.
- #2955 A dark gray crystalline rock which burns to a white color with slight decrepitation. The oxide is highly reactive with water.
- #2956 A gray crystalline rock which burns to a white color without decrepitation. The oxide is highly reactive with water.
- #2957 A dark gray crystalline rock which burns to a white color without decrepitation. The oxide is moderately reactive with water.
- #2958 A gray crystalline rock which burns to a white color without decrepitation. The oxide is highly reactive with water.
- #2959 A light gray cryptocrystalline rock which burns to a white color without decrepitation. The oxide is highly reactive with water.
- #2960 A light gray crystalline rock which burned to a white color with moderate decrepitation. The oxide is moderately reactive with water.

J. J. Filippine

J. J. Filippine



REPLY TO:

2940 N. CASA TOMAS
PHOENIX, ARIZONA 85016
TELEPHONE (602) 277-6053

Richard E. Mieritz

MINING CONSULTANT

ARIZONA REGISTERED
MINING ENGINEER AND GEOLOGIST

GEOLOGY
EXPLORATION
EVALUATION
FEASIBILITY
OPERATION

September 9, 1983

Mr. Kenneth Arne, V. P., Gen'l Mgr.
CAN-AM Corporation
Paul Lime Division
Suite 208
2302 E. Speedway
Tucson, Arizona, 85719

Re: LIZ Limestone Samples
Gila County, Arizona

Recently I received copy of Mr. J. J. Filippine's sample character comments to Mr. Gorbail regarding the samples taken by the writer on the LIZ Limestone claims, Gila County, Arizona.

On a "work print" of Map No. 10, the latest Geology-Sample Map submitted with my August 30, 1983 Report on the sampling completed for assessment purposes for year 1982-83, I have plotted the "re-active" and "decrepitation" characteristics of the samples taken recently--and in the past-- for those samples "NORTH" of the "Possible Southern Limit Line" shown on the Map.

This exercise was completed to provide you a generalized, conclusive, opined resume of the writers analysis of these characteristics as associated with the higher grade lime content of the samples in the area.

There were 27 samples considered (lime content above 86.2%), 17 new samples and 9 earlier samples (1370, 80 and 90 series). Decrementation-wise, 19 samples were characterized as having NO decrementation, 3 having slight decrementation and 5 having moderate decrementation. Hydration-wise, 14 were classified as highly reactive, 4 were moderate to highly reactive and 9 were described as being moderate reactive. The average lime content is 91.4%. All in all, a better than "good" rock.

The material here sampled making up the outcropping ridge on the west side of ElCapitan Canyon is identical to the beds on the east side of the canyon and which area has been wide-spaced grid sampled over a much larger area, it can thus be opined that the larger mass east of the canyon will have similar burning and hydration characteristics for limestone containing available lime in excess of 86%.

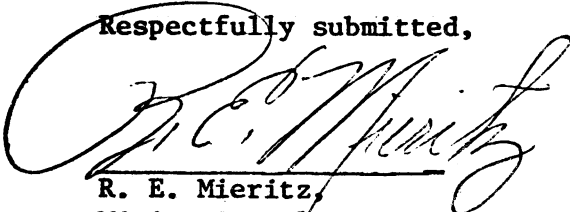
The ground surface slope to the south is slightly flatter, east and west of the canyon, than the southerly dip of the limestone beds, thus, the surface sampling completed to date, has, in effect,

Page Two

crosscutted the bedding as the sampling progress to the north--up the surface slope. Because of the wide spaced grid, the results thus far are merely indicative.

Future assessment work should include consideration of a surface sampling program on a grid spacing (north-south) similar to the spacing used for the recent sampling program just completed on the ridge west of ElCapitan Canyon.

Respectfully submitted,

A large, stylized handwritten signature in dark ink, likely belonging to R. E. Mieritz, is written over the typed name and title.

R. E. Mieritz,
Mining Consultant

Copy to: Howard Gorball,
Douglas.

Note: This letter Report should be attached to my earlier Report of August 30, 1983

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TELEPHONE (602) 277-6053

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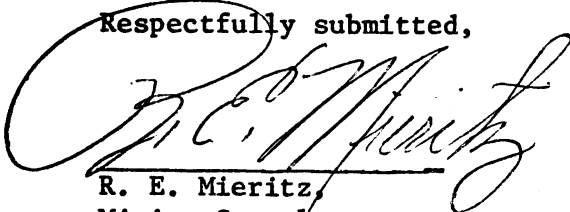
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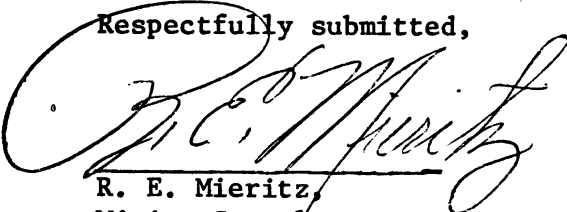
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Respectfully submitted,

A handwritten signature in cursive script, appearing to read 'R. E. Mieritz', is written over a horizontal line.

R. E. Mieritz,
Mining Consultant

Copy to: Howard Gorball,
Douglas.

Note: This letter Report should be attached to my earlier Report
of August 30, 1983

RICHARD E. MIERITZ

CONSULTING MINING ENGINEER

1634 W. HAZELWOOD ST.
PHOENIX, ARIZONA 85015

Richard E. Mieritz

*16296
13872
2374*

*19556
9496
4000*

*13872
2378
1494*

10792

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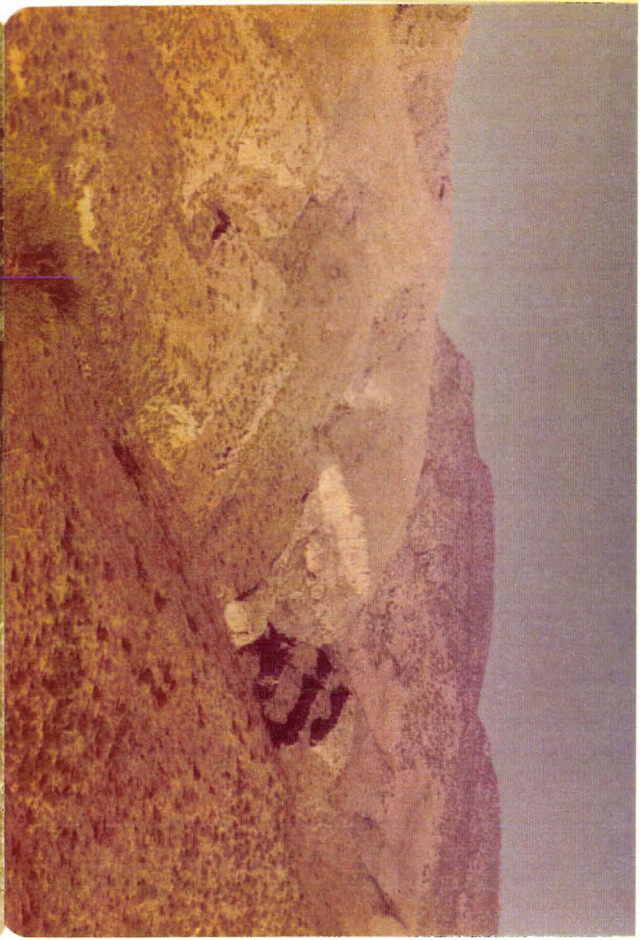
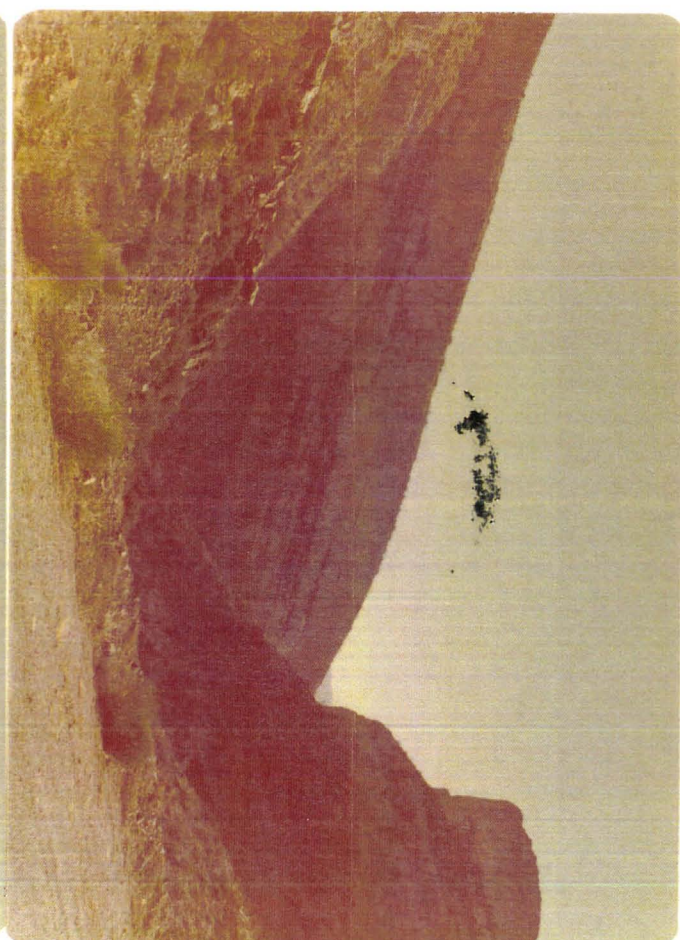
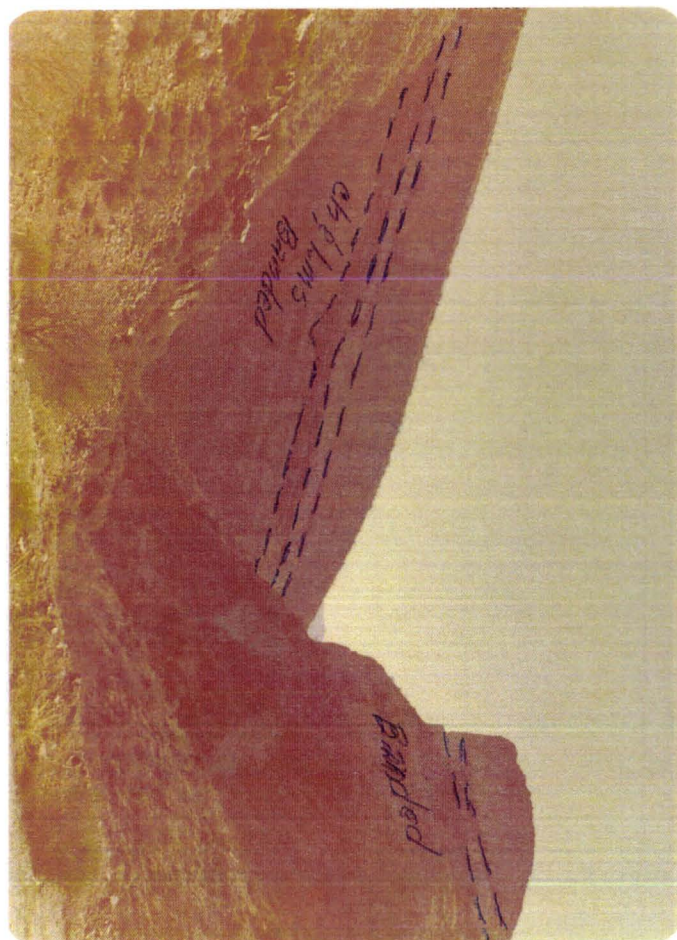
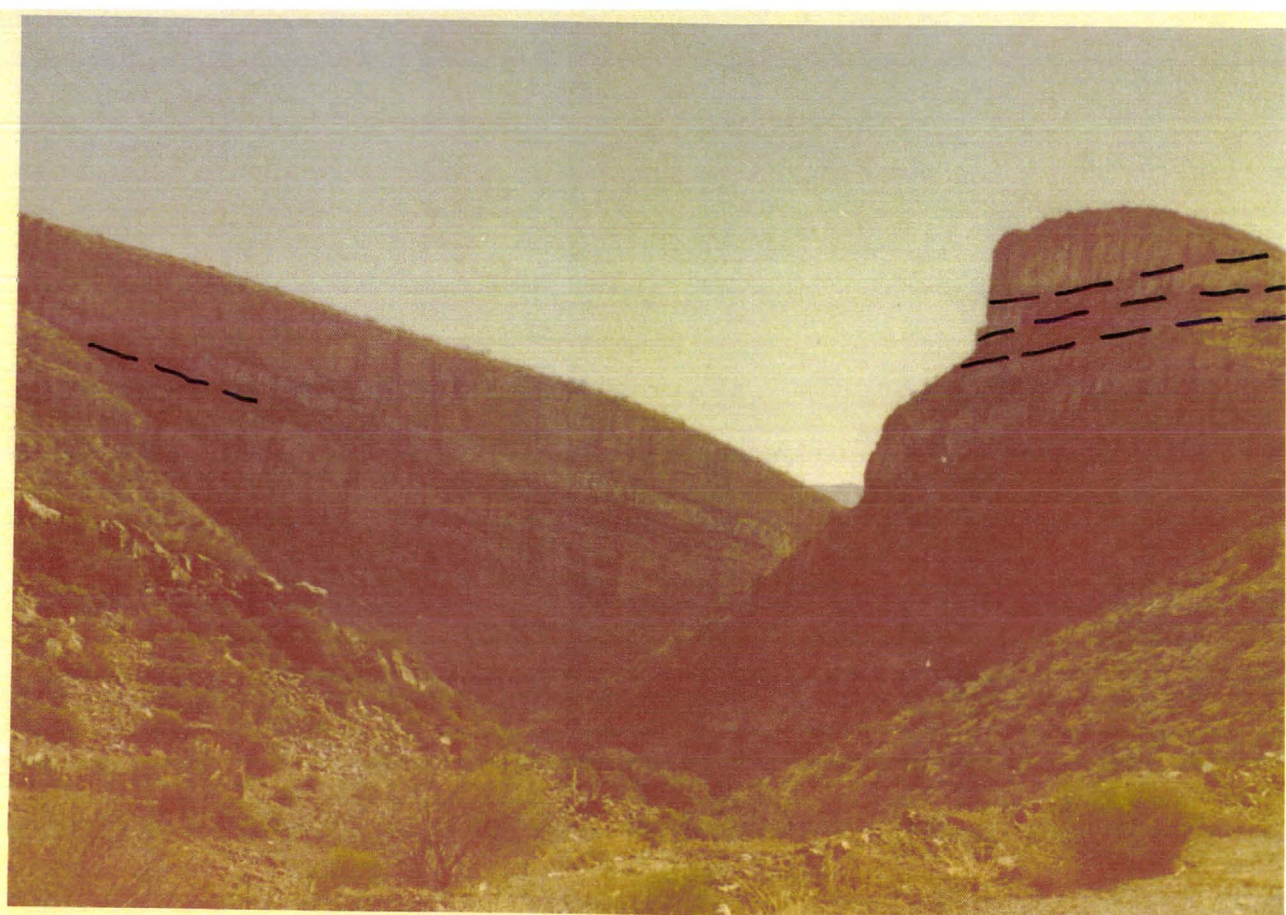
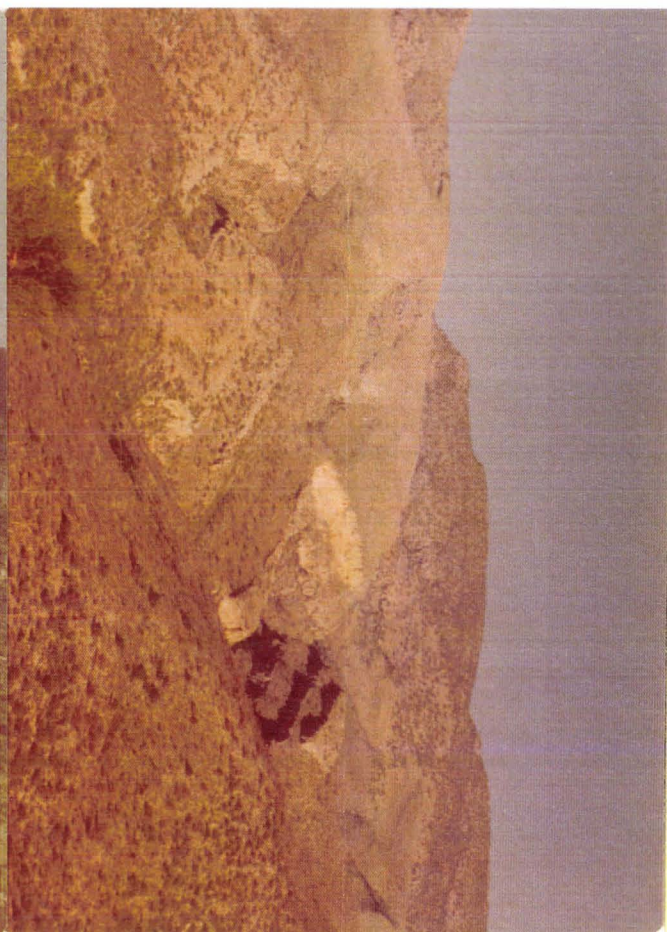
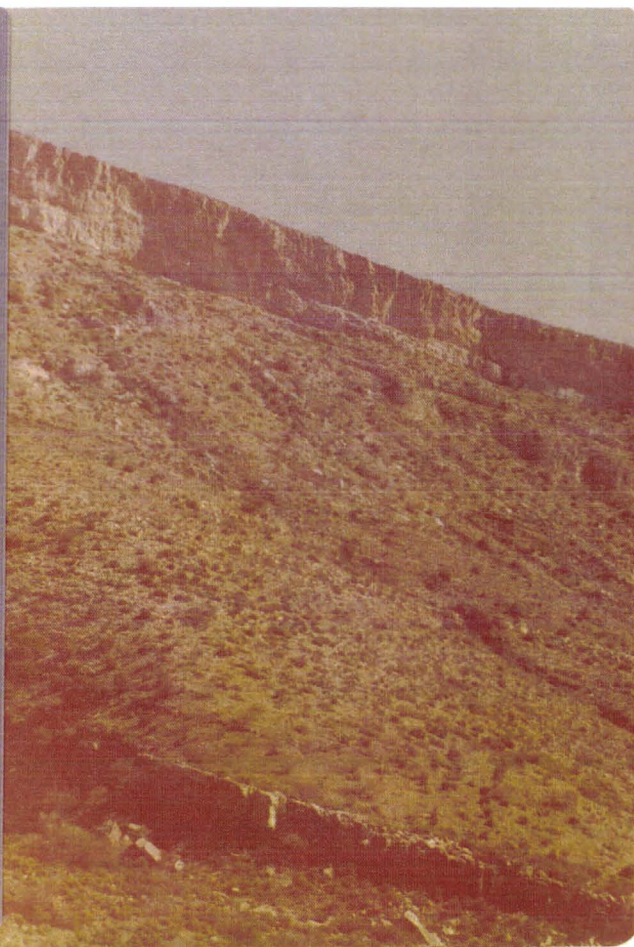
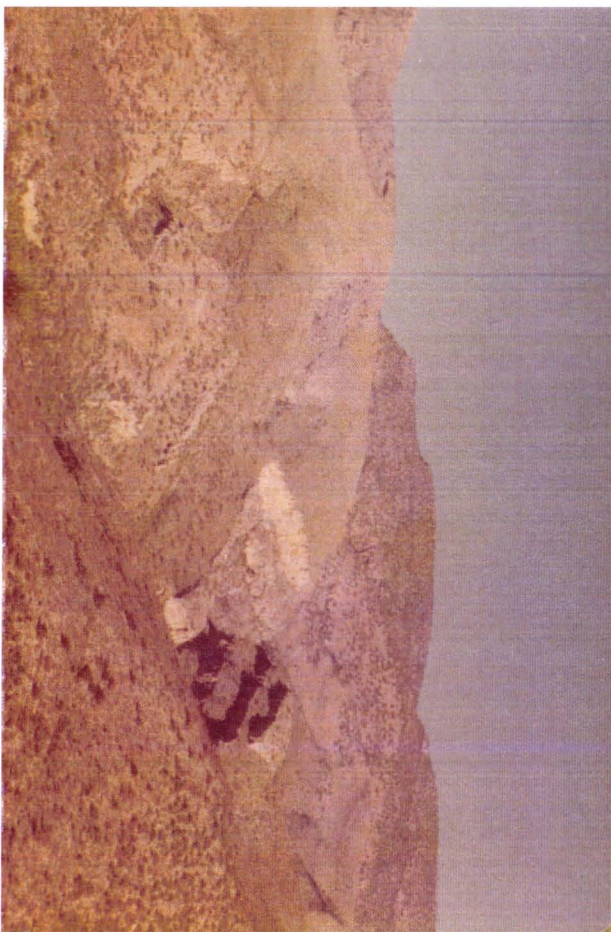
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File - 425-1545

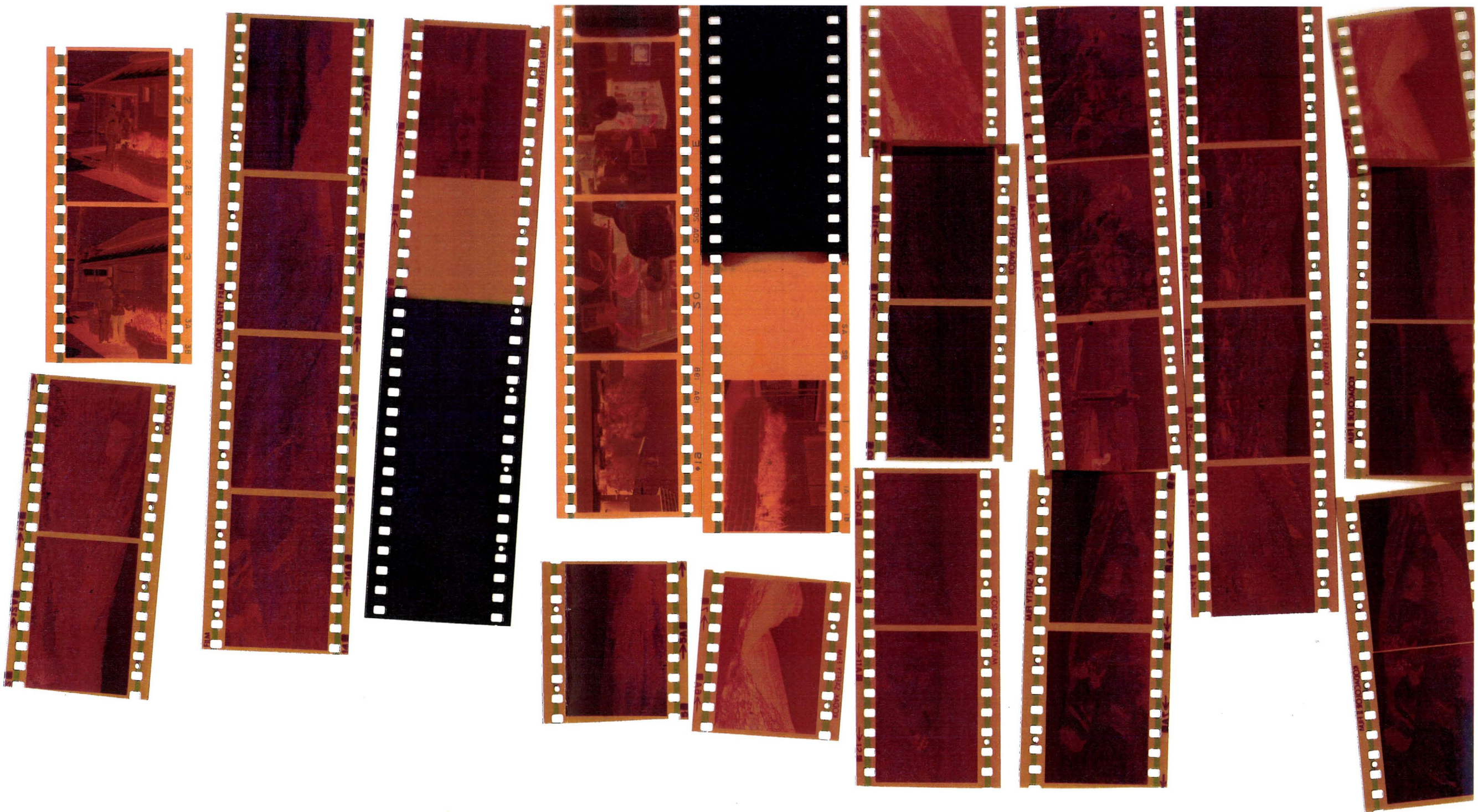
- Sanford 102-36-02 Box 2154 Globe

Ortega 102-36-04 Box 1403 Globe

425-1331







Affidavit of Laborer
Improvements

STATE OF ARIZONA, }
County of Gila } ss.

Richard E. Mieritz being duly sworn, deposes and says that he is a citizen of the United States and more than twenty-one years of age, and resides at Phoenix in Maricopa County, State of Arizona, and is personally acquainted with the mining claims known as LIZ No. 1 through LIZ No. 20

(20 claims total)
mining claim, situate in El Capitan Mining District

Mining District, County of Gila, State of Arizona, the location notice of which is recorded in the office of the County Recorder of said County, in Book 212 of Records of Mines, at page 438 through 456 and that between the 21st day of September, A. D. 1975, and the 28th day of September, A. D. 1975, at least \$2,000.00

dollars worth of work and improvements were done and performed upon said claim, not including the location work of said claim. Such work and improvements were made by and at the expense of CAN-AM Corp., Paul Mine Division, Paul Spur, Arizona

owner.s of said claim for the purpose of complying with the laws of the United States pertaining to assessment of annual work, and Paul Bryant Construction Co. and Richard E. Mieritz for year 1975-76

were the men employed by said owner.s and who labored upon said claim, did said work and improvements, the same being as follows, to-wit: Supervision and construction of drill hole location roads, surveying of roads and sampling of formations.

Sent to Recorder's Office, Miss Davis Parker,
P.O. Box 1693,
El Paso, 85501 on 11/16/75
Notarized - United Bank on 11/14/75

APPLICATION FOR PERMIT TO USE STATE HIGHWAY RIGHT OF WAY
(Print or Type)

Application is hereby made for a permit to enter in upon and use a portion of the State Highway.

Name of Owner Bryan Tatum

Address of Owner P. O. Box 877

City Patagonia State Arizona Zip 85624

Name of Applicant Can-Am Corp. Paul Lime Div. Legal Relationship to Owner Mineral Claim Owner

Mailing Address P. O. Drawer "T"

City Douglas State Arizona Zip 85607

Phone (602) 364-2429

Signature of Applicant Bryan Tatum

(Applicant and Owner are responsible for conditions on permit)

City (in or near) Globe, Arizona Project No. XXXXXXX- NON-253(57)B

Highway Route No. S.R. 77 Approximately 2900 XXXTXXX South X of Milepost No. XXX155.53⁺ Rt

Side of Highway N S E W (circle one) Highway Station _____

Purpose Access road to drilling area of limestone deposit on Companys mining claims. Road to be constructed to be up to 18 feet wide, gate at fence line (state). Company has 20 placer mining claims as a group, totalling over 2800 acres. There are no turnouts, no driveways, etc. There are no water lines, sewer lines, power lines, etc. Road will permit exploration and development of the limestone deposits claimed.

18 FOOT TURNOUT WITH 30 FOOT RADIUS WITH 8 INCH ABC.

THIS APPLICATION is approved with the following directions, requirements and specifications:

Work shall be supervised for the State by Harry Mineer, Supervisor, Globe telephone number 425-3291.

Notification must be made to the above office three (3) days before work is to begin, and also within three (3) days after completion for a final inspection.

Traffic shall be protected in accordance with the State Traffic Control Manual. Permittee shall under no circumstances detour traffic, nor detain traffic on the State highway, without a written traffic control plan approved by the District Engineer.

Construction shall be in conformance with Arizona Department of Transportation Standards C-12.01 Type 1 Gate and C-6.01 Type "A" attached hereto.

Strain posts are to be set and fence tied before making an opening for gate.

Turnout shall be at an angle of 90° to highway and shall slope away from pavement sufficient not to drain towards highway.

This permit is for access to explore and develop only. When production begins and/or if usage is deemed more than necessary for preliminary work, another permit is to be applied for which will consist of a paved turnout with a different geometric configuration.

(Over)

RECEIVED
OCT 13 1981

DISTRICT VII OFFICE

Dated 10/22/81

Kenneth P. Hamblin

District Traffic ^{District Engineer} Supervisor

FOR AND IN CONSIDERATION of the granting of a permit or license for the purpose set forth herein the Licensee hereby agrees, covenants, and binds said Licensee as follows, to-wit:

1. The Licensee hereby agrees to save and hold harmless the State, any of its departments, agencies, officers or employees from all cost and damage incurred by any of the above and from any other damage to any person or property whatsoever, which is caused by any activity, condition, or event arising out of the performance or non-performance of any provision of this agreement or the exercise of this permit or license by Licensee, any of its agents, or any of its independent contractors. The above cost incurred by the State, any of its departments, agencies, officers, or employees shall include in the event of an action, court costs, expenses of litigation and reasonable attorneys' fees. When any above cost, damage occurs as aforesaid, Licensee assumes the burden of proof that the above activity, condition, or event did not cause such cost, damage, or other damage.
2. That all work done shall be at the sole cost and expense of the Licensee, and shall be done at such time and in such manner as to be least inconvenient to the traveling public, and as directed by the agent of the Licensor. Work must be finished in the time specified on permit.
3. That when the proposed work is completed the Licensee shall repair the roadbed and replace the surfacing material thereon and will leave the said road in as good a condition as it is now, so far as the road is affected by the Licensee.
4. If the subject of the permit or license fails to pass final inspection, the Licensee will remove or replace the same within such time as specified by written notice from the Licensor; or if at any time hereafter, any material used by the Licensee is replacing or reconstructing any part of said highway proves defective, the Licensee will replace the same with the kind and quality of material which the Licensor shall specify.
5. That if the title and possession of any property placed upon the right of way by the Licensee remains in said Licensee, the Licensee shall and will promptly perform all necessary repair work upon written notice from the Licensor, and will not permit or allow any condition to exist which would be a hazard or source of danger to the traveling public.
6. That if at any time hereafter the right of way, or any portion thereof, occupied and used by the Licensee may be needed or required by the Licensor, any permit or license granted in pursuance of this application, may be revoked by the Licensor and all right thereunder terminated, and upon sufficient notice, the Licensee shall and will remove all property belonging to said Licensee.
7. That in the event that the work to be done under the authority of the permit or license necessitates the creation of any hazard or source of danger to any person or vehicle using said highway, said Licensee shall and will provide and maintain at all times during the existence of said hazard, sufficient barriers, danger signals, lanterns, detours, and shall and will take such other measures of precaution as the Licensor shall direct.
8. That if the work to be undertaken is of such a nature or character that the Licensor deems it necessary that said work be laid out, or inspected by the Licensor, said Licensee will defray any and all expenses incurred by said Licensor, and herein agrees to reimburse the Licensor, and for that purpose will deposit with the Licensor a sum of money in the amount necessary to cover all cost incurred by the Licensor.
9. All construction to be as per final plans approved with permit.
10. Licensee agrees to advise the state of any change of ownership.

WHITE COPY TO APPLICANT AFTER PROCESSING
YELLOW COPY TO PERMIT DIVISION FILE
PINK COPY TO DISTRICT ENGINEER'S FILE
GREEN COPY TO DISTRICT ENGINEER'S INSPECTOR
BLUE COPY TO FHWA (INTERSTATE HIGHWAY ONLY)

PERMIT AND LICENSE

Permit No. 4 4 4 1 2

A permit and license is hereby issued to the foregoing licensee for the purpose contained in the application and upon the expressed condition that every agreement and covenant therein contained is faithfully performed, and said work to be performed in accordance with final approved plans and specifications. Construction is authorized only for period indicated below.

Dated 10/22/81

ARIZONA DEPARTMENT OF TRANSPORTATION

Construction to be completed by:

By *Donald D. Smith*

Assistant

District Engineer

10/22/82

Date

Maintenance Permit Engineer

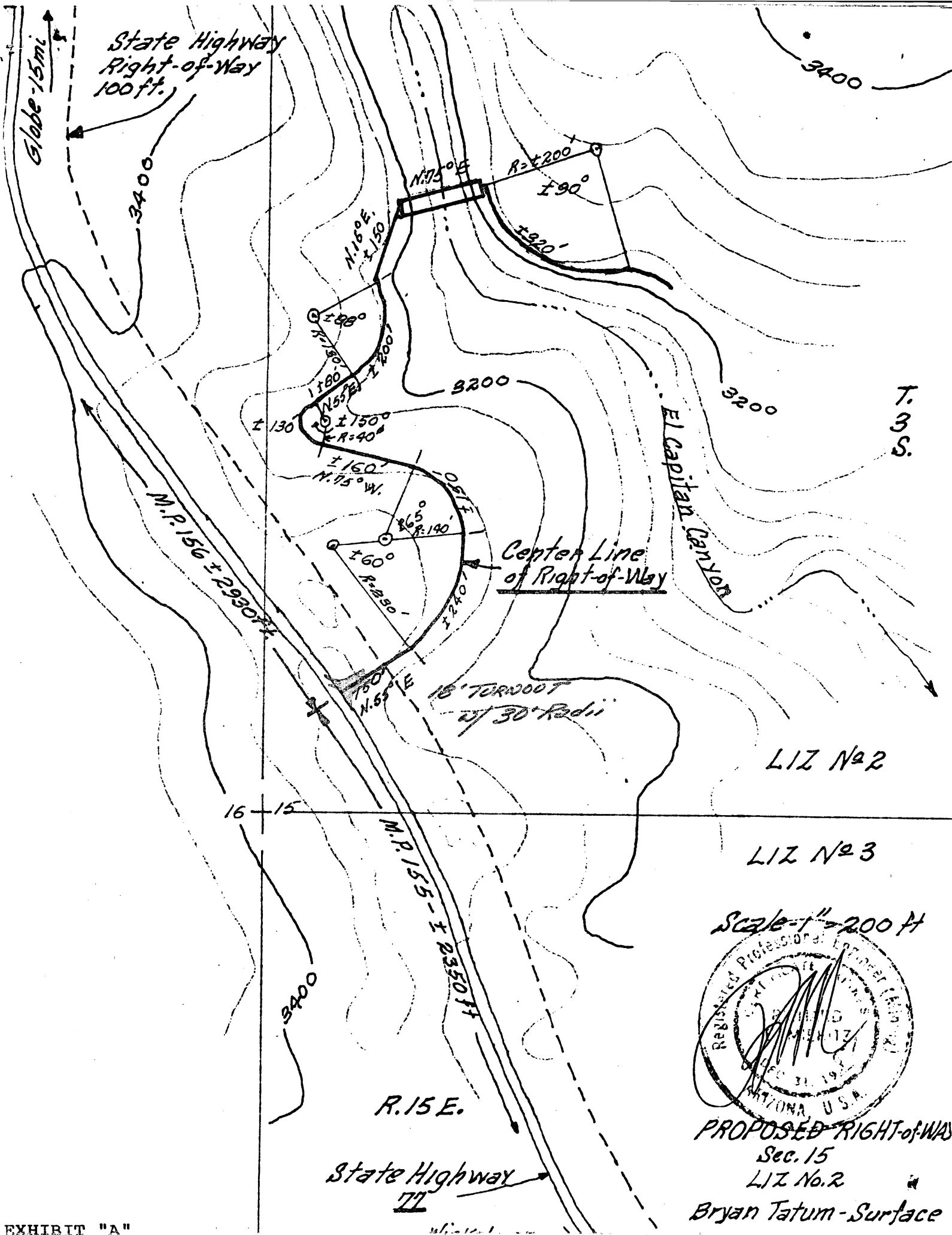
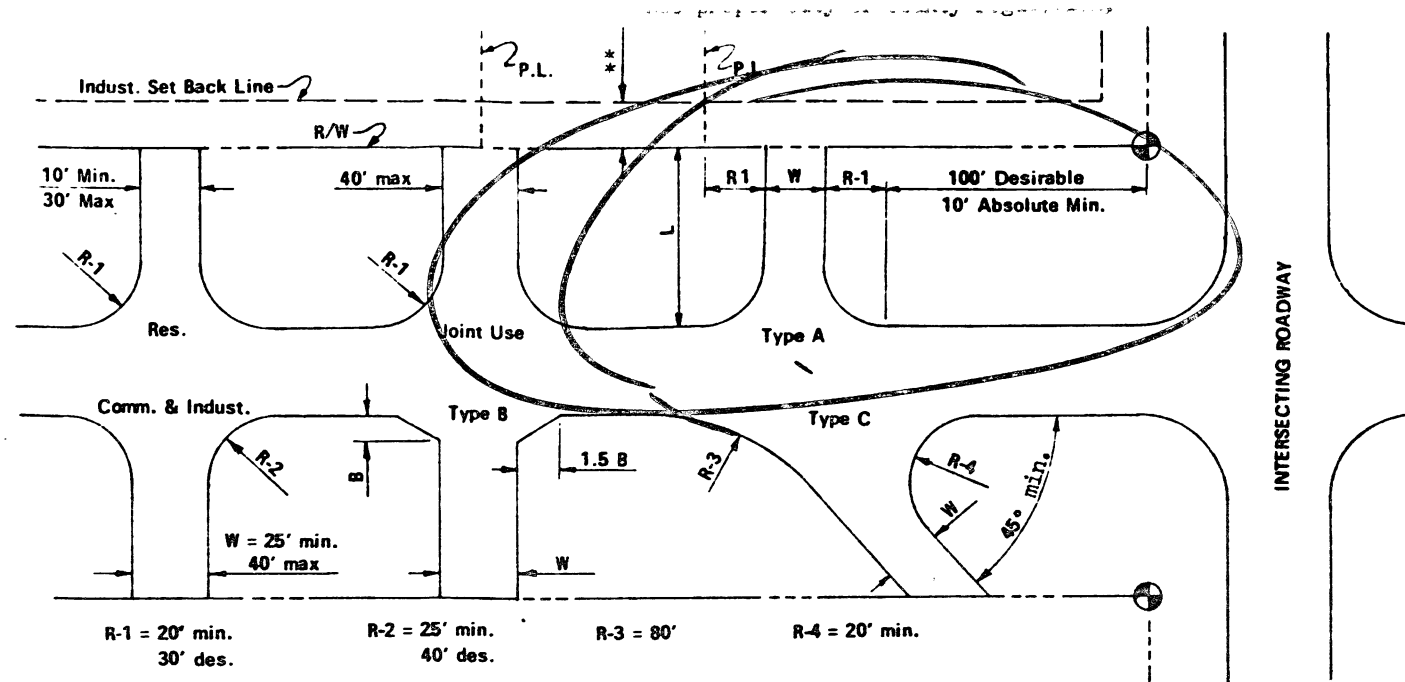
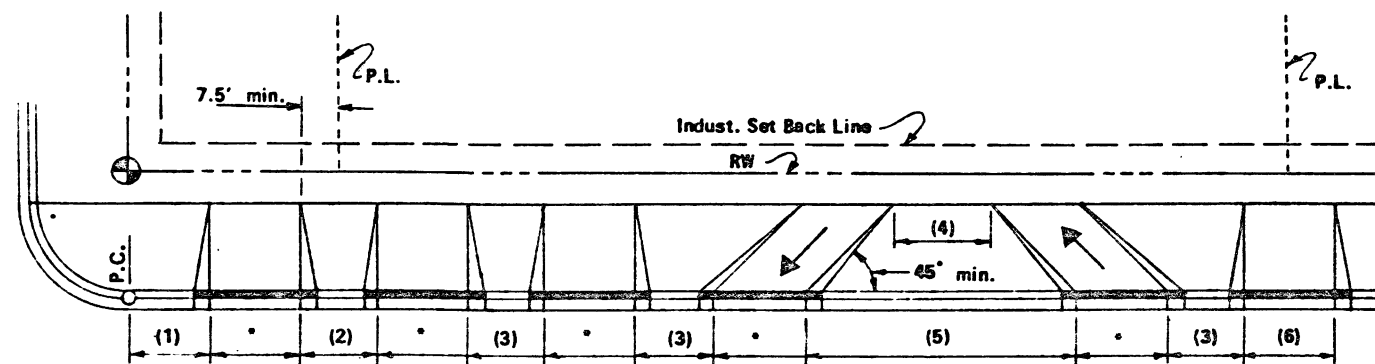


EXHIBIT "A"



RURAL DEVELOPMENTS



- (1) 10' min., 20' des.
(2) 15' min.
(3) 25' min., 40' des.
(4) 40' min.

- (5) One way couplet for use only on one way roadways.
(6) 40' max. joint use d'way

* Residential: 10' min., 30' max.
Commercial:
One way, 15' min., 30' max.
Two way, 25' min., 40' max.
Industrial: 20' min., 40' max.

URBAN DEVELOPMENTS

GENERAL NOTES

Paved Turnouts: Plans notation will be WxL, surface material, type and standard.
Example: 20' X 30' A.C.T.O., Type A, Standard C-6. 01, Show R graphically.
Base material shall be the same as what shown for main roadway, unless otherwise noted.
Excavation or embankment for turnouts shall be included in quantities for main roadways.
Dimensions indicated as minimum shall be avoided whenever possible in favor of those indicated as desirable.

Driveways and depressed curbs shall be located as noted on plans or as directed by the Engineer.

The Type 'A' turnout is the preferable turnout design. Type 'B' and 'C' shall only be used when absolutely necessary.

Driveway Types:

- Residential - one providing access to a single family residence, to a duplex, or to an apartment building containing five or fewer dwelling units.
- Commercial - one providing access to an office, retail or institutional building or to an apartment building having more than five dwelling units.
- Industrial - one directly serving a substantial number of truck movements to and from loading docks of an industrial facility, warehouse or truck terminal.

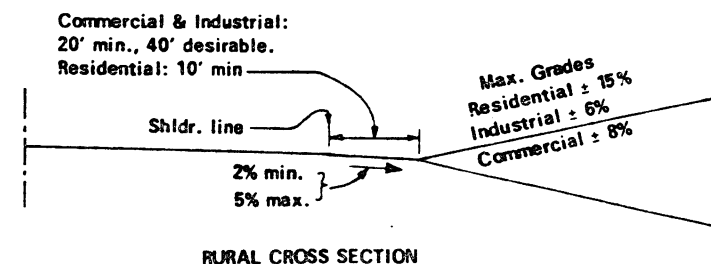
Driveways for high volume traffic generators shall be approved individually by Traffic Engineering Section.

Driveways with curb returns in urban areas shall be installed only with the approval of Traffic Engineering Section.

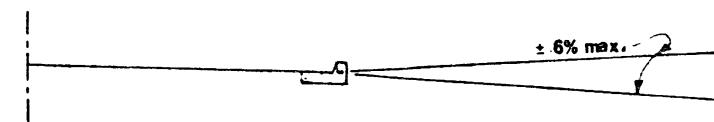
Joint Use Driveways - it may become desirable for landowners of adjacent properties to require a joint driveway to service both properties. If this is the case, only one of the two adjacent landowners need apply for the access permit, but a notarized written mutual agreement, signed by all parties involved, must accompany the application form.

Construction of curb, gutter and sidewalk in urban areas by the permittee, along that portion of the highway frontage under permit application, may be a stipulation of the permit approval if there appears to be reasonable need.

Drainage structures shall be provided under driveways where necessary.

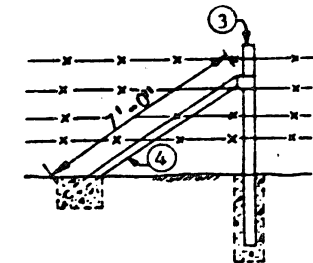
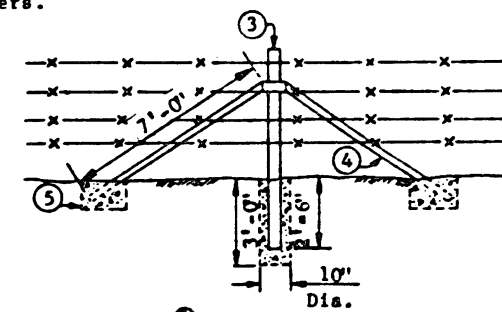
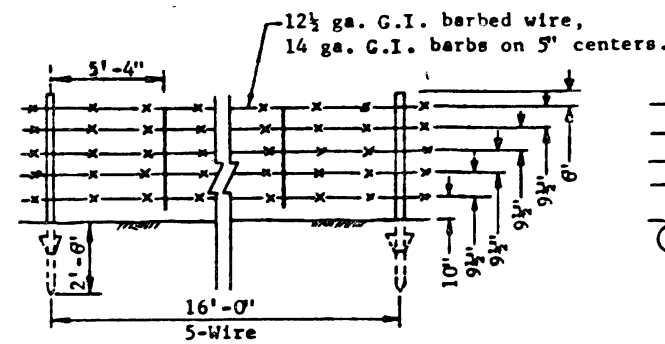
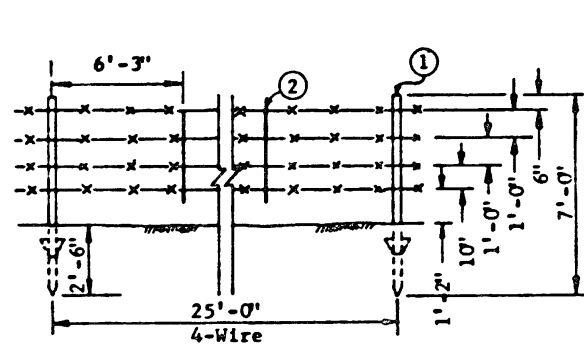


RURAL CROSS SECTION



URBAN CROSS SECTION

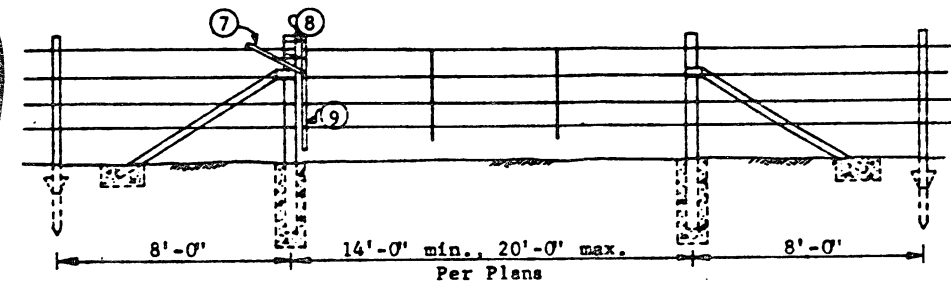
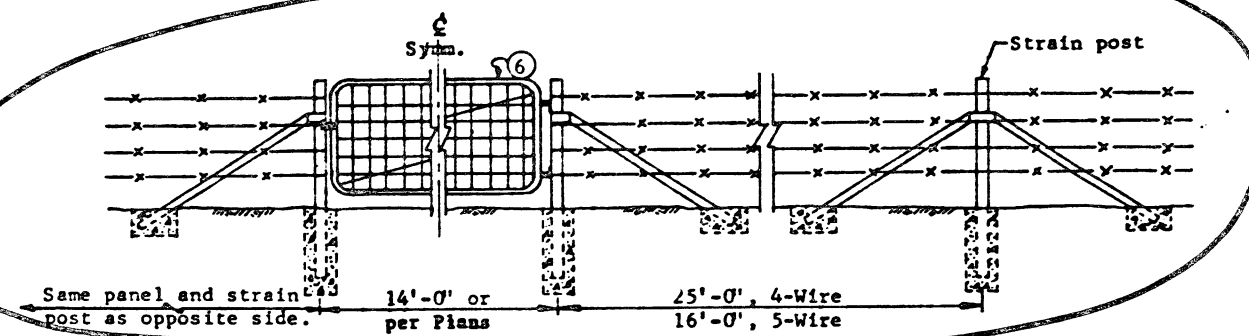
DESIGN APPROVED <i>[Signature]</i>	STATE OF ARIZONA DEPARTMENT OF TRANSPORTATION DIVISION OF HIGHWAYS STANDARD DRAWINGS	REV 6/74 11/74
APPROVED FOR DISTRIBUTION <i>[Signature]</i>	TURNOUT & DRIVEWAY LAYOUT	DRAWING NO. C-6-01



LINE PANELS

STRAIN POST

BRACE POST



NO. 1 GATE

NO. 2 GATE

GENERAL NOTES

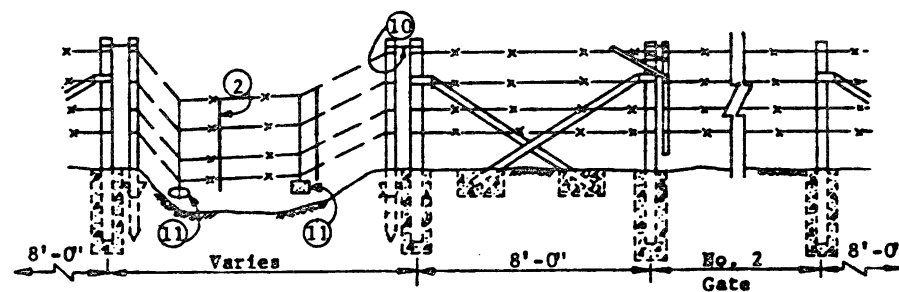
Posts and braces shall be green in color. Posts may have white tops. Wood parts of No. 2 gate shall be unpainted.

When line post anchors are omitted or post hole is drilled, posts shall be set in concrete. On curves, the fence shall be so constructed that the wire tension is against the post and not against the wire ties.

A maximum of two splices is permitted between strain posts but not on the same wire. No splice shall be placed less than 100' from a strain, corner or gate post.

Concrete may be job mix of not less than 5-sacks per C.Y.

Tolerance on distance between ground and bottom wire at any point equals $\pm 4"$



FLOOD GATE

① Strain Posts shall be placed at corners, angles exceeding 15° and at intersections. Intersection strain posts shall have a third brace in line with cross fence. In these installations, near line posts shall be placed 8' max. from strain post.

- ① Line Post. "T", "U", "Rail", "Hat" or similar production section. Wt., exclusive of anchor, 1.31lb/ft. min. Shall be punched, knobbed or corrugated to hold wire firmly. Wire ties shall be 11 ga galv. wire min.
- ② 9 1/2 ga., galv., twisted wire stays, 42" long. Space at 5'-4" & 6'-3" int. for 5 & 4 wire fence respectively.
- ③ 2 1/2" nom. dia. pipe or 2 1/2" x 2 1/2" x 1/2" L
- ④ 2" nom. dia. pipe or 2" x 2" x 1/2" L
- ⑤ 1'-6" x 1'-0" x 1'-0" conc. footing.
- ⑥ 1 3/8" Ø tubing. 2-Vertical braces. 1-adjustable diagonal guy. Mesh shape optional with min. 11 ga. line wires and 12 1/2 ga. cross wires. Fully galv.
- ⑦ 2" x 2" x 2' pry stick. D.F. constr. grade.
- ⑧ Double loops of 9 ga. galv. wire. Top & bottom.
- ⑨ 2" x 2" x 4'-0" D.F. constr. grade.
- ⑩ Single loop. 9 ga. galv. wire.
- ⑪ 30-35 lb. stone sag wt. As alternate, use 7 1/2" x 7 1/2" x 7 1/2" conc. cube with cast in doubled and twisted 9 ga. wire loop hanger.

DESIGN APPROVED <i>H. S. Saly</i>	STATE OF ARIZONA DEPARTMENT OF TRANSPORTATION DIVISION OF HIGHWAYS STANDARD DRAWINGS	REV 6/74
APPROVED FOR DISTRIBUTION <i>E. J. Sander</i>	FENCE & GATES, LINE, STEEL POSTS	DRAWING NO C-12.01

REPLY TO:

2940 N. CASA TOMAS
PHOENIX, ARIZONA 85016
TELEPHONE (602) 277-6053

Richard E. Mieritz

MINING CONSULTANT

ARIZONA REGISTERED
MINING ENGINEER AND GEOLOGIST

GEOLOGY
EXPLORATION
EVALUATION
FEASIBILITY
OPERATION

December 19, 1981

Mr. R. A. Barbero
CAN-AM Corporation
7110 North Oracle Rd., Suite 211
Tucson, Arizona, 85704

Dear Mr. Barbero:

Herewith an interim Progress Report on the LIZ Limestone Road Project.

On Thursday, December 10, the contractor Paul Bryant, Superior, Arizona, moved his D8H Cat dozer and Hough front end loader to the road entry site. By Friday evening the road entrance to the Highway was complete and levelled (30 foot radius curvature at the entrance and 18 feet plus in width to the end of the right-of-way), (the fence). About half the roadway to the Canyon" was also completed in the rough. On Saturday the road to the canyon at the desired elevation to cross the canyon was complete, as well as a higher level bench -- what you observed on Monday the 14th during your visit. This second bench exposed rock.

On Monday also, the airtrack, compressor and Messrs Lemon and Romero arrived and moved to the drill site area--at canyon side. Thursday morning, the 17th, a 70 hole blast was set off. Meanwhile the dozer was preparing a third and fourth level lench--but to Friday the 18th, no rock had been uncovered beneath the dirt and large boulder alluvium. Filling of the CANYON was started Wednesday the 16th. The material is some caliche, broken blasted rock, alluvium boulders and some dirt.

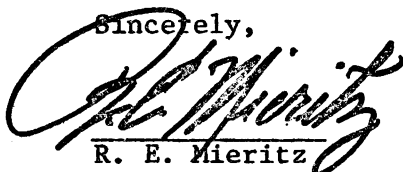
The crossing "level" bench is gradually being enlarged.

Until solid rock is encountered, no drilling-blasting can be done.

The Holidays are near, so little progress would be accomplished. I will advise Mr. Gorbai a couple of days in advance when the drilling team will be needed.

We will need 90 feet of 36 inch diameter steel corrugated pipe--culvert to be implaced below the canyon crossing surface. We will also require about 70 yards of ABC surfacing to satisfy the Highway Department specifications over their right-of-way. Guzman, in Globe has the ABC. Perhaps you can get a good price for the culvert in Tucson. It is closer to the job than Phoenix.

Sincerely,


R. E. Mieritz

cc: H. Gorbai
Hal Hansen

November 11, 1981

Mr. Hal Hansen
Can-Am Corporation
P. O. Drawer "T"
Douglas, Arizona, 85607

Re: LIZ Road Construction

Dear Hal:

Paul Bryant, Bryant Construction Co., 843 Spray Street, Superior, Arizona, 85273, Telephone 689-2627, has obtained the following information on the cost of the supplies which will have to be purchased to get the LIZ road construction started. This would be purchased from A--American Fence Co. Mesa.

Please make out a Purchase order to:

A--American Fence Co.

3655 E. Main Street

Mesa, Arizona, 85206

Telephone, 832-6380

Att: Mr. Vance Miller

for the following items as per quotations to Mr. Paul Bryant.

1 - Gate Complete, 14 ft. long and 4 ft. high,	\$ 84.00
with two post and,	\$ 47.00
two braces	\$ 34.00
2 - Strain posts, each with 2 braces	\$ 64.44

TOTAL

\$ 229.44

Plus TAX

\$ 11.48

\$ 240.92

It is suggested you send the P. O. to Paul Bryant as he will be picking up these supplies.

Mr. Bryant will move forward on this while I am gone. He may use his front end loader for that stretch of road over the Highway right of way to install the gate and to erect the gate and fence according to the specifications laid down by the Highway Department. Upon my return I will get the road under construction.

I spoke to Mr. Barbero this morning and brought him up to date.

Sincerely,

R. E. Mieritz

cc: H. Gorbali
Paul Bryant

A. Amer. Vance Miller. 832-6380

Stockpile: ~~American Fence Co.~~

Mesa, Ariz. 85

1 gate - 4x14		84.00
2 posts		48.00
2 braces	17.00 ea	34.00
2 strain posts		64.44
		<hr/>
		229.44

December 1, 1981

Mr. Hal Hansen
CAN-AM Corporation
Paul Line Division
P. O. Drawer "T"
Douglas, Arizona, 85607

Dear Mr. Hansen:

Herewith my INVOICE for the month of November.

Upon my return from London I learned from Paul Bryant, Bryant Construction, Superior, Arizona, who will be doing some of the road work on the LIZ claims, that illness and some equipment repair prevented any work be done until the early part of next wee week.

The Highway department in Globe has been alerted to the fact that work will begin then. The first order of business is to install the restraining post before we can "CUT" the fence. We will use a front end loader to cut the new road from the pavement to the fence so we can get the heavier equipment (dozer) in to start construction. After we "CUT" the fence and install the gate, we should move forward quite rapidly until we get within about 200 feet of El Capitan Canyon where I expect to encounter some "rock". When that point is reached we will be ready for drilling and blasing equipment and men. I would expect the timing on this would be about the middle of the month--the 15th.

We will require a 600CFM compressor, an air-track drill, a 55 lb jackhammer with steel up to 8 feet, necessary hoses, connections and bits for both drills. Powder is available in Globe at Jaquays so if you have an account there, that would be fine. We should hav have two men--qualified to drill, handle powder and blast. Diesel is expensive in Globe so bringing a couple of drums would not hurt.

I will keep in close contact with you or Mr. Gorbail as we approach the "critical time". How much time is needed for you or the plant to "start to move" to the LIZ?

Sincerely,

R. E. Mieritz

cc: R. A. Barbero
H. Gorbail

CAN-AM CORPORATION

**H.C. HANSEN
SECRETARY-TREASURER**

**P.O. DRAWER T
DOUGLAS, ARIZONA 85607
TELEPHONE (602) 364-2429**

October 26, 1981

Richard Mieritz
2940 N. Casa Tomas
Phoenix, Arizona 85016

Enclosed are the documents received from the Arizona Department of Transportation in connection with our right-of-way application for the El Capitan claims.

A handwritten signature in cursive script, appearing to read "H. C. Hansen".

H. C. Hansen
Secretary-Treasurer

HCH:ynd

enclosure

CAN-AM CORPORATION

**H.C. HANSEN
SECRETARY-TREASURER**

**7110 NORTH ORACLE ROAD
SUITE 211
TUCSON, ARIZONA 85704
TELEPHONE (602) 742-1159**

October 9, 1981

Bryan Tatum
Post Office Box 877
Patagonia, Arizona 85624

Dear Sir:

Enclosed are copies of the documents in connection with your granting Can-Am Corporation a right-of-way over a portion of the land on which you have surface rights.

Also enclosed is a copy of the application submitted to the Arizona Department of Transportation.

Sincerely,


H. C. Hansen

HCH:ct
Enclosures

cc: Richard Mieritz

METES and BOUNDS DESCRIPTION
of
Right-of-Way, SW/4 of NW/4, Section 15
T. 3 S., R. 15 E., G. & S. R. M.
Gila County, Arizona

Bryan Tatum Surface Owner.

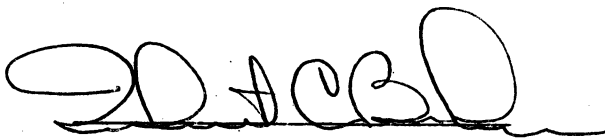
CAN-AM Corporation, Paul Lime Division, Mineral claim owner.

A DESCRIPTION:

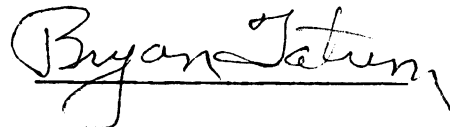
Beginning at a point at the east edge of the macadam of State Highway Route 77 which is approximately 2,350 feet north, northwest of Mile Post 155 (towards Mile Post 156), thence;

the right-of-way centerline has a direction of N. 55° E. for approximately 150 feet (the first 70 feet is across the State Highway right-of-way for Route 77), thence approximately 240 feet along a left arc of 60° with a radius of 230 feet, thence approximately 150 feet along a left arc of 65° with a radius of 190 feet, thence N. 75°W. for approximately 160 feet, thence approximately 130 feet along a right arc of 150° with a radius of 40 feet, thence N. 55° E. for approximately 80 feet, thence approximately 200 feet along a left arc of 88° with a radius of 130 feet, thence N. 15° E. for approximately 150 feet, thence N. 75° E. for approximately 200 feet across El Capitan Canyon (fill) thence 320 feet along a left arc (when looking south) of 90° with a radius of 200 feet.

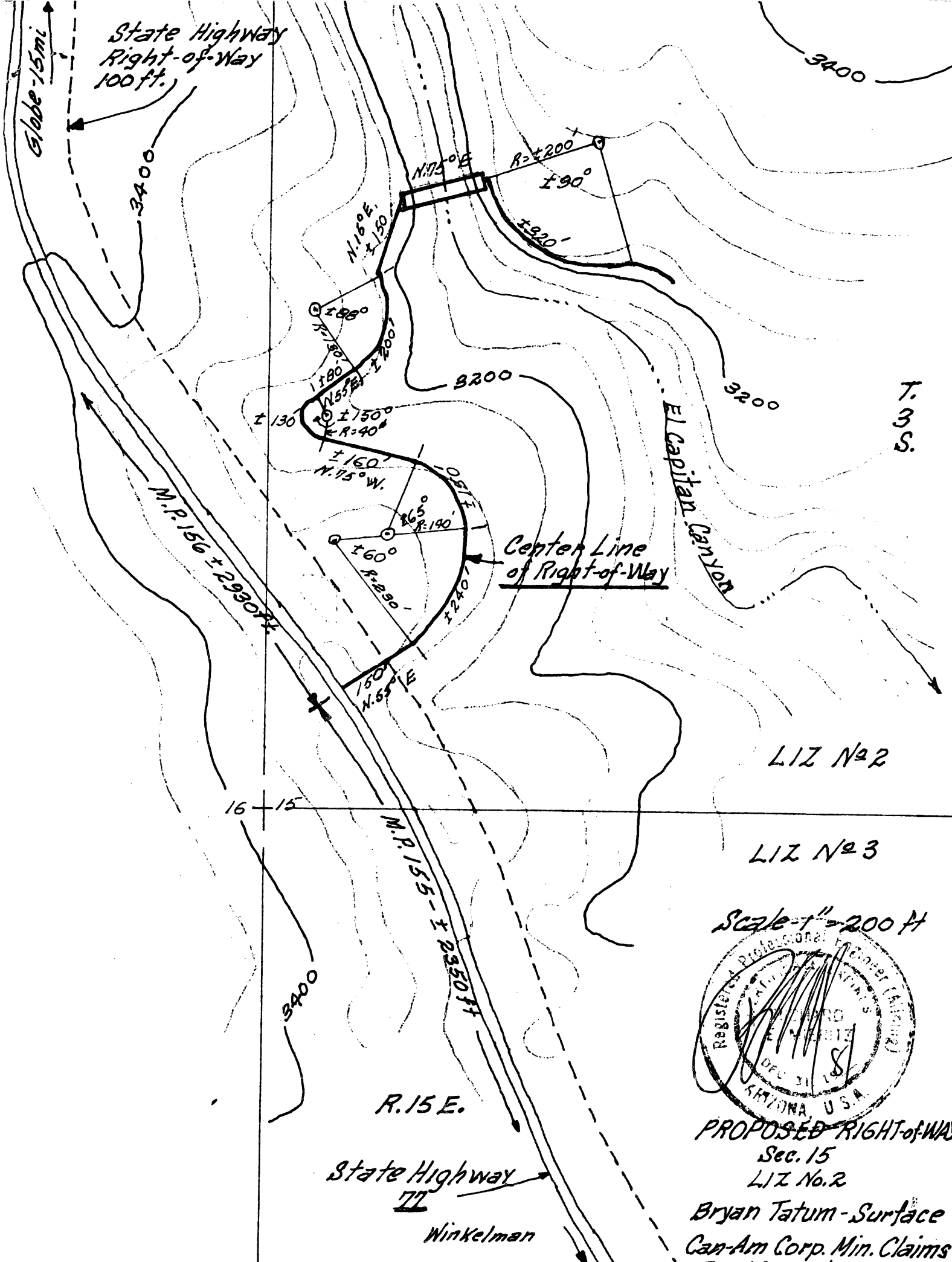
Attached herewith is a PLAT showing the centerline of the above described Right-of-Way and both documents are part and parcel of a Right-of-Way Agreement between the above mentioned parties.



CAN-AM Corporation,
Paul Lime Division



Bryan Tatum



Scale 1" = 200 ft

REGISTERED PROFESSIONAL ENGINEER (LANDING)
BRYAN TATUM
DEC 31 1981
ARIZONA, U.S.A.

PROPOSED RIGHT-OF-WAY
Sec. 15
LIZ No. 2
Bryan Tatum - Surface
Can-Am Corp. Min. Claims
P.E. M. 1777 2-22-80

RIGHT OF WAY

THIS AGREEMENT made and entered into this 28th day of September, 1981 by and between CAN-AM CORPORATION, PAUL LIME DIVISION, of P.O. Drawer "T", Douglas, Arizona, hereafter referred to as the "Corporation" and BRYAN TATUM of P.O. Box 877, Patagonia, Arizona, hereafter referred to as "Tatum", which such designations shall include his, her, or their heirs, administrators, agents or assigns where the context so requires.

W I T N E S S E T H :

WHEREAS, Corporation owns all those certain mineral rights in four placer mining claims situate in Section 15, T. 3 S., R. 15 E. G & S RB & M, Gila County, Arizona;

WHEREAS, Tatum owns all those certain surface rights in Section 15, T. 3 S, R. 15 E. G & S RB & M, Gila County, Arizona; and

WHEREAS Corporation desires a right of way over the aforescribed real property commencing at the east boundary of Arizona Highway 77 approximately mid-way between mile posts 155 and 156 transversing said property approximately 3/4 of a mile at an approximate width of 100 feet; as more particularly described in the attached Exhibit "A", which by this reference is incorporated herein.

NOW THEREFORE, it is agreed and understood between the parties as follows:

1. Corporation shall pay Tatum the sum of THREE HUNDRED DOLLARS (\$300.00) for the granting of this Right of Way, which shall continue so long as corporation retains its mining claims in the aforescribed real property.

2. Corporation shall indemnify and hold harmless Tatum from any and all damages arising from Corporation's use of said Right of Way which may arise to the property, premises or rights of Tatum that otherwise would not have occurred but for the Corporation's use of said Right of Way.

3. Tatum shall execute all necessary documents to establish this Right of Way, specifically, but without limitation, countersign the State Highway Department Access Permit Application required for Corporation to transverse the State Highway boundary, which such signatures shall in no event relieve corporation from its indemnification of Tatum as set forth in Paragraph #2.

THIS AGREEMENT shall be binding upon the heirs, administrators or assigns of the parties in perpetuity.

CAN-AM CORPORATION
Paul Lime Division

BY: [Signature]

STATE OF ARIZONA)

: ss.

COUNTY OF COCHISE)

SUBSCRIBED AND SWORN to before me this 28th day of September, 1981 by ROBERT A. BARBERO, an officer duly authorized to sign for the Paul Lime Division of CAN-AM CORPORATION.

My commission expires:

November 9, 1982

[Signature]
NOTARY PUBLIC

STATE OF ARIZONA)

: ss

COUNTY OF COCHISE)

SUBSCRIBED AND SWORN to before me this 8TH day of OCTOBER, 1981 by BRYAN TATUM.

My commission expires:

NOVEMBER 9, 1982

[Signature]
BRYAN TATUM, Surface Owner

[Signature]
NOTARY PUBLIC

APPLICATION FOR PERMIT TO USE STATE HIGHWAY RIGHT OF WAY
(Print or Type)

Application is hereby made for a permit to enter in upon and use a portion of the State Highway.

Name of Owner Bryan Tatum

Address of Owner P. O. Box 877

City Patagonia State Arizona Zip 85624

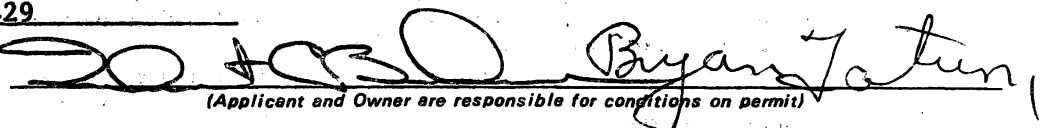
Can-Am Corp.

Name of Applicant Paul Lime Div. Legal Relationship to Owner Mineral Claim Owner

Mailing Address P. O. Drawer "T"

City Douglas State Arizona Zip 85607

Phone (602) 364-2429

Signature of Applicant 

(Applicant and Owner are responsible for conditions on permit)

City (in or near) Globe, Arizona Project No. No Number

Highway Route No. 77 Approximately 2900 Feet south of Milepost No. 156
Direction

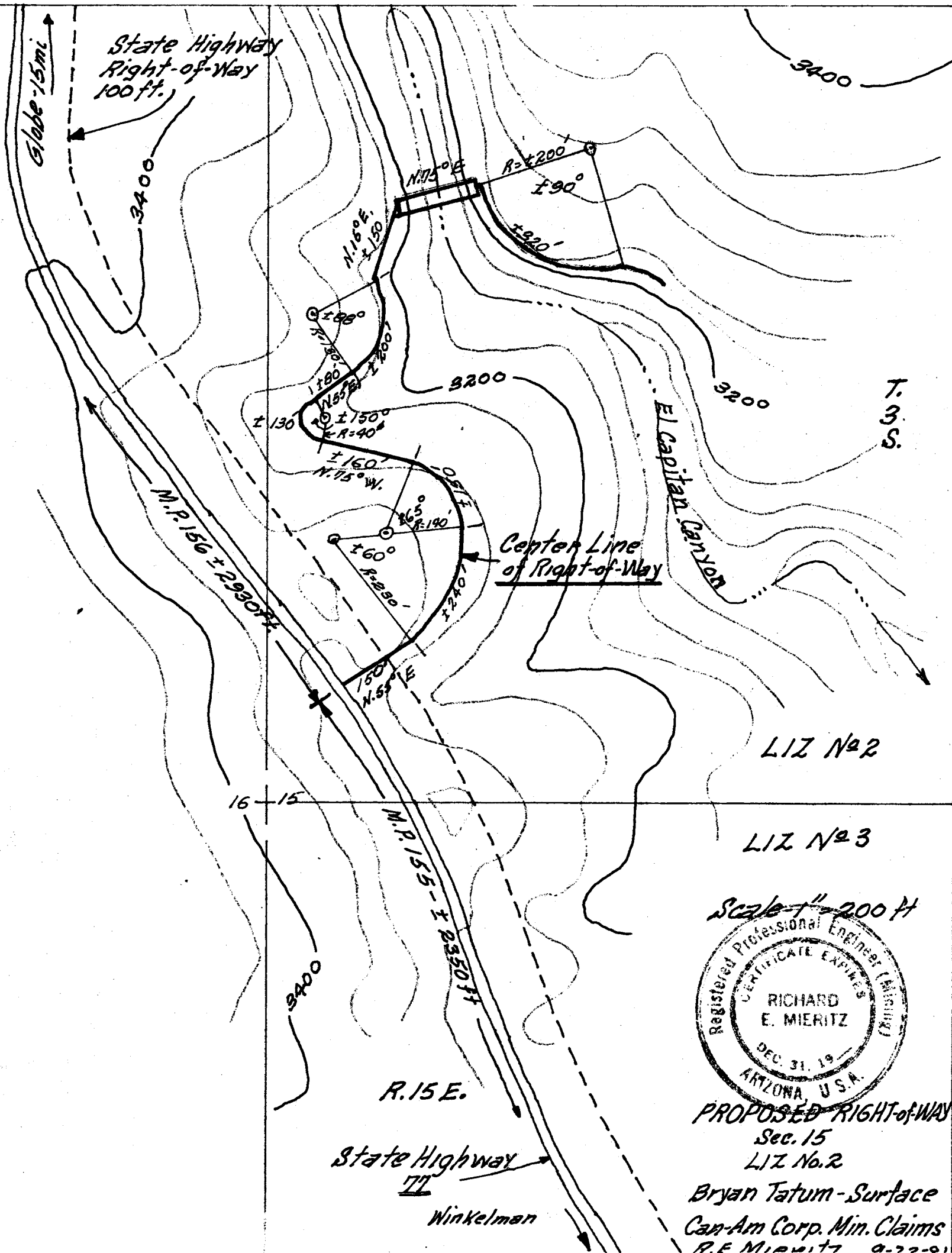
Side of Highway N S E W (circle one) Highway Station _____

Purpose Access road to drilling area of limestone deposit on Companys mining
claims. Road to be constructed to be up to 18 feet wide, gate at fence
line (state). Company has 20 placer mining claims as a group, totalling
over 2800 acres. There are no turnouts, no driveways, etc. There are no
water lines, sewer lines, power lines, etc. Road will permit exploration
and development of the limestone deposits claimed.

FOR DEPARTMENTAL USE ONLY

THIS APPLICATION is approved with the following directions, requirements and specifications:

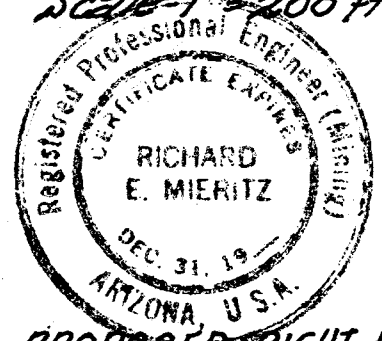
Arizona Department of Transportation
P. O. Box 2717
Globe, AZ 85501



LIZ No 2

LIZ No 3

Scale 1" = 200 ft



PROPOSED RIGHT-OF-WAY

Sec. 15

LIZ No. 2

Bryan Tatum - Surface
Can-Am Corp. Min. Claims
R.E. Mieritz 9-22-01

REPLY TO:

2940 N. CASA TOMAS
PHOENIX, ARIZONA 85016
TELEPHONE (602) 277-6053

Richard E. Mieritz

MINING CONSULTANT

ARIZONA REGISTERED
MINING ENGINEER AND GEOLOGIST

GEOLOGY
EXPLORATION
EVALUATION
FEASIBILITY
OPERATION

December 9, 1982

Mr. Paul Bryant
Bryant Construction Co.
843 Spray Street
Superior, Arizona, 85273

Re: LIZ Road Project
Gila County, Arizona.

Dear Mr. Bryant:


Mr. Howard Gorball, Manager of CAN-AM's Lime Plant in Douglas, Arizona phoned me yesterday to advise he had been in contact with Mr. Robert Barbero, President of CAN-AM regarding a decision as to the work on the above referred to subject.

I regret to advise that due to the present copper situations of mine shut downs and layoffs of many mine employees, it is the Company's decision to delay any further work on the LIZ project until the copper situation improves and in turn, their situation improves.

If you haven't already moved your dozer back to Superior, I would suggest this be done. I believe you would be able to load the dozer at the top of the hill. This is where the CAN-AM fellows will be loading the drill and compressor--using the nice access road you completed from the present position of the drill and compressor to the top of the hill.

Thank you for the excellent job completed thus far and the fine cooperation you have shown.

Sincerely,



cc: Robert A. Barbero
Howard Gorball
Hal Hansen.

REPLY TO:

2940 N. CASA TOMAS
PHOENIX, ARIZONA 85016
TELEPHONE (602) 277-6053

Richard E. Mieritz

MINING CONSULTANT

ARIZONA REGISTERED
MINING ENGINEER AND GEOLOGIST

GEOLOGY
EXPLORATION
EVALUATION
FEASIBILITY
OPERATION

August 16, 1983

Mr. Kenneth Arne, V. Pres.
Can-Am Corp.
Suite 208
2302 E. Speedway
Tucson, Arizona, 85719

Re: Liz Limestone Assessment
Gila County, Arizona

Dear Mr. Arne:

Today I am forwarding one package of 24 samples via United Parcel Service under billing #6929 which is addressed to Paul Lime in Douglas, attention, Howard Gorball.

These samples are numbered 2936 through 2960. Sample 2954 is missing. I apparently let this one slip by me when collecting them from the locations sampled. Each sample has my small numbered paper tag inside the package. I have indicated each sample to be run for CaO, L.O.I. and SiO₂ but you can have these run for any other contaminant you think is necessary. Would you please also have the chemist provide a simple statement for each sample as to decrification condition, its burning characteristics, etc.

It would be greatly appreciated if I could receive a copy of the assay results by August 27th which would then give me time to finish the Office work of map preparation and report preparation completing same within the time frame of the Assessemnt Year--noon of September 1, 1983.

I will prepare a "Sample Copy" of the Affidavit of Labor for the Liz, which would be a guide for the Douglas Office to follow when preparing the Affidavit of Labor to be Recorded in Globe--Recorders Office, and submission of a copy of the recorded notice to the Bureau of Land Management in Phoenix before December 31, 1983.

The field work was done August 13, 14 and 15th. I started at Sec. Cor. 9, 10, 15 and 16 with a north-sout, east-west grid in claims No. 1 and 21. Samples were taken at a 50 foot spacing East and west on lines at the section corner, 100 feet North, 200 feet and 300 feet north. Details will be included in the report.

Sincerely,


R. E. Mieritz

Copy to Howard Gorball

CAN-AM CORPORATION

ROBERT A. BARBERO
PRESIDENT — C.E.O.

7110 NORTH ORACLE ROAD
SUITE 211
TUCSON, ARIZONA 85704
TELEPHONE (602) 742-1159

September 21, 1981

Richard Mieritz
2940 North Casa Lomas
Phoenix, Arizona 85016

Dear Dick:

Enclosed is reworded Right of Way Agreement prepared by Michael Bartz and ready for signature by myself and Mr. Bryan Tatum.

Mr. Bartz has requested you prepare Exhibit A which clearly sets out the right of way by metes and bounds or degrees, whichever method is commonly used.

As soon as you have prepared the above Exhibit A, please forward two copies to our offices here in Tucson. After receiving these Exhibits, Can-Am will initial both and attach same to the Right of Way Agreements and obtain the signatures of myself and Mr. Bryan Tatum.

Hal Hansen will advise you as soon as the Right of Way instrument has been completed.

Sincerely,



Robert A. Barbero

RAB:ct
Enclosure

MICHAEL DOUGLAS BARTZ

A PROFESSIONAL CORPORATION

ATTORNEY AT LAW

7110 NORTH ORACLE ROAD

NANINI FINANCIAL PLAZA

TUCSON, ARIZONA 85704

(602) 297-2241

September 18, 1981

TO: ROBERT BARBERO
RE: Right of Way

Please have your engineer prepare an Exhibit "A" which clearly sets out the Right of Way by metes and bounds or degrees, whichever method commonly used. The Exhibit should be initialled by both parties.

RIGHT OF WAY

THIS AGREEMENT made and entered into this _____ day of _____, 1981 by and between CAN-AM CORPORATION, PAUL LIME DIVISION, of P.O. Drawer "T", Douglas, Arizona, hereafter referred to as the "Corporation" and BRYAN TATUM of P.O. Box 877, Patagonia, Arizona, hereafter referred to as "Tatum", which such designations shall include his, her, or their heirs, administrators, agents or assigns where the context so requires.

W I T N E S S E T H :

WHEREAS, Corporation owns all those certain mineral rights in four placer mining claims situate in Section 15, T. 3 S., R. 15 E. G & S RB & M, Gila County, Arizona;

WHEREAS, Tatum owns all those certain surface rights in Section 15, T. 3 S, R. 15 E. G & S RB & M, Gila County, Arizona; and

WHEREAS Corporation desires a right of way over the aforescribed real property commencing at the east boundary of Arizona Highway 77 approximately mid-way between mile posts 155 and 156 transversing said property approximately 3/4 of a mile at an approximate width of 100 feet; as more particularly described in the attached Exhibit "A", which by this reference is incorporated herein.

NOW THEREFORE, it is agreed and understood between the parties as follows:

1. Corporation shall pay Tatum the sum of THREE HUNDRED DOLLARS (\$300.00) for the granting of this Right of Way, which shall continue so long as corporation retains its mining claims in the aforescribed real property.

2. Corporation shall indemnify and hold harmless Tatum from any and all damages arising from Corporation's use of said Right of Way which may arise to the property, premises or rights of Tatum that otherwise would not have occurred but for the Corporation's use of said Right of Way.

3. Tatum shall execute all necessary documents to establish this Right of Way, specifically, but without limitation, countersign the State Highway Department Access Permit Application required for Corporation to transverse the State Highway boundary, which such signatures shall in no event relieve corporation from its indemnification of Tatum as set forth in Paragraph #2.

THIS AGREEMENT shall be binding upon the heirs, administrators or assigns of the parties in perpetuity.

CAN-AM CORPORATION
Paul Lime Division

BY: _____

STATE OF ARIZONA)
 : SS.
COUNTY OF PIMA)

SUBSCRIBED AND SWORN to before me this _____ day of _____, 1981
by _____, an officer duly authorized to sign for the
Paul Lime Division of CAN-AM CORPORATION.

My commission expires:

NOTARY PUBLIC

STATE OF ARIZONA)
 : ss
COUNTY OF PIMA)

BRYAN TATUM, Surface Owner

SUBSCRIBED AND SWORN to before me this _____ day of _____, 1981
by BRYAN TATUM.

My commission expires:

NOTARY PUBLIC

Bryant Construction Co.
843 Spray Street
Superior, Ariz. 85273

OUR NUMBER

5952

DATE

Sept. 28, 1975

CUSTOMER'S ORDER

SALESMAN

TERMS

F. O. B.

Sold To

Gen-Am Corporation Paul Time Division

Drawer T Douglas, Ariz. 85807

Attn. Mr. H. C. Hansen, Sec.-Treas.

Shipped To Work on Liz Limestone Claims, El Capitan Mining Claims

Address Gila County Arizona

Via

INVOICE

	D8H 46A Dozer & Ripper @ \$47.50 Hour				
Sept. 19	roads & drill sites	8	hrs		
20	roads & drill sites	8			
21	roads & drill sites	8			
22	roads & drill sites	8			
		32	hrs	\$1520	00
	Mobilization on Dozer			300	00
				\$1820	00
	State Tax 4%			72	80
				\$1892	80

Rediform

7H 725

REPLY TO:

2940 N. CASA TOMAS
PHOENIX, ARIZONA 85016
TELEPHONE (602) 277-6053

Richard E. Mieritz

MINING CONSULTANT

ARIZONA REGISTERED
MINING ENGINEER AND GEOLOGIST

GEOLOGY
EXPLORATION
EVALUATION
FEASIBILITY
OPERATION

September 23, 1981

Mr. R. A. Barbero
CAN-AM Corporation
Suite 211
7110 N. Oracle Rd.
Tucson, Arizona, 85704

Dear Mr. Barbero:

Herewith the "Metes and Bounds" description of the Right-of-Way we wish to have over Tatums ground in Section 15.

I assume you will make the necessary copies to send to Douglas.

The State Highway Department in Globe desires a copy of the Right-of-way, since there is a surface owner and a mineral claim owner. I will scratch out the dollar values and give them an unsigned copy--hoping they will be satisfied with that. If the entrance to the highway we are asking for at this time, becomes a "permanent" trucking entrance to the highway--sometime down the line, it may pay to keep on their good side at this time.

Will Hansen send the Highway permit application to the Department? If so, a Map should be sent along with the application and I believe they ask for five copies of same. I would suggest we send the first Map that I made. What we do on Tatums surface should be of no interest to them. Once we cross their right of way, they have no jurisdiction and the route chosen does not enter their right-of-way again--or any of their construction work when the road was built.

Sincerely,


R. E. Mieritz,

cc H. Hansen
H. Gorbali

REPLY TO:

2940 N. CASA TOMAS
PHOENIX, ARIZONA 85016
TELEPHONE (602) 277-6053

Richard E. Mieritz

MINING CONSULTANT

ARIZONA REGISTERED
MINING ENGINEER AND GEOLOGIST

GEOLOGY
EXPLORATION
EVALUATION
FEASIBILITY
OPERATION

September 23, 1981

Mr. R. A. Barbero
CAN-AM Corporation
Suite 211
7110 N. Oracle Rd.
Tucson, Arizona, 85704

Dear Mr. Barbero:

Herewith the "Metes and Bounds" description of the Right-of-Way we wish to have over Tatums ground in Section 15.

I assume you will make the necessary copies to send to Douglas.

The State Highway Department in Globe desires a copy of the Right-of-way, since there is a surface owner and a mineral claim owner. I will scratch out the dollar values and give them an unsigned copy--hoping they will be satisfied with that. If the entrance to the highway we are asking for at this time, becomes a "permanent" trucking entrance to the highway--sometime down the line, it may pay to keep on their good side at this time.

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Sincerely,


R. E. Mieritz,

cc H. Hansen
H. Gorbali

METES and BOUNDS DESCRIPTION
of
Right-of-Way, SW/4 of NW/4, Section 15
T. 3 S., R. 15 E., G. & S. R. M.
Gila County, Arizona

Bryan Tatum Surface Owner.

CAN-AM Corporation, Paul Lime Division, Mineral claim owner.

A DESCRIPTION:

Beginning at a point at the east edge of the macadam of State Highway Route 77 which is approximately 2,350 feet north, northwest of Mile Post 155 (towards Mile Post 156), thence;

the right-of-way centerline has a direction of N. 55° E. for approximately 150 feet (the first 70 feet is across the State Highway right-of-way for Route 77), thence approximately 240 feet along a left arc of 60° with a radius of 230 feet, thence approximately 150 feet along a left arc of 65° with a radius of 190 feet, thence N. 75°W. for approximately 160 feet, thence approximately 130 feet along a right arc of 150° with a radius of 40 feet, thence N. 55° E. for approximately 80 feet, thence approximately 200 feet along a left arc of 88° with a radius of 130 feet, thence N. 15° E. for approximately 150 feet, thence N. 75° E. for approximately 200 feet across El Capitan Canyon (fill) thence 320 feet along a left arc (when looking south) of 90° with a radius of 200 feet.

Attached herewith is a PLAT showing the centerline of the above described Right-of-Way and both documents are part and parcel of a Right-of-Way Agreement between the above mentioned parties.

CAN-AM Corporation,
Paul Lime Division

Bryan Tatum

Globe - 15 mi.

State Highway
Right-of-Way
100 ft.

3400

3400

N. 160° E.
± 150'

N. 75° E.

R = ± 200'

± 90°

± 920'

± 280'

N. 115° E.
± 180'

± 180'

N. 55° E.
± 150'

± 130'

± 160'

N. 15° W.

± 160'

R = 90°

± 60°

R = 250'

± 150'

N. 55° E.

± 150'

± 150'

± 150'

± 150'

± 150'

± 150'

± 150'

± 150'

± 150'

± 150'

± 150'

± 150'

3200

3200

T. 3 S.

El Capitan Canyon

Center Line
of Right-of-Way

M.P. 156 ± 2930 ft.

M.P. 155 ± 2350 ft.

R. 15 E.

State Highway
III

Winkelman

LIZ No. 2

LIZ No. 3

Scale 1" = 200 ft.



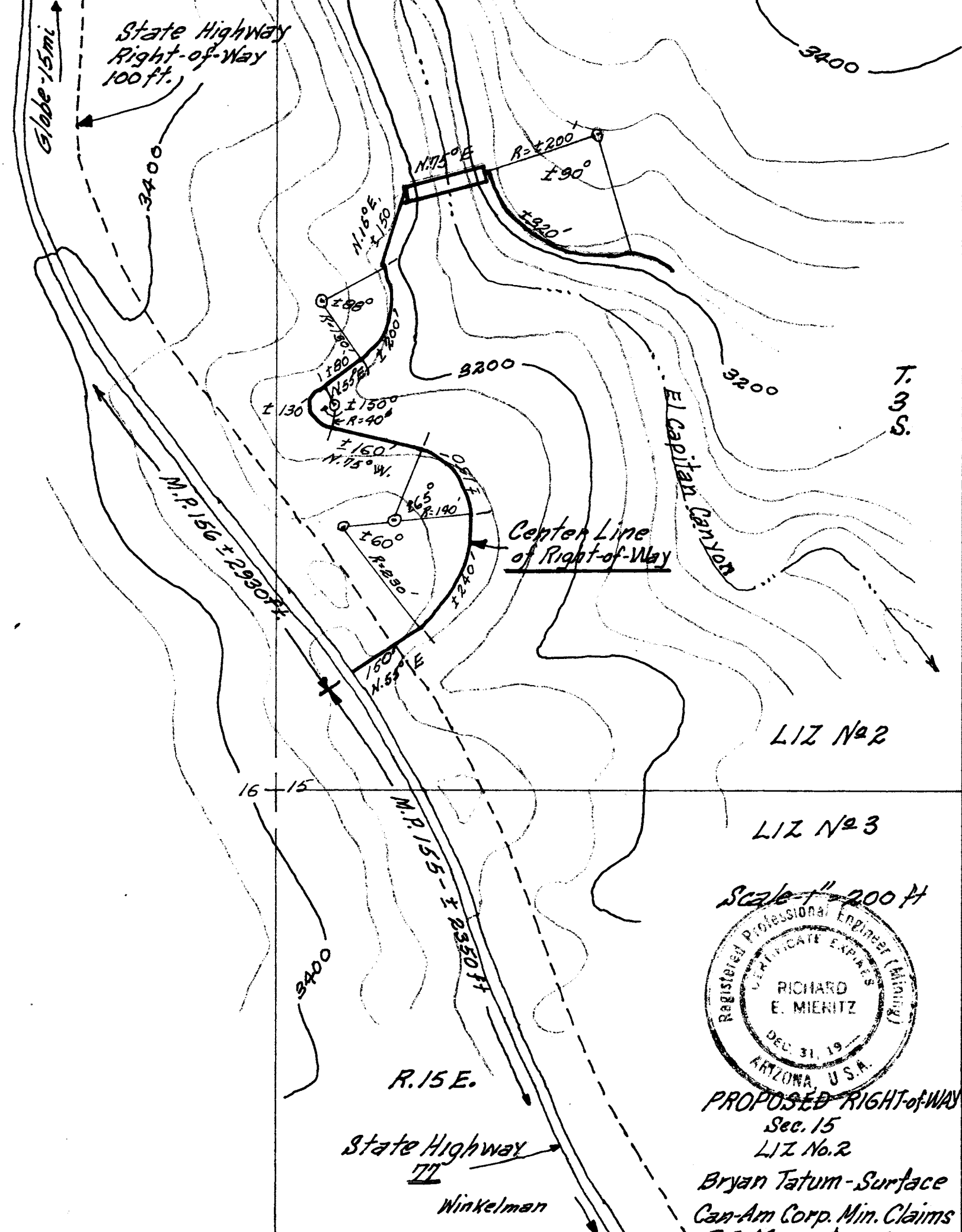
PROPOSED RIGHT-OF-WAY

Sec. 15

LIZ No. 2

Bryan Tatum - Surface

Can-Am Corp. Min. Claims



PROPOSED RIGHT-OF-WAY
Sec. 15
LIZ No. 2
Bryan Tatum-Surface
Can-Am Corp. Min. Claims
R.E. Mieritz 9-22-91

REPLY TO:

2940 N. CASA TOMAS
PHOENIX, ARIZONA 85016
TELEPHONE (602) 277-6053

Richard E. Mieritz

MINING CONSULTANT

ARIZONA REGISTERED
MINING ENGINEER AND GEOLOGIST

GEOLOGY
EXPLORATION
EVALUATION
FEASIBILITY
OPERATION

September 14, 1981

Mr. R. A. Barbero
CAN--AM Corporation
Paul Lime Division
P. O. Drawer "T"
Douglas, Arizona, 85607

Re: LIZ Claims, Road Right
of way, Sec. 15.

Dear Mr. Barbero:

As you are aware, an access road from State Highway 77 to our sampled potential limestone reserve requires traversing over patented surface rights in Section 15 where LIZ claims #2,3,4 and 5 are located.

At our conference September 2, 1981 it was decided to construct a road from Highway 77 about midway between Mile Posts 155 and 156 on LIZ # 2 claim heading for the narrow portion of E. Capitan Canyon at elevation contour 3200 feet.

This route requires an "entrance permit" from the State Highway Department across their right of way--100 feet measured from the center line -- and permission from Bryan Tatum, "surface right" owner of Section 15. The writer obtained a "permit application" and arranged to talk to Mr. Tatum on Saturday, September 12, at his home in Patagonia, Arizona, as you requested through Mr. Hal Hansen.

It seemed to me we have three options to follow, being:

- (1) - Purchase "surface rights" of full Section NOW, or later.
- (2) - Purchase "surface rights" of N/2 Section NOW, or later.
- (3) - Merely obtain a "right of way" for a small "damage Fee".

The result of our meeting on Saturday indicates Mr. Tatum (about 73 years young) is and would be quite cooperative. Tatum indicated he would not sell half the Section but would be willing to sell the entire Section. I could not get a firm price from Mr. Tatum, although he mentioned he paid \$30.00/acre. I feel he wants to play the waiting game, even though he admits the grazing rights have little value at this time--only about 8 cattle are permitted on the Section. He pays approximately \$250.00 in taxes each year.

Failing at options (1) and (2), I approached option three, feeling that our "unknown" is the grade of "Hill No. 1" at depth and therefor should attempt the possibility of a "right of way" at a minimal cost. Mr. Tatum would give us a "right of way" to the canyon, across it and some approach road on the other side (east side). That would suffice for the time being since any drilling would have to be accomplished using a self motive rig on skids.

R. A. Barbero

September 14, 1981

Page Two

This would also shorten sampling time for Hill No. 2 to the east in the event we go that far.

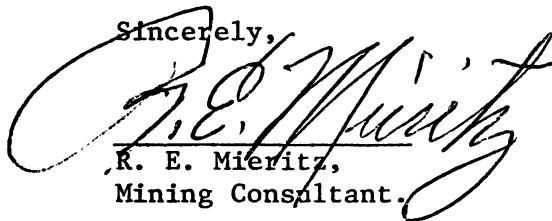
Mr. Tatum would accept a \$300.00 damage payment with the stipulation that Paul Lime would have to assume responsibility for damage of "dam failure" down stream of Section 15 if such did occur until Tatum was relieved of his ownership. Failure should not occur if some culverts were installed near the top of the dam, below the roadway to allow excess water an easy exit.

The writer has prepared a "rough draft" of an Agreement between Paul Lime and Tatum which can be used "as is" on your stationary or as a guide for the lawyer if that is the route you wish to follow.

I also enclose a copy of the "main" paragraph of the Surface Right Deed which I got from the B.L.M. If Tatum or Ortega gives us too much static in the future--we can always go to the B.L.M. for pressure, as that main paragraph indicates.

Bryan Tatum's address is P. O. Box 877, Patagonia, Arizona, 85624, telephone 394-2042.

Sincerely,



R. E. Mieritz,
Mining Consultant.

Attachments: Rough Draft of an Agreement
Copy of Surface Deed Main paragraph
Exhibit "A"--Surface Plat.

DECLARATION on U. S. GOVERNMENT DEED of
SURFACE RIGHTS
to Teofilo Ortega in Sec. 3 and 10, T. 3 s., R. 10 E.
and
Wayne Michall Harman in Sec. 15, T. 3 S., R. 10 E.

NOW KNOW YE, that there is, therefore, granted by the UNITED STATES unto the said claimant the tract of land above described: TO HAVE AND TO HOLD the said tract of land, with the appurtenances thereof, unto the said claimant and to the heirs and assigns of the said claimant forever; subject to any vested and accured water rights for mining, agriculture, manufacturing, or other purposes, and rights to ditches and reservoirs used in connection with such water rights, as may be recognized and acknowledged by the local customs, laws and decisions of courts; and there is reserved from the lands hereby granted, a right of way thereon for ditches or canals constructed by the authority of the United States. Excepting and reserving, however, to the United States all the coal and other minerals in the land so entered and patented, together with the right to prospect for, mine and remove the same pursuant to the provisions and limitations of the Act of December 29, 1916, (39 Stat., 862).

Signed by Franklin D. Roosevelt.

Pat. # 1083328 to Teofila Ortega, May 19, 1936

Pat. # 1104557 to Hamman (Harman?), August 20, 1939.

AN AGREEMENT

CONDITIONS:

CAN-AM Corporation, Paul Lime Division, P. O. Drawer "T", Douglas, Arizona, Party of the First Part is sole owner of four placer mining claims in Section 15, T. 3 S., R. 15 E., Gila County, Arizona. (Corporation)

Mr. Bryan Tatum, P. O. Box 877, Patagonia, Arizona, Party of the second Part is owner of the Surface rights of Section 15, T. 3 S., R. 15 E., Gila County, Arizona by virtue of a Deed from the U. S. Government patent #1104557, dated August 20, 1939. (Surface Owner)

OBJECTIVE OF AGREEMENT:

Because of the above unusual conditions mentioned, the CORPORATION recognizes the legal right of the SURFACE OWNER, surface-wise, therefore, the CORPORATION is desirous of obtaining a ROAD RIGHT-OF-WAY from the SURFACE OWNER of approximately one half to three quarters mile in length and about 75 to 100 feet in width to construct an access road to a potential mineral drilling area.

The desired "right-of-way" begins at the east edge of the State of Arizona right-of-way for Highway 77 about midway between Mile Posts 155 and 156 in Section 15, T. 3. S., R. 15 E. and would extend in an east to north to west to northeast route as shown on the included EXHIBIT "A".

TERMS OF AGREEMENT:

NOW, THEREFOR, let it be known that to exercise the right-of-way described above, the CORPORATION will compensate the SURFACE OWNER the sum of three hundred dollars (\$300.00) for this one time, forever right-of-way, said sum being considered as a final surface damage of the SURFACE OWNER.

The CORPORATION also agrees to hold the SURFACE OWNER blameless and harmless for any downstream abnormal damage over and above such damage which normally occurs during heavy climatic precipitation periods and which may be determined to be directly and intimately related to and caused by the construction of the roadway "dam" filling the El Capitan at the designated location along the requested Right-of-way.

The SURFACE OWNER agrees to countersign the State Highway Department Access Permit application which the CORPORATION must submit to cross the Highway Right-of-way, a distance of about 60 feet. Such requirements, stipulations and/or responsibilities demanded by the Highway Department will be the sole responsibility of the CORPORATION and in no way involve the SURFACE OWNER.

Page Two

TENURE OF AGREEMENT:

The tenure of this AGREEMENT will be for as long a time the CORPORATION retains valid mining claims in Section 15, T. 3 S., R. 15 E., Gila County, Arizona or until the CORPORATION obtains the "surface rights" of Section 15 through some future conveyance agreeable to the Parties of concern.

This AGREEMENT shall be binding to both Parties, their heirs and/or assigns.

CAN-AM Corporation (CORPORATION)
Paul Lime Division

_____ Date: _____

Subscribed to and sworn before me, A Notary Public, this _____ day of _____, 19__, by _____

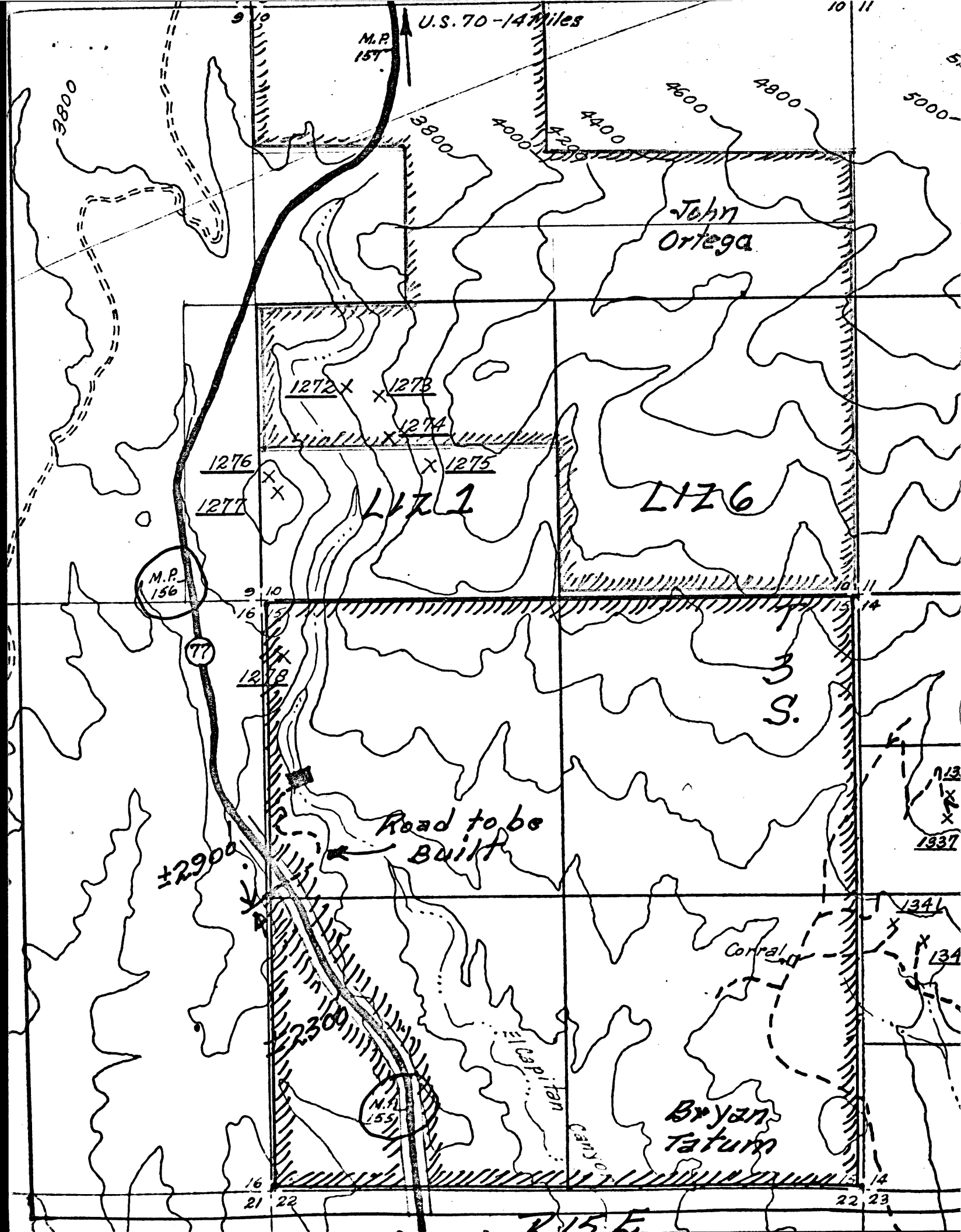
My Commission expires _____
Notary Public

SURFACE OWNER
Bryan Tatum

_____ Date: _____

Subscribed to and sworn before me, A Notary Public, this _____ day of _____, 19__, by _____

My Commission expires _____
Notary Public



REPLY TO:

2940 N. CASA TOMAS
PHOENIX, ARIZONA 85016
TELEPHONE (602) 277-6053

Richard E. Mieritz

MINING CONSULTANT

ARIZONA REGISTERED
MINING ENGINEER AND GEOLOGIST

GEOLOGY
EXPLORATION
EVALUATION
FEASIBILITY
OPERATION

September 17, 1981

Mr. John Ortega
Payson Star Route, Box 180
Globe, Arizona, 85501

Dear Mr. Ortega:

I have received a copy of your letter to Mr. Hal Hansen of CAN-AM Corporation, Paul Lime Division, Douglas, Arizona. As a Director of the Corporation, Mr. Hansen is very frequently away from his Office. Also, Mr. Barbero, President of the Corporation has requested me to take charge of such matters as may arise at their limestone Project in the El Capitan area.

The Corporation has some 3,000 acres claimed in the area you have referred to and in some instances, there exist surface owners rights which the Corporation recognizes, and it is the intention of the Corporation to confer with the various surface rights owners when their land is involved with the Corporation's specific plans. Please be assured the Corporation will contact you at the appropriate time if your surface rights are involved.

According to the Deed issued to Theofilo Ortega dated May 19, 1936, you and your family own the S/2 of the SW/4 of Section 3, the N/2 of the SW/4, the SE/4, the S/2 of the NE/4, the N/2 of the NW/4 and the SE/4 of the NW/4 in Section 10, T.3 S., R. 10 E., Gila County. This amounts to 80 acres in Section 3 and 440 acres in Sec. 10, totalling 520 acres. The Corporation has claims which involve the SE/4 and the N/2 of the SW/4, or 240 acres total. The plan of the Corporation at this moment does not include any work on this acreage.

As you know, Mr. Bryan Tatum is the owner of the surface rights in Section 15, T. 3 S., R. 15 E.

Yes, we plan on the construction of an Access road from the highway to an area where we wish to do some exploratory drilling. Several Government Agencies must first be contacted to allow such work to be performed. All this takes time.

Thank you for your letter. Contact with you will be made at the appropriate time.

Sincerely,


R. E. Mieritz

cc: R. A. Barbero
Hal Hansen
Howard Gorbail

CAN-AM CORPORATION

ROBERT A. BARBERO
PRESIDENT — C.E.O.

7110 NORTH ORACLE ROAD
SUITE 211
TUCSON, ARIZONA 85704
TELEPHONE (602) 742-1159

September 14, 1981

R. E. Mieritz
Mining Consultant
2940 North Casa Tomas
Phoenix, Arizona 85016

Subject: LIZ Claims

Reference: LIZ Access Road
(a) Report Dated September 6, 1981

Dear Dick:

I've asked Hal Hansen to work with you on the R/W requirements and also to keep up to date on possible negotiations with Tatum and Ortega. I'll get involved when necessary.

When it comes to actual construction work I want H. Gorball to be in the middle of things. We can probably use one of our drills and possible other equipment.

Please include Howard Gorball and Hal Hansen on all copy distribution.



RAB:ct

cc: LIZ Claims File (Douglas)
H. C. Hansen
Howard Gorball

PAGE 02
PAYROLL PAY FX CP 62788 PAY #107187
SEC MAY, 62 MEY N2 SEC DEC 33 E 12 MAY, MAY MAY

904
13
2712
904
11752
1019
13/13256
1305
25
13
126
117

September 17, 1981

Mr. John Ortega
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Globe, Arizona, 85501

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Thank you for your letter. Contact with you will be made at the appropriate time.

Sincerely,

cc: R. A. Barbero
Hal Hansen
Howard Gorbail

R. E. Mieritz

Sept. 10, 81

Dear Mr. Hanson:

I called your office twice and you were out, so I decided to write to you.

What I wanted to talk to you about is the mining claims your company has on our land on Section 10 and Section 15. Located about 20 miles South of Globe, Az.

I understand you are planning to build roads, drill, and fill in one big canyon which I don't think is a very good idea. Because it will destroy our grazing land which is of a lot of value to us as is.

No body has as yet contacted us about an easement of right of way.

Yours truly,
John Ortega

A handwritten signature in cursive script that reads "John Ortega". The signature is written in dark ink and is positioned below the typed name "John Ortega".

Karvan - 7-23-1929

Ortega 5-19-1936

Tatum 8-23-1939

Sec 3 - 80 Sec 10 - 640

	- 80
	<hr/> 560
	- 80
	<hr/> 480
	- 40
	<hr/> 440
	+ 80
	<hr/> 520 acres

~~$\frac{1}{2}$ of SE/4 = 80 acres~~

$\frac{1}{2}$ Sec 15 = 320 acres Tatum

$\frac{1}{2}$ SW/4 = 80

SE/4 $\frac{160}{240}$ acres } Ortega

Form 1810-9
(July 1965)
(formerly 4-207c)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

I HEREBY CERTIFY That the annexed copy of patent is a true
and literal exemplification from the record which is in my custody
in this Office.

DECLARATION on U. S. GOVERNMENT DEED of
SURFACE RIGHTS
to Teofilo Ortega in Sec. 3 and 10, T. 3 S., R. 10 E.
and
Wayne Michall Harman in Sec. 15, T. 3 S., R. 10 E.

NOW KNOW YE, that there is, therefore, granted by the UNITED STATES unto the said claimant the tract of land above described: TO HAVE AND TO HOLD the said tract of land, with the appurtenances thereto, unto the said claimant and to the heirs and assigns of the said claimant forever; subject to any vested and accured water rights for mining, agriculture, manufacturing, or other purposes, and rights to ditches and reservoirs used in connection with such water rights, as may be recognized and acknowledged by the local customs, laws and decisions of courts; and there is reserved from the lands hereby granted, a right of way thereon for ditches or canals constructed by the authority of the United States. Excepting and reserving, however, to the United States all the coal and other minerals in the land so entered and patented, together with the right to prospect for, mine and remove the same pursuant to the provisions and limitations of the Act of December 29, 1916, (39 Stat., 862).

Signed by Franklin D. Roosevelt.

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Pat. # 1104557 to Hamman (Harman?), August 20, 1939.

W *[scribbles]* W

Bryan

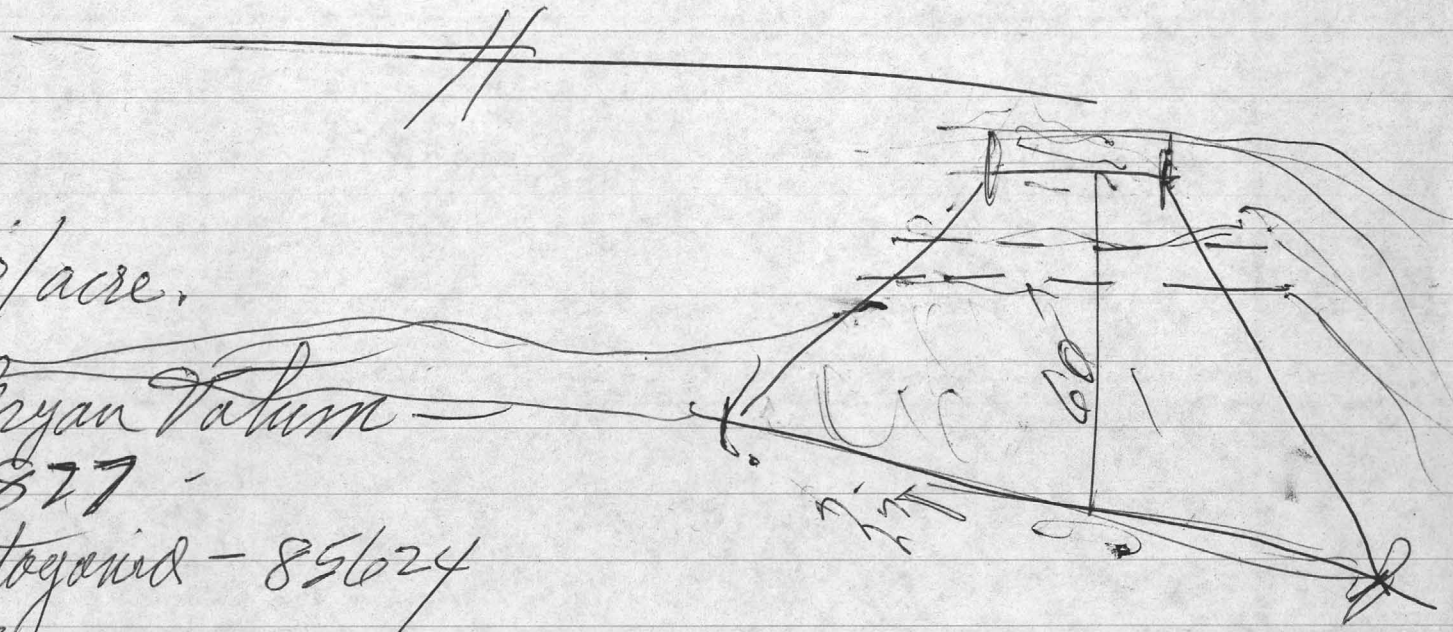
T₂ Turn - 1-394-2042

Kershaw Rd east. mile -

Sam Arthur - Omaha Nebraska

~~Mario Christo~~ -

Grande Royal - 957-1910 → Rm 417



\$ 30/acre.

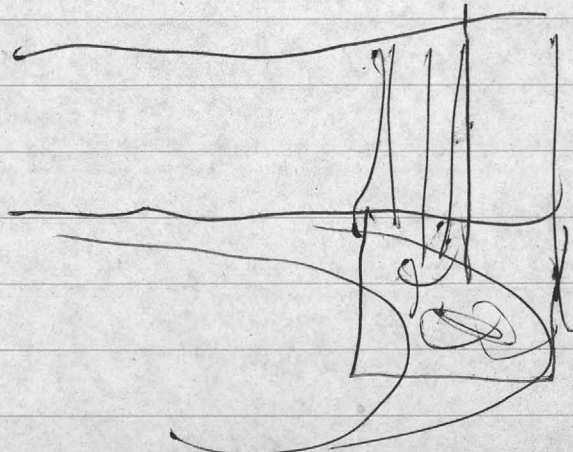
Bryan Turn -

P.O. 877 -

Patagonia - 85624

\$ 300. -

[scribbles]
entire lot



AN AGREEMENT

CONDITIONS:

CAN-AM Corporation, Paul Lime Division, P. O. Drawer "T", Douglas, Arizona, Party of the First Part and ~~owner~~ owner of four placer mining claims in Section 15, T. 3 S., R. 15 E., Gila County, Arizona. (Corporation)

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The desired "right-of-way" begins at the east edge of the State of Arizona right-of-way for Highway 77 about midway between Mile Posts 155 and 156 in Section 15, T. 3. S., R. 15 E. and would extend in an east to north to west to northeast route as shown on the included EXHIBIT "A".

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Page TwoTENURE OF AGREEMENT:

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This AGREEMENT shall be binding to both Parties, their heirs and/or assigns.

CAN-AM Corporation (CORPORATION)
Paul Lime Division

Date: _____

Subscribed to and sworn before me, A Notary Public, this _____ day of _____, 19__, by _____

My Commission expires _____
Notary Public

SURFACE OWNER
Bryan Tatum

Date: _____

Subscribed to and sworn before me, A Notary Public, this _____ day of _____, 19__, by _____

~~My~~
My Commission expires _____
Notary Public

September 14, 1981

MAN-AM A. Barbero
CAN--AM Corporation
Paul Lime Division
P. O. Drawer "T"
Douglas, Arizona, 85607

Re: LIZ Claims, Road Right
of way, Sec. 15.

Dear Mr. Barbero:

As you are aware, an access road from State Highway 77 to our sampled potential limestone reserve requires traversing over patented surface rights in Section 15 where LIZ claims #2,3,4 and 5 are located.

At our conference September 2, 1981 it was decided to construct a road from Highway 77 about midway between Mile Posts 155 and 156 on LIZ # 2 claim heading for the narrow portion of E. Capitan Canyon at elevation contour 3200 feet.

This route requires an "entrance permit" from the State Highway Department across their right of way--100 feet measured from the center line -- and permission from Bryan Tatum, "surface right" owner of Section 15. The writer obtained a "permit application" and arranged to talk to Mr. Tatum on Saturday, September 12, at his home in Patagonia, Arizona, as you requested through Mr. Hal Hansen.

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Page Two

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Bryan Tatum's address is P. O. Box 877, Patagonia, Arizona, 85624, telephone 394-2042.

Sincerely,

R. El Mieritz,
Mining Consultant.

Attachments: Rough Draft of an Agreement
Copy of Surface Deed Main paragraph
Exhibit "A"--Surface Plat.

REPLY TO:

2940 N. CASA TOMAS
PHOENIX, ARIZONA 85016
TELEPHONE (602) 277-6053

Richard E. Mieritz

MINING CONSULTANT

ARIZONA REGISTERED
MINING ENGINEER AND GEOLOGIST

GEOLOGY
EXPLORATION
EVALUATION
FEASIBILITY
OPERATION

September 14, 1981

Mr. R. A. Barbero
CAN--AM Corporation
Paul Lime Division
P. O. Drawer "T"
Douglas, Arizona, 85607

Re: LIZ Claims, Road Right
of way, Sec. 15.

Dear Mr. Barbero:

As you are aware, an access road from State Highway 77 to our sampled potential limestone reserve requires traversing over patented surface rights in Section 15 where LIZ claims #2,3,4 and 5 are located.

At our conference September 2, 1981 it was decided to construct a road from Highway 77 about midway between Mile Posts 155 and 156 on LIZ # 2 claim heading for the narrow portion of E. Capitan Canyon at elevation contour 3200 feet.

This route requires an "entrance permit" from the State Highway Department across their right of way--100 feet measured from the center line -- and permission from Bryan Tatum, "surface right" owner of Section 15. The writer obtained a "permit application" and arranged to talk to Mr. Tatum on Saturday, September 12, at his home in Patagonia, Arizona, as you requested through Mr. Hal Hansen.

It seemed to me we have three options to follow, being:

- (1) - Purchase "surface rights" of full Section NOW, or later.
- (2) - Purchase "surface rights" of N/2 Section NOW, or later.
- (3) - Merely obtain a "right of way" for a small "damage Fee".

The result of our meeting on Saturday indicates Mr. Tatum (about 73 years young) is and would be quite cooperative. Tatum indicated he would not sell half the Section but would be willing to sell the entire Section. I could not get a firm price from Mr. Tatum, although he mentioned he paid \$30.00/acre. I feel he wants to play the waiting game, even though he admits the grazing rights have little value at this time--only about 8 cattle are permitted on the Section. He pays approximately \$250.00 in taxes each year.

Failing at options (1) and (2), I approached option three, feeling that our "unknown" is the grade of "Hill No. 1" at depth and therefore should attempt the possibility of a "right of way" at a minimal cost. Mr. Tatum would give us a "right of way" to the canyon, across it and some approach road on the other side (east side). That would suffice for the time being since any drilling would have to be accomplished using a self motive rig on skids.

R. A. Barbero

September 14, 1981

Page Two

This would also shorten sampling time for Hill No. 2 to the east in the event we go that far.

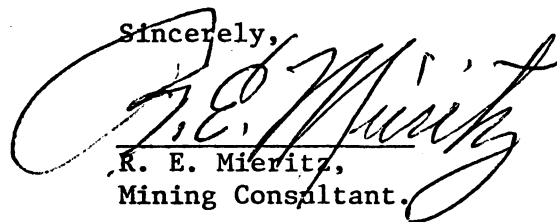
Mr. Tatum would accept a \$300.00 damage payment with the stipulation that Paul Lime would have to assume responsibility for damage of "dam failure" down stream of Section 15 if such did occur until Tatum was relieved of his ownership. Failure should not occur if some culverts were installed near the top of the dam, below the roadway to allow excess water an easy exit.

The writer has prepared a "rough draft" of an Agreement between Paul Lime and Tatum which can be used "as is" on your stationary or as a guide for the lawyer if that is the route you wish to follow.

I also enclose a copy of the "main" paragraph of the Surface Right Deed which I got from the B.L.M. If Tatum or Ortega gives us too much static in the future--we can always go to the B.L.M. for pressure, as that main paragraph indicates.

Bryan Tatum's address is P. O. Box 877, Patagonia, Arizona, 85624, telephone 394-2042.

Sincerely,

A large, stylized handwritten signature in dark ink, appearing to read 'R. E. Mieritz', is written over the typed name and title.

R. E. Mieritz,
Mining Consultant.

Attachments: Rough Draft of an Agreement
Copy of Surface Deed Main paragraph
Exhibit "A"--Surface Plat.

DECLARATION on U. S. GOVERNMENT DEED of
SURFACE RIGHTS
to Teofilo Ortega in Sec. 3 and 10, T. 3 s., R. 10 E.
and
Wayne Michall Harman in Sec. 15, T. 3 S., R. 10 E.

NOW KNOW YE, that there is, therefore, granted by the UNITED STATES unto the said claimant the tract of land above described: TO HAVE AND TO HOLD the said tract of land, with the appurtenances thereof, unto the said claimant and to the heirs and assigns of the said claimant forever; subject to any vested and accured water rights for mining, agriculture, manufacturing, or other purposes, and rights to ditches and reservoirs used in connection with such water rights, as may be recognized and acknowledged by the local customs, laws and decisions of courts; and there is reserved from the lands hereby granted, a right of way thereon for ditches or canals constructed by the authority of the United States. Excepting and reserving, however, to the United States all the coal and other minerals in the land so entered and patented, together with the right to prospect for, mine and remove the same pursuant to the provisions and limitations of the Act of December 29, 1916, (39 Stat., 862).

Signed by Franklin D. Roosevelt.

Pat. # 1083328 to Teofila Ortega, May 19, 1936

Pat. # 1104557 to Hamman (Harman?), August 20, 1939.

AN AGREEMENT

CONDITIONS:

CAN-AM Corporation, Paul Lime Division, P. O. Drawer "T", Douglas, Arizona, Party of the First Part is sole owner of four placer mining claims in Section 15, T. 3 S., R. 15 E., Gila County, Arizona. (Corporation)

Mr. Bryan Tatum, P. O. Box 877, Patagonia, Arizona, Party of the second Part is owner of the Surface rights of Section 15, T. 3 S., R. 15 E., Gila County, Arizona by virtue of a Deed from the U. S. Government patent #1104557, dated August 20, 1939. (Surface Owner)

OBJECTIVE OF AGREEMENT:

Because of the above unusual conditions mentioned, the CORPORATION recognizes the legal right of the SURFACE OWNER, surface-wise, therefor, the CORPORATION is desirous of obtaining a ROAD RIGHT-OF-WAY from the SURFACE OWNER of approximately one half to three quarters mile in length and about 75 to 100 feet in width to construct an access road to a potential mineral drilling area.

The desired "right-of-way" begins at the east edge of the State of Arizona right-of-way for Highway 77 about midway between Mile Posts 155 and 156 in Section 15, T. 3. S., R. 15 E. and would extend in an east to north to west to northeast route as shown on the included EXHIBIT "A".

TERMS OF AGREEMENT:

NOW, THEREFOR, let it be known that to exercise the right-of-way described above, the CORPORATION will compensate the SURFACE OWNER the sum of three hundred dollars (\$300.00) for this one time, forever right-of-way, said sum being considered as a final surface damage of the SURFACE OWNER.

The CORPORATION also agrees to hold the SURFACE OWNER blameless and harmless for any downstream abnormal damage over and above such damage which normally occurs during heavy climatic precipitation periods and which may be determined to be directly and intimately related to and caused by the construction of the roadway "dam" filling the El Capitan at the designated location along the requested Right-of-way.

The SURFACE OWNER agrees to countersign the State Highway Department Access Permit application which the CORPORATION must submit to cross the Highway Right-of-way, a distance of about 60 feet. Such requirements, stipulations and/or responsibilities demanded by the Highway Department will be the sole responsibility of the CORPORATION and in no way involve the SURFACE OWNER.

Page Two

TENURE OF AGREEMENT:

The tenure of this AGREEMENT will be for as long a time the CORPORATION retains valid mining claims in Section 15, T. 3 S., R. 15 E., Gila County, Arizona or until the CORPORATION obtains the "surface rights" of Section 15 through some future conveyance agreeable to the Parties of concern.

This AGREEMENT shall be binding to both Parties, their heirs and/or assigns.

CAN-AM Corporation (CORPORATION)
Paul Lime Division

_____ Date: _____

Subscribed to and sworn before me, A Notary Public, this _____ day of _____, 19__, by _____

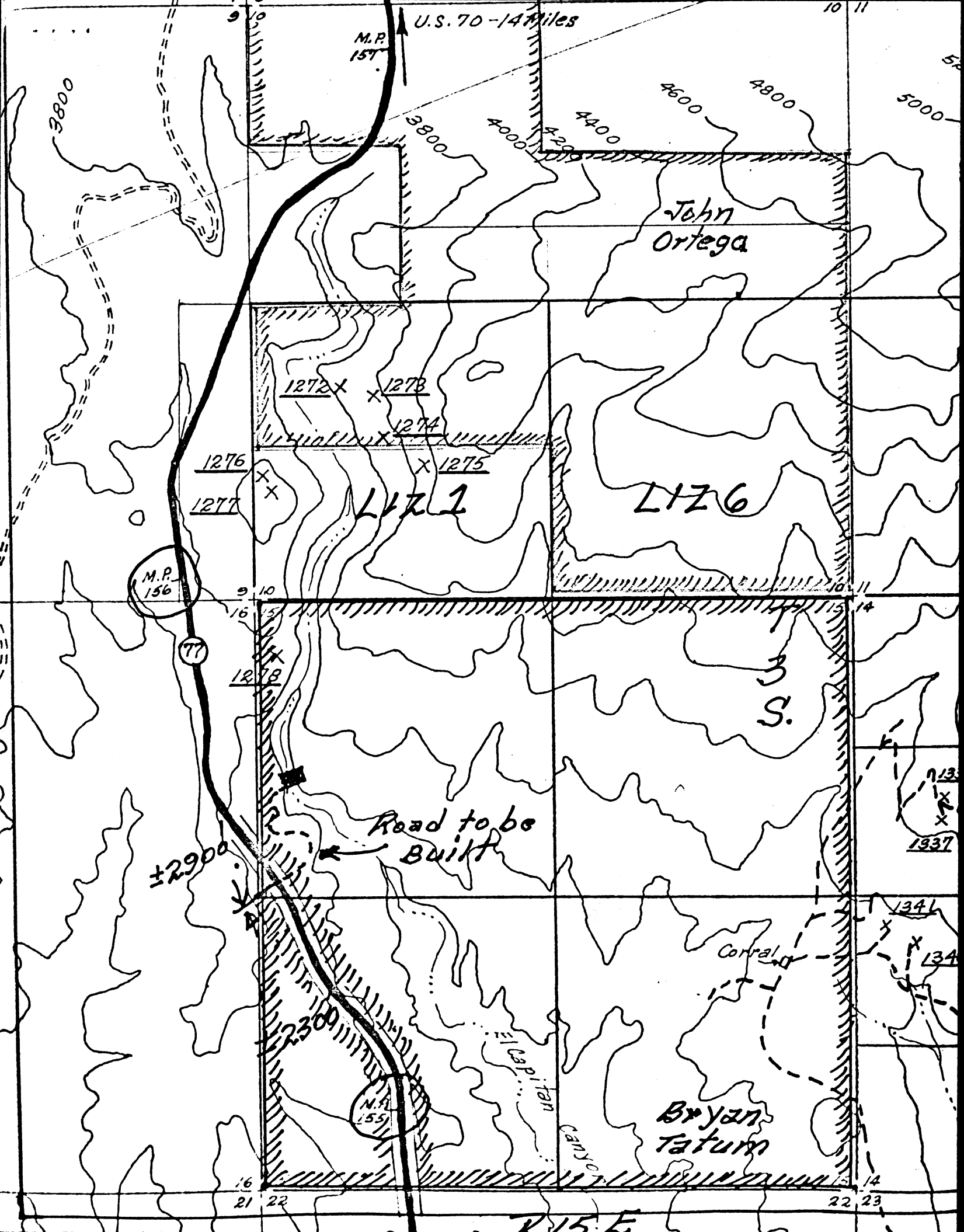
My Commission expires _____
Notary Public

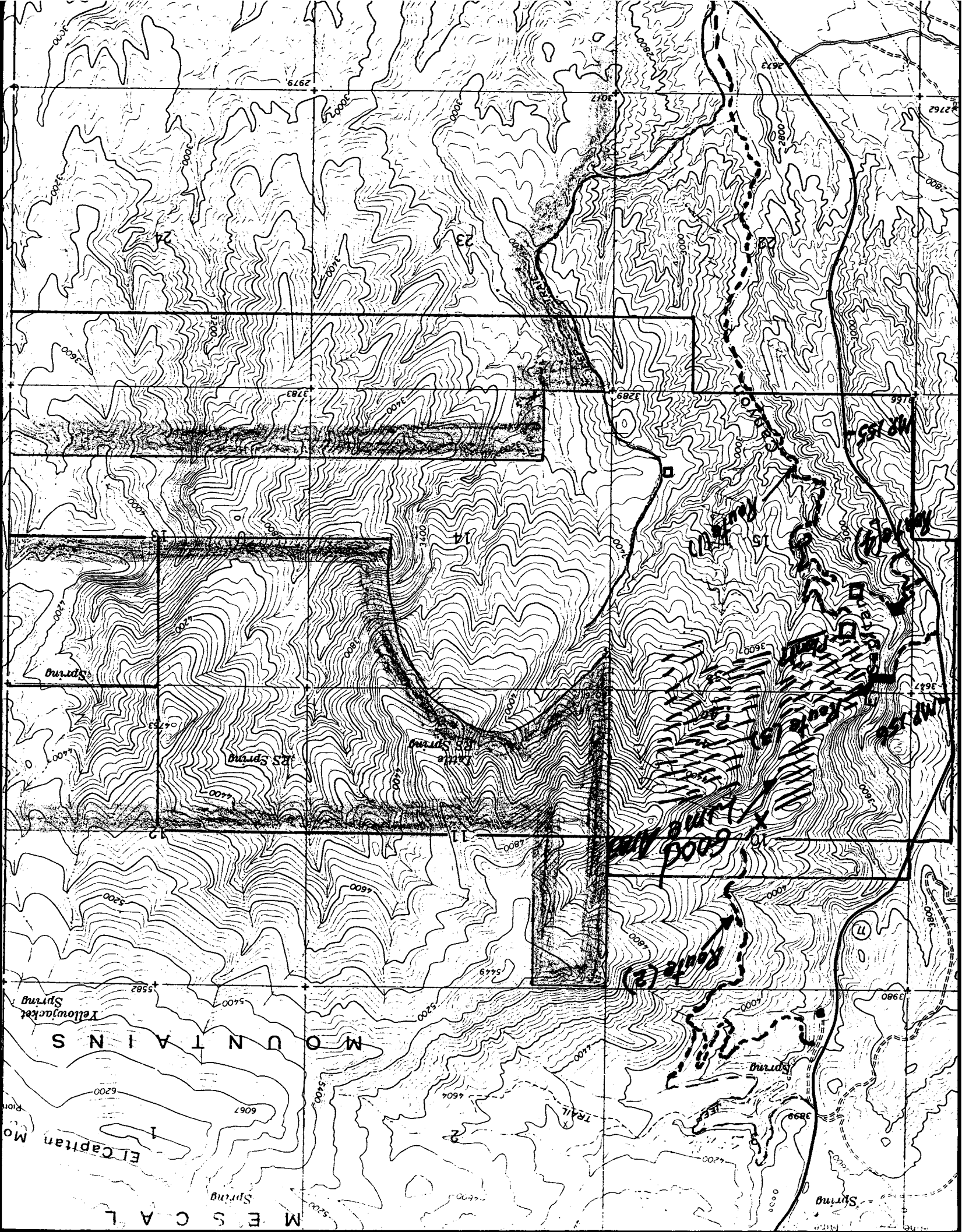
SURFACE OWNER
Bryan Tatum

_____ Date: _____

Subscribed to and sworn before me, A Notary Public, this _____ day of _____, 19__, by _____

My Commission expires _____
Notary Public





#7 - Prints & Engraving -

~~Ben~~ - Highway 80: 60-70
Bob James. SA Highway Dept.

Willard Brule ^{B.M.} ₂₆₋₅₁₄₁

Jim - Duxley - U.S.G.S.
No Information -

Records. Paul Duxley
B.M.

Tatum (Bryan) Harry Smith
1969

Charles W. Fox
514 Wickham

Patula line

121

425-9002

1931 *Spokane*

473-2411 aff

Ariz. Water Comm.
Admin - 777 N. 1st. 258-7561

El Capitan Canyon ^{Creek} - SW cor
Gila County

255-1581 - Water Rights Dept.

3643890 - SE SW/4 Sec. 3 -
38 15 E Bl. Cap.

1908 9-9, 10, 12, 16

36802509
438929
4389310
2065812
43891-16

September 9, 1981

Mr. Hal Hansen
Can-Am Corporation
Paul Lime Division
Douglas, Arizona, 85607

Re: LIZ Assessment Work, 1980

Dear Hal:

As promised, herewith a statement you can use on the Affidavit of Labor form for the 1980-81 Assessment year for the LIZ Limestone claims.

"During December 1980 and August 1981 at least \$2200.-
(twenty two hundred dollars) was spent on the LIZ claims as an engineering study, survey and staking of an access road to an area of the claims to be explored and developed. Such work was completed by Richard E. Mieritz, Mining Consultant, Phoenix, Arizona at the expense of Can-Am Corp., Paul Lime Division, Douglas, Arizona".

I am sure there is sufficient space on the Affidavit form for the "lengthy" description.

I plan to contact and hopefully meet with Tatum in Patagonia this weekend some time.

I will advise the developments.

Sincerely,

R. E. Mieritz

September 6, 1981

Mr. R. A. Barbero
Can-Am Corporation
Paul Lime Division
P. O. Drawer "T"
Douglas, Arizona, 85607

Re: LAZ Access Road

Dear Mr. Barbero:

On Friday the 4th I travelled to Globe to make application to the State Highway Department for entry and exit to the State Highway 77 for our access road as we discussed on September 3rd in Tucson.

Herewith the application which must be signed by the applicant AND owner--and therein lies the problem which we face at this time.

Most of the LIZ claims are located on top of surface patented ground as shown in my "Land Status" report of September 12, 1977. The LIZ claims were originally located in 1967 and it is believed that the Surface Right patents were already in effect at that time. With that in mind, one would assume that the original locaters would have obtained permission from Messrs Ortega and Tatum. You see, in this case, they actually own the surface rights but Paul Lime has the mineral rights but both owners will have to work together. The work I did, except part of the dozer work in the very beginning was actually done on BLM land where no surface right owner was involved except BLM. Our surface sampling did not involve any surface "damage".

On Friday, I also talked to Ortega about his water right and in ElCapitan Canyon to determine whether filling in the canyon would be objectionable to him. To this he advised no, but was concerned about our "tearing" up the surface--just like that. I asked if he didn't have any agreement with Can-Am or Paul Lime with regard to this. He advised "no". If this be the case, then actually, we are guilty of "trespassing"--in the past and now, and certainly would be if we constructed the road without having an agreement of some sort both with Ortega and also Tatum. For Tatum, it would be Section 15 and for Ortega, it would be half of section 10 less 80 acres (S/2 of SW/4) if the BLM records are correct. At this time, Ortega has leased section 15 from Tatum, but Tatum would have the say so.

This matter should be resolved as soon as possible, because I would not like to start the road and wind up with a law suit for the Co.

Tatum (Bryan) lives in Patagonia and his telephone number is 394-2042. Ortega lives on the Roosevelt Lake road out of Globe and his telephone is 425-1331, Payson Star Route Box 180. Do not know Tatum's address.

I enclose the Highway department application which I have completed as much as possible. Did not know how you would want to treat the OWNER information. At this moment, it would be Bryan Tatum.

I also enclose a map and you should make the necessary copies as required. and send all to the Highway department in Globe. I do not believe there will be any probelm in getting the right of way from the department, - our problem at present- is with Tatum and perhaps at a letter date, Ortaga, if we do any drilling in Section 10 on the "main hill".

What type of an agreement might be made, I would have no idea, but it could be a surface damage payment, purchase of the surface rights as such, or anything else--whatever the corporation would consider.

Sincerely,

R. E. Mieritz.

Enclosures

REPLY TO:
1634 W. HAZELWOOD STREET
PHOENIX, ARIZONA 85015
TELEPHONE (602) 277-6053

Richard E. Mieritz

MINING CONSULTANT

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MINING ENGINEER AND GEOLOGIST

GEOLOGY
EXPLORATION
EVALUATION
FEASIBILITY
OPERATION

June 12, 1981

Mr. O. H. Gorbali
CAN-QM Corporation
Paul Lime Division
P. O. Drawer "T"
Douglas, Arizona, 85607

Re: LIZ Limestone Reports

Dear Mr. Gorbali:

Herewith two copies of each of the subsequent reports following my original report on the LIZ Limestone property in late 1974 which was sent to you a few weeks back.

The first three Photos of this group should be placed in the copies of the first Report I sent to you and in the proper places will be noted by the reference to the Photos in the body of the report, specifically between pages "3" and "5".

I have not been able to find all the negatives of the pictures or Photos which are in the various reports, but I did make xerox copies of them and for the most part they turned out pretty good--lacking color of course. I will keep looking and if they should turn up I will have two sets made and forward to you.

Please slip what is sent into the other two folders or covers I sent with the first Report.

Sincerely yours,

R. E. Mieritz.

MILLER FALLS
E. E. FALLS
MILLER FALLS
MILLER FALLS

REPLY TO:

2940 N. CASA TOMAS
PHOENIX, ARIZONA 85016
TELEPHONE (602) 277-6053

Richard E. Mieritz

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GEOLOGY
EXPLORATION
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October 31, 1980

Mr. R. A. Barbero, Pres.
Can-Am Corporation
Paul Lime Division
P. O. Drawer "T"
Douglas, Arizona, 85607

Coal
Investigation

Several weeks ago you requested the writer to investigate the possibility of potential coal deposits which your company might be able to utilize and to replace your present supplier.

Towards this end, the writer has checked the "literature" available concentrating on Arizona for a supply. The Black Mesa area is as you know controlled by the Indians. There appear to be several other areas in Arizona, but a study of the literature indicates the "seams" are all too small, the coal is of inferior grade and the potential is not there.

The literature mentions occurrences in the northeast corner of Pinal County--Deer Creek, the north end of the Chiricahuas, Cochise County, south of San Simon, in the Wheatsone Mountains southwest of Benson near the Pima-Cochise County line and in the Zuni area, south of Gallup in Apache County.

I enclose a copy of the literature for these areas as well as a Map showing the locations. Even though the literature might be discouraging, a "look-see" might be in order, however, all seem to be in isolated areas with little known access so the "Blazer" would be required. Perhaps I can do that little stint when I return from Nevada. Meanwhile, perhaps you can review the information and perhaps eliminate any or all of the occurrences.

My immediate thought is that these occurrences are the "tail end" of the formations laid down by the seas and their quality would not be first class nor would the quantity be sufficient for your need. I would think that the Zuni Area, New Mexico-Arizona area would be a better bet.

Respectfully submitted,

R. E. Mieritz,
Mining Consultant.

Deer Creek Field

Because of its inaccessibility this field (Fig. 4, No. 9) was not re-examined during the present study. However, it was recently summarized by Averitt and O'Sullivan (1969, p. 65-66) as follows:

The small and unimportant Deer Creek field is in eastern Pinal County far removed from other Rocky Mountain coalfields. It was examined on a reconnaissance basis by Devereaux (1881), Walcott and Bannon (1885), Campbell (1904), and Ross (1925). The field is a small synclinal basin, 10 or 12 miles long east-west, and 3 to 4 miles wide, in which coal-bearing rocks of Cretaceous age have been preserved. These Cretaceous rocks consist of a lower, unnamed sedimentary formation as much as 500 feet thick containing coal beds in the basal 50 feet, and an upper unnamed volcanic and sedimentary formation as much as 3,000 feet thick (Willden, 1964, p. E25-E27). The lower sedimentary formation is mainly of non-marine origin, but locally contains thin beds of marine rock of early Late Cretaceous age (Simons, 1964, p. 37). The Cretaceous rocks dip 30 to 60 degrees at the outcrop, but flatten to approximately horizontal in the center of the basin. They are also cut by many andesite dikes.

The coal-bearing sequence at the base of the Cretaceous contains two impure coalbeds individually 24 to 30 inches thick and several additional thin beds of no commercial importance. The two best coalbeds commonly contain several partings, and benches of pure coal are typically no more than 10 to 15 inches thick. The coal is also high in ash. Of five analyses presented by Campbell (1904, p. 254-256) the ash contents range from 18.7 to 54.4 percent. The lower figure was from a selected 10-inch bench of "clean" coal. The coal is of bituminous rank and will make a low-grade coke, which is of no current commercial value because of its high ash content. This coal will probably not be developed except for local use because of the thinness of the beds, the high ash content, and the relative inaccessibility of the area.

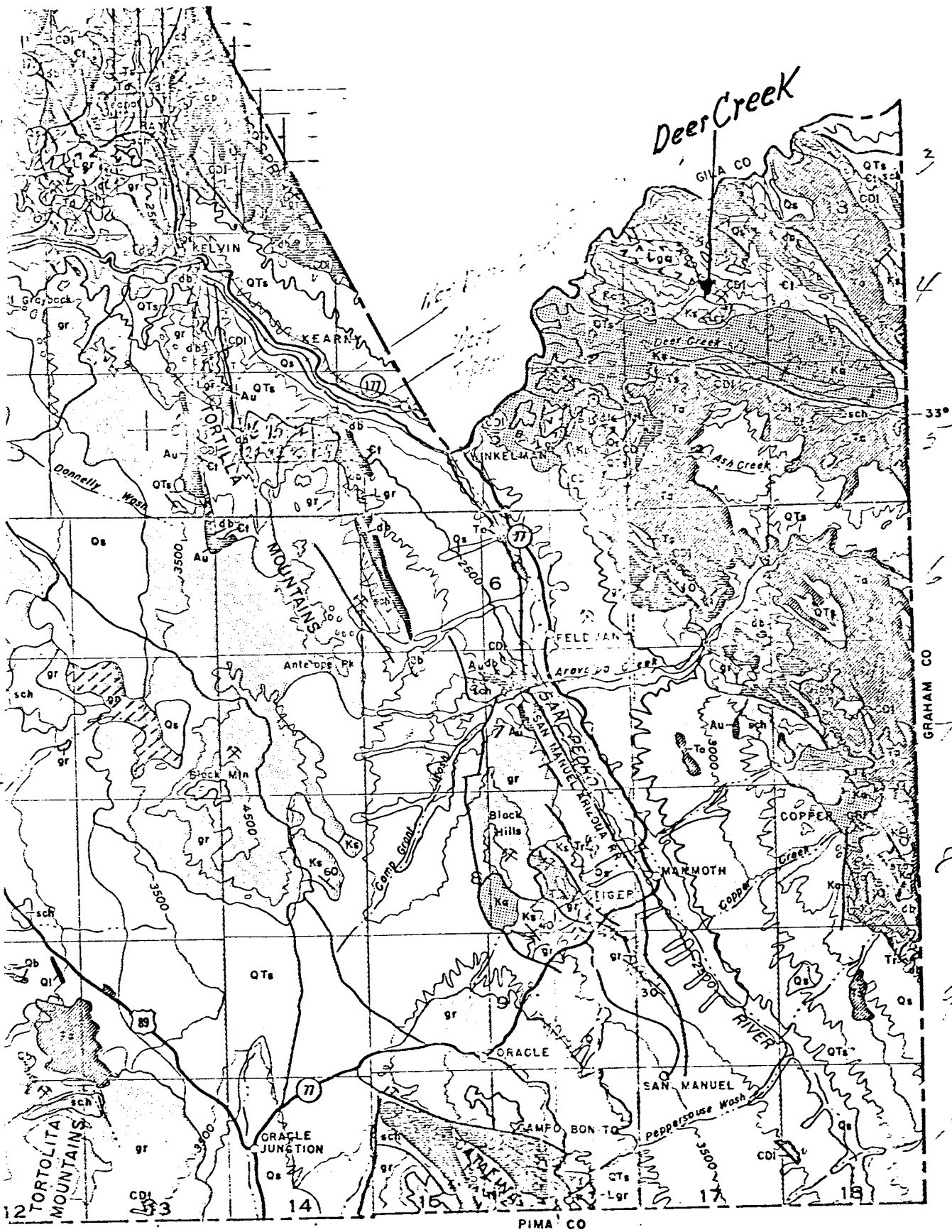
Campbell (1904, p. 257), assuming 24 inches of coal throughout a basin 3 by 10 miles in extent, estimated gross reserves at 60,000,000 tons and further suggested that half might be recoverable. Averitt (1969, p. 43) and Averitt and O'Sullivan (1969, p. 68) carry a figure of 10 million tons for the estimated original coal resources of the Deer Creek Field, the figure being credited to Campbell (1929), an unavailable informal reference.

According to Willden (1964, p. E-50) local ranchers report that one or more of the coal deposits is visited two or three times a year by persons interested in the coal exploration potential of the region. However, it appears as though no serious efforts have been made since about 1907 to explore the coal either by drilling or shaft sinking (Ross, 1925, p. 117).

Stratigraphically, available faunal data indicate that the coal-bearing strata of the Deer Creek region are closely related to the Upper Cretaceous deposits of the Colorado Plateau region to the north (Miller, 1962, p. 93). Pike (1947, p. 93) considers that the Deer Creek locality probably marks the approximate maximum southwesterly extent of the Upper Cretaceous sea.

Kaiparowits Field (Mohave Co.)

The Kaiparowits coal field is extensively developed in southwest Utah but one small outlier of the Dakota Sandstone extends into northern Arizona at a point slightly west of the Colorado River (Fig. 4, No. 1). According to Averitt and O'Sullivan (1969, p. 67) the Dakota Sandstone here contains only thin beds of coal that are not of known economic value.



mention has been made in the geologic literature of occurrences of carbonaceous materials in Cochise County. Blake (1898) and Dumble (1902) reported on coal of "Paleozoic" and "Carboniferous" age, respectively, and Schrader (1915) mentions reported occurrences of "coal or lignite" in "apparently Mesozoic" strata in or about the Whetstone Mountains.

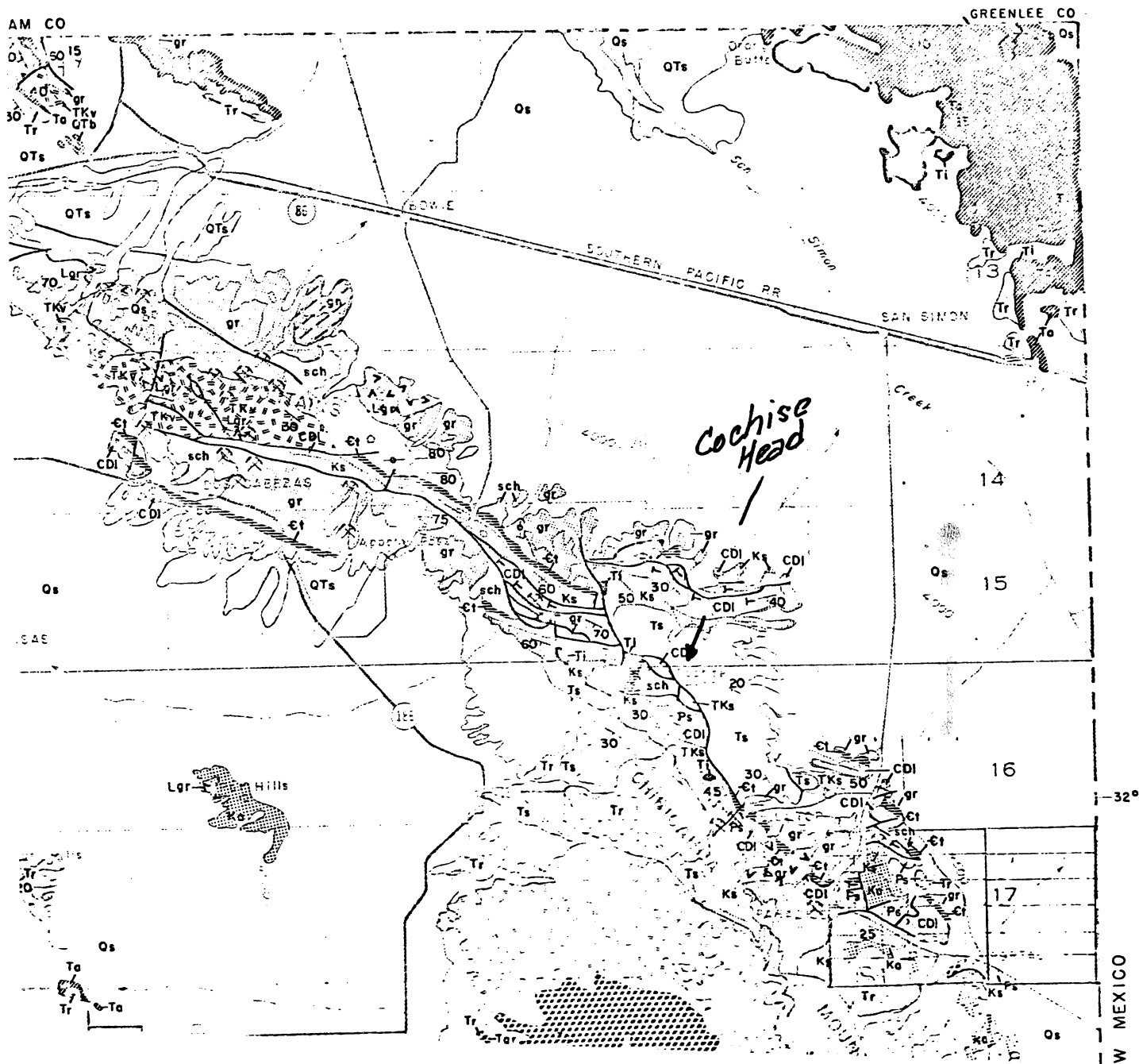
Blake (1898, p. 345, 346) describes "glossy black graphitic anthracite over twelve feet in thickness" as occurring in the vicinity of Cochise Head at the northern end of the Chiricahua Mountains (Fig. 4, No. 11). The material is associated with shales and Blake states further that "it cannot be claimed that any of this material has much value as a fuel. It is hard to ignite. The percentage of ash is large..." Most likely the carbonaceous material is associated with Cretaceous strata known to occur in the general region. There is no indication that this occurrence has stimulated significant exploration activity.

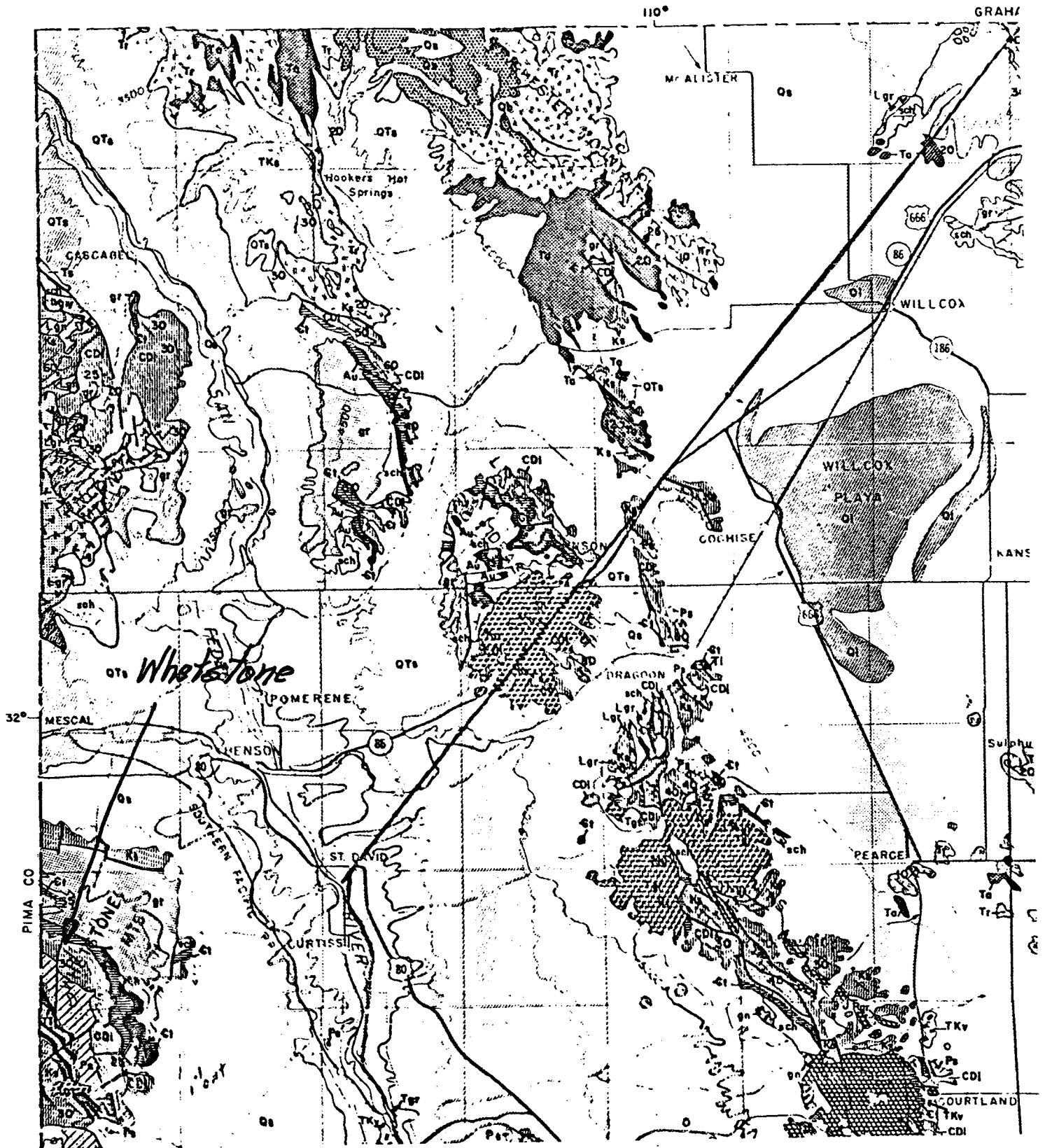
Dumble (1902, p. 270) also reported on a "Carboniferous" coal in the Chiricahua Mountains of Cochise County (Fig. 4, No. 12). His principal interest was the apparent discovery of Paleozoic coal so far to the west in the United States. He states that "there can be no question as to the Carboniferous age of this particular coal deposit" and "... while it may be that this deposit has no commercial value, its occurrence is of scientific interest..." There appears to be a strong probability that Blake and Dumble were dealing with very similar, if not identical, occurrences. According to Hayes (Averitt and O'Sullivan, 1969, p. 67), Dumble's occurrence is now believed to be of Cretaceous age. Apparently, faulting in the region gives the impression that the coal-bearing strata are overlain by Paleozoic carbonate rocks.

Schrader's comments (1915, p. 360-361) relate to reports of ranchers. Strata of Lower Cretaceous age crop out extensively in southeastern Pima County on the southwestern flank of the Whetstone Mountains (Fig. 4, No. 10). He says that according to reports a 40-foot shaft was sunk on a low grade coal occurrence but that there was no perceptible improvement with depth. In addition "associated with the deposit are reported to be plentiful remains of petrified trees, some being about 100 feet in length." Another report relates that 4 inches of coal of "good grade" was found but that exploration work was unsuccessful in developing thicker coal. Creasey (1967) has measured and described more than 7,000 feet of Cretaceous strata in the Whetstone Mountains. However, he did not encounter recognizable coal or lignite.

Mogollon Rim

The Mogollon Rim is a prominent high escarpment in central Arizona that forms the dividing line between Gila County on the south and





Southwestern Colorado Field

The coal-bearing Dakota Sandstone crops out extensively in southwestern Colorado. According to Averitt and O'Sullivan (1969, p. 66) some coal mining has been done near Cortez, Colorado. Only remnants of the Dakota are left in the Four Corners portion of Arizona (Fig. 4, No. 2) and apparently contain coal beds of insufficient thickness to encourage serious exploration.

Gallup Field

✓ Cretaceous strata are preserved in the San Juan Basin of New Mexico, and an edge encroaches slightly into Arizona preserving some Cretaceous strata south of Window Rock (Fig. 4, No. 4) on the Navajo Indian Reservation. Although the Pittsburg and Midway Coal Company operates the McKinley coal mine a few miles east of the Arizona border, coal deposits of economic interest are not known to occur in the part of the Gallup Field that extends into Arizona. Coal from the McKinley mine is shipped to Arizona Public Service's Cholla generating plant at Joseph City, Arizona; it is the only coal-fired generating plant currently operating in Arizona.

Zuni Field

✓ A belt of locally coal-bearing Cretaceous strata extends southward from Gallup, New Mexico, some 90 miles. According to Kottowski and Beaumont (1965, p. 106) some coal occurs in the lower parts of the Mesaverde Group, although the upper part has been removed by erosion. In adjacent Arizona only remnants of the Dakota Sandstone and the Mancos Shale remain (Fig. 4, No. 5). Akers (1964, p. 35) indicates that coal occurs in "scattered irregular lenses from a few inches to several feet thick." However, specific localities are not presented and there is no suggestion that any serious attempts at exploration for coal have been undertaken in central Apache County.

Coyote Creek Area

Several miles of undifferentiated Cretaceous strata are exposed in the vicinity of Coyote Creek south of St. Johns, Arizona (Fig. 4, No. 6). The principal exposures are sandstone but some carbonaceous shale is exposed in cuts along U.S. Highway 60. However, discrete coal beds are not known to have been reported from this remnant.

Southern Arizona

Although significant quantities of coal are not known to be associated with the thousands of feet of Lower Cretaceous strata in southern Arizona,

REPLY TO:

2940 N. CASA TOMAS
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Richard E. Mieritz

MINING CONSULTANT

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OPERATION

October 30, 1980

Mr. R. A. Barbero, Pres.
Can-Am corporation
Paul Lime Division
P. O. Drawer "T"
Douglas, Arizona, 85607

ACCESS TO LIZ
LIMESTONE CLAIMS--AREA

As you requested, I have taken a "look" at the problem of accessibility to the LIZ limestone claim area,--to permit drilling in the area of the good surface samples taken last year.

Exploration drilling, using a small portable diamond drill could be utilized with helicopter support. Checking into this means of access we found that it was extremely expensive and when the exploration was complete, we still would not have access to the area, thus we would be faced with a double "cost" or expense to accomplish a single purpose--access.

The unanswered question at this time is--is there a sufficient thickness of good grade limestone there or not, AND what are our chances? Drilling ofcourse, would answer the first question. My opinion, our chances are at least 75%, would answer the second question. My next opinion is that the road access, although probably more expensive, would be the best.

There are three choices--(1) a road up El Capitan Canyon northward on the east bank of the canyon above the canyon floor which would cross all the westerly trending drainages of the east bank and approaching the good limestone area near the bottom of the ridge, (2) a road starting at Ortega's ranch house in Section 3 and climbing to the "TOP" of the good limestone ridge, most of which is in alluvium--about 1500 feet of rock work (the writer flagged this route October 29th) and could be built with dozer or (3) the possibility of "filling" El Capitan Canyon at a convenient location to construct a "dam" with roadway on top. This could be done at a point of crossing about 225 feet south of the north line of Sec. 15. See attached Map for locations of all three routes.

The writer would not recommend route (1) because of its high maintenance cost in the future. Route (2) would probably cost around \$35-40,000.- and could well be an all weather route with minimum maintenance cost for future use. This route terminates at the upper most elevation of the good limestone area which means that transporting material, supplies, etc would be "up and down" grade.

Page Two

The writer can recommend this route.

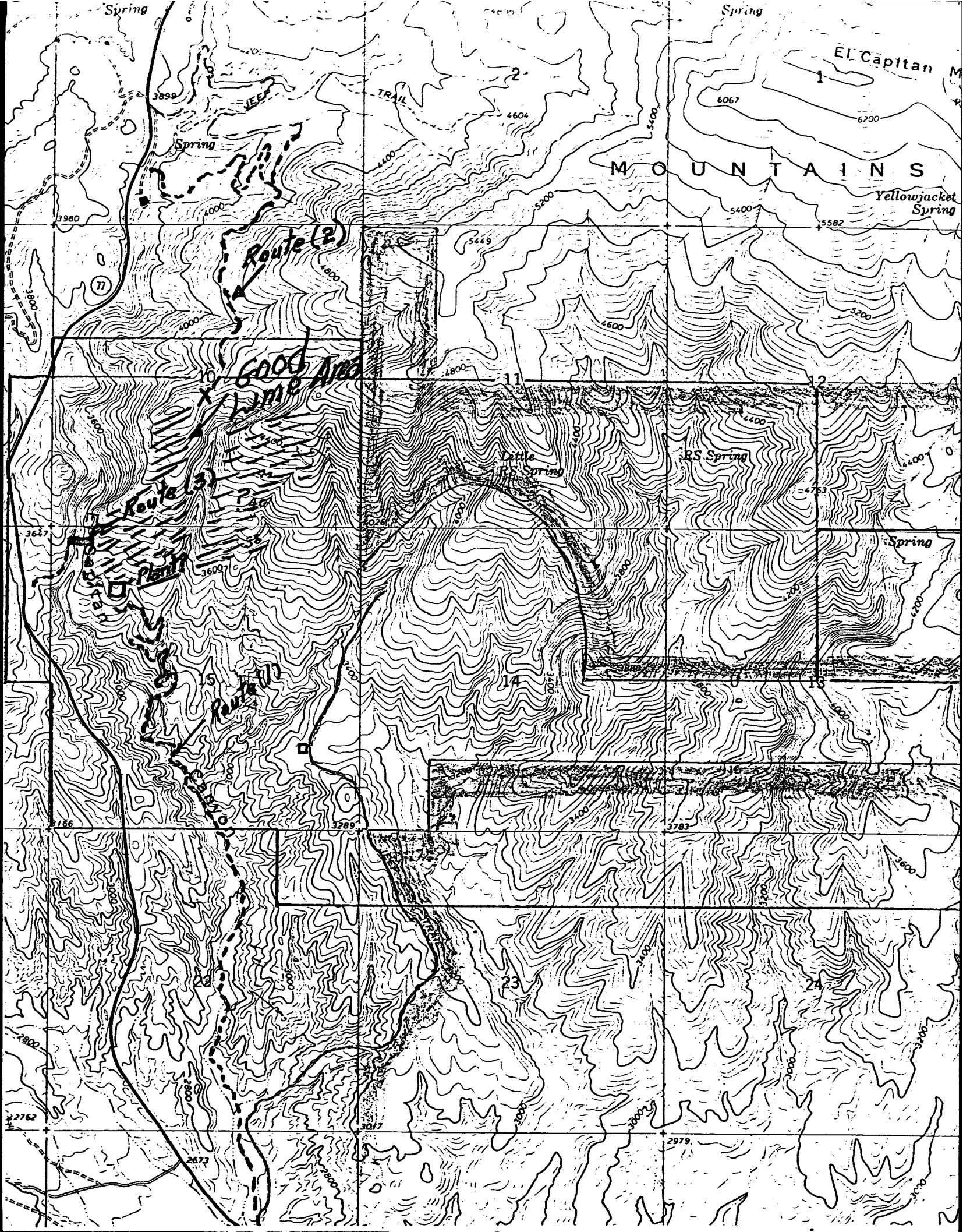
The third route is that of filling the canyon, damming same and preparing a road bed (60 feet wide on top) to make the good lime area accessible to exploration and serve as an excellent access to a future plant located in the area of the good limestone. The "dam" would have a base of about 375 feet up-down stream, would be approximately 250 feet across the canyon at the 3400 foot elevation and require about 85,000 cubic yards of "broken" material or 125,000 tons of "rock" in place. This is a block 150 feet square and 75 feet high. There is ample material on the west bank and the "move" is short. Cost-wise, perhaps you could apply your detailed costs at Paul Lime. It should be noted that this is a short route to the Hiway, is near a good plant site in an area of updrafts to the north.

The writer has not checked out what problems may be involved as regards the "damming", but the writer is of the opinion that nothing major would develop.

These alternatives have been provided for your review and consideration and to help in making a decision towards gaining access to the Target Area.

Respectfully submitted,

R. E. Mieritz,
Mining Consultant



Deer Creek Field

Because of its inaccessibility this field (Fig. 4, No. 9) was not re-examined during the present study. However, it was recently summarized by Averitt and O'Sullivan (1969, p. 65-66) as follows:

The small and unimportant Deer Creek field is in eastern Pinal County far removed from other Rocky Mountain coalfields. It was examined on a reconnaissance basis by Devereaux (1881), Walcott and Bannon (1885), Campbell (1904), and Ross (1925). The field is a small synclinal basin, 10 or 12 miles long east-west, and 3 to 4 miles wide, in which coal-bearing rocks of Cretaceous age have been preserved. These Cretaceous rocks consist of a lower, unnamed sedimentary formation as much as 500 feet thick containing coal beds in the basal 50 feet, and an upper unnamed volcanic and sedimentary formation as much as 3,000 feet thick (Willden, 1964, p. E25-E27). The lower sedimentary formation is mainly of non-marine origin, but locally contains thin beds of marine rock of early Late Cretaceous age (Simons, 1964, p. 37). The Cretaceous rocks dip 30 to 60 degrees at the outcrop, but flatten to approximately horizontal in the center of the basin. They are also cut by many andesite dikes.

The coal-bearing sequence at the base of the Cretaceous contains two impure coalbeds individually 24 to 30 inches thick and several additional thin beds of no commercial importance. The two best coalbeds commonly contain several partings, and benches of pure coal are typically no more than 10 to 15 inches thick. The coal is also high in ash. Of five analyses presented by Campbell (1904, p. 254-256) the ash contents range from 18.7 to 54.4 percent. The lower figure was from a selected 10-inch bench of "clean" coal. The coal is of bituminous rank and will make a low-grade coke, which is of no current commercial value because of its high ash content. This coal will probably not be developed except for local use because of the thinness of the beds, the high ash content, and the relative inaccessibility of the area.

Campbell (1904, p. 257), assuming 24 inches of coal throughout a basin 3 by 10 miles in extent, estimated gross reserves at 60,000,000 tons and further suggested that half might be recoverable. Averitt (1969, p. 43) and Averitt and O'Sullivan (1969, p. 68) carry a figure of 10 million tons for the estimated original coal resources of the Deer Creek Field, the figure being credited to Campbell (1929), an unavailable informal reference.

According to Willden (1964, p. E-50) local ranchers report that one or more of the coal deposits is visited two or three times a year by persons interested in the coal exploration potential of the region. However, it appears as though no serious efforts have been made since about 1907 to explore the coal either by drilling or shaft sinking (Ross, 1925, p. 117).

Stratigraphically, available faunal data indicate that the coal-bearing strata of the Deer Creek region are closely related to the Upper Cretaceous deposits of the Colorado Plateau region to the north (Miller, 1962, p. 93). Pike (1947, p. 93) considers that the Deer Creek locality probably marks the approximate maximum southwesterly extent of the Upper Cretaceous sea.

Kaiparowits Field (*Mohave Co.*)

The Kaiparowits coal field is extensively developed in southwest Utah but one small outlier of the Dakota Sandstone extends into northern Arizona at a point slightly west of the Colorado River (Fig. 4, No. 1). According to Averitt and O'Sullivan (1969, p. 67) the Dakota Sandstone here contains only thin beds of coal that are not of known economic value.



R. A. Barbero
July 30, 1980
Page 2

The Gold Knob hole should be drilled to 120 feet. The Owl Knob hole should be drilled to 40 feet.

Two holes between the Jumbo deposit and the Gold Knob should also be considered.

The Composite Drill Logs for holes WER-13, 14 and 15 are herewith submitted.

mention has been made in the geologic literature of occurrences of carbonaceous materials in Cochise County. Blake (1898) and Dumble (1902) reported on coal of "Paleozoic" and "Carboniferous" age, respectively, and Schrader (1915) mentions reported occurrences of "coal or lignite" in "apparently Mesozoic" strata in or about the Whetstone Mountains.

Blake (1898, p. 345, 346) describes "glossy black graphitic anthracite over twelve feet in thickness" as occurring in the vicinity of Cochise Head at the northern end of the Chiricahua Mountains (Fig. 4, No. 11). The material is associated with shales and Blake states further that "it cannot be claimed that any of this material has much value as a fuel. It is hard to ignite. The percentage of ash is large..." Most likely the carbonaceous material is associated with Cretaceous strata known to occur in the general region. There is no indication that this occurrence has stimulated significant exploration activity.

Dumble (1902, p. 270) also reported on a "Carboniferous" coal in the Chiricahua Mountains of Cochise County (Fig. 4, No. 12). His principal interest was the apparent discovery of Paleozoic coal so far to the west in the United States. He states that "there can be no question as to the Carboniferous age of this particular coal deposit" and "... while it may be that this deposit has no commercial value, its occurrence is of scientific interest..." There appears to be a strong probability that Blake and Dumble were dealing with very similar, if not identical, occurrences. According to Hayes (Averitt and O'Sullivan, 1969, p. 67), Dumble's occurrence is now believed to be of Cretaceous age. Apparently, faulting in the region gives the impression that the coal-bearing strata are overlain by Paleozoic carbonate rocks.

Schrader's comments (1915, p. 360-361) relate to reports of ranchers. Strata of Lower Cretaceous age crop out extensively in southeastern Pima County on the southwestern flank of the Whetstone Mountains (Fig. 4, No. 10). He says that according to reports a 40-foot shaft was sunk on a low grade coal occurrence but that there was no perceptible improvement with depth. In addition "associated with the deposit are reported to be plentiful remains of petrified trees, some being about 100 feet in length." Another report relates that 4 inches of coal of "good grade" was found but that exploration work was unsuccessful in developing thicker coal. Creasey (1967) has measured and described more than 7,000 feet of Cretaceous strata in the Whetstone Mountains. However, he did not encounter recognizable coal or lignite.

Mogollon Rim

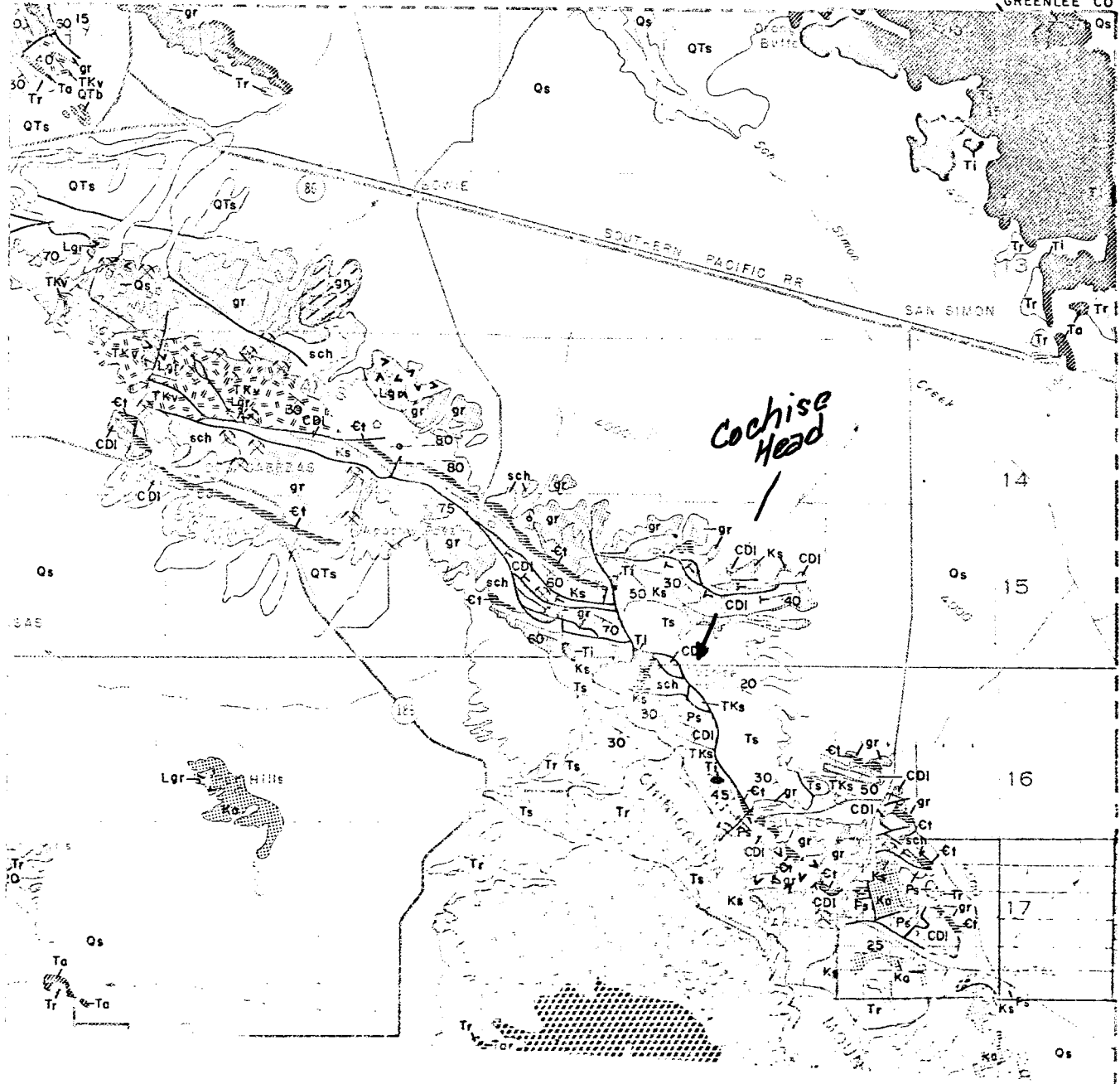
The Mogollon Rim is a prominent high escarpment in central Arizona that forms the dividing line between Gila County on the south and

Mr. R. A. Barbero
July 30, 1980
Page 2

The Gold Knob should b

AM CO

GREENLEE CO



W MEXICO

included in the weight and in the parting

110°

GRAH

MT ALISTER

WILL COX

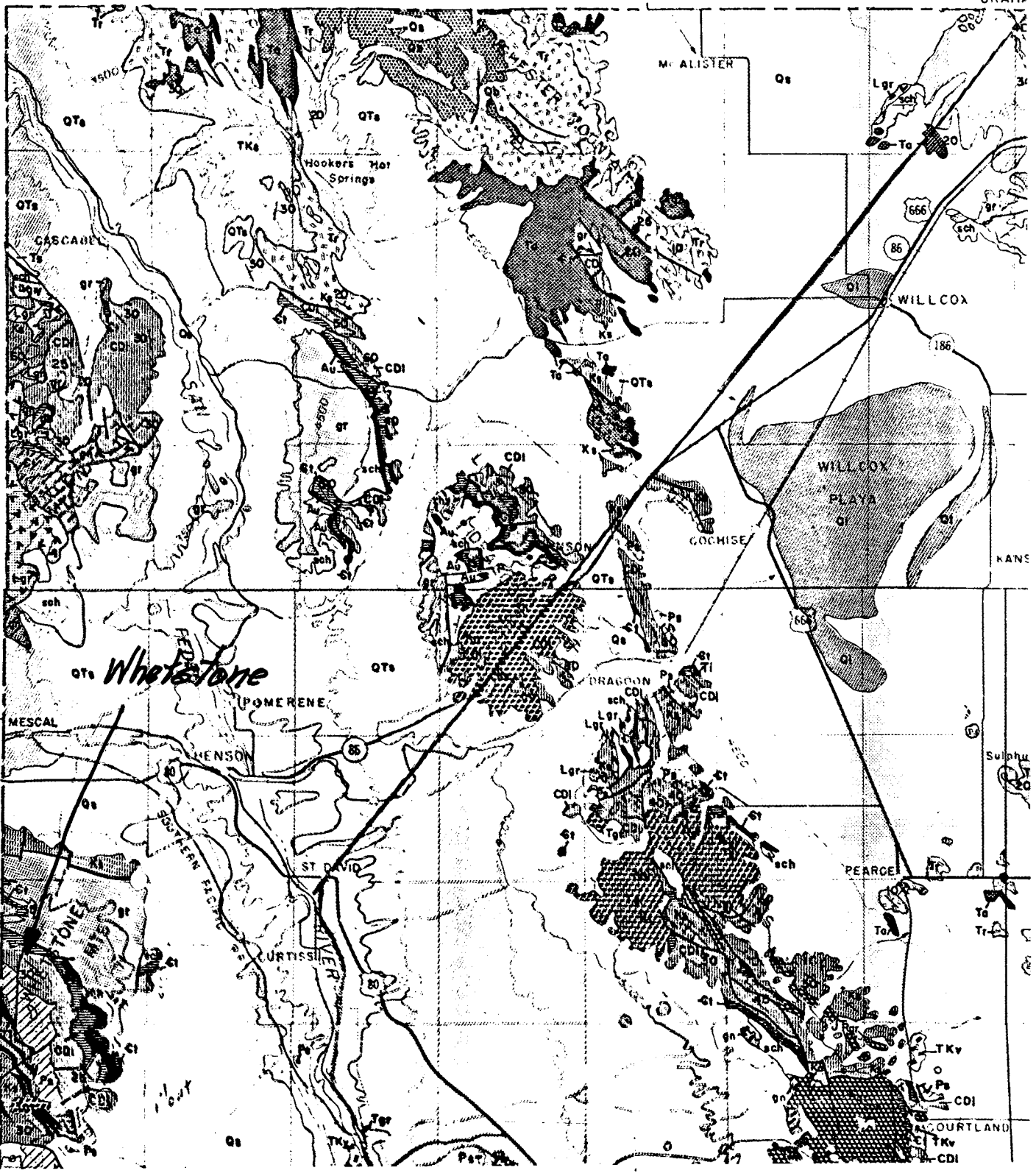
WILL COX
PLAYA

GOCHISE

DRAGON

PEARCE

COURTLAND



QTz *Whetstone*

POMERENE

MESCAL

WILSON

ST. DAVID

CURTIS

PIMA CO

TONES

CDi

Southwestern Colorado Field

The coal-bearing Dakota Sandstone crops out extensively in southwestern Colorado. According to Averitt and O'Sullivan (1969, p. 66) some coal mining has been done near Cortez, Colorado. Only remnants of the Dakota are left in the Four Corners portion of Arizona (Fig. 4, No. 2) and apparently contain coal beds of insufficient thickness to encourage serious exploration.

Gallup Field

✓ Cretaceous strata are preserved in the San Juan Basin of New Mexico, and an edge encroaches slightly into Arizona preserving some Cretaceous strata south of Window Rock (Fig. 4, No. 4) on the Navajo Indian Reservation. Although the Pittsburg and Midway Coal Company operates the McKinley coal mine a few miles east of the Arizona border, coal deposits of economic interest are not known to occur in the part of the Gallup Field that extends into Arizona. Coal from the McKinley mine is shipped to Arizona Public Service's Cholla generating plant at Joseph City, Arizona; it is the only coal-fired generating plant currently operating in Arizona.

Zuni Field

✓ A belt of locally coal-bearing Cretaceous strata extends southward from Gallup, New Mexico, some 90 miles. According to Kottowski and Beaumont (1965, p. 106) some coal occurs in the lower parts of the Mesaverde Group, although the upper part has been removed by erosion. In adjacent Arizona only remnants of the Dakota Sandstone and the Mancos Shale remain (Fig. 4, No. 5). Akers (1964, p. 35) indicates that coal occurs in "scattered irregular lenses from a few inches to several feet thick." However, specific localities are not presented and there is no suggestion that any serious attempts at exploration for coal have been undertaken in central Apache County.

Coyote Creek Area

Several miles of undifferentiated Cretaceous strata are exposed in the vicinity of Coyote Creek south of St. Johns, Arizona (Fig. 4, No. 6). The principal exposures are sandstone but some carbonaceous shale is exposed in cuts along U.S. Highway 60. However, discrete coal beds are not known to have been reported from this remnant.

Southern Arizona

Although significant quantities of coal are not known to be associated with the thousands of feet of Lower Cretaceous strata in southern Arizona,

(3) Drilling of four holes, totaling 243 feet, on the Jumbo depo

September 1, 1980

Robert L. Peterson,
Chief, Branch of Records & Data Management
Bureau Of Land Management
Arizona State Office
2400 Valley Bank Center
Phoenix, Arizona, 85073

Mining Claim
LIZ No. 20.-AMC 11483

Dear Mr. Peterson:

Thank you for your letter of July 30, 1980 regarding the abandonment of the above claim:

After locating the above claim, it was determined that said claim was located on Fee Land and therefor not a legal claim. Consequently, the claim was dropped.

Sincerely yours,

R. E. Mieritz



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

ARIZONA STATE OFFICE
2400 VALLEY BANK CENTER
PHOENIX, ARIZONA 85073

IN REPLY REFER TO
A MC 11483 (952)

July 30, 1980

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

DECISION

Richard E. and Carolyn L. Mieritz
c/o CAN-AM Corporation
P.O. Drawer T
Douglas, Arizona 85607

Mining Claim

Filing for Recordation Rejected Mining Claim Deemed Abandoned and Void

In accordance with the Federal Land Policy and Management Act of 1976 and the regulations in 43 CFR 3833, on August 22, 1977 you filed for recordation a notice of location for the LIZ No. 20 mining claim. This notice was assigned serial number A MC 11483. The claim was located August 18, 1975.

In addition to requiring recordation of your mining claim, the Act and the regulations require that prior to December 30 of each year following the calendar year in which the claim was recorded with the Bureau of Land Management, you must file evidence of annual assessment work performed during the preceding assessment year or a notice of intention to hold the mining claim, 43 CFR 3833.2-1, copy enclosed.

An affidavit of labor performed or a notice of intention to hold the claim listed above was not received in this office prior to December 30, 1978. The failure to file one of these instruments within the time allowed is deemed conclusively to constitute abandonment of the claim and it is void, 43 CFR 3833.4.

You have the right of appeal within 30 days to the Board of Land Appeals, Office of the Secretary, in accordance with the regulations in 43 CFR Part 4 and Form 1842-1, enclosed. If an appeal is taken, the notice of appeal must be filed in the Arizona State Office, Bureau of Land Management, 2400 Valley Bank Center, Phoenix, Arizona 85073, so that the case file, together with the notice of appeal can be sent to the Board. Additionally, within 15 days from filing, a copy of the notice of appeal and any statement of reasons, written arguments or briefs must be served on the Associate Solicitor, Division of Energy and Resources (Address: Office of the Solicitor, U.S. Department of the Interior, Washington, D.C. 20240). If an appeal is taken, there must be strict compliance with the regulations.



Robert L. Peterson
Chief, Branch of Records
and Data Management

Enclosures:

1. Regulations
2. Appeals Procedures
3. Form 1842-1

REPLY TO:

2940 N. CASA TOMAS
PHOENIX, ARIZONA 85016
TELEPHONE (602) 277-6053

Richard E. Mieritz

MINING CONSULTANT

ARIZONA REGISTERED
MINING ENGINEER AND GEOLOGIST

GEOLOGY
EXPLORATION
EVALUATION
FEASIBILITY
OPERATION

October 23, 1980

Mr. R. A. Barbero, Pres.
Paul Lime Division
CAN-AM Corporation
P. O. Brawer "T"
Douglas, Arizona, 85607

Re: New Road-
LIZ Claims, Gila Co.

A few days ago I checked once again with the B.L.M. regarding any rules and regulations and/or applications which might have to be completed to construct a road to the LIZ claims in the area that we wish to drill.

While there, I learned that about, about half of the LIZ claims (eastern half) were under consideration and study to become a "wilderness Area". Also learned that this Area would be declared or would not become a "Wilderness Area" on the 15th of November--providing no one objected to it not becoming a Wilderness Area. There would be a 30 day period for anyone to protest the dropping of the area as a Wilderness area. It is not likely that anyone would protest. Attached is a copy of a letter from B.L.M. as well as two Maps showing the relationship of the Wilderness Area outline and the LIZ claim outline.

The second and third Maps show the position of the proposed Road. Please note that the route traverses land where the surface rights are owned by Mr. Earvan--Section 3 and Mr. Ortega--Section 10. I am familiar with Mr. Ortega but do not know Mr. Earvan. I will have to check the County Assessors Office to learn the address and contact him. We may have to pay some surface damage--a possibility, not necessarily a requirement.

I will also have to "walk" the proposed route and flag same to get an idea of any rock work that would have to be shot. All this I shall be doing after I have returned from the Atlanta Mill which should be around the middle of November. I will keep you posted on the progress at that time.

I tentatively have the Bryant Construction of Superior on the alert that we may wish to utilize his D-8 and D-7, the D-8 with a ripper, the latter part of November. He was agreeable and would more or less reserve that time for us. Again, I will keep you posted.

Our estimated cost for helicopter use about a year ago was about \$25,000.00 and road about the same. Now, I would think that a road cost would be \$30-35,000.-. Would have a better idea after I walk it.

Sincerely yours,


R. E. Mieritz



United States Department of the Interior

IN REPLY REFER TO

8500

BUREAU OF LAND MANAGEMENT
District Office
425 E. 4th Street
Safford, Arizona 85546

OCT 17 1960

Mr. Richard Mieritz
2940 N. Casa Tomas
Phoenix, Arizona 85016

Dear Mr. Mieritz:

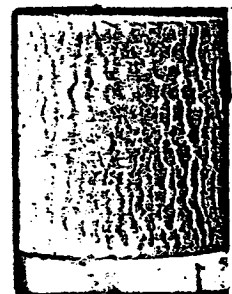
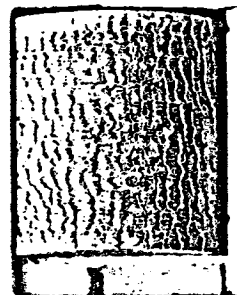
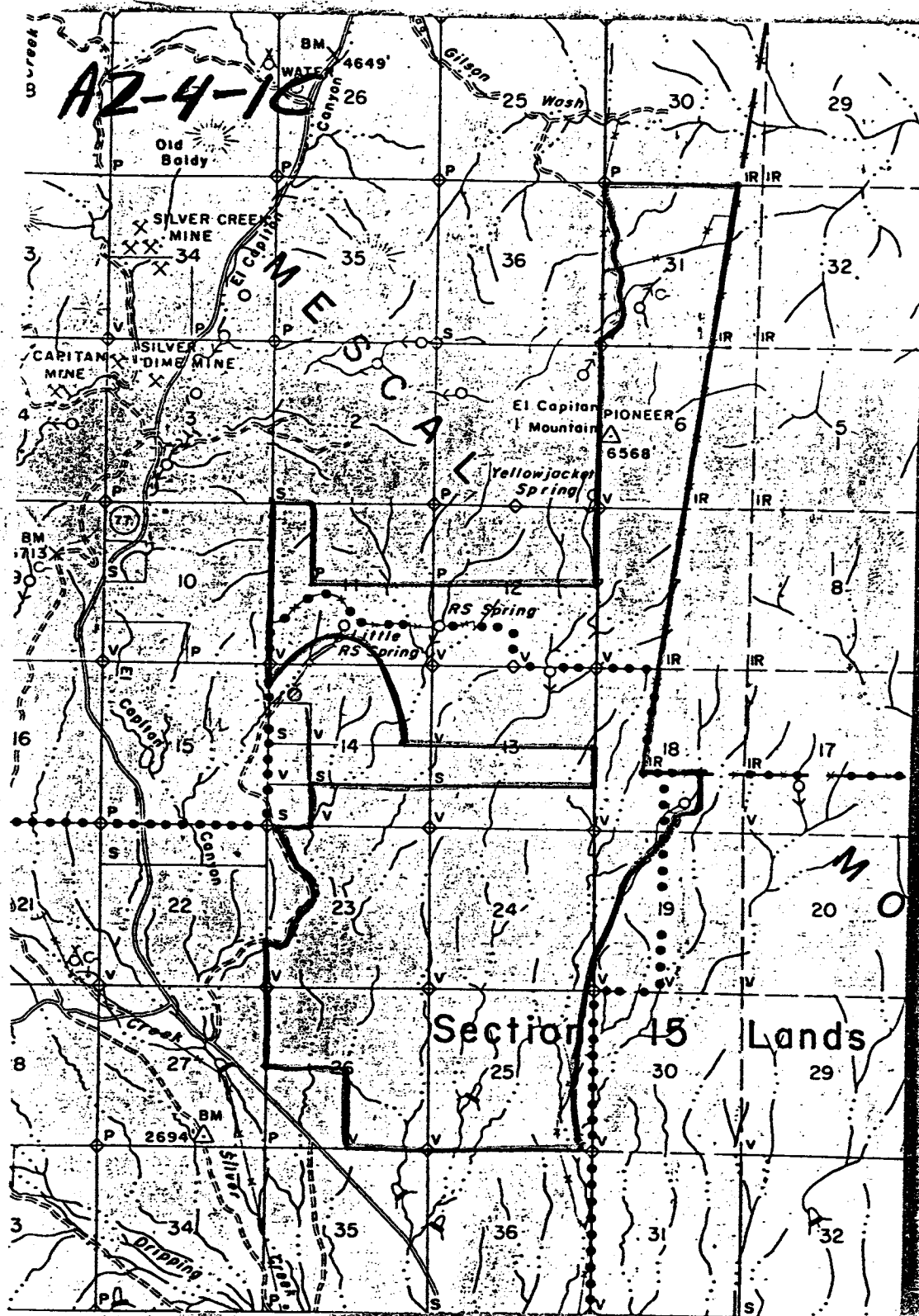
Enclosed is a large scale map of Safford District Intensive Inventory Unit AZ-4-1C. If you have any questions concerning the boundaries of this unit, contact me at the above address or call 428-4040.

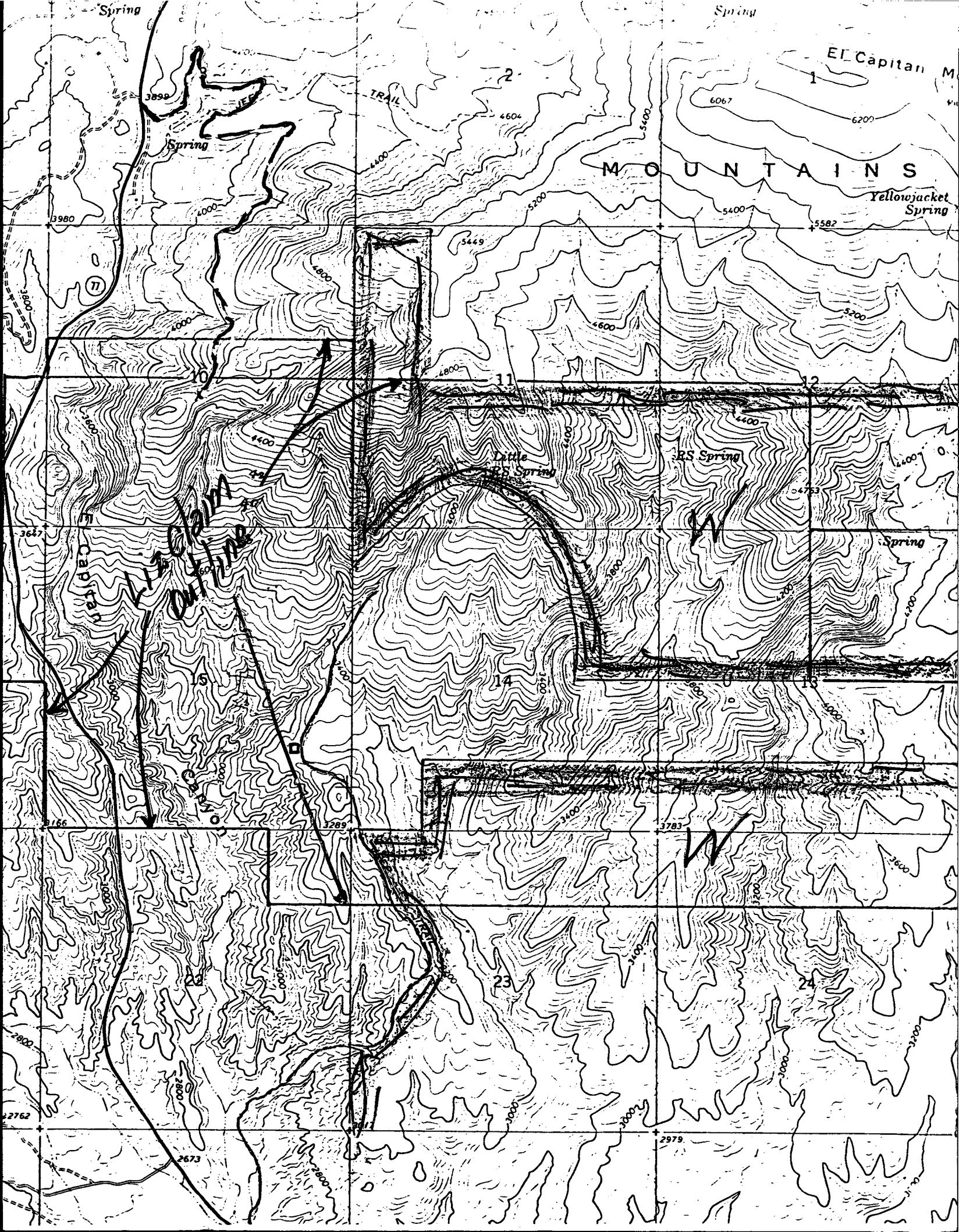
Sincerely,

Steve Knox

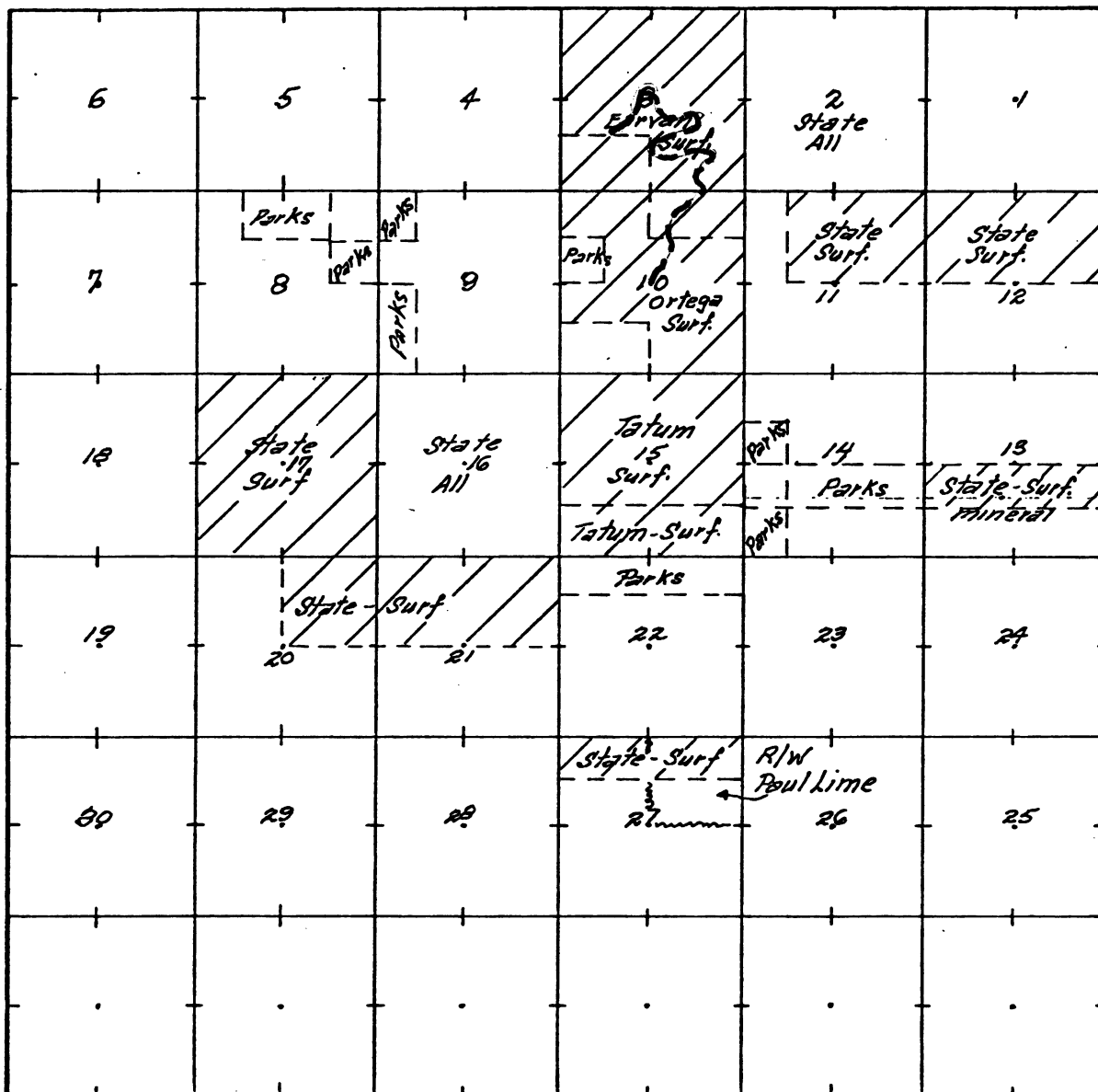
Wilderness Coordinator

Enclosures: Map, Unit AZ-4-1C










R. 15 E.



T.
3
S.

LEGEND

-  FEE LAND - Owner has surface and Mineral Rights.
-  FEDERAL LAND - U. S. Gov. has surface and mineral Rights.
-  FEDERAL LAND - Patentee has surface Rights, U. S. Gov. has mineral Rights.
-  STATE LAND - STATE has surface and mineral Rights.
-  STATE LAND - STATE has surface Rights, U. S. Gov. has mineral Rights.

LAND CLASSIFICATION MAP

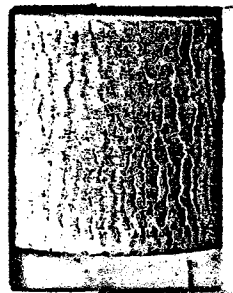
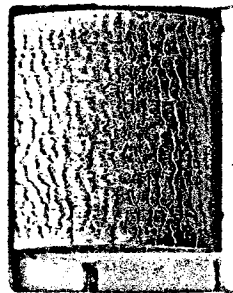
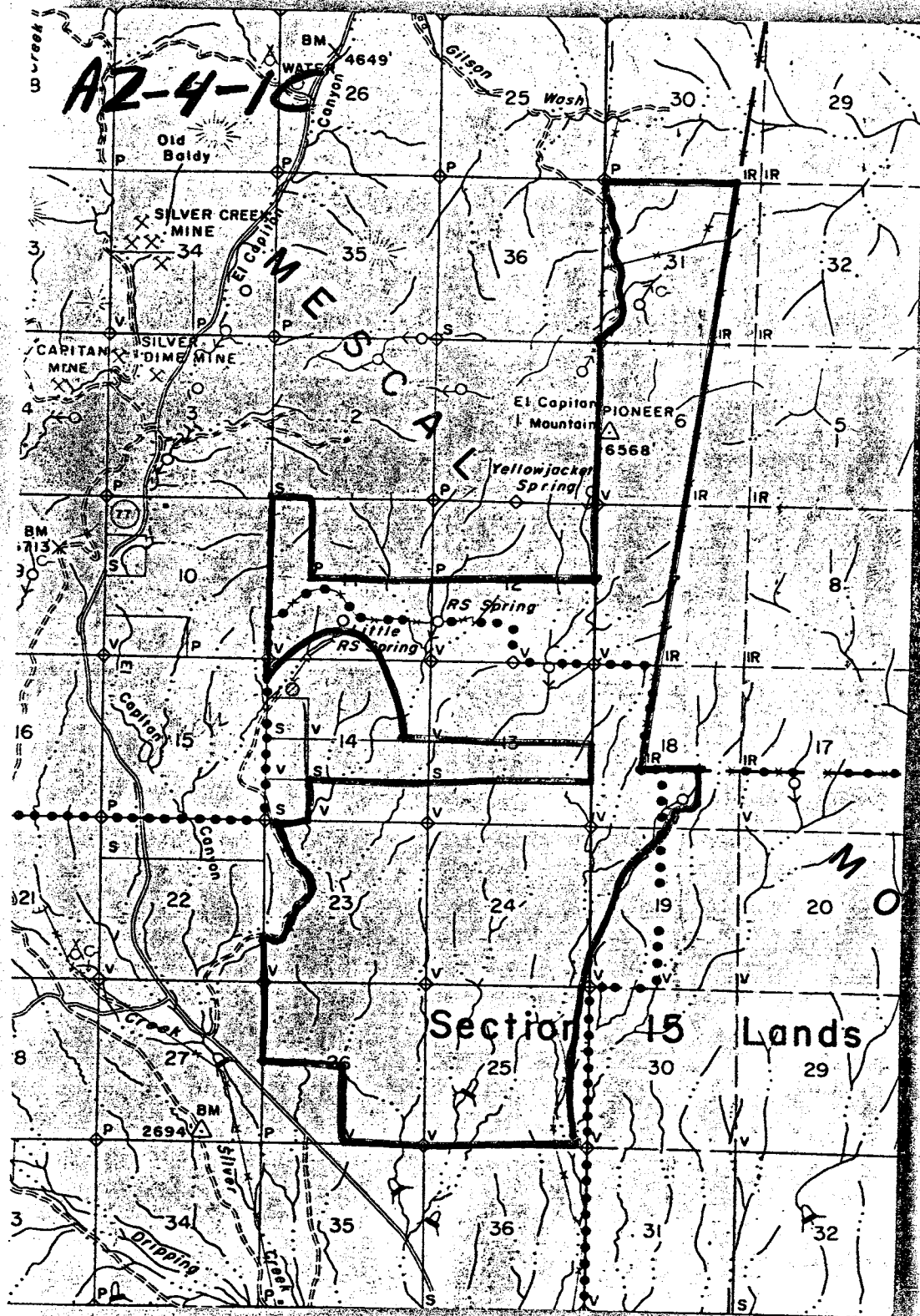
LIZ CLAIM AREA
Gila County, Arizona

SCALE: 1" = 1 Mile.

Sept., '77

R. E. M.

MAP No. _____





United States Department of the Interior

IN REPLY REFER TO

8500

BUREAU OF LAND MANAGEMENT
District Office
425 E. 4th Street
Safford, Arizona 85546

OCT 17 1960

Mr. Richard Mieritz
2940 N. Casa Tomas
Phoenix, Arizona 85016

Dear Mr. Mieritz:

Enclosed is a large scale map of Safford District Intensive Inventory Unit AZ-4-1C. If you have any questions concerning the boundaries of this unit, contact me at the above address or call 428-4040.

Sincerely,

Steve Knox

Wilderness Coordinator

Enclosures: Map, Unit AZ-4-1C

GORDON WAINWRIGHT
P. O. BOX G
MAYDEN, ARIZONA 85235

Date Sept. 15 1977

To CAN-AM CORPORATION

PAUL LIME DIVISION

Address P.O. DRAWER T.

City DOUGLAS, ARIZONA 85607

25½ Hrs. D8 Tractor & Dozer @ 50.00	1275.00
Move in & Move out 6 Hrs. @ 30.00	180.00
	1455.00
8/31/77 3½ Hrs.	
9/1 6 "	
9/2 5 "	
9/6 4 "	
9/7 5 "	
9/8 2 "	
Building Road & Moving Drill Equipment	
on job between Winkelman & Globe	
Rediform	
8K 882	
STATEMENT	

November 2, 1979

Mr. R. A. Barbero, Pres.
Can-Am Corporation
Paul Lime Division
P. O. Drawer "T"
Douglas, Arizona, 85607

Dear Mr. Barbero:

Herewith the original and two copies of the Addendum I have prepared on the additional sampling at the LIZ limestone property. Please insert this report into the other cover of the report dated September 22, 1979 and this will keep everything together.

In my opinion, the sampling program we completed is quite successful and the results of the samples correlate very nicely, indicating some low grade beds interspersed but their thickness may not be very great. The recommended drilling program will determine these thicknesses. I do not anticipate a greater thickness than ten feet for the black portion and the green portion as indicated on the "plan" portion in the middle and southern portion of the area. The black colored portions in the northern part of the area should be of no concern as the stratigraphic depth would be well below a mining depth.

I am having much difficulty finding a drill rig "on skids" that could be used for the drilling program. Longyear and Boyje Bros. here in Phx. do not have any skid rigs. Joy and Connors in Tucson have a skid rig but could not do the job until after the first of next year. Several smaller contractors were contacted but they are either out of business or do not have the drillers available. One such contractor would rent us a small machine but it only drills a small size core and we would have to buy some equipment -or rent some - if we can find a driller--an experienced one. I have a few more leads going out as far as Spokane, Wash. California and New Mexico and possibly Colorado. I will keep on this until I am "washed out" or am successful in finding one to do the job.

To start a quarry, little needs to be done with the BLM except to get right-of-way permission when a road crosses over their land which is not covered by a mining claim.

Next week I will check the State Land Department to see what is required in that direction. A right-of-way would have to be obtained, I am sure, but what else may be required, I would only be guessing at this time. The State Mine Inspectors Office must be notified when a quarry is started.

An environmental Impact study may be necessary before a plant is erected.

Sincerely,

R. E. Mieritz.

Salisbury & Dietz Inc.

S. 1815 Lewis Spokane, Washington 99204
(509) 456-5110

Consulting Geologists
Exploration Services
Portable Diamond Drilling

November 21, 1979

Mr. Richard Mieritz
Consulting Geologist
2940 N. Casa Tomas
Phoenix, Arizona 85016

Dear Mr. Mieritz:

Enclosed is our drill proposal for the Liz Property near Globe. As we discussed, an extension of the original program will result in some reduction in the footage and hourly charges unless unforeseen drilling problems occur.

Please contact me as soon as possible if you have any questions or if the original program is to be changed in any way.

We are looking forward to the opportunity of working with you on this project.

Sincerely,



David K. Wilson
Senior Exploration Specialist

DKW:db
Encl.

Salisbury & Dietz Inc.

S. 1815 Lewis Spokane, Washington 99204
(509) 456-5110

Consulting Geologists
Exploration Services
Portable Diamond Drilling

November 21, 1979

Mr. Richard E. Mieritz
Consulting Geologist
2940 N. Casa Tomas
Phoenix, Arizona 85016

Dear Mr. Mieritz:

Based on our recent telephone conversations, Salisbury and Dietz, Inc. is pleased to submit the following proposal for drilling your client's Liz Lime Property near Globe, Arizona. The following information and understandings were used in calculating the rate schedule:

1. 500-600 feet of IAX drilling in vertical holes ranging to 150 feet in depth is anticipated.
2. The rock type to be penetrated is limestone; your observations indicate no cavernous conditions, although some small mud seams may be encountered.
3. Overburden should not exceed 10 feet in depth.
4. Your client will be responsible for providing daily helicopter access and water supply to the drill.
5. A horse trail to the site provides foot access but is not practical for use on a day-to-day basis.
6. Your client will provide the crew's lodging.

The following rates and charges are proposed:

1. A lump-sum mobilization and demobilization charge of \$3,680.00 payable prior to the crew's departure from Spokane.
2. IAX drilling at the following rates:

<u>Depth</u>	<u>Rate/ft.</u>
0-200'	25.50
200-300'	27.50
300+'	29.50

3. Casing will be charged at the above rate plus the following charges:

<u>Depth</u>	<u>Rate/ft.</u>
0-15'	N/C
15-25'	4.00
25-35'	8.00
35+'	8.00 plus \$55.00 crew hour

4. Casing and casing shoes lost or left in the hole on your request will be charged at our cost plus 15% F.O.B. Spokane.
5. Water delay time, helicopter delay time, requested stand-by time, client delay time, hole survey time, cementing, cement setting and redrill time and drill move time will all be charged at \$55.00 per crew hour to a maximum of 10 hours per day.
6. Drill fluid additives and cement will be charged at our cost plus 15% F.O.B. the job site.
7. Subsistence will be billed at \$7.50 per man per day.

Billing will be made on the first of each month with payment due by the end of that month.

Salisbury and Dietz, Inc. will provide, upon request, certificates of auto, liability, comprehensive and workmen's compensation insurance.

Signed

David K. Wilson

David K. Wilson
Senior Exploration Specialist
Salisbury & Dietz, Inc.

Accepted _____

DKW:db

26
104

Drilling:

More In - More out	\$3,680.-
525 feet @ \$25.50/ft.	13,387.50
21 days room @ \$27.04	567.84
21 days meals @ \$15.00/day	315.00
24 hrs machine time @ \$55.00/hr	1320.00
Water truck - 3 wks @ \$800.-	2400.00
	<hr/>
	\$21,670.34

Helicopter

45 hrs @ \$375.00/hr	16,875.00
21 days @ \$27.04 room	567.84
21 days @ \$25.00/day/man	1,050.00
	<hr/>
	18,492.84
	<hr/>
	\$40,163.18

732-4431
292-2503

Salisbury & Dutz - 509-456-5110 ^{Page} Wilson
S. 1815 Lewis St. Spokane, Wash. 99204
by

A. Bx 25.50/ft -

More cementing -

water delay \$55.00/man crew - hr.

plus + 10% \$15.00

For Dm. \$7.50/m/day -

More in - More out - \$300. -

3rd core/cleaning \$7.50/

Bx core \$25.50/ft -

More in - More out (actual cost - labor - travel exp. - gasoline etc)
about \$3,000. -

any delay - More cement, water, help etc \$55.00/man -
crew/hr.

For diam \$7.50/day/man. - Can am furnish room.

Other way is \$5500/hr for crew & machine.

(\$440.00) per day.

We buy bits, rammers etc - their cost + 10% -
we furnish oil, fuel etc.

and more starting next Monday.

Need water truck (Globe)

Buy cattle watering tanks - pipe -

August 7, 1980

Mr. Howard Gorbali
Can-Am Corporation
Paul Lime Division
P. O. Drawer "T"
Douglas, Arizona, 85607

Dear Mr. Gorbali:

Thank you for your phone call of yesterday regarding receipt of a letter from the B.L.M. Mr. Peterson, advising the status of the Liz claim #20.

LIZ #20 was a 40 acre claim described as the NE/4 of the NE/4 of Sec. 22, T. 3 S., R. 15 E. Its purpose was to make the LIZ claims a contiguous group. However, Liz 20 was located on FEE land, therefor not valid.

To correct this situation --invalid claim and a non-contiguous group, in MY September 12, 1977 "Land Status Report", I indicated what should be done to correct the situation. This was done under RECOMMENDATIONS and CORRECTIONS REQUIRED, item (1), on page -2- of the report.

Therefor, ignore the letter from the B.L.M. but I would appreciate if you would send me a copy of that letter, and I will in turn write Mr. Peterson advising we have dropped the claim--thus keeping the record current and in tact.

Sincerely yours,

R. E. Meeritz

cc: R. A. Barbero.

REPLY TO:

2140 N. CASA TOMAS
PHOENIX, ARIZONA 85016
TELEPHONE (602) 277-6053

Richard E. Mieritz

MINING CONSULTANT

ARIZONA REGISTERED
MINING ENGINEER AND GEOLOGIST

GEOLOGY
EXPLORATION
EVALUATION
FEASIBILITY
OPERATION

December 17, 1979

Mr. Robert A. Barbero, Pres.
CAN-AM Corporation
Paul Lime Division
P. O. Drawer "T"
Douglas, Arizona, 85607

Re: LIZ Quarry Operation

Dear Mr. Barbero:

At your request, the writer has attempted to learn what would be required - State and Federal Rules and Regulations - with regard the starting of a Quarry Operation at the LIZ limestone deposit. Several subjects of concern are herewith discussed as I have learned the facts concerning the subjects by visiting and talking with several persons within the State and Federal Agencies whom might exercise some control.

LAND USE:

The LIZ claims cover two types of "Land Status" classifications - as follows:

- (1) Bureau of Land Management (BLM) - Public Domain - Surface and Mineral owned by the U. S. Gov. and open to Mining Claim location, and,
- (2) as above but surface owned by private citizen (Ranchers) with mineral rights reserved by the U. S. Gov. and open to Mining Claim location.

LIZ claims No. 1, 2, 5 and 6 (Map No 2, September, 1977 Land Status Report) - the area of an initial quarry involve both of the above. In the case of Number (2) above, there are two patentees, the Ortega family and one Bryan Tatum.

The BLM has no rules, regulations or restrictions as regard mining operations on the claims in either of the above categories. In the case of number (2) above, CAN-AM would have to probably reach a token agreement (surface damage) with the two parties on the affected portion of their surface rights. The writer believes the patentees would be cooperative. The Ortega family has thus far shown very good cooperation.

ACCESS:

A road capable of supporting large tonnage trucks must be built from Highway 77 to the Quarry area. The route this would take is not known at this writing, however, one, all or part of the various land classifications named in the September, 1977 report would have to be crossed - and permission would have to be obtained to cross this land. The BLM, the State, land surface patentees and Fee land owners (surface and mineral rights) would have to be contacted.

Page Two

The BLM and the State Land Department (SLD) indicate no right of way problems provided road construction is engineered to their requirements and specifications which are quite minimal for access to the claims. Such specifications are usually to the companies advantage to keep repair and maintenance to a minimum and include such items as proper drainage, culverts, bank slopes, surface material, grades, etc.

After a company decision on a route and same "flagged", it is likely the two Agencies would send an engineer to examine same, require a drafted plan and perhaps make recommendations - perhaps not. Permission to construct would then be granted. Minimal plans of route and construction would be required with the application to the BLM and SLD.

CAN-AM, or Paul Lime, currently has a "right-of-way" grant or permit to "enter and join" Highway 77 about a third of a mile south of the Dripping Spring road junction - in Section 27, or close to M.P. 153 on the east side of the Highway. This "right-of-way" is on record at the SLD.

Road construction "on" the claims can be completed as the company sees fit. These roads would be "operational roads".

The road from the Highway to the quarry could be designated as "private road" because it ends on the claims, thus "restricted" or "limited", not public.

OPERATION:

Paul Lime's Mine Superintendent should be well acquainted with the State's Mining Code as well as with the Federal Agency and as far as the State Mine Inspectors Office. The State Mine Inspectors Office MUST be advised when the operation is to begin.

Employee Safety is the concern of all Agencies. The State Mine Inspectors Office now has Safety training programs in effect. Again, your Mine Superintendent should be fully knowledgeable on this subject. I am sure Paul Lime has a copy of the State's Revised Mining Code, dated 1976. No permit or operation plan submission is required.

Mr. David Manqueros is the District Mine Inspector in the Globe area. He resides in Globe and would make periodic visits to the operation and can be very helpful as regards the Rules and Regulations of the Mining Code.

AIR POLLUTION CONTROL:

Air Pollution Control is governed by the Arizona State Health Department, (ASHD). Discharge of pollutants --solid or gaseous--into the atmosphere is their concern. With the plant at Douglas, I am sure your organization is well familiar with the Rules and Regulations and the corrective measures necessary if violations occur.

In the case of a Quarry at the LIZ it was determined by talking with one of the personnel in the Engineering Department of the ASHD that dust conditions

Page three

generated by quarry blasting and truck travel on dirt and/or gravel roads is more or less an uncontrollable pollutant-- a roaming pollutant. If such a condition would exist near habitation areas, wetting at the mine or on the road might be enforceable.

On the other hand, pollution generated by a crusher, conveyor, hoppers, etc., stationary and constant type of pollution would be their concern. I was advised that if we made application for a permit for the quarry by itself-- the ASHD would immediately be on "your back".. A permit is really not necessary for a quarry. The plant is another "ball game". Therefore, in the writers opinion, a quarry could be started and operated without interference from the ASHD.

FEDERAL AGENCIES:

MSHA and OSHA are the Government Agencies which are regulating the safety and health of the employees and are in essence "watch dogs" over the State Agencies. Their concern is health and safety of the employee --along with the necessary State Mining Code Regulations.

My contact at MSHA, after explaining the quarry bit and road to him, indicated he could not foresee any particular problems in the possible quarry operation if the Rules and Regulations of Arizona's Mining Code were followed and adhered to, particularly with reference to "safety".

WATER SITUATION:

Some time ago the writer checked the Arizona Water Commission --Water Rights Department-- to determine the existence of possible water rights issued in the immediate area of the LIZ claims. The writer found the following Water Right files in the Office of the Water Rights Department.

<u>File No.</u>	<u>Section</u>
3620658	12
3643890	3
3643891	16
3643892	9
3643893	10
3680250	9

The Ortega family has most of these rights, primarily for watering cattle. The writer did not read the descriptions of the rights or sources, however, they would include springs, runoff and underground water in the washes or canyons.

The Little R. S. Spring on LIZ claim No 7 in Section 11, (Claim Map No. 2 -- the Writers December 28, 1974 Sampling Report) may be a possible source of water -- if cleaned out and developed-- and could be a sufficient quantity for use at the quarry operation. It has not been filed on--to my knowledge.

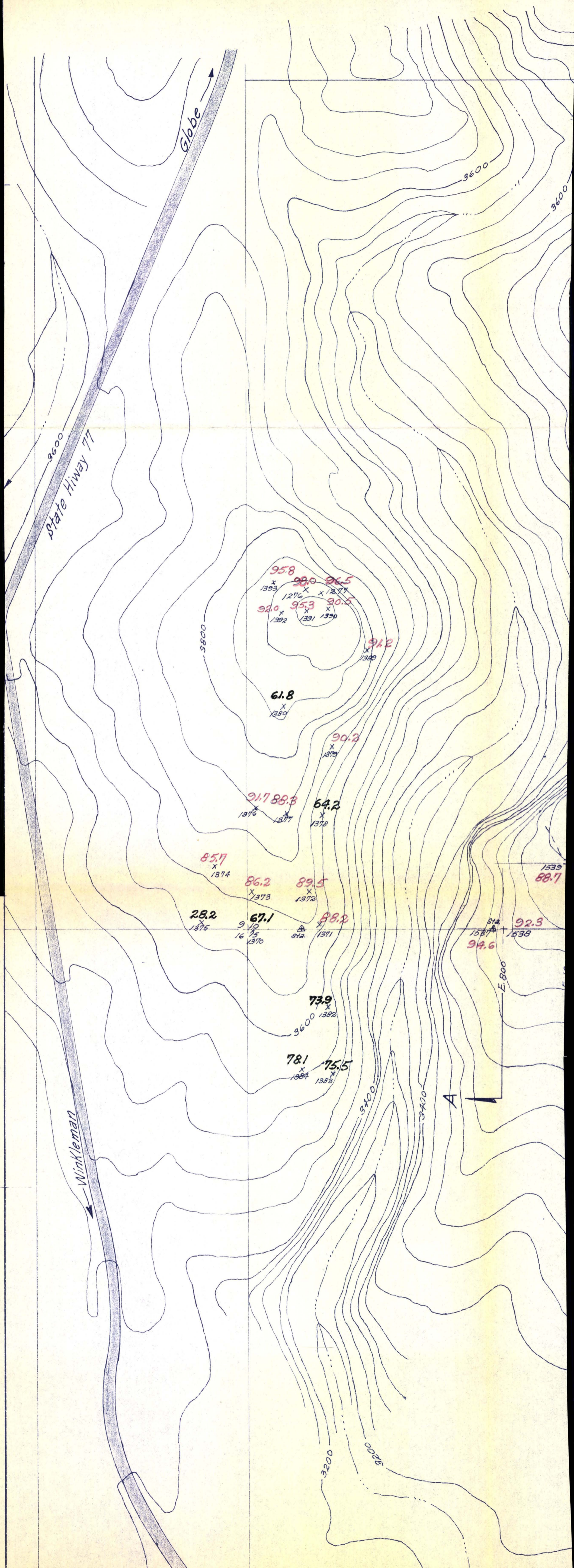
This spring should be checked out at some convenient time--perhaps during the drilling program.

Page four

It is hoped that the foregoing will provide answers to questions you may have as regards a pending Quarry operation at the LIZ limestone claims.

Respectfully submitted,

R. E. Mieritz.



CAN-AM CORPORATION

R.A. BARBERO
PRESIDENT-C.E.O.

P.O. DRAWER T
DOUGLAS, ARIZONA 85607
TELEPHONE (602) 364-2429

September 13, 1979

Mr. Dick Mieritz
2940 N. Casa Tomas
Phoenix, AZ 85016

Dear Dick:

I'm pleasantly surprised at the test results on material obtained from the Liz claims. I'm not familiar with the exact areas, but I'm hopeful that these were surface samples and indicate that we do have something within the area.

I have done quite a bit of checking in New Mexico and have ruled out the Artesia, Roswell and Alamogordo area but still feel that Silver City is a location that deserves more consideration. I'll get with you on this matter within the next couple of weeks.

When you complete your report on the assessment work on the Liz claims I'd like to come up to Phoenix and visit with you regarding additional exploration. Although the above mentioned Silver City area has haul advantages over Paul Spur and Nelson to several consumer points, Globe/Miami is still the center most point. I just hate to think of what plant construction would run unless the plant was located somewhat remote from the deposit.

Give my regards to the Mrs.

Very truly yours,



Robert A. Barbero

RAB:jr



RECEIPT #

5736090

ERY

from:

8-71X17

(Stamp NPS shipper number above)

3736090

(Invoice or order number)

Receiving Company's Name

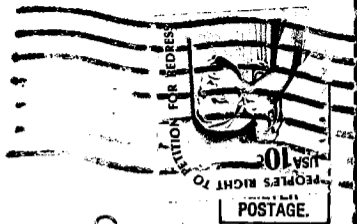
MR. HAL HENSON

Receiver's Signature (X)

Albert Henson

Date 10/07/79

INSTRUCTIONS TO DRIVER: Obtain receiver's signature and date above, detach card, and turn in to operating center that day. Signature must also be obtained on the delivery record.



TO: MIERITZ, Richard
2940 N. CASA DOMAS

PHX AZ 85016

Best- > Apache Jet.
Harold > Quest - 982-4155
~~AX BX - AX~~

Lump Dump -
Expl. > Hughes 500, -
Aviation >

279-1101
1510 E Fackler 18014
Rancho Dr

hang year - 258-6543
Mindy.

Wisdill 968-7216

Dick LaChance

Congress Junction, New Mexico

427-6513) 266-9259

Bayle - 944-1781 or 2741

Matthews. -

Hugh Holmstead

~~Geog~~ Inspiration.

Chf Gealog

Jack Costello →

Tucson - 299-3090

ELL G3B1-
Turbo


Larry Whitlow

943-3456

11-18 am

Lewyer Frank

Cliff 

Slim-
Crown Prince 

Globe Air Inc - 832-0600

6 wks - \$ ~~1800~~ 1800/day

9 hrs Flying time -
3 hrs.

Dr Boyles

Helicopter Assoc. 832-5993

G381K - \$1854

James - 2580 →

2 - assessments → 90

400 Miles. 9-

Walter Barnes

400-

Jim Fabby - 642-3737
No got - Winky

Woodrill 968-7216

For Sales -

9,000. - 303-988-0506

Bureau of Mines

~~W. H. H. H.~~ - 505-835-5521

Ad → 835-
Director - 5302) Katz
5420)

Kottowski

1-505-835-5302
5420

Kottowski

October 15, 1979

Mr. Robert A. Barbero, Pres.
CAN-AM Corporation
Paul Lime Division
P. O. Drawer "T"
Douglas, Arizona, 85607

Dear Mr. Barbero:

Under separate sending by United Parcel Service a package of twenty samples are addressed to Mr. Hal Hansen.

These samples represent an area south of the 4000 N. coordinate and some samples about the 4200 foot elevation contour line towards the upper end of the slope and partially in the canyon east of El Capitan Canyon.

I started this sampling--south of 4000 N. -- on Monday October 8th getting seven samples. Getting to this area requires hiking down the west bank of El Capitan canyon and up the east bank of the Canyon, crossing the Canyon about 3/4 mile south of the 4000 N. coordinate. A long hike both ways. On my return to the Hiway, I took a short cut from the Canyon bottom to the Hiway, leaving my knapsack, water jug and seven samples behind a bush at one of the turnouts, while I walked up the road 0.4 miles to get my car. The samples get heavy as time goes on. Anyway, the knapsack was out of my sight for 20 minutes and during that time somebody had stopped at the turnout and stole the "works". I covered the road-side up and down for five miles and no sight of the samples. To say the least I was very disgusted after having spent six hours hiking and climbing. A check with the Police in Globe, the Sheriff and the Hiway Patrol was negative.

In Brinkers report on the results of these samples you will find some with two numbers--the original and the second set. The original numbers had been marked on the stakes in the field. I had not finished so I returned this last Saturday, retook the original and more new ones--putting in quite a long day. Sunday I took samples around the 4200 contour line as you suggested. Will send Addendum and Maps when I have the result of all the new samples including the east line from the top south.

Sincerely,

R. E. Mieritz

September 29, 1979

Mr. Robert A. Barbero
CAN-AM Corporation
Paul Lime Division
Douglas, Arizona

Re: LIZ claims Sampling

Dear Mr. Barbero:

Under separate cover by United Parcel Service, Hal Hansen will receive a box of eight samples which I took on the East side of the ridge or hill that I sampled about a month ago as part of the assessment work on the claims.

The samples being sent represent a south line beginning at sample 1556. I took sample 1561 at the same place because sample 1556 is the one that went 98.2 CaO but lost 50% in shrinkage. The line goes south then a sig-sag to the west for 150 feet because continuing on the south line would have taken me down the walls of the next canyon east. If these samples hold up then this hill or hogback should be considered for drilling.

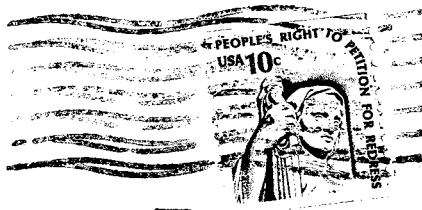
The canyon east of this ridge is equal to or more rough than El Capitan canyon. On Friday I attempted to get across it from the back side but have to climb an additional 300 feet vertically above the "top" of the hill last sampled. No way I can get up and down in 7 hours, much less have time to take some samples.

Hiking in from the Dripping Springs road and up the Canyon is also out of the question. I will have to check out the possibility of hiking to this area from the "corral" where the access road to this portion of the property ends. From the maps it would appear that this way is about 1½ mile hike over the steep hillside surface and about an 800 foot climb. There are two canyons to cross on the way over to the area and it might be I might not get across them, or even one of them. If this route is not possible, by foot, the last alternative is the use of a helicopter to drop me off and pick me up at the end of the day. One would have to come from Phoenix or Tucson, the distance is about the same.

Unless the Rancher in the area has repaired the road from the hiway to the "corral", it may be in such bad shape I would not be able to travel it. There is one bad steep "S" curve which might require four wheel drive.

Have Brinker send me the results or call them to me as soon as he has been able to run them. Thanks.

R. E. Mieritz



TO:

R. E. MIERITZ

2940 N. CASA THOMAS

PHX, AZ. 85016



RECEIPT #

3966283

ERY

from:

8-71-X17

(Stamp UPS shipper number above)

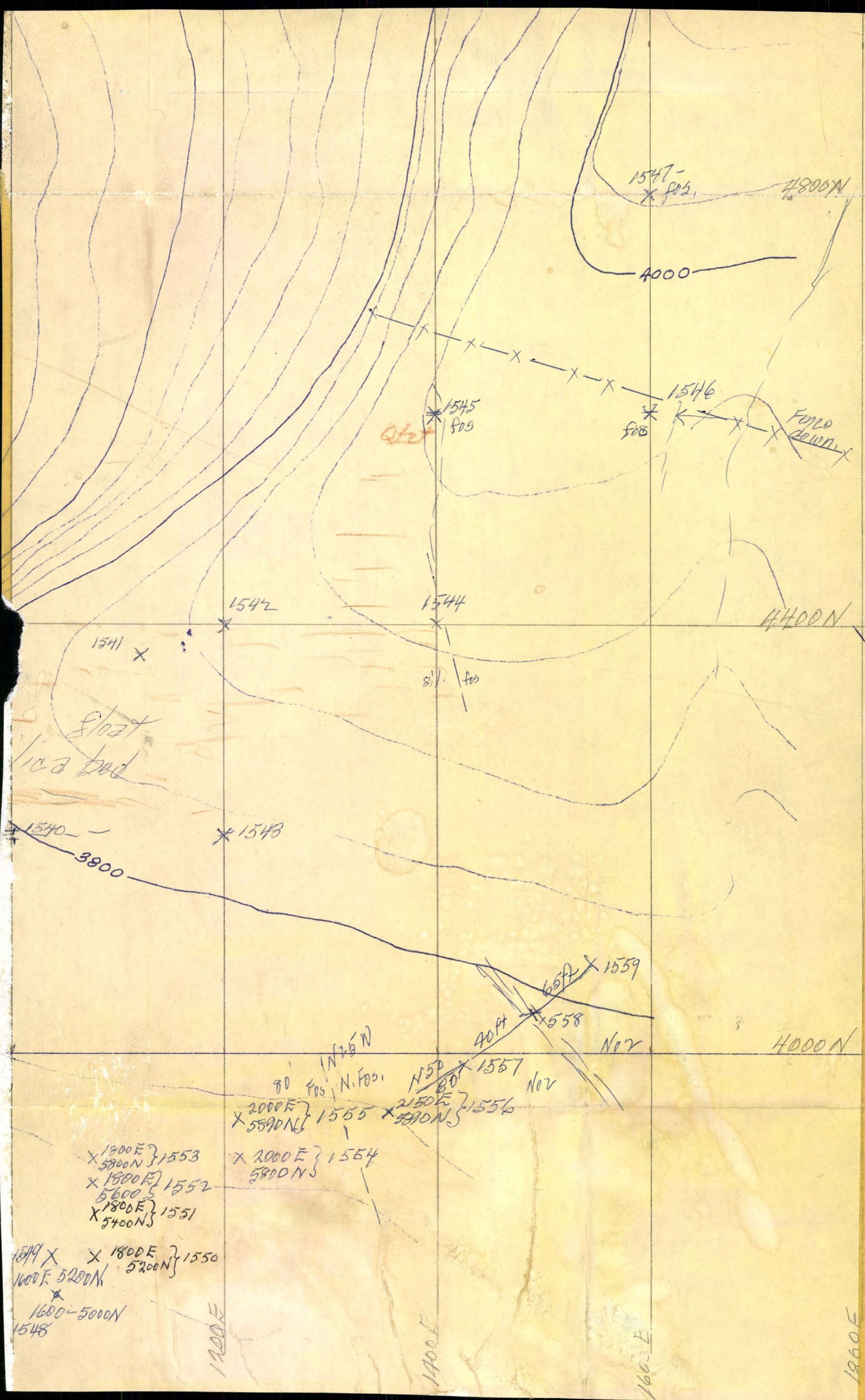
3966283

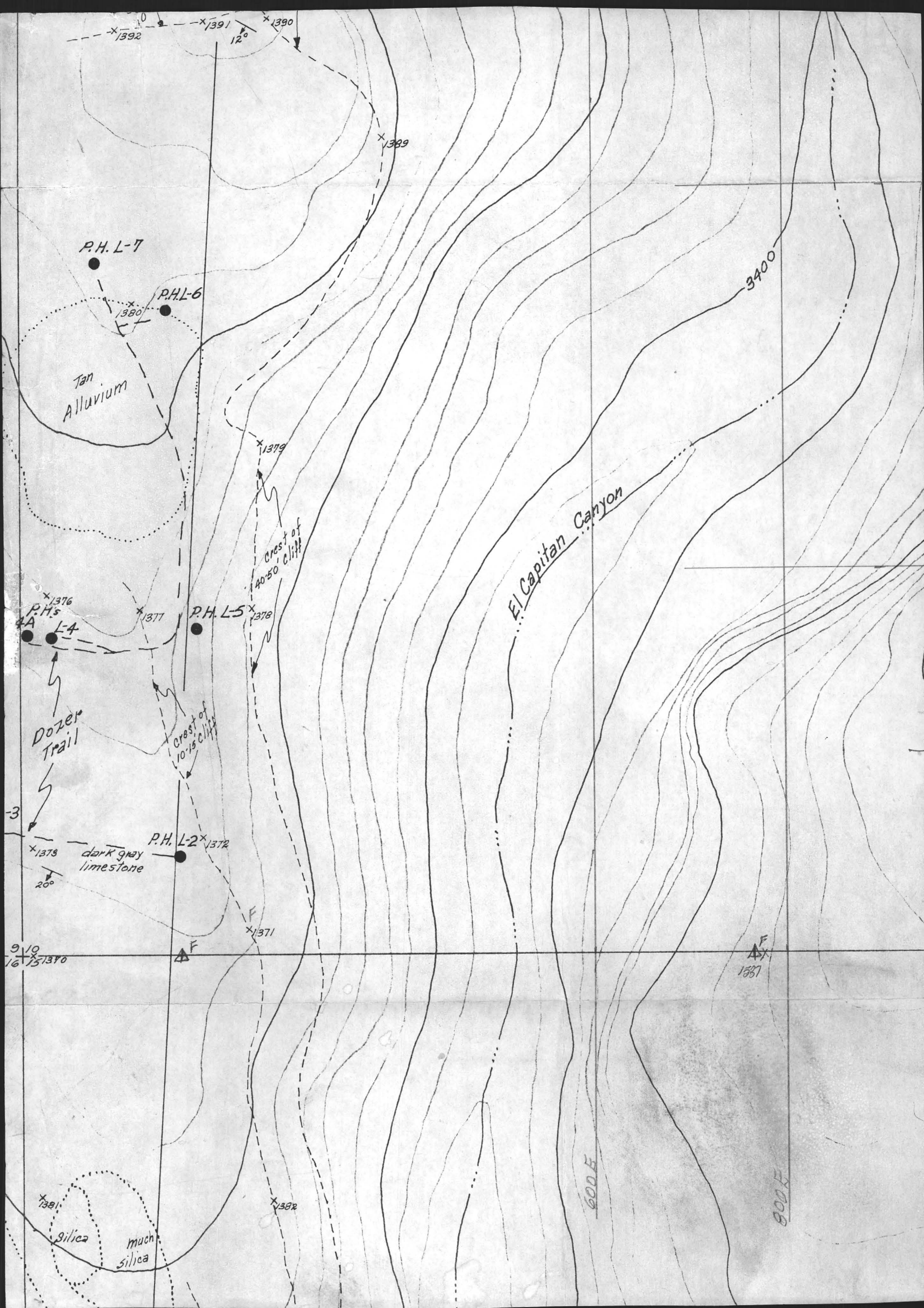
(Invoice or order number)

Receiving Company's Name HAZ HANSON

Receiver's Signature (X) *Albert [illegible]* Date 10/2/79

INSTRUCTIONS TO DRIVER: Obtain receiver's signature and date above, detach card, and turn in to operating center that day. Signature must also be obtained on the delivery record.





3/15/77

Dear Dick:

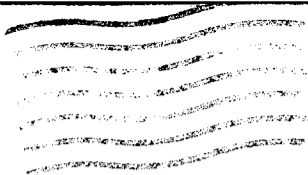
Upon my return found the box from Amoco along with covering letter, Terox enclosed.

Since Nancy was due in here today have waited to forward data to you. Should you wish to review that data with James Yeager, he seems willing enough to Cooperate.

Had a long telephone conversation this morning with Jim Knox. He apparently is meeting with some success in securing interest in drilling De Soto.

Some of this Amoco work may be of assistance to you in talking to Knox. He will contact one of us this week. Dickerson called me last night re Carlotta. Claims our work there is unsatisfactory in that stakes were too small and are falling down. Of particular interest is his claim that we have omitted two claims - the Dew and the Ladd. Saw new stakes on these and thinks Inspiration may be moving in. He also claims that a new test hole near the house on the Brewery claim has been drilled - again, he thinks Inspiration. Know anything about the two claims or the new trespass?

Best regards -
Therwood.



TO:

EE. Mierly
2940 N. CASA Tomas

L PAX A2850116



RECEIPT #

4224203

DELIVERY

from:

891X17

(Stamp UPS shipper number above)

4224203

(Invoice or order number)

Receiving Company's Name

Hanson

Receiver's Signature (X)

Albert Hansen

Date

9/5/79

INSTRUCTIONS TO DRIVER: Obtain receiver's signature and date above, detach card, and turn in to operating center that day. Signature must also be obtained on the delivery record.

CAN-AM CORPORATION

PAUL LIME DIVISION
PAUL SPUR
P.O. DRAWER T
DOUGLAS, ARIZONA 85607
TELEPHONE (602) 364-2429

Date: September 16, 1977

To: Robert Barbero

Subject: See below

From: Robert Brinker

Subject: Analysis of drill cutting samples from the
Liz Claims taken during early September, 1977

The attached tabulation of test results show the following:

Sample number

Weight of samples as received in pounds

Drill Hole number

Footage represented by the sample

Loss on Ignition of the sample

Available Calcium Oxide of the residue after ignition


The Calcium Carbonate equivalent as per ASTM C602

The weight of the various samples, as received, was requested by Mr. Mieritz so he could determine the efficiency of his sampling system.

The other values shown are for purpose of determining the relative value of each as a possible source of quality kiln feed for lime production.

A sample split has been retained from each sample in case any further tests might be requested.

Respectfully submitted,


Robert Brinker

CC: Howard Gorbail
Mr. Mieritz ✓

RB:hb

CAN-AM CORPORATION

H.C. HANSEN
SECRETARY-TREASURER

P.O. DRAWER T
DOUGLAS, ARIZONA 85607
TELEPHONE (602) 364-2429

August 30, 1977

Richard Mieritz
2940 N. Casa Tomas
Phoenix, Arizona 85016

As discussed with you on your visit to our office today we are enclosing a copy of the land status schedule we received from BLM.

This does not cover all the claims, merely the majority of them.

If you do check out those in sections 9 and 10, would you please make appropriate notations and let us know your findings so we may get our files up-to-date.

Also enclosed is a copy of the tax rolls we received from the Title Company showing the names and addresses of the owners of the private lands in Section 10 and 15.

As I explained to you we have had difficulty in getting good solid information from the BLM, Arizona Land Department, Title Company, etc. but we are building up the data slowly but surely.



H. C. Hansen

Enclosure

HCH:hb

CAN-AM CORPORATION

R.A. BARBERO
PRESIDENT-C.E.O.

P.O. DRAWER T
DOUGLAS, ARIZONA 85607
TELEPHONE (602) 364-2429

September 18, 1979

Mr. Dick Mieritz
2940 N. Casa Tomas
Phoenix, AZ 85016

Dear Dick:

I have just gone over the lab results conducted on material samples you obtained from the El Capitan mining claims. It appears you made some pretty good grabs: I only hope the stone is better than beauty and is more than skin deep.

I'm sure it would take you a few days to orientate and locate the sample locations in proper detail, but we certainly want to get together and carry out a more indepth testing program.

In giving consideration to a quarrying operation on the Liz claims we are, of course, primarily interested in the accessibility and purity of the deposit. However, I have always had a continuing concern for the method of access to the quarry location. This concern stems from the canyon and resultant water flow that appears would be parallel to the highway for several miles. I'm hopeful you can provide some details of your method of ingress together with your thoughts of high water situations during the rainy seasons.

In addition to the above, I wish you would give some consideration to picking up a few random samples in the waterway bed just to see if there is a chance that a high purity stone has been deposited over the years. Note: don't make a special trip for this. You can take care of it sometime during the sub-surface investigation.

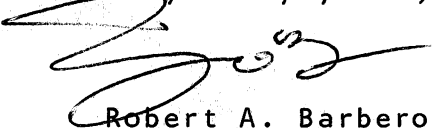
When the time comes we will make arrangements to provide the drill, compressor and driller. I like the results of our percussion bits alot better than the material samples provided by the contract driller on the Drake property. It will probably be necessary for you to beg a sample catcher from someone--unless we have one around here. It will also probably be necessary to rent a small crawler unit to maneuver different drill hole loaders.

No use going into anticipated exploratory drill patterns at this time. We can discuss this phase after you pinpoint the sample locations.

Mr. Dick Mieritz
September 18, 1979
Continued - Page 2

I'm sure Hal will send you a copy of the test results, but he usually runs two or three days behind me so I have attached a copy for your immediate study.

Very truly yours,



Robert A. Barbero

RAB:jr

Enclosure

CAN-AM CORPORATION

P.O. DRAWER T
DOUGLAS, ARIZONA 85607
TELEPHONE (602) 364-2429

September 17, 1979

Report covering testing of a set of 24 samples from the El Capitan mining claims presented September 5, 1979.

These samples consisted of 1" to 1½" pieces collected from the surface and approximately one pint in volume.

The samples were crushed to minus ½" and split so that at least two-thirds was reserved with pieces ½" in size for burning and hydration tests. The remainder was ground fine for chemical tests.

Test results are tabulated but a summation of the results is presented here for the sake of convenience.

After running the L01 (Loss on Ignition) test the residue was given an Available CaO test.

Of the 24 samples: Eleven samples ran over 90% Available CaO
Seventeen samples ran over 88% Available CaO
Three samples ran below 88% but above 85% Available CaO
One extremely low grade and high impurity sample

The coarse fraction reserved for burning and hydration tests was saved and a few pieces from each sample placed in a large crucible and were burned for 1½ to 2 hours in the electric muffle furnace. They were then removed and cooled to room temperature. The degree of decrepitation, shrinkage, dusting etc. were then noted. Then a few pieces were placed in a beaker and covered with water and the resulting hydration speed noted. The results of this phase of tests is also tabulated but a summation for convenience follows:

Of the 24 samples: Seventeen of the oxides produced as described above, hydrated as fast or faster than the oxide now produced at Can-Am division. (Dolomitic samples excluded)
One sample was of very high chemical quality but the oxide hydrated much too slow to be of use by any process requiring that the lime used be hydrated.
This is very unique as limestone goes and would have to be considered a special case.
This sample was checked chemically for Silica and R_2O_3 and the total of the two was less than .50%.
The Available CaO (free CaO) of the oxide checked 98.17%. This would indicate the extreme purity of this stone. However, when burned it showed a shrinkage of nearly 50% which accounts for the poor water penetration and very slow hydration rate.

The reason for this could only be explained by the impurity as little as it was, was so thoroughly and evenly disseminated through the pore structure and grain boundaries, that when fused by heat, sealed off the CaO from water contact.

Some samples were dolomitic limestone. Four such samples contained enough Magnesium Carbonate, so that the lime produced gave Available CaO values below 88%.

Three such samples were below 88% but above 85% Available CaO when burned.

Tabulation of test results:

<u>Sample Number</u>	<u>LOI</u>	<u>Avail. CaO of Residue</u>	<u>Properties of Oxide After Burning</u>	<u>Hydration Properties</u>
1537	43.84%	94.57%	Slight shrinkage some decrepitation friable white oxide	Fast hydration except for a few select pieces
Note: This sample also checked for Silica - .81% and R ₂ O ₃ - .21%				
1538	44.03%	92.32%	No shrinkage or decrepitation or dust. Friable white oxide	Very fast hydration
1539	42.64%	88.66%	Slight shrinkage Some decrepitation and dust. White oxide	Medium to slow hydration speed
1540	43.32%	91.85%	Slight shrinkage No decrepitation or dust. Firm white oxide	Starts slow then very fast
1541	42.96%	89.45%	No shrinkage No decrepitation or dust. Firm white oxide	Fast hydration
1542	43.15%	88.94%	Slight shrinkage No decrepitation or dust. Crisp white oxide	Almost explosive hydration speed
1543	42.34%	87.98%	Some decrepita- tion and dust No shrinkage White friable oxide	Fast hydration
1544	42.69%	85.26%	Slight shrinkage No decrepitation or dust. Crisp white oxide	Almost explosive hydration speed

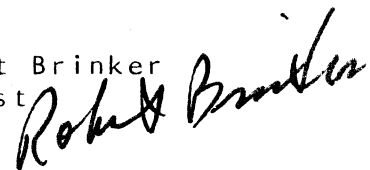
<u>Sample Number</u>	<u>LOI</u>	<u>Avail. CaO of Residue</u>	<u>Properties of Oxide After Burning</u>	<u>Hydration Properties</u>
1545	36.01%	28.95%	Not tested further due to very low grade	
1546	42.86%	88.50%	Slight shrinkage Some decrepitation and dust. White oxide	Medium to slow hydra- tion speed
1547	44.08%	86.48%	Not tested further Dolomitic limestone	
1548	44.34%	72.07%	Not tested further Dolomitic limestone	
1549	43.75%	92.50%	Shrinkage approxi- mately 33%. No decrepitation or dust. White crisp oxide	Heats up slow Hydrates slow
1550	43.11%	92.75%	Slight shrinkage No decrepitation or dust. Crisp white oxide	Medium to slow hydra- tion
1551	42.98%	89.26%	No shrinkage Some decrepitation and dust. Friable oxide	Slightly slow hydra- tion
1552	44.20%	92.46%	No shrinkage Some decrepitation and dust. Friable oxide	Fast hydration
1553	43.93%	91.83%	No shrinkage Some decrepitation and dust. Friable oxide	Very fast hydration
1554	43.35%	90.75%	No shrinkage Some decrepitation and dust. Friable oxide	Fast hydration
1555	44.07%	94.47%	No shrinkage Some decrepitation and dust. Friable oxide	Very fast hydration

<u>Sample Number</u>	<u>LOI</u>	<u>Avail. CaO of Residue</u>	<u>Properties of Oxide After Burning</u>	<u>Hydration Properties</u>
1556	43.84%	98.17%	High shrinkage Almost 50%	Extremely slow hy- dration
Note: Silica of this sample .22% R ₂ O ₃ .11%				
1557	42.91%	92.23%	No shrinkage Some decrepitation and dust. Friable oxide	Fast hydration
1558	43.34%	43.79%	This dolomite sample was burned and hydra- ted to compare with (Typical dolomite) high calcium stones. No shrinkage, no decrepitation or dust. Grey crisp oxide	Slow but steady hydration.
1559	43.95%	88.26%	No shrinkage No decrepitation or dust. Firm oxide	Fast hydration
1560	46.59%	60.30%	Dolomitic-not tested further	

If it is desired to run further tests on these samples, I have reserves of both ground sample as well as coarse pieces.

Respectfully submitted,

Robert Brinker
Chemist



RB:jr

Tabulation of test results:

<u>Sample Number</u>	<u>LOI</u>	<u>Avail. CaO of Residue</u>	<u>Properties of Oxide After Burning</u>	<u>Hydration Properties</u>
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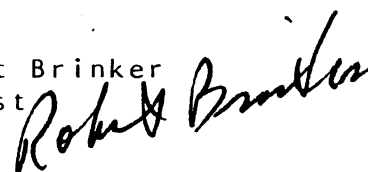
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1548	44.34%	72.07%	Not tested further Dolomitic limestone	
1549	43.75%	92.50%	Shrinkage approxi- mately 33%. No decrepitation or dust. White crisp oxide	Heats up slow Hydrates slow
1550	43.11%	92.75%	Slight shrinkage No decrepitation or dust. Crisp white oxide	Medium to slow hydra- tion
1551	42.98%	89.26%	No shrinkage Some decrepitation and dust. Friable oxide	Slightly slow hydra- tion
1552	44.20%	92.46%	No shrinkage Some decrepitation and dust. Friable oxide	Fast hydration
1553	43.93%	91.83%	No shrinkage Some decrepitation and dust. Friable oxide	Very fast hydration
1554	43.35%	90.75%	No shrinkage Some decrepitation and dust. Friable oxide	Fast hydration
1555	44.07%	94.47%	No shrinkage Some decrepitation and dust. Friable oxide	Very fast hydration

<u>Sample Number</u>	<u>LOI</u>	<u>Avail. CaO of Residue</u>	<u>Properties of Oxide After Burning</u>	<u>Hydration Properties</u>
1556	43.84%	98.17%	High shrinkage Almost 50	Extremely slow hy- dration
Note: Silica of this sample .22% R ₂ O ₃ .11%				
1557	42.91%	92.23%	No shrinkage Some decrepitation and dust. Friable oxide	Fast hydration
1558	43.34%	43.79%	This dolomite sample was burned and hydra- ted to compare with (Typical dolomite) high calcium stones. No shrinkage, no decrepitation or dust. Grey crisp oxide	Slow but steady hydration.
1559	43.95%	88.26%	No shrinkage No decrepitation or dust. Firm oxide	Fast hydration
1560	46.59%	60.30%	Dolomitic-not tested further	...

If it is desired to run further tests on these samples, I have reserved of both ground sample as well as coarse pieces.

Respectfully submitted,

Robert Brinker
Chemist



RB:jr

September 1, 1979

Mr. Hal Hansen:
Paul Lime Division
P. O. Drawer "T"
Douglas, Arizona, 85607

Dear Hal:

Herewith my Invoice for the work on the Liz during the last days of August. I will also be working on this during the early part of September after I receive the assay results of the samples I took during the two field trips.

On Tuesday I will be sending a box of 24 samples to your attention by United Parcel Service. I do not know the shipping number at this time. Have Mr. Brinker run the samples for whatever he thinks might be necessary. I realize there is not too much weight for each sample to run too many items--brother, they get heavy as the day goes on, - but I would think that available CaO, total CaCO₃ L.O.I. and perhaps SiO₂. With these results I should be able to identify the various beds that I sampled --going up the "HILL". Mr. Brinker need not describe the samples unless he wishes to.

Hal, have you registered these claims as well as the Glance Creek claims and any other claims Paul Lime has with the B. L./M. in Phoenix?

When I have the results, I will prepare a report on the results of the samples and my thoughts on the results. When this is finished, I will send you an Affidavit of Labor--partially completed, for your review and completion.

Hope you had a GOOD weekend.

Sincerely,

R. E. Mieritz

602-364-2429

10/17/78

Raymond Moran
Raymundo Luzania

Garba

Wainwright - 1455.00
Self - 1539.14
2994.14

Prop Status 877.-

0000

0000

REPLY TO:
1634 W. HAZELWOOD STREET
PHOENIX, ARIZONA 85015
TELEPHONE (602) 277-6053

Richard E. Mieritz
MINING CONSULTANT

ARIZONA REGISTERED
MINING ENGINEER AND GEOLOGIST

GEOLOGY
EXPLORATION
EVALUATION
FEASIBILITY
OPERATION

August 27, 1979

Mr. Hal Hansen
CAN-AM Corporation
Paul Lime Division
P. O. Drawer "T"
Douglas, Arizona, 85607

Dear Hal:

I got started on the assessment work on the Liz claims last week with the idea of taking some surface samples on the EAST side of El Capitan canyon.

First off, I spent a day and a half trying to find a way to get to the area without walking and climbing for $4\frac{1}{2}$ hours on the way in and about $3\frac{1}{2}$ hours coming out. The shortest, fastest route I can come up with is to approach the area from the north side which means I climb to the very top of the area and back down to be able to take some samples. Found a horse trail to the top but it takes about two hours to hike it and then another $\frac{1}{2}$ hour or so to get to the sampling area. Have made one trip up and got some surface samples.

I am leaving tomorrow afternoon for Globe and will spend the next two days getting more samples. When the sampling is finished, I will send the samples down by United Parcel Service, which would be next week some time.

If it would cool off a little I could climb a bit faster.

Sincerely,

R. E. Mieritz.

16

2940 N. Casa Tomas

November 14, 1978

Mr. Hal Hansen
Paul Lime Division
CAN-AM Corporation
P. O. Drawer "E"
Douglas, Arizona, 85607

Re: Liz Claims

Dear Hal:

Enclosed herewith the Recorded Affidavit of Labor for the
Liz Claims for the years 1976-77 and 1977-78.

Sorry it has taken so long but the Records Office in
Gila County just doesn't move that fast. Also, I had
the recorded document sent to me rather than trusting
the Records Office to send to you.

Sincerely,

R. E. Mieritz

Affidavit of Labor Performed and Improvements Made

STATE OF ARIZONA, }
County of GILA } ss.

Richard E. Mieritz, Mining Consultant-----being duly sworn, deposes and says that he is a citizen of the United States and more than twenty-one years of age, and resides at Phoenix,, in MARICOPA County, State of Arizona, and is personally acquainted with the mining claim known as LIZ Nos. 1 through 19 and LIZ No. 21 (all Placer Claims)

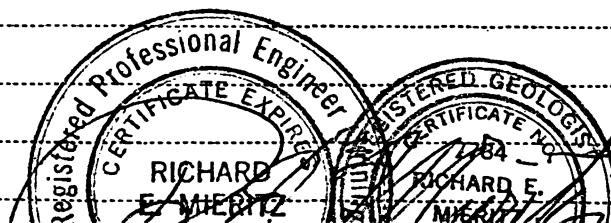
mining claim, situate in----- El. Capitan ----- Mining District, County of Gila-----, State of Arizona, the location notice of which is recorded in the office of the County Recorder of said County, in Book 212 & 438-456 of Records of Mines, at page 877; that between the 29th day of August-----, A. D. 1977, and the 7th day of September A. D. 1977, at least \$4,200.00

Four thousand two hundred -----dollars worth of work and improvements were done and performed upon said claim, not including the location work of said claim. Such work and improvements were made by and at the expense of PAUL LIME DIVISION OF CAN-AM Corporation, Douglas, Arizona.

owners----- of said claim for the purpose of complying with the laws of the United States pertaining to assessment of annual work, and Gordon Wainwright, Contractor, Messrs, R. Moran and R. Luzania, (Company Employees) and Richard E. Mieritz Consulting Mining Engineer, Phoenix, Arizona

were the men employed by said owner-----and who labored upon said claim, did said work and improvements, the same being as follows, to-wit: Constructing roads and drill Sites, and drilling eight percussion drill holes on the property. Holes were sampled and assayed.

This Affidavit covers the assessment work for the above claims for the years 1976-77 and 1977-78.



Officer - Nov. 28, 69 Bk 275-598 - ~~1st~~
Apr. 19, 71 310-571
Dec. 28, 72 333-480
Aug. 20, 73 346-912 last

Recordings - loc. Bk 212, pgs 438-456

El Capitan - Main Dist.

Birk Dun Barro. Sid. 4318 E. Kaynes Truck
85710

Log 21-22 Aug 6, 1976

CAN-AM CORPORATION

R.A. BARBERO
PRESIDENT-C.E.O.

P.O. DRAWER T
DOUGLAS, ARIZONA 85607
TELEPHONE (602) 364-2429

May 9, 1977

Mr. Richard Mieritz
2490 N. Casa Tomas
Phoenix, Arizona 85016

Dear Dick:

It's quite apparent we are going to require some extensive core drilling within the next few months. If you have - or can obtain - costs on boring of overburden and coring of limestone for the required purposes, I'd appreciate your dropping me a line setting forth such charges.

Very truly yours,

A handwritten signature in dark ink, appearing to read 'R.A. Barbero' in a stylized, cursive script.

Robert A. Barbero

RAB:hb

XXXXXXXXXXXXXXXXXXXX
X 16
2940 N. Casa Tomas

May 11, 1977

Robert A. Barbero, Pres.
Can-Am Corp.
Paul Lime Division
Drawer "T"
Douglas, Arizona, 85607

Dear Mr. Barbero:

Thank you for your letter of May 9, regarding costs on core drilling of the limestone areas.

Please be advised I have contacted Longyear Drilling Co. and Boyles Bros Drilling Company, both here in Phoenix and they will provide me written information as to approximate costs for drilling at the Liz Claims and also at the Glance Creek Area--the two deposits.

I should have this information in hand within the next two or three days and upon receipt I shall forward to you with my comments.

I suspect you should receive that information by Saturday, May 14th or the following Monday.

Very truly yours,

R. E. Mieritz

XXXXXXXXXXXXXXXXXXXXX
2940 K. Casa Tomas

May 13, 1977

Mr. Robert A.. Barbero, Pres.
CAN-AM CORPORATION
Paul Line Division
Drawer "T"
Douglas, Arizona, 85607

Dear Mr. Barbero:

As requested in your May 9th letter and my May 11th letter to you, herewith some information as regards cost for diamond drilling at the Liz and Glance Creek limestone areas.

In your initial letter you mentioned "extensive" core drilling. Not knowing exactly what "extensive" meant in the way of "footage" to be drilled, I have used a range of say minimum "footage" figures when requesting Boyles Bros and Longyear for their estimated prices and costs. I also indicated they would be providing the information purely as an estimate for our use in determining the extent of our proposed drilling program and that you were interested in determining an end figure for such a program.

I also indicated the Liz and the Glance Creek as the two areas of drilling in as much as they have move in-move out costs. Water is also of concern to them, consequently some information on that item was also given them.

For the Liz area I indicated 1000 to 1500 feet of drilling in holes up to 250 feet deep. There should be no overburden drilling here. For the Glance Creek area, I indicated 1500 to 3000 feet for the two deposits there with overburden up to 70 feet.

I received Boyles Bros. letter today, but Longyear would send theirs on Monday. Over the phone Mr. Baddow gave me some figures which I here quote:

Mobilization: \$300.00 if Liz and Glance Creek completed one after each other.
Drill: NX, \$12.80/ft., BX size \$12.50/ft. Tricone overburden, \$10.00 per foot.
Water: Truck rental, \$500.00/month, 30¢/mile.
Down time: Machine time \$37.00 hourly, Move time \$30.00 hourly.

I advised the drilling companies we would probably request firm bids at the appropriate time.

Hope this will provide the necessary information.

Very truly yours,

R. E. Mieritz

DIAMOND CORE DRILLING
DIAMOND DRILLING EQUIPMENT
GROUTING
FOUNDATION TESTING
MINING
QUARRYING
SHAFT SINKING
TUNNEL DRIVING
MINE PLANT DESIGN
AND FABRICATION



CONTRACTORS & ENGINEERS

~~850-850-8578~~

10801 North 21st Avenue

PHOENIX, ARIZONA ~~85020~~ 85029

Phones: Office (602) 944-2741

(602) 944-1731

Res. (602) 942-1043

General Offices and Plant
1624 Pioneer Road P. O. Box 58
SALT LAKE CITY, UTAH 84110

Phone (801) 487-3671

BRANCH OFFICES

ARIZONA (PHOENIX)
COLORADO (GOLDEN)
NEVADA (SPARKS)
TENNESSEE (MURFREESBORO)
WASHINGTON (SPOKANE)
MEXICO, D.F.
PERU (LIMA)
CABLE: BOYLES COP

May 12, 1977

Mr. R. E. Mieritz
2940 N. Casa Tomas
Phoenix, Arizona 85016

Dear Mr. Mieritz:

The following is estimated costs for limestone coring in two separate areas, as you requested by telephone May 11, 1977. Liz claims near Dripping Springs turn off.

1. Mobilization - \$400.00
2. Core Drilling NX or Collar BX
 0 - 250 13.00 12.50
3. Water truck rental - \$400.0 per month, plus .75 cents a mile.
 Water to be hauled from your source of supply.
4. Moving between holes, setting up and cementing if holes require -
 \$34.00 per hour.
5. Suitable roads and drill sites will be constructed at no cost to
 Boyles Bros. Drilling Company.

The above rates and clauses will also apply to the drilling near Douglas, with the exception of mobilization, which will be at a cost of - \$800.00.

I trust this will fulfill your request.

If I can be of further assistance, please don't hesitate to call.

Sincerely,

BOYLES BROS. DRILLING COMPANY

A handwritten signature in cursive script, appearing to read "S. L. Mathews".

S. L. Mathews,
District Manager

SLM:jwh

**MISS DORIS PARKIN
RECORDER OF GILA COUNTY**

P.O. Box 1693

GLOBE, ARIZONA

85501



Mr. Richard E. Mieritz
2940 N. Casa Tomas
Phoenix, Az. 85016

PAUL LIME

DIVISION OF CAN AM CORPORATION
PAUL SPUR, ARIZONA

ADDRESS MAIL TO:
DRAWER 1
DOUGLAS, ARIZONA 85607

October 24, 1975

TELEPHONE VIA DOUGLAS
AREA CODE 602
364-2429

Richard E. Mieritz
2940 N. Casa Tomas
Phoenix, Arizona 85016

Dear Dick:

In reviewing our files we find we apparently neglected to send you a copy of the assays run on the samples you sent down from the "Liz" claims.

Our lab man was on vacation at the time the samples were received and we erred in not following up more closely.

A copy of his report is attached and he did say he was unable to run the other test you wanted due to his lack of proper equipment.

Again, sorry for the delay in sending this information to you.

Presume that Don Head, our legal counsel, has gotten in touch with you on the quit-claim deed.

CAN-AM CORPORATION



H. C. Hansen
Secretary-Treasurer

Enclosure

HCH:hb

HEAD, TOCI, MUSGROVE & MURPHY, P. C.

SAM J. HEAD (1907-1968)
DONALD R. HEAD
PHILIP E. TOCI
JAMES B. MUSGROVE
MICHAEL R. MURPHY

ATTORNEYS AT LAW
117 EAST GURLEY STREET
PRESCOTT, ARIZONA 86301

MAILING ADDRESS
POST OFFICE BOX 591
TELEPHONE [602] 445-6860

October 31, 1975

Mr. and Mrs. Richard Mieritz
2940 N. Casa Tomas
Phoenix, Arizona 85016

Dear Mr. and Mrs. Mieritz:

Enclosed please find a quit claim deed on
Liz No. 20. Would you both please execute the deed
and return it to this office, after you have had
your signatures notarized, for recording with the Gila
County Recorder.

Sincerely yours,

HEAD, TOCI, MUSGROVE & MURPHY, p.c.


Donald R. Head

DRH:jmw
Encl: 1

cc: Mr. Hal Hansen
Paul Lime Plant

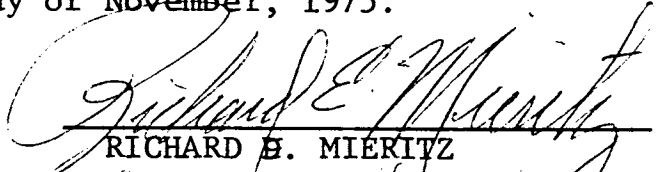

QUIT CLAIM DEED

For and in consideration of the sum of TEN DOLLARS (\$10.00), and other valuable considerations, we, RICHARD E. MIERITZ and CAROLYN L. MIERITZ, his wife, Grantors, do hereby quitclaim unto CANAM LIME, INC. an Arizona corporation, all their right, title and interest in and to the following described property situate in Gila County, Arizona, to-wit:

Liz No. 20 unpatented placer mining claim, located in the El Capitan Mining District, recorded in Docket 386, page 403, in the Official Records of the Gila County Recorder, Arizona.

TOGETHER with all improvements thereon situate.

DATED this 3rd day of November, 1975.


RICHARD E. MIERITZ

CAROLYN L. MIERITZ

Grantors

STATE OF ARIZONA)
) ss:
County of Maricopa)

On this, the 3rd day of November, 1975, before me, the undersigned Notary Public, personally appeared RICHARD D. MIERITZ and CAROLYN L. MIERITZ, his wife, known to me (or satisfactorily proven) to be the persons whose names are subscribed to the within instrument, and acknowledged to me that they executed the same for the purposes therein contained.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.


Notary Public

My Commission Expires:
My Commission Expires Oct. 23, 1977

2940 N. Casa Tomas

October 15, 1977

Mr. Robert Barbero
CAN-AM Corp.
Paul Lime Division
P. O. Drawer "T"
Douglas, Arizona, 85607

Re: Yavapai Limestone Deposits

Dear Mr. Barbero:

Since your telephone call on September 19th advising of the LIZ assays and your request of an interest in the Drake Limestone and I to act as an intermediary, I have quietly assembled information on two other deposits of Limestone in the Drake area, one of which is the deposit your received a flier on and forwarded to me with your October 12th letter.

I have the complete information on this deposit as well as all my records and reports on the Drake Limestone. In addition I have some information on an adjoining property to the Drake and I was hoping that I would see you soon after receiving your October 4th letter in which you indicated my coming to Douglas to firming up plans for diamond drilling the area at Paul Spur.

I also have samples from each of the three deposits near Drake which can be used for "burn tests" as well as some samples for chemical analysis.

To present the "package" would require some discussion and explanation of each deposit so you could get the picture, as well as to review some Maps, etc.

I have not forwarded the fluorspar Report which I received from Mr. Hood because it was thought I would soon visit you in Douglas. Here again, it would require some explanation of the information provided me.

The flier on the limestone property you received is probably just one of many types which is floating around. There must be several trying to broker the property. I personally spoke to the "owner" just a few days prior to your call to me on September 27th. I believe the true "broker" is right here in Phoenix.

I put in a collect call to you at the Plant yesterday but you were not in so I left word that you call me if you checked in.

Sincerely,

R. E. Mieritz

CAN-AM CORPORATION

R.A. BARBERO
PRESIDENT-C.E.O.

P.O. DRAWER T
DOUGLAS, ARIZONA 85607
TELEPHONE (602) 364-2429

October 4, 1977

Richard Mieritz
2940 N. Casa Tomas
Phoenix, Arizona 85016

Dear Dick:

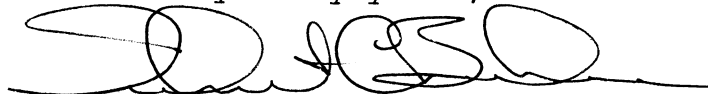
I received the report covering preliminary exploration on the Liz claims and must say I'm somewhat let down on the analyses of the drilling samples. I realize this exploration was carried out across the canyon from the major deposit but the outcroppings are so similar I was hoping for much better results on available calcium oxide.

I'm certainly not ready to call it quits on the Liz claims but feel that it is about time we gave some priorities to firming up our long range reserves here at Paul Spur. This being the case, I'll contact you within the next few days relative to coming down to the Douglas area and setting up a drilling program for our over-all properties.

I'll probably make arrangements for a drilling company out of Tulsa to come in and give a bid on the coring. They appear to be about \$4.00 per foot under the professionals in this area and don't tack on nearly so many extras.

I'll contact you in the next few days.

Very truly yours,

A handwritten signature in dark ink, appearing to read 'R.A. Barbero', with a long horizontal flourish extending to the right.

Robert A. Barbero

RAB:hb

CAN-AM CORPORATION

R.A. BARBERO
PRESIDENT-C.E.O.

P.O. DRAWER T
DOUGLAS, ARIZONA 85607
TELEPHONE (602) 364-2429

October 12, 1977

Richard Mieritz
2940 N. Casa Tomas
Phoenix, Arizona 85016

Dear Dick:

I have enclosed copies of a flier offering limestone properties in Yavapi County, Arizona. Is this something with which you are familiar? If so, please advise.

Very truly yours,

A handwritten signature in dark ink, appearing to read 'R.A. Barbero', with a stylized flourish at the end.

Robert A. Barbero

Enclosure

RAB:hb

TED MACKOWSKI JR.

Financial Broker / Business Services

P. O. BOX 387

NEWARK, NEW JERSEY 07101

201-589-3850

October 10, 1977

Mr. Robert Barbero, President
Can-Am Corporation
P.O. Drawer T
Douglas, Arizona 85607

Dear Mr. Barbero,

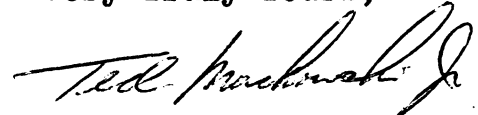
I would like to ~~inform~~ you of a large limestone deposit which is currently up for sale. The property is located in Yavapai County, Arizona and it contains approximately 300 million tons of high-calcium limestone, plus a large quantity of argillaceous limestone and red clay, on 1,130 acres.

The enclosed profile offers some general information about the property. The sale is being handled by a Nevada real estate firm and I am assisting them in this matter.

If you are interested in this property, I will send you more detailed information and I will introduce you to the real estate firm. Under no circumstances would you be obligated to me for any fees.

I appreciate your consideration and I would like to hear from you as soon as possible.

Very Truly Yours,



Ted Mackowski Jr.

TM:dk
Encl.

CONFIDENTIAL PROFILE - ARIZONA LIMESTONE DEPOSIT

PROPERTY: Eight fractional quarter-section placer mining claims in Arizona.

MINERALS: Limestone, Argillaceous Limestone, and Clay.

GEOLOGY: The massive limestone beds that underlie the argillaceous limestone and clay are mainly in the northern part of the claimed area. About 200 feet of the bedded limestone is exposed in the canyon. It is a tan crystalline limestone of the Redwall and Martin formations. Argillaceous limestone (caliche) overlies the major part of the claims with a sizable red clay deposit in the western part. Overall or average red clay thickness is probably 30 feet thick.

QUANTITY: The limestone beds here total 2,000 feet thick in places. Using a minable 100 foot thickness, 300,000,000 tons are available here. The caliche beds probably contain upwards of 10,000,000 tons and the red clay beds in the western part about 3,000,000 tons of usable material.

QUALITY: Chemical analysis on the limestone shows that it runs from 96.88% CaCO_3 to 97%+ CaCO_3 . It is low in alkali, iron, magnesium and silica. The argillaceous limestone contains principally calcium, aluminum and silica. With the addition of argillaceous clay, and small amounts of the high-calcium limestone, it is suitable for the manufacture of Portland Cement. The clay is a red plastic material and contains enough aluminum silica and iron to be cement making additive material.

CORE DRILLING: The limestone deposits have been core drilled and blocked-out by Kaiser Engineers. A complete Geological Report was prepared by a Mining Geologist and copies of the report are available at \$25.00 each. A current (general) market report is available on request without cost.

MILLSITE: A millsite on which to build a large Portland Cement Mill, has been prepared on the property. A Los Angeles company, specializing in construction management and technical services, has offered to design, build and operate, under contract, a cement mill on this property, for a qualified person or company.

ACCESS: The property is situated within a quarter of a mile from U.S. Highway #89. An access road from the highway intersects the property.

RAILROAD: A railroad is within one mile of the property. The area was once traversed with a railroad, but rails are removed, grade remains.

POWER: Electric power is within one mile of the property.

WATER: The local water company has made 10,000 gallons of water per minute available to the property.

SALE PRICE: \$10,000,000. (Negotiable) - A down payment of \$2.7 million, with \$7.3 million payable over ten years in equal annual installments, with interest at 5% p.a. on the unpaid balance. A 180 day option is available (from opening date of escrow) with an escrow deposit of \$700,000; balance of \$2 million at close of escrow.

CHURN DRILL SHIFT REPORT

PROPERTY 412 limestone

DATE 2/25/51 1951

SHIFT 2

DRILLER _____

HELPER _____

WATER - DEPTH ENCOUNTERED _____ FEET

EMPLOYMENT OF TIME

REPAIRING ENGINE OR RIG. _____

CEMENTING HOLE _____ FROM _____ TO _____

FISHING

REAMING HOLE _____ FROM _____ TO _____

CLEANING HOLE _____ FROM _____ TO _____

SAMPLES

[illegible]

GENERAL REMARKS

Wallerburg 2:00 PM-

DEPTH OF HOLE AT BEGINNING OF SHIFT _____ FEET

SAMPLES LEFT IN TUBS _____

SAMPLES CANNED

SAMPLER *[Signature]*

CHURN DRILL SHIFT REPORT

PROPERTY

HOLE NO 27

DRILL No _____

BIT TYPE _____

CASING LOWERED - SIZE - FROM - TO

DATE 2/15/1 1911

SHEET 2

DRILLER DELMAR HODD

HELPER RAYMOND KENNEDY

FEET

WATER - DEPTH ENCOUNTERED _____ FEET

FEET

BIT USED _____ FEET

FEET

EMPLOYMENT OF TIME

MOVING AND SETTING UP

DRILLING AND SAILING *at 9:15 AM*

SETTING CASING _____

REMOVING CASING _____

EQUIPMENT REPAIR _____

OTHER DELAYS _____

REPAIRING ENGINE OR RIG 07/12 12:00 PM '11

CEMENTING HOLE Along hole FROM hole TO _____

FISHING STAND PIPE AND

REAMING HOLE _____ FROM _____ TO _____

CLEANING HOLE _____ FROM _____ TO _____

SAMPLES

DEPTH		COLOR OF SLUDGE	CONDITION OF HOLE	HARDNESS OF ROCK V.H. VERY HARD H. HARD M. MEDIUM S. SOFT V.S. VERY SOFT	IS SAMPLE RELIABLE, ETC.	SIZE TO WHICH SAMPLE WAS CUT (NUMBER OF SPLITS)	NUMBER OF BAILERS	DRY WEIGHT OF SPLIT SAMPLE	REMARKS (NOTE THICKNESS OF EXTREMELY SOFT AREAS. SPECIFY DRY WEIGHT OF AQUA-GEL ADDED.)
FROM	TO		CAVING, ETC.						
0	10			Used stand pipe.					1/2 wh 0.5 tan 5.8 - 11/18 - 12
10	20	wh.		Stand pipe broke - cellar sample.					1/2 wh most off way. - 10.15
20	30	Wh-tan		Used stand pipe - broke again - end of run.					Mix Tan. Wh. - powder 20 min 10.15
30	40	Whish		Fixed - used stand pipe.					1/2 Same tan - gray mix - powder 10.35
40	50	Whish		Powder					1/4 Blowing hole - 10.55
				Not enough Air - Machine Bad.					

GENERAL REMARKS

Doggs slipped track 8:45 - Fixed @
Started Dulhany 9:15 AM.

Hole is 270' S 60° W of Sec cor. $\frac{9 \frac{1}{10}}{16 \frac{1}{15}}$

DEPTH OF HOLE AT BEGINNING OF SHIFT 0 FEET

DEPTH OF HOLE AT END OF SHIFT _____ FEET

SAMPLES LEFT IN TUBS _____

SAMPLES CANNED 24

SAMPLER 1/11/1965

XXXXXXXXXXXXXXXXXXXX
X 16
2940 N. Casa Tomas

November 16, 1975

Miss Doris Parkin
Recorder of Gila County
P. O. Box 1693
Globe, Arizona, 85501

Dear Miss Parkin:

Please record the enclosed Affidavit of Labor Performed and
Improvements Made instrument.

When such recording has been completed, please send the re-
corded instrument to:

CAN-AM Corporation
Paul Line Division
Drawer "T"
Douglas, Arizona 85607

Att: Mr. H. C. Hansen

Include the receipt of payment in this mailing also.

Enclosed is my check # 75-338 as payment for the Recording
Fee.

Sincerely yours,

R. E. Mielitz,
Mining Consultant

cc: Paul Line Division
Mr. H. C. Hansen

CHURN DRILL SHIFT REPORT

PROPERTY LIZ DATE Sept 1 19 77
 HOLE NO h-2 SHIFT DZY
 DRILL NO _____ DRILLER Roman Moran
 BIT TYPE _____ HELPER Ramundo Lujan
 CASING LOWERED - SIZE - FROM - TO _____
 _____ FEET WATER - DEPTH ENCOUNTERED _____ FEET
 _____ FEET
 BIT USED _____ FEET
 _____ FEET

EMPLOYMENT OF TIME

MOVING AND SETTING UP _____ REPAIRING ENGINE OR RIG _____
 DRILLING AND BAILING _____ CEMENTING HOLE _____ FROM _____ TO _____
 SETTING CASING _____ FISHING _____
 REMOVING CASING _____ REAMING HOLE _____ FROM _____ TO _____
 EQUIPMENT REPAIR _____ CLEANING HOLE _____ FROM _____ TO _____
 OTHER DELAYS _____

SAMPLES

DEPTH		COLOR OF SLUDGE	CONDITION OF HOLE	HARDNESS OF ROCK V.H. VERY HARD H. HARD M. MEDIUM S. SOFT V.S. VERY SOFT	IS SAMPLE RELIABLE, ETC.	SIZE TO WHICH SAMPLE WAS CUT (NUMBER OF SPLITS)	NUMBER OF BAILERS	DRY WEIGHT OF SPLIT SAMPLE	REMARKS
FROM	TO		CAVING, ETC.						(NOTE THICKNESS OF EXTREMELY SOFT AREAS. SPECIFY DRY WEIGHT OF AQUA-GEL ADDED.)
0	10	whiskblt		H-2	chip to 1/4"		1/2	1.50 PM	0-2 - diam (chip - 1/4")
10	20	whiskblt		H-16	chip to 1/8"		1/8	2.07	
20	30	" "		M.H.	Powdery		1/8	2.22	
30	40	graytan		M.	Powdery		1/8	2.42	
40	50	whisk		M.	" "		1/8	3.58	
								8.17	

GENERAL REMARKS

Hole is 30' S 50 W of Sample #1372

DEPTH OF HOLE AT BEGINNING OF SHIFT _____ FEET
 DEPTH OF HOLE AT END OF SHIFT _____ FEET

SAMPLES LEFT IN TUBS _____
 SAMPLES CANNED _____
 SAMPLER R.M. Purdy

CHURN DRILL SHIFT REPORT

PROPERTY

HOLE NO 1-3

DRILL NO _____

BIT TYPE _____

CASING LOWERED - SIZE - FROM - TO

DATE 11/11/64 1964

SHIFT _____

DRILLER _____

HELPER 12/14/60 10:59 AM

FEET

WATER - DEPTH ENCOUNTERED

- FEET

FEET

BIT USED _____ FEET

FEET

EMPLOYMENT OF TIME

MOVING AND SETTING UP

REPAIRING ENGINE OR RIG _____

DRILLING AND BAILING

CEMENTING HOLE _____ FROM _____ TO _____

SETTING CASINO _____

FISHING

REMOVING CASING _____

REAMING HOLE _____ FROM _____ TO _____

EQUIPMENT REPAIR

CLEANING HOLE _____ FROM _____ TO _____

OTHER DELAYS _____

SAMPLES

[illegible]

Dogz slipped track 7:30 AM

GENERAL REMARKS

Hal 1-3-42 ft N60°W of Swamp #1273

DEPTH OF HOLE AT BEGINNING OF SHIFT _____ FEET

DEPTH OF HOLE AT END OF SHIFT _____ FEET

SAMPLES LEFT IN TUBS _____

SAMPLES CANNED 4

SAMPLER

CHURN DRILL SHIFT REPORT

PROPERTY

DATE _____

DRILL No _____

BIT TYPE _____

CASING LOWERED - SIZE - FROM - TO

DRILLER Barry Moran

HELPER RAYMOND 6-17-70

_____ FEET

WATER - DEPTH ENCOUNTERED _____ FEET

BIT USED _____ FEET

_____ FEET

EMPLOYMENT OF TIME

MOVING AND SETTING UP

REPAIRING ENGINE OR RIG _____

DRILLING AND BAILING

CEMENTING HOLE _____ FROM _____ TO _____

SETTING CASINO

FISHING

REMOVING CASING

REAMING HOLE _____ FROM _____ TO _____

EQUIPMENT REPAIR

CLEANING HOLE _____ FROM _____ TO _____

OTHER DELAYS _____

SAMPLES

[illegible]

GENERAL REMARKS
Doser Ready at 10:30 AM. - Filled compressor Dief 10:40 AM
on 1-4 11:20 AM

DEPTH OF HOLE AT BEGINNING OF SHIFT _____ FEET

SAMPLES LEFT IN TUBS

DEPTH OF HOLE AT END OF SHIFT _____ FEET

SAMPLES CANNED

SAMPLER

PROPERTY

CASING LOWERED - SIZE - FROM - TO

DATE 11/12/54 19 54

Shift _____

DRILLER _____

HELPER 92V70000 929219

FLET

WATER - DEPTH ENCOUNTERED

- FEET

FEET

BIT USED _____ FEET

FEET

MOVING AND SETTING UP

REPAIRING ENGINE OR RIG _____

DRILLING AND BAILING

CEMENTING HOLE _____ FROM _____ TO _____

SETTING CASING

FISHING

REMOVING CASING _____

REAMING HOLE _____ FROM _____ TO _____

EQUIPMENT REPAIR

CLEANING HOLE _____ FROM _____ TO _____

OTHER DELAYS _____

[illegible]

GENERAL REMARKS

Hole is 60 ft S 70 W of #1273
Hole L-4 is 150 ft, S 88 W of Hole L-5

2:30 Moving to 1-6

DEPTH OF HOLE AT BEGINNING OF SHIFT _____ FEET

SAMPLES LEFT IN TUBS

DEPTH OF HOLE AT END OF SHIFT _____ FEET

SAMPLES CANNED 2

SAMPLER

CHURN DRILL SHIFT REPORT

HOLE No L-6 PROPERTY LIZ DATE Sept 6 19 77
 DRILL No _____ SHIFT Day
 BIT TYPE _____ DRILLER J. MORTON
 CASING LOWERED - SIZE - FROM - TO _____ HELPER R. LUTZNER
 _____ FEET WATER - DEPTH ENCOUNTERED _____ FEET
 _____ FEET
 BIT USED _____ FEET
 _____ FEET

EMPLOYMENT OF TIME

MOVING AND SETTING UP _____ REPAIRING ENGINE OR RIG _____
 DRILLING AND BAILING _____ CEMENTING HOLE _____ FROM _____ TO _____
 SETTING CASING _____ FISHING _____
 REMOVING CASING _____ REAMING HOLE _____ FROM _____ TO _____
 EQUIPMENT REPAIR _____ CLEANING HOLE _____ FROM _____ TO _____
 OTHER DELAYS _____

SAMPLES

DEPTH		COLOR OF SLUDGE	CONDITION OF HOLE	HARDNESS OF ROCK	IS SAMPLE RELIABLE, ETC.	SIZE TO WHICH SAMPLE WAS CUT (NUMBER OF SPLITS)	NUMBER OF BAILERS	DRY WEIGHT OF SPLIT SAMPLE	REMARKS
FROM	TO		CAVING, ETC.	V.H. VERY HARD H. HARD M. MEDIUM S. SOFT V.S. VERY SOFT					(NOTE THICKNESS OF EXTREMELY SOFT AREAS. SPECIFY DRY WEIGHT OF AQUA-GEL ADDED.)
0	10	wh. clay			chips to 1/4"			1/8	12:50
10	20	" "			chips to 1/8"			1/16	1:13 ¹⁴³
20	30	" "			powder			1/8	1:28 ¹⁴⁴
30	40	" "			" "			1/4	1:47
40	50	tan-wh (cream-like)			" "			1/8	2:10
									2:37
									Escalated?

GENERAL REMARKS

air hose on Hammer broke 12:55 PM.
 Hole is 36' S 75° E of 1380?

DEPTH OF HOLE AT BEGINNING OF SHIFT _____ FEET
 DEPTH OF HOLE AT END OF SHIFT _____ FEET

SAMPLES LEFT IN TUBS _____
 SAMPLES CANNED _____
 SAMPLER R. LUTZNER

CHURN DRILL SHIFT REPORT

PROPERTY

HOLE NO 41

DRILL NO _____

BIT TYPE _____

CASING LOWERED - SIZE - FROM - TO

DATE Oct 1 1944

SHIFT 1201

DRILLER James V. Martin

HELPER ROYAL L. LUTHER

FEET

WATER - DEPTH ENCOUNTERED _____ FEET

-FEET

BIT USED _____ FEET

FEET

EMPLOYMENT OF TIME

MOVING AND SETTING UP

REPAIRING ENGINE OR RIG _____

DRILLING AND BAILING

CEMENTING HOLE _____ FROM _____ TO _____

SETTING CASING

FISHING

REMOVING CASING

REAMING HOLE _____ FROM _____ TO _____

EQUIPMENT REPAIR

CLEANING HOLE _____ FROM _____ TO _____

OTHER DELAYS _____

SAMPLES

[illegible]

GENERAL REMARKS

Hole is 57 ft N40W of # 1380

DEPTH OF HOLE AT BEGINNING OF SHIFT _____ FEET

DEPTH OF HOLE AT END OF SHIFT _____ FEET

SAMPLES LEFT IN TUBS _____

SAMPLES CANNED 24

SAMPLER

CHURN DRILL SHIFT REPORT

PROPERTY h12

HOLE NO h-4A DATE Sept 7 19 77

DRILL NO _____ SHIFT day

BIT TYPE _____ DRILLER Roman Martin

CASING LOWERED - SIZE - FROM - TO _____ HELPER Raymundo Luzzania

_____ FEET WATER - DEPTH ENCOUNTERED _____ FEET

_____ FEET

BIT USED _____ FEET

_____ FEET

EMPLOYMENT OF TIME

MOVING AND SETTING UP _____	REPAIRING ENGINE OR RIG _____
DRILLING AND BAILING _____	CEMENTING HOLE _____ FROM _____ TO _____
SETTING CASING _____	FISHING _____
REMOVING CASING _____	REAMING HOLE _____ FROM _____ TO _____
EQUIPMENT REPAIR _____	CLEANING HOLE _____ FROM _____ TO _____
OTHER DELAYS _____	

SAMPLES

[illegible]

GENERAL REMARKS

Hole 1024 ft westerly of Hole 4 Out of kiosk at 9:25 Filled primed shot
at 10:42 AM Tongue on compressor broke - Wildcat - delayed loading.

DEPTH OF HOLE AT BEGINNING OF SHIFT _____ FEET
DEPTH OF HOLE AT END OF SHIFT _____ FEET
when Tongue broke Comp, & Dillon fell.

GENERAL REMARKS

SAMPLES LEFT IN TUBS _____
SAMPLES CANNED _____
SAMPLER *C. H. Smith*

DEPTH OF HOLE AT BEGINNING OF SHIFT _____ FEET

SAMPLES LEFT IN TUBS

DEPTH OF HOLE AT END OF SHIFT

SAMPLES CANNED

SAMPLER

ARIZONA STATE LAND DEPARTMENT (ASLD)

Date _____

RE: Your Application Number _____ for _____

TO: _____ Address: _____

The Arizona State Land Department believes that it may issue documents only in accordance with ARS 33-401. Upon receipt of the following information from you properly completed and signed, the Arizona State Land Department will proceed to process your request.

Andrew L. Bettwy, State Land Commissioner

* * * * *

TO: Arizona State Land Department, 1624 West Adams, Phoenix, Arizona 85007

RE: Compliance with ARS 33-401

I have read ARS 33-401 shown on the reverse side of this sheet and enacted by the 33rd Legislature 2nd Session (1976).

I have requested a _____ in the name of _____ from the ASLD. The ASLD has advised that my application request may fall within ARS 33-401. In order for the ASLD to comply with that law, the ASLD has requested the following information before the ASLD may issue the above requested document, viz:

1. The name, address, age, citizenship and marital status of each of the beneficiaries, principals or wards for whom I, _____, will hold title are _____

2. The trust or other agreement under which I, _____, will hold title is identified as follows: _____
 _____ OR

3. The proper description by reference to Book, page and document number of file to the instrument, order, decree or other writing which is of public record in the County in which the related land is located in which such matters shall appear is as follows:

 _____.

I make the foregoing representations to the ASLD as being true and correct and as an inducement to the ASLD to issue the above document I have requested. I further understand and agree that if the information herein supplied to the ASLD is false or does not comply with the provisions of ARS 33-401 that document shall be voidable.

Dated: _____

Witness to signature of applicant_____
Applicant

CHAPTER 105
SENATE BILL 1497

AN ACT

RELATING TO PROPERTY; PROVIDING THAT DEEDS OR CONVEYANCES OF REAL PROPERTY WHICH LIST THE GRANTEE OR GRANTOR AS A TRUSTEE OR IN WHICH THE GRANTEE ACTS AS A TRUSTEE SHALL NAME THE BENEFICIARIES OF SUCH TRUST AND THEIR ADDRESSES; PRESCRIBING PERIOD FOR FILING NAMES AND ADDRESSES OF BENEFICIARIES OF PROPERTIES WHICH WERE THE SUBJECT OF PRIOR CONVEYANCES; PRESCRIBING PENALTIES, AND AMENDING SECTION 33-401, ARIZONA REVISED STATUTES.

Be it enacted by the Legislature of the State of Arizona:

Section 1. Section 33-401, Arizona Revised Statutes, is amended to read:

33-401. Formal requirements of conveyance; writing; subscription; delivery; acknowledgment; conveyances in trust to name beneficiaries; penalties

A. No estate of inheritance, freehold, or for a term of more than one year, in lands or tenements, shall be conveyed unless the conveyance is by an instrument in writing, subscribed and delivered by the party disposing of the estate, or by his agent thereunto authorized by writing.

B. Every deed or conveyance of real property must be signed by the grantor and must be duly acknowledged before some officer authorized to take acknowledgments.

C. NOTWITHSTANDING THE PROVISIONS OF SUBSECTION C OF SECTION 33-411, EVERY DEED OR CONVEYANCE OF REAL PROPERTY, OR INTERESTS THEREIN, WHICH IS LOCATED IN THIS STATE WHICH IS EXECUTED AFTER THE EFFECTIVE DATE OF THIS SECTION IN WHICH THE GRANTEE IS DESCRIBED AS TRUSTEE, AGENT, CONSERVATOR, EXECUTOR, ADMINISTRATOR, GUARDIAN, ATTORNEY-IN-FACT OR IN ANY OTHER REPRESENTATIVE CAPACITY AND EVERY DEED OR CONVEYANCE OF REAL PROPERTY OR INTEREST THEREIN WHICH IS LOCATED IN THIS STATE WHICH IS EXECUTED AFTER THE EFFECTIVE DATE OF THIS SECTION IN WHICH THE GRANTEE ACTS AS A TRUSTEE, AGENT, CONSERVATOR, EXECUTOR, ADMINISTRATOR, GUARDIAN, ATTORNEY-IN-FACT OR IN ANY OTHER REPRESENTATIVE CAPACITY, SHALL ALSO NAME THE BENEFICIARIES, PRINCIPALS OR WARDS FOR WHOM THE GRANTEE HOLDS TITLE, THE ADDRESSES OF SUCH PERSONS, AND SHALL IDENTIFY THE TRUST OR OTHER AGREEMENT UNDER WHICH THE GRANTEE IS ACTING OR REFER BY PROPER DESCRIPTION TO BOOK, PAGE AND DOCUMENT NUMBER OF FILE TO AN INSTRUMENT, ORDER, DECREE OR OTHER WRITING WHICH IS OF PUBLIC RECORD IN THE COUNTY IN WHICH THE LAND SO CONVEYED IS LOCATED IN WHICH SUCH MATTERS SHALL APPEAR. ANY CONVEYANCE OF REAL PROPERTY, OR INTERESTS THEREIN, WHICH IS LOCATED IN THIS STATE TO A GRANTEE ACTING IN A REPRESENTATIVE CAPACITY WHICH DOES NOT COMPLY WITH THE PROVISIONS OF THIS SUBSECTION SHALL BE VOIDABLE.

D. NOTWITHSTANDING THE PROVISIONS OF SUBSECTION C OF SECTION 33-411, EVERY DEED OR CONVEYANCE OF REAL PROPERTY, OR AN INTEREST THEREIN, LOCATED IN THIS STATE WHICH IS EXECUTED AFTER THE EFFECTIVE DATE OF THIS SECTION FROM A GRANTOR WHO ON THE EFFECTIVE DATE OF THIS SECTION HOLDS SUCH PROPERTY AS A TRUSTEE, AGENT, CONSERVATOR, EXECUTOR, ADMINISTRATOR, GUARDIAN, ATTORNEY-IN-FACT OR IN ANY OTHER REPRESENTATIVE CAPACITY WHETHER OR NOT SUCH CAPACITY IS IDENTIFIED ON THE DOCUMENT OF TITLE, SHALL ALSO NAME THE BENEFICIARIES, PRINCIPALS OR WARDS FOR WHOM THE GRANTOR HELD TITLE TO SUCH PROPERTY, THE ADDRESSES OF SUCH PERSONS, AND SHALL IDENTIFY THE TRUST OR OTHER AGREEMENT UNDER WHICH THE GRANTOR IS ACTING OR REFER BY PROPER DESCRIPTION TO BOOK, PAGE AND DOCUMENT NUMBER OF FILE TO AN INSTRUMENT, ORDER, DECREE OR OTHER WRITING WHICH IS OF PUBLIC RECORD IN THE COUNTY IN WHICH THE PROPERTY SO CONVEYED IS LOCATED IN WHICH SUCH MATTERS SHALL APPEAR. ANY CONVEYANCE OF REAL PROPERTY, OR INTERESTS THEREIN, LOCATED IN THIS STATE FROM A GRANTOR ACTING IN A REPRESENTATIVE CAPACITY WHICH DOES NOT COMPLY WITH THE PROVISIONS OF THIS SUBSECTION SHALL BE VOIDABLE.

E. WITHIN ONE HUNDRED TWENTY DAYS AFTER THE EFFECTIVE DATE OF THIS SECTION ALL INSTRUMENTS OF CONVEYANCE OF REAL PROPERTY, OR INTERESTS THEREIN, LOCATED WITHIN THIS STATE WHICH EVIDENCE CURRENT LEGAL TITLE TO SUCH REAL PROPERTY, OR INTERESTS THEREIN, WHICH NAMES A GRANTEE IN A REPRESENTATIVE CAPACITY OR IN WHICH THE GRANTEE ACTS IN A REPRESENTATIVE CAPACITY WHETHER OR NOT SUCH REPRESENTATIVE CAPACITY IS IDENTIFIED, AND WHICH FAILS TO NAME THE BENEFICIARIES, PRINCIPALS OR WARDS FOR WHICH SUCH GRANTEE HOLDS LEGAL TITLE, THE ADDRESSES OF SUCH PERSONS, AND IDENTIFY THE TRUST OR OTHER AGREEMENT UNDER WHICH THE GRANTEE HOLDS TITLE, WHICH HAS BEEN EXECUTED PRIOR TO THE EFFECTIVE DATE OF THIS SECTION SHALL CEASE TO BE NOTICE OF SUCH TRUST OR REPRESENTATIVE CAPACITY OF SUCH GRANTEE AND SHALL BE CONSIDERED AND HELD TO BE A DESCRIPTION OF THE PERSON OF THE GRANTEE, ONLY, UNLESS SUCH GRANTEE WITHIN SUCH ONE HUNDRED TWENTY DAY PERIOD FILES FOR RECORD IN THE COUNTY IN WHICH SUCH LAND IS LOCATED SO THAT SUCH RECORD SHALL APPEAR IN THE CHAIN OF TITLE TO SUCH LAND, AN AFFIDAVIT, SETTING FORTH THE NAME OF SUCH BENEFICIARY OR BENEFICIARIES, THE ADDRESSES OF SUCH PERSONS, AND IDENTIFYING THE TRUST OR OTHER AGREEMENT ESTABLISHING SUCH REPRESENTATIVE RELATIONSHIP OR REFERRING BY PROPER DESCRIPTION TO AN INSTRUMENT OF PUBLIC RECORD IN SUCH COUNTY IN WHICH SUCH MATTERS SHALL APPEAR.

F. A PERSON WHO ON THE EFFECTIVE DATE OF THIS SECTION HOLDS TITLE TO REAL PROPERTY OR INTEREST THEREIN AS A TRUSTEE, AGENT, CONSERVATOR, EXECUTOR, ADMINISTRATOR, GUARDIAN, ATTORNEY-IN-FACT OR IN ANY OTHER REPRESENTATIVE CAPACITY WHETHER OR NOT SUCH REPRESENTATIVE CAPACITY IS IDENTIFIED ON THE DOCUMENT EVIDENCING TITLE AND WHO FAILS TO COMPLY WITH THE PROVISIONS OF SUBSECTION E OF THIS SECTION IS GUILTY OF AN OFFENSE PUNISHABLE BY IMPRISONMENT IN A COUNTY JAIL FOR UP TO ONE YEAR OR IMPRISONMENT IN THE STATE PRISON FOR NOT LESS THAN ONE NOR MORE THAN FIVE YEARS, BY A FINE OF NOT TO EXCEED ONE THOUSAND DOLLARS FOR EACH DAY OF VIOLATION OR BY BOTH SUCH IMPRISONMENT AND FINE. THE ATTORNEY GENERAL AND COUNTY ATTORNEYS SHALL HAVE AUTHORITY TO BRING CRIMINAL ACTIONS PURSUANT TO THIS SECTION.

Sec. 2. Emergency

To preserve the public peace, health and safety it is necessary that this act become immediately operative. It is therefore declared to be an emergency measure, to take effect as provided by law.

Approved by the Governor - June 22, 1976

Filed in the office of the Secretary of State - June 22, 1976

ARIZONA STATE LAND DEPARTMENT (ASLD)

Date _____

RE: Your Application Number _____ for _____

TO: _____ Address: _____

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Andrew L. Bettwy, State Land Commissioner

* * * * *

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1. The name, address, age, citizenship and marital status of each of the beneficiaries, principals or wards for whom I, _____, will hold title are _____

2. The trust or other agreement under which I, _____, will hold title is identified as follows: _____
 _____ OR

3. The proper description by reference to Book, page and document number of file to the instrument, order, decree or other writing which is of public record in the County in which the related land is located in which such matters shall appear is as follows: _____
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I make the foregoing representations to the ASLD as being true and correct and as an inducement to the ASLD to issue the above document I have requested. I further understand and agree that if the information herein supplied to the ASLD is false or does not comply with the provisions of ARS 33-401 that document shall be voidable.

Dated: _____

 Witness to signature of applicant

 Applicant

CHAPTER 105
SENATE BILL 1487

AN ACT

RELATING TO PROPERTY; PROVIDING THAT DEEDS OR CONVEYANCES OF REAL PROPERTY WHICH LIST THE GRANTEE OR GRANTOR AS A TRUSTEE OR IN WHICH THE GRANTEE ACTS AS A TRUSTEE SHALL NAME THE BENEFICIARIES OF SUCH TRUST AND THEIR ADDRESSES; PRESCRIBING PERIOD FOR FILING NAMES AND ADDRESSES OF BENEFICIARIES OF PROPERTIES WHICH WERE THE SUBJECT OF PRIOR CONVEYANCES; PRESCRIBING PENALTIES, AND AMENDING SECTION 33-401, ARIZONA REVISED STATUTES.

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Sec. 2. Emergency

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Approved by the Governor - June 22, 1976

Filed in the office of the Secretary of State - June 22, 1976

~~PH 4-7673~~

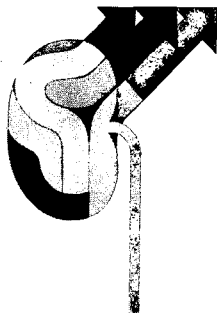
$$1.5" \times 1.5 \times 3.1416 \times 120$$

$$2.25$$

$$7.069 = 848.28 \text{ cu ft}$$

$$1728 = 0.491 \text{ cu ft}$$

$$1 \text{ cu ft} = \frac{166.67 \text{ lbs}}{81.83}$$



Aldactone®
(spironolactone)

"the diuretic with specific action in CHF"

SEARLE

(*Please see prescribing information on back cover)

$$7 \times 7 = 49$$

#1 -

$$\begin{aligned} 10 & - 3.53 \times 2 = 7.06 - 8.3 \\ 20 & - 2.58 \times 2 = 5.16 - 6.1 \\ 30 & - 3.33 \times 2 = 6.66 - 7.8 \\ 40 & - 2.11 \times 2 = 4.22 - 7.3 \\ 50 & - 2.51 \times 16 = 40.16 - 47.2 \end{aligned}$$

#5

$$\begin{aligned} 10 & 3.67 \times 4 = 14.68 - 17.3 \\ 20 & 2.31 \times 8 = 18.48 - 21.7 \\ 30 & 2.63 \times 8 = 21.04 - 24.7 \\ 40 & 2.20 \times 8 = 17.60 - 20.7 \\ 50 & 2.04 \times 2 = 4.08 - 4.8 \\ & \quad \quad \quad 18.0 \end{aligned}$$

#2

$$\begin{aligned} 10 & 2.71 \times 8 = 21.68 - 25.5 \\ 20 & 3.19 \times 8 = 25.52 - 30.0 \\ 30 & 2.20 \times 8 = 17.60 - 20.7 \\ 40 & 2.56 \times 8 = 20.48 - 24.1 \\ 50 & 3.75 \times 8 = 30.00 - 35.3 \\ & \quad \quad \quad 27.5 \end{aligned}$$

#6

$$\begin{aligned} 10 & 4.05 \times 8 = 32.40 - 38.1 \\ 20 & 2.37 \times 16 = 37.92 - 44.6 \\ 30 & 2.04 \times 8 = 16.32 - 19.2 \\ 40 & 2.29 \times 4 = 9.16 - 10.8 \\ 50 & 2.31 \times 8 = 18.48 - 21.7 \\ & \quad \quad \quad 24.0 \end{aligned}$$

#3

$$\begin{aligned} 10 & 2.83 \times 4 = 11.32 - 13.4 \\ 20 & 3.44 \times 4 = 13.76 - 16.2 \\ 30 & 3.10 \times 8 = 24.80 - 29.2 \\ 40 & 3.59 \times 8 = 28.72 - 33.8 \\ 50 & 2.60 \times 8 = 20.80 - 24.5 \\ & \quad \quad \quad 26.0 \end{aligned}$$

#7

$$\begin{aligned} 10 & 2.05 \times 8 = 16.40 - 19.2 \\ 20 & 2.35 \times 8 = 18.80 - 22.1 \\ 30 & 2.57 \times 8 = 20.56 - 24.2 \\ 40 & 3.08 \times 8 = 24.64 - 29.0 \\ 50 & 2.93 \times 8 = 23.44 - 27.6 \\ & \quad \quad \quad 25.7 \end{aligned}$$

#7A

$$\begin{aligned} 10 & 2.54 \times 8 = 20.32 - 23.9 \\ 20 & 4.05 \times 8 = 32.40 - 38.1 \\ 30 & 3.31 \times 8 = 26.48 - 31.2 \\ 40 & 2.16 \times 8 = 17.28 - 20.3 \\ 50 & 1.52 \times 8 = 12.16 - 14.3 / 26.0 \end{aligned}$$

Sample wt. split portion	No. of splits	Fraction of sample	Weight original sample	Percent theoretical sample weight
100 100	100	100	100	100

(57.7)

7/9/1954 - retained

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

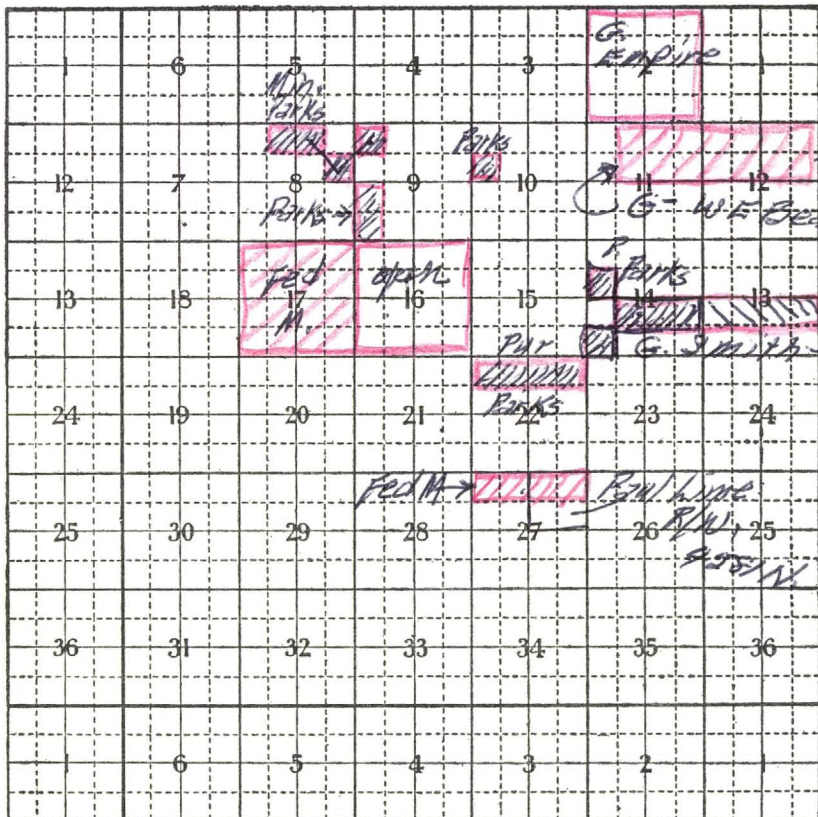
SMALL TOWNSHIP AND ADJOINING SECTIONS DIAGRAM

Land Office

Township Range Meridian

T35

R15E



Liz. ~~716 8000~~ - \$27.00 hourly - 20.00 N.

15 miles S on U.S. 70 out of Elkhart - Dripping Springs Rd.
1000 - 1500'

Water 5-7 mi - or 2 Drillers Supply.

Callan NX -

Drill BX - \$12.50. / 300 -

Overburden (rotary) 10' 1000 ft. 200 to 250' max

WY. 500/month
30 ft. mile.

Paul

6 miles west of Paul Lame.

1500 to 3000 feet -

Water at Paul Lame. Drillin Paul

Callan NX

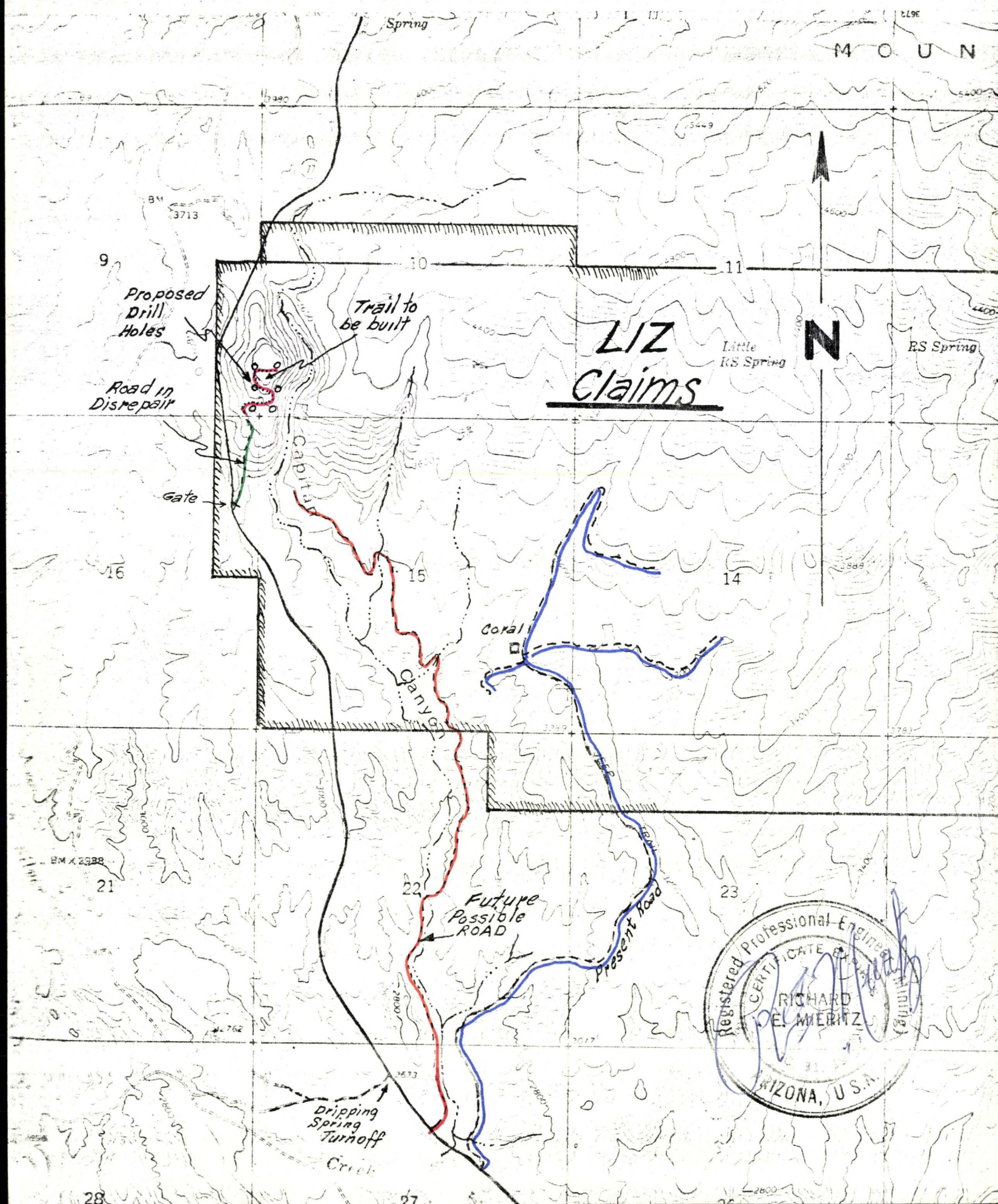
Drill BX

Overburden (rotary) to 70 ft. 200 to 250 max.

Jaggar - Redclaw 258-6543

Boyles Bud Mathews - 944-1731
2741

Chas. O'Leary & Son
Smith
9:30 Fri - 13
25.7 Fri 1
3003 N. Central



MOUNTAIN



N

LIZ
Claims

Little
RS Spring

RS Spring

Proposed
Drill
Holes

Trail to
be built

Road in
Disrepair

Gate

Corbett

Canyon

Possible
ROAD

Present Road

Dripping
Spring
Turnoff

Creek



BM 3713

BM X 2988

M O U N

Spring

3713

9

10

11

Proposed
Drill
Holes

Trail to
be built

Road in
Disrepair

Gate

LIZ
Claims

Little
RS Spring

N

RS Spring

16

15

14

Coral

Canyon

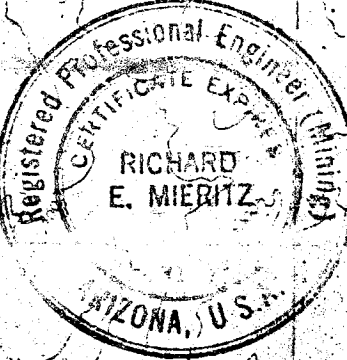
21

22

23

Possible
ROAD

Present Road



Dripping
Spring
Turnoff

Creek

28

27

PAUL LIME PLANT, INC.

PAUL SPUR, ARIZONA

**ADDRESS MAIL TO:
DRAWER T
DOUGLAS, ARIZONA 85607**

February 5, 1975

**TELEPHONE VIA DOUGLAS
AREA CODE 602
364-2429**

**Richard E. Mieritz
1634 W. Hazelwood Street
Phoenix, Arizona 85015**

Dear Dick:

**Enclosed is the claim map covering the 19 claims
located in the El Capitan area of Gila County.**

Sorry it took so long to get you a copy.

PAUL LIME PLANT, INC.



**H. C. Hansen
Secretary-Treasurer**

CC: Sherwood Owens

Enclosure

HCH:hb

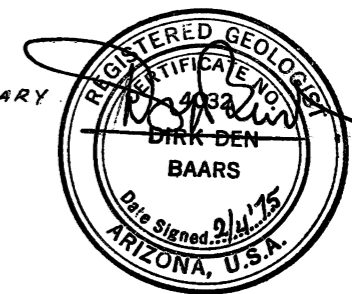
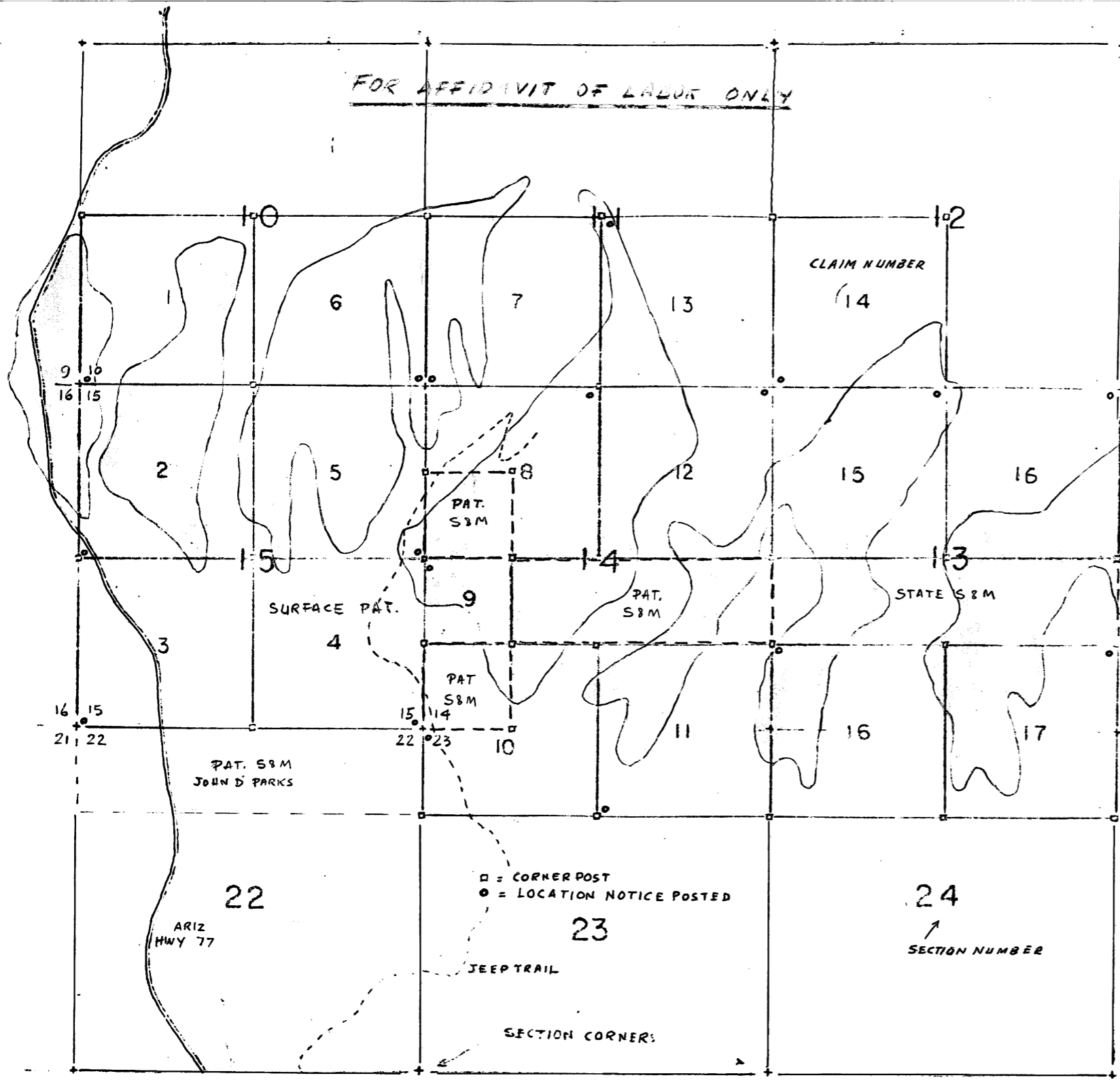
**P.S. Our lab man just finished his analysis today
on the samples you brought in from the subject
claims. Copy of his report enclosed.**

FOR AFFIDAVIT OF LABOR ONLY



SCALE 1" = 2000'

LIZ No 1 through 19 Mining claims located
in sections 10, 11, 12, 13, 14, 15, 23, 24 of
T3S R15E and section 18, T3S, R16E
GILA COUNTY, STATE OF ARIZONA
"THE SIX COUSINS" c/o PAUL LIME PLANT, INC.
P.O. DRAWER T, DOUGLAS ARIZ. 85607



GEOLOGIC BOUNDARY
LIMESTONE

GEOLOGY BY: DIRK DEN-BAARS
JULY, AUGUST-1968

- PATENTS IN SEC. 14 ARE OWNED
- BY: LOIS C. GRUBB
- CHECK TITLE CHAIN AT GILA COUNTY RECORDER
SEC. 14, T3S, R15E.
- PAT. S&M = PATENTED SURFACE & MINERALS

The following determinations were made:
 Loss on ~~Ignition~~ Ignition: This value represents the total amount of volatile matter released at high temperatures (2000°F to 2500°F) and represents the carbon dioxide released from the carbonate impurities. Except for a small amount of moisture and organic matter the value represents mostly CO_2 and the carbonate equivalents may be calculated from it.

Avail. CaO of the Residue After Ign. - This value is a determination by the same rapid sugar method used on regular lime sample from lime kilns, of the Available CaO on the sample after Ignition. It can be taken to represent the amount of Available CaO that would be had if the rock were perfectly calcined in a lime kiln.

Total CaO : Represents the total Ca as CaO from all sources - Carbonates, Silicates, Aluminates etc.

Total MgO Ditto to above except for Magnesium instead of Calcium.

Calculated Impurity: Represents the amount of Silica, Fe_2O_3 & other similar type impurities - other than Calcium or Magnesium by calculated difference.

Tabulated Results on page 2

Note: A sample of each rock has been retained in case it is desired to burn whole & larger pieces in the muffle furnace to determine decomposition, shrinkage, rate of dissolution etc.

Sample Number	Loss on Ign $\frac{\downarrow}{\downarrow}$	Av. CaO of Res. $\frac{\downarrow}{\downarrow}$	Total CaO $\frac{\downarrow}{\downarrow}$	SiO ₂ -	Impurity ca. % based by difference
1272	45.30%	43.9%	32.88%	20.15%	1.37%
1273	44.05%	38.0%	32.22%	18.86%	4.88%
1274	43.65%	94.3%	55.98%	Trace	.37%
1275	43.93%	93.2%	54.68%	.33%	1.06%
1276	43.20%	91.5%	54.89%	.48%	1.43%
1277	43.10%	90.7%	54.02%	.63%	2.25%
1278	42.98%	90.7%	54.23%	.31%	2.48%

Note: Samples 1272 + 1273 are Dolomite Limestones
the rest are High Calcium Limestones

Robert B. Bunker
Chemist

XXXXXXXXXXXXX
X 16
2940 N. Casa Tomas

October 23, 1975

Mr. Donald Head
P. O. Box 591
Prescott, Arizona, 86301

Dear Don:

Enclosed please find the original, Recorded Location notice for
LIZ #20 which I staked for CAN-AM Paul Lime Division, in order to
make all the claims one contiguous group.

The Quit Claim Deed should be predated to August 30th or 31st
so that the Affidavit of Labor which I shall file for the year 1975-
76 will follow the sequence of claim transfer and the assessment
work for the twenty claims.

The Affidavit for year 1975-76 covers the work between September
21 and 28th day for the twenty claims.

Send the Quit claim Deed to me and my wife and I shall sign it
upon receipt.

Please note the change of address.

Sincerely,

R. E. Mieritz

10.5
6.20

STATE OF ARIZONA

Notice of Mining Location

PLACER CLAIM

TO ALL WHOM IT MAY CONCERN:

This placer Mining Claim, the name which is the.....

LIZ No 20

Placer Mining Claim, situate on lands belonging to the United States of America, and being a form of valuable mineral deposit other than in veins or lodes of quartz or other rock in place, was entered upon and located for the purpose of exploration and lease by.....

Richard E. Mieritz &
Carolyn L. Mieritz, both Citizens
of the United States

(Locator must insert either "a citizen of the United States" or "who has declared his intention to become a citizen of the United States".)

the undersigned, on the 18th day of August, 1975
we claim 40 acres thereof, and have marked the same on the ground as follows: Beginning at Sec. Cor. 15th N. 38, R. 15 E., G. & S. R. B. E. 21235

(If the land be surveyed land, make the starting point a corner of a rectilinear subdivision of such survey.)

M., thence 1320 ft. south to a post, thence 1320 ft. west to a post, thence 1320 ft. north to a post, thence 1320 ft. east to point of beginning. Also described as the NE 1/4 of the NE 1/4 of Sec. 22, T. 3 S., R. 15 E.

at a (post, stone or other monument) where this notice is posted;

thence feet to a

thence feet to a

thence feet to a

thence

feet to the place of beginning, containing 40 acres, all in and being the

NE 1/4, NE 1/4, Sec. 22, T. 3 S., R. 15 E.
(Give legal subdivisions)

in the County of Gila, Arizona, in the State of Arizona,

(El Capitan Mining District)

All done under provisions of Chapter 6 of Title XXXII of the revised statutes of the United States, and of an act of the General Assembly of Arizona, entitled "to revise and Codify the laws of the Territory of Arizona" approved March 16, 1901.

Dated and posted on the grounds this 18th day of August, 1975

Richard E. Mieritz
Carolyn L. Mieritz

NOTE — If the location is upon surveyed lands, the claim must conform to such survey by rectilinear subdivisions.

STATE OF ARIZONA } ss.
County of Gila

392016

Witness my hand and official seal the day and year aforesaid.

I hereby certify that the within instrument was filed and recorded at request of Richard E. Mieritz

\$2.00
9:30
C

DORIS PARKIN,

County Recorder.

on Sep. 22, 1975

INDEXED
PHOTO-COPIED
COMPARED
PAGED

By Mary V. DePaoli,
Deputy Recorder

at 9:30 o'clock A. M.

In Docket 386

on page 403.

Richard E. Mieritz
2940 N. Casa Tomas
Phoenix, Az.
85016



Memo from

HAROLD HANSEN

Office Manager, Paul Lime Plant, Inc.
DRAWER T, DOUGLAS, ARIZONA 85607

TO: Dick

Why don't we do enough work to
cover last and this year while we are
at it????

Hal

Assessment work samples: L12 #20 claims

9/30/75

Sample # ↓	LOI ↓	Av. CaO of Residue after Ignition ↓
#1334 UR-E	44.42%	77.5%
#1335 UR-M	45.02%	46.4%
#1336 UREDS	45.46%	85.6%
#1337 URWDS	45.02%	48.1%
#1338 URW	42.75%	35.5%
#1339 LREDS	43.45%	89.0%
#1340 LR MDS	44.34%	91.0%
#1341 LR WDS	43.54%	93.8%

All but the last three samples are either
dolomitic or low grade Hi Calcium limestones

The last three (#1339, 1340, 1341) are marginal to
excellent chemically.

However a burning test to determine the
degree of decrepitation showed only #1341
to be of passable quality, #1339 was
slightly decrepitated and #1340 extremely
so.

RFB

MEMORANDUM ON THE LIZ CLAIMS, LIMESTONE DEPOSIT
GILA COUNTY, STATE OF ARIZONA.

To Mr. Howard Ames, Jr., General Manager,
PAUL LIME PLANT, INC.
P.O. Drawer T
DOUGLAS, Ariz. 85607



By: Dirk Den-Baars.
Consulting Geologist.
April 25, 1972

DEN-BAARS & ASSOCIATES

MINERAL EXPLORATION AND RESEARCH CONSULTANTS

DRS. DIRK DEN-BAARS
CONSULTING GEOLOGIST
ARIZONA REG. 4032

April 25th, 1972

6318 EAST HAYNE STREET
TUCSON, ARIZONA 85710
[602] 298-3551

Mr. Howard Ames, Jr.
General Manager.
P.O. Drawer T
Douglas, Az. 85607

MEMORANDUM ON THE LIZ CLAIMS, LIMESTONE DEPOSIT

General Information:

The LIZ claims Nos. 1 - 19 incl., are located in sections 10, 11, 12, 13, 14, 15, 23 and 24, T 3 S, R 15 E. and section 18, T 3 S, R 16 E, in Gila County, State of Arizona. The claims were located as association Placer claims of 160 acres each, during the first weeks of May, 1967.

The claims are contiguous and cover all of the limestone outcrops, from Highway 77, which forms the western extent of the deposit to the San Carlos reservation fence on the east, which is 3 and 1/4 mile along the strike of the limestone.

The LIZ # 8 covers 120 acres only, because of a surface and mineral patent in the SW 1/4 of this claim. The LIZ # 9, is 40 acres only because of a similar patent, also the LIZ # 10, is 120 acres. The LIZ # 19 claim overlaps onto the San Carlos Indian Reservation and this easternmost claim was staked by erecting the eastern cornerposts as witness posts in the boundary fence. Acreage is about 120 for this claim. All other claims are 160 acres each, making a total acreage of 2,800 acres. (See claim map and land title plats.)

The property is located 17 miles north of Winkelman, and about 20 miles south-south-easterly from Globe, Arizona. The property can be reached from Tucson, a distance of 88 miles, in two hours, taking US Hwy. 80/89 to Oracle Junction, thence Ariz. Hwy. 77 via Oracle, Mammoth and Winkelman, here the road turns up the Gila river, in a north-easterly direction; About 14 miles out of Winkelman, a dirt road splits off to the North; This dirt road turns uphill, following the east bank of the Capitan creek and enters "Little R.S. Spring Canyon " from the south. Total distance to the LIZ # 8 claim is 3 and 1/2 mile, of good dirt road, passable for pick-up trucks, up to the first drill site # K 1, beyond which 4 wheel drive is needed, to climb to the top of the ridge.

Geology & Exploration:

The area of this year's assessment work drilling (1971 to 1972.) was confined to the lower part of "Little R.S.Spring Canyon." which was about as far as the road had been built during previous years. Four holes were drilled to about 180 ft. each with a rotary type drill using a Mission down the hole hammer of 4 and 3/4 inch bit, giving a 5" hole.

Samples were taken every five feet on hole # K-1 and every ten feet on holes K-2, K-3 and K-4. Cuttings from the hole were blown through a T with venturi assist installed in the collar of the hole, to a cuttings and dust collector system, from which the samples were taken with 5 gallon buckets. The samples were quartered down and bagged with tags showing hole number, and sample depth and interval. For the lithological description, a portion of each sample was washed in a pan with water and the rock type and impurities were noted.

Sample recovery was very good in the massive limestone beds, but some mixing and loss of the cuttings occurred in some of the more permeable strata. Abrasion of the drill hole walls seemed to be minimal. This type of drilling is very fast and cheaper than diamond drilling, but can only be used where no ground water is present and the rock massive. Diamond core drilling should be used every four or five holes for sample control and where conditions do not permit the use of the percussion type drill.

Four holes were drilled on the east slope of the canyon, as indicated on the attached map and profile. Elevation ranged from 3352 ft. for hole # K-4 to 3622 ft. for hole # K-1. The limestone beds that are outcropping in the area of the drilling are thought to be part of the Martin limestone formation, which is of upper Devonian age.

Higher up the canyon and mainly on the west side, the Martin limestone is overlain by the thicker bedded Escabrosa limestone of lower Mississippian age. The contact with the Martin limestone appears to be conformable. The Escabrosa limestone beds appear as outcrops at an elevation of about 3800 ft. and are exposed up hill to an elevation of 5040 ft. The formations generally strike N 70° to 80° E, with a dip from 16° to 24° to the south.

From the attached profile and logs of the four holes, it can be noted that good correlation was obtained between holes K-1 and K-2. Doubtfull correlation exist with hole # K-3 and no correlation was found with hole # K-4.

From the aerial photo's, several faults striking N 70° W were observed. These could possibly be responsible for the lack of correlation in the area between holes # K-1, K-2, and hole K-4 to the south.

Good limestone sections encountered in holes K-1 and K-2 were rather limited (see logs.) Hole K-1 intersected 30 ft. of sub-grade rock (52.04% CaO) at 50 ft. depth, thence one good section of 25 ft. of 52.75% CaO from 100 to 125 ft depth and an other 30 ft. of 52.41% CaO from 135 ft. to 165 ft. deep

These two lower units correlate with the ones encountered in hole K-2, they consist of very fine grained grey to light-grey and beige massive limestone. They are separated by 10 ft. of dolomitic limestone of darker grey color with a brown cast. The MgO content of this unit varies from 10% to 12% in both drill holes.

Hole # K-3 apparently just missed intersecting the lower good limestone unit and penetrated the lower Martin strata, consisting of cherty and sandy limestone and dolomitic beds, which are not of economic value.

Conclusions and Recommendations:

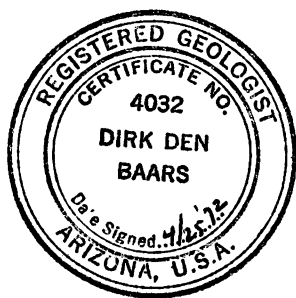
1. The discovery of good limestone units in holes # K-1 and K-2 is encouraging, even though the beds are thin and covered by substantial amounts of rock overburden.
2. The purer Martin limestone units as found in the first two drill holes are exposed on the east slope and wall of the canyon and can be traced uphill and to the north-east, where surface outcrops are available.
3. From all available data thus far, it can be stated that further exploration will likely uncover valuable deposits of limestone. The overlaying Escabrosa limestone, which appears to be thicker, is exposed mainly on the west side of the canyon. These would make a prime target area for further exploration.
4. From the aerial photographs it is estimated that the surface outcrops of the Escabrosa limestone amounts to an area of at least 320 acres, at elevations from 3800 ft. to 5040 ft.
5. To explore and develop the area mentioned under # 4, roads could be built into the upper canyon area of the LIZ # 7 claim, with drill sites on either side of this access road, following the contour lines of the terrain to where the Escabrosa limestone is exposed.

6. The main areas of exposed Escabrosa limestone, are located on the LIZ # 6, 7 and 13 claims. This area is less than one mile east of Ariz Hwy. 77, but seems to be inaccessible from that side. Alternative roads of access may be possible from the north-west starting at the highway. This could be further investigated.

7. Since the demand for lime and limestone products will gradually or rapidly rise, within a radius of 50 miles from this deposit, (During the next 5 years.) it seems that further exploration and feasibility studies are worthwhile investments especially in view of the announced expansions and new production of copper mines in that district.

8. It is estimated that exploratory work on the prime target areas as mentioned under # 6, would take a minimum of one year, and would require about 50 holes of 100 ft. each. Some of this footage should be diamond drilled for sample and Geologic control. Estimated total cost is \$ 60,000.00, with road building costs of at least \$ 20,000.00 (Included in total.)

These cost figures are rough estimates and could be refined, if and when the need to develop these limestone deposits becomes an economic reality.



Respectfully submitted,

Dirk Den-Baars.

By: Dirk Den-Baars.
April 25, 1972.

APPENDED MATERIAL :

- ① DRILL HOLE LOCATION MAP
- ② PROFILE THRU DRILL HOLES
- ③ LOGS
- ④ ANALYSIS

PAUL LIME PLANT, INC.

PAUL SPUR, ARIZONA

January 29, 1975

ADDRESS MAIL TO:

DRAWER T

DOUGLAS, ARIZONA 85607

TELEPHONE VIA DOUGLAS

AREA CODE 602

364-2429

R. E. Mieritz
1634 W. Hazelwood Street
Phoenix, Arizona 85015

Dear Dick:

The other day you called and asked that we send you some drawings and/or maps of the "Liz" claims which you recently examined for Sherwood Owens.

We were able to find Item 3 of Area E "Liz Claims, drill hole location map. 1" = 100 ft." and are enclosing it together with Item 4 of Area E "Liz Claims, Section 14. Profile through drill holes. 1" = 100 ft.". You didn't ask for the profile, but since it was with the drill hole map you did request we thought it might be helpful.

We are this date asking den Baars to send us another copy of Item 5 of Area E "Liz #1-19 claim map, 1" = 2000 ft. with outcrops." and upon its receipt will immediately forward it directly to you.

Yours very truly,

PAUL LIME PLANT, INC.


H. C. Hansen
Secretary-Treasurer

CC: Sherwood Owens

HCH:hb

REPLY TO:

~~CONFIDENTIAL~~
PHOENIX, ARIZONA 85015
TELEPHONE (602) 277-6053
2940 N. Casa Tomas

Richard E. Mieritz

MINING CONSULTANT

ARIZONA REGISTERED
MINING ENGINEER AND GEOLOGIST

GEOLOGY
EXPLORATION
EVALUATION
FEASIBILITY
OPERATION

November 16, 1975

Miss Doris Parkin
Recorder of Gila County
P. O. Box 1693
Globe, Arizona, 85501

Dear Miss Parkin:

Please record the enclosed Affidavit of Labor Performed and Improvements Made instrument.

When such recording has been completed, please send the recorded instrument to:

CAN-AM Corporation
Paul Lime Division
Drawer "T"
Douglas, Arizona 85607

Att: Mr. H. C. Hansen

Include the receipt of payment in this mailing also.

Enclosed is my check # 75-338 as payment for the Recording Fee.

Sincerely yours,

R. E. Mieritz,
Mining Consultant

cc: Paul Lime Division
Mr. H. C. Hansen

XXXXXXXXXXXXX
X 16
2940 N. Casa Tomas

December 10, 1975

Mr. H. C. Hansen
Paul Lime Division
Drawer "T"
Douglas, Arizona.

Re: Keys for gate
LIZ Claims

Dear Hal:

Finally getting caught up on things around here and I am indeed sorry for the delay in sending these, hoping ofcourse, no inconvenience was caused.

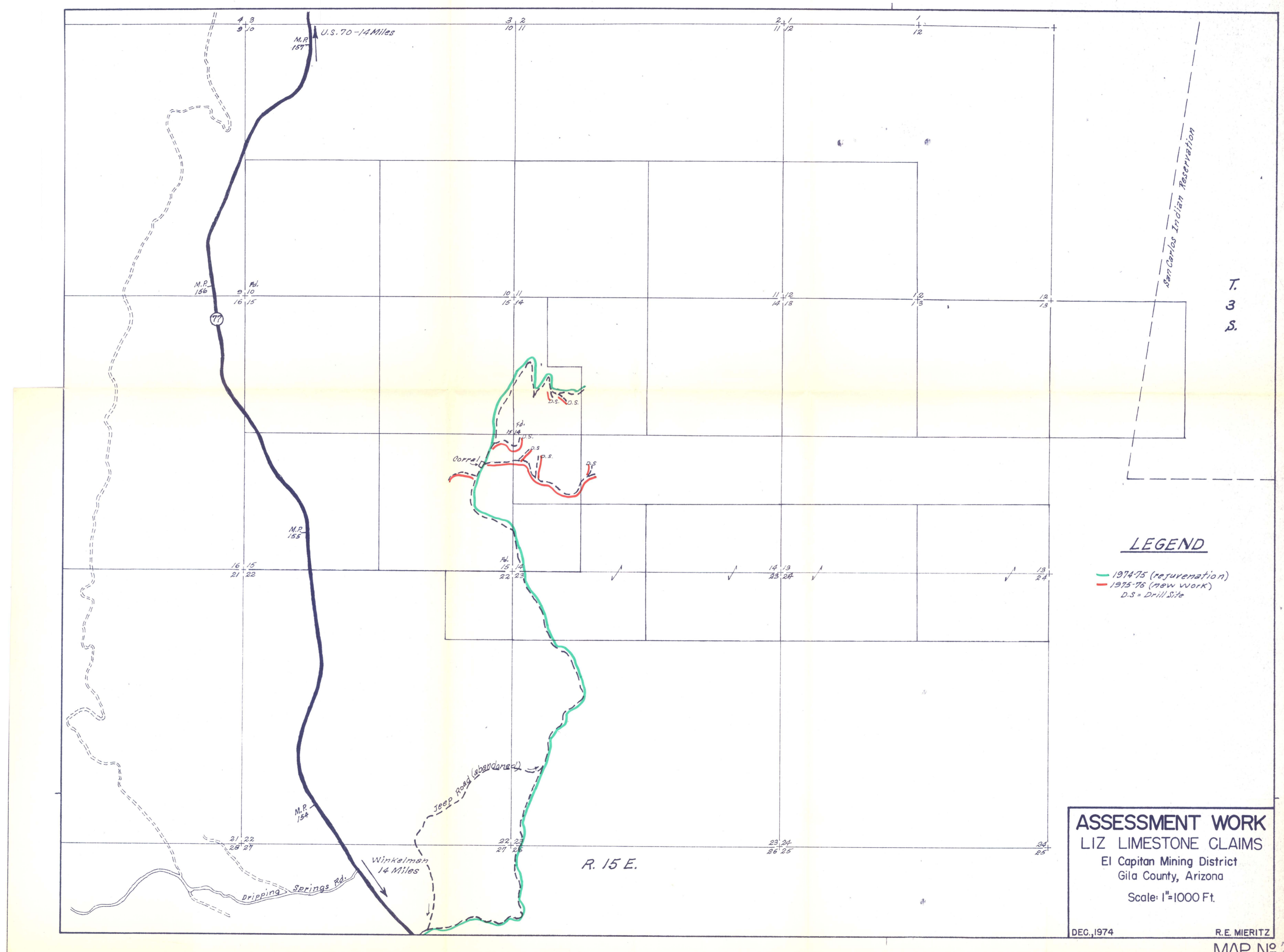
Enclosed are the keys you sent me (gold colored) and a set of the new keys (silver) which fits one of the four locks now on the gate permitting entrance to the claimed area.

It is assumed that you have received the report, including the pictures taken. My camera fouled up on one trip and I had to return to take some additional pictures. Thus, a delay there also.

Thanks very much, hope and wish you all a Merry Christmas and Happy New Year.

Sincerely,

R. E. Mieritz



LEGEND

- 1974-75 (rejuvenation)
- 1975-76 (new work)
- D.S. = Drill Site

ASSESSMENT WORK
LIZ LIMESTONE CLAIMS
El Capitan Mining District
Gila County, Arizona
Scale: 1"=1000 Ft.

CAN-AM CORPORATION

R.A. BARBERO
PRESIDENT-C.E.O.

P.O. DRAWER T
DOUGLAS, ARIZONA 85607
TELEPHONE (602) 364-2429

August 27, 1976

Dick Mieritz
2940 N. Casa Tomas
Phoenix, Arizona 85016

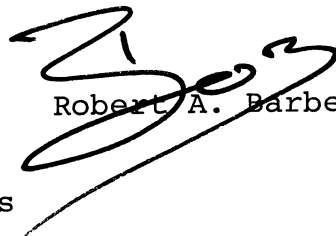
Subject: Liz Claim Samples

Dear Dick:

Attached hereto is further information on
the Liz Claim sample results.

You can plainly see there is quite a variance:
we'll get together and discuss in the near
future.

Very truly yours,



Robert A. Barbero

CC: Sherwood B. Owens

RAB:hb

Introduction:

and authorization by
at the request of Mr. B. Barber, President,
Can-Am Corp., Paul Time Division, Douglas, Arizona
the writer has surface sampled limestone
outcroppings in ~~a portion~~ the western portion of
1/2 No 1 and No 2 claims - ~~located~~ on the hillside
west of El Capitan Canyon. This sampling was
completed on August 6 and 7, the samples being
personally delivered to Paul Time office on August 8, 1976.

Objective of Program:

Paul Time is ^{intimately} desirous of establishing a lime
plant at the property providing an adequate ~~the~~ use
of good limestone exists within the confines of
the claims held by the company. The desired ~~volume~~
is put at 15,000,000 tons. If one third of this amount
(5,000,000 tons) can be indicated by ^{physical} minimal exploration
and expense, its pursuance would justify strong
consideration by Paul Time for erection of ~~structure~~ an
operating plant producing ^{up to} half million tons of lime
per year.

Execution

Planned ~~Program~~ of Exploration Program:

~~The first~~ Early surface sampling, drilling
and dull cutting sampling ~~are~~ indicated both
good and poor limestone

October 21, 1976

Mr. H. C. Hansen
CAN-AM Corporation
P. O. Drawer "T"
Douglas, Arizona, 85607

Dear Hal:

Thanks for your note on the bottom of Mr. Barbero's September 9, 1976 letter to me with reference to the transfer of claims of the Liz property.

By now you should have received the recorded Location Notices in as much as I directed the County Recorder to mailed the recorded documents to CAN-AM, Paul Lime Division, your attention.

It was necessary for me to locate LIZ claims No. 21 and 22, the position of which are shown on the Claim Map included in my most recent report of the sampling completed on the Claims.

In order to claim 80 acres for each of the two claims, I have had to use four names as the locators. These are:

Richard E. Mieritz, 2940 N. Casa Tomas, Phoenix, Arizona, 85016
Carolyn L. Mieritz, 2940 N. Casa Tomas, Phoenix, Arizona, 85016
Martha Finkel, 3038 E. Pinchot, Phoenix, Arizona, 85016
Walter Rapson, 4117 N.. 23rd Dr., Phoenix, Arizona, 85015

If Don Head will make out the necessary papers or documents to effect the transfer and send to me, I will have the necessary signatures affixed to the documents.

If you have any further questions or desires, let me know.

Sincerely,

R. E. Mieritz
Mining Consultant

CAN-AM CORPORATION

R.A. BARBERO
PRESIDENT-C.E.O.

P.O. DRAWER T
DOUGLAS, ARIZONA 85607
TELEPHONE (602) 364-2429

SEPTEMBER 9, 1976

RICHARD E. MIERITZ
2940 N. CASA TOMAS
PHOENIX, ARIZONA 85016

DEAR DICK:

THANKS FOR YOUR LETTER OF AUGUST 30, 1976.

I DO AGREE YOU SHOULD MOVE FORWARD AND
COMPLETE SAMPLE LOCATION MAP IN ORDER THAT WE MAY
HAVE AN OVERALL PICTURE OF THE AREA SAMPLED.

I'VE ASKED HAL HANSEN TO CONTACT YOU REGARDING
THE TWO CLAIMS STAKED. YOU AND HE DISCUSS THIS
SITUATION AND HE WILL ADVISE ME REGARDING A POSSIBLE
TRANSFER.

VERY TRULY YOURS,

ROBERT A. BARBERO

CC: H. C. HANSEN

RAB:HB

DICK:

REGARDING ABOVE. DO WE HAVE SOME CLAIMS TO BE TRANSFERRED
AS WE DID ABOUT A YEAR AGO???

Hal Hansen
10/19/76

XXXXXXXXXXXXXXXXXXXX16

2940 N. Casa Tomas

August 30, 1976

Mr. R. A. Barbero, Pres.
CAN-AM Corporation
P. O. Drawer "T"
Douglas, Arizona, 85607

Dear Mr. Barbero:

Thank you kindly for your August 27th letter and the results of the 24 samples I had taken on the "hill" west of El Capitan Canyon on the Liz limestone claims in Gila County, Arizona. Thank you also for the copy of Mr. Brinkers comments as to his description of the samples and the results of his burning tests. This is all very helpful and will certainly aid in defining the bulk of the "good stuff" in the area.

Admittedly, the results of the samples taken had considerable variance in chemical composition, however, this was necessary in order to properly traverse the "hill" systematically in order to define to some degree the various beds which are outcropping on this hill. For the most part, the strike of the bedding in this area and the area east of the Canyon, is N. 60° W. with a 12° SW dip at the top of the hill to 20° in the area where we were standing when looking over the situation. The good bed at the top of the hill would dip toward our standing position but at that point there would be "waste - so to speak - on top of the good bed.

Projection of the strike to the "East Hill", of where the good bed would go under cover is approximately at the 3800 foot contour line on the East Hill. You may recall that this was the area - Liz Nos 1, 2, 5 and 6 claims, we should sample for the Good Bed, which could provide the desired tonnage. The Hill sampled was, of course more accessible at the moment.

Since receipt of your August 13th letter advising "we should sit on possible engineering and exploration" I have done nothing in this direction. Having now received the complete results of the sampling I could move forward in order to complete a picture for your understanding, however, before doing so I will await your advise and authority to do so.

I staked two claims of 80 acres each on the west and north of Liz No. 1 for protection. They can be transferred if needed.

cc: Sherwood B. Owens

Sincerely,

R. E. Mieritz
Mining Consultant

CAN-AM CORPORATION

R.A. BARBERO
PRESIDENT-C.E.O.

P.O. DRAWER T
DOUGLAS, ARIZONA 85607
TELEPHONE (602) 364-2429

August 13, 1976

Dick Mieritz
2940 N. Casa Tomas
Phoenix, Arizona 85016

Dear Dick:

Attached is a rough copy of the Liz Claims samples of August 12, 1976. These analyses don't quite meet up to our expectations and I think we should sit on possible engineering and exploration until after we have a chance to visit regarding other potential, more accessible reserves in the immediate area.

Thanks.



Robert A. Barbero
President
Can-Am Corporation

Enclosure

CC: Shewrood Owens

Arthur Cle 155
Murray Pezin

John Ames
John Ames

RAB:hb

Liz Claim Samples 8/12/76

	#1371 ↓	#1377 ↓	#1379 ↓	#1381 ↓
<u>CO₂</u> →	43.40%	43.95%	43.43%	45.8%
Avail. CO ₂ of Residue → <u>After T₉₀</u>	88.2%	91.5%	90.2%	68.3%
Total CO ₂ →	52.07%	54.84%	53.97%	59.2%
Total H ₂ O →	2.52%	1.02%	1.62%	14.1%
Eqv. CO ₂ based on Total CO ₂ →	92.93%	97.87%	96.92%	69.1%
Eqv. H ₂ O based on total → H ₂ O	5.27%	2.13%	3.58%	29.1%

R. Bunker

CAN-AM CORPORATION

R.A. BARBERO
PRESIDENT-C.E.O.

P.O. DRAWER T
DOUGLAS, ARIZONA 85607
TELEPHONE (602) 364-2429

August 23, 1976

Richard E. Mieritz
2940 N. Casa Tomas
Phoenix, Arizona 85016

Subject: Liz Claims

Dear Dick:

Attached are sample analyses from the Liz claims.
You will note they bounce all over the place. Maybe
your correlation can give some rhyme or reason.

As previously advised, we will hold off on this project
until we have time to sit down and discuss later.

Very truly yours,



Robert A. Barbero

Enclosure

RAB:hb

Liz Ann Smith 8/17/74.

	\$1380 ↓	\$1382 ↓	\$1390 ↓
LE -	39.31¢	44.62¢	43.11¢
Am. Co of Rivers -	61.8¢	73.9¢	90.5¢
Total Am -	42.87¢	45.24¢	54.10¢
" Mg -	6.47¢	9.34¢	2.60¢

RFB

August 30, 1976

Hi Both of you:

Sure hope you had a good, enjoyable, relaxing and beautiful time amongst the waters of the Blue Pacific.

How was the Far East????

Is the swimming pool finished??? What are you going to use for liquid?? there is no water in Tucson anymore. I know--Beefeaters.

Sure glad you are back and I imagine you are also--but then I may be wrong.

First off--am working on some level Maps for the Carlota which should be your assessment work for year 1975-76. I have an Affidavit of Labor made out and will have it Recorded when I get up to Globe again. Probably soon if Paul Lime gets started on the Liz again.

You will probably have copies of letters from Barbero to me and will be able to follow the activity. I finished the work of 24 samples on August 28th and just now, today, got all the results. Are they having money problems??-I didn't think so. Anyway, the short cut method isn't always the best, or the fastest. However as a result of this work I do have a better idea as to where the "best bed" is and where we will have to go--the same place I recommended in my July 16th report--on the hill east of El Capitan Canyon. We will get there.

Will get the Carlota dope and probably report to you in the near future.

Carolyn is fine and sends her love to both of you.

There isn't much else new around here. Things have been just a little slow - may be because of the up and coming election. The stock market seems to show some reaction in that direction.

All the best to you.

PAUL LIME
DIVISION OF CAN AM CORPORATION
PAUL SPUR, ARIZONA

ADDRESS MAIL TO:
DRAWER T
DOUGLAS, ARIZONA 85607

July 21, 1976

TELEPHONE VIA DOUGLAS
AREA CODE 602
364-2429

Mr. Richard Mieritz
2940 N. Casa Tomas
Phoenix, Arizona 85016

Dear Dick:

I've reviewed your Proposed Program Report and am still very much interested in proceeding to develop an adequate reserve of high quality limestone. However, the cost of the procedures set forth in your report are prohibitive and we are going to have to do a lot of cost cutting on the initial stages of exploration.

I'd like to get together with you and Sherwood in the immediate future and discuss this matter. In the meantime, I would appreciate your giving some thought to the following:

- A. A minimum reserve target of fifteen million tons of high quality stone. Based on a 200,000 tons of lime per year operation we could expect a twenty-four to twenty-six year operating reserve. I am hopeful that out of all the stone located on the claims this won't be too much of a problem. I'm also hopeful this reserve can be located in the areas recommended in your report for initial testing.
- B. Detailed study and sampling of the surface in order to guesstimate the initial area to be drilled.
- C. Percussion drilling to depths of approximately 30'; this drilling to be carried out by use of our impact drill equipped with sample catcher. Samples would be taken in accordance with your instructions. Ignition losses, available calcium oxide and insolubles to be determined in our laboratory.

NOTE: Although this method of drilling, sampling and evaluation is not the most preferred, it can be carried

Mr. Richard Mieritz
July 21, 1976 (continued)

out at a much lesser cost than coring and should provide us with a rudimentary evaluation on the quality of stone and deleterious materials.

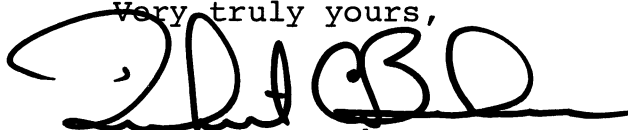
- D. Once the area is defined I would then like to have you consider intermittent corings to substantiate the findings of the percussion drill samples.
- E. Bulk samplings within the area proven and small kiln runs carried out in both the lab and the 4' x 40' experimental kilns at our plant.

I realize this is a drastic departure from your proposal, Dick, but we just can't spend the monies estimated for coring, etc.. The use of percussion drill cuttings for preliminary evaluation works well for us in our quarry and is carried out daily. As you know, we have a pretty erratic deposit here at Paul Spur.

Give the above some thought and Sherwood or I will contact you next week in order to arrange a meeting.

Thanks for your immediate response. It looks like we will be working together quit a bit during the next few months. This being the case, we would appreciate your invoicing us on a monthly basis.

Very truly yours,

A handwritten signature in black ink, appearing to read 'R. Barbero', with a large, stylized initial 'R' and a long horizontal flourish extending to the right.

Robert A. Barbero
President
Can-Am Corporation

CC: Sherwood B. Owens

RAB:hb

CAN-AM CORPORATION

R.A. BARBERO
PRESIDENT-C.E.O.

P.O. DRAWER T
DOUGLAS, ARIZONA 85607
TELEPHONE (602) 364-2429

May 3, 1977

Mr. Richard E. Mieritz
2490 N. Casa Tomas
Phoenix, Arizona 85016

Dear Dick:

Thank you for your letter of April 27 setting forth limitation on areas used for the tonnages set forth in your report of April 23, 1977. We will get together and discuss the required location for coring in lieu of percussion drill holes.

Recent developments will probably ~~make~~ ^{VALUATION} it necessary to reactivate the geological ~~volume~~ of the Liz claims. This being the case, we will probably make arrangements for core drilling in the areas recorded in your initial report on the Liz claims. If the cores appear satisfactory and not too highly laminated with clay, etc., we can then go to a percussion drill and run progressive analyses on the cuttings.

I am going to be tied up for the next week or so but will get with you at the earliest possible date.

Very truly yours,



Robert A. Barbero

RAB:hb

XXXXXXXXXXXXXXXXXXXX
XXXXXXXXXXXXXXXXXXXX
2940 N. Casa Tomas
Phoenix, AZ 85016

November 17, 1975

CAN-AM Corporation
Paul Line Division
Drawer "T"
Douglas, Arizona 85607

LIZ Limestone Claims
Assessment Work
Years 1974-75, 1975-76

Gentlemen:

Mr. H. C. Hansen, Sec.-Treas. of your Corporation, requested and authorized the writer to cause and to have done physical annual assessment work on the LIZ limestone claims, Gila County, Arizona.

Assessment improvement work, completed on or off the claims for the benefit of the claims, included rejuvenating and rebuilding in part the mine or property access road from the highway to the end of the road on claim #8. New work consisted of constructing two drillsite roads from the upper road, one drillsite road at a lower elevation and four drillsite roads from a newly constructed lower access road, - all east and north of the corral located in a pasture saddle on claim #4. An access road south and west of the corral was started. Purpose of this road is to make some of the western area of the property accessible to vehicle and equipment. This road should be continued in the future. Passenger car travel is now possible on all the main access (service) roads and to three of the six proposed drillsites.

In addition to the previously described work, the writer took eight surface samples of outcropping limestone and took the included photographs to prepare the panoramic views shown.

The writer personally and physically on the ground flagged and supervised the bulldozer constructed roads and drillsites completed by the equipment contractor, Paul Bryant, Superior, Arizona.

The assessment work so described was completed between August 18th and September 28th for the years 1974-75 and 1975-76. No further work needs be done before September 1, 1976.

See Map No. 7 and the two photographic panoramic views for the new road and drillsite construction completed.

LIZ #20 claim was located and staked by the writer, as shown on Map No. 2. This claim has been Quit claim deeded to the Company. Purpose of this claim is to make a true, uncontestable, contiguous

grouping of the original 19 claims.

Eight surface cropping samples of limestone at or near the proposed drillsites were taken by the writer and assayed by your corporation's laboratory. The locations of these samples are shown on Sample Location Map No. 4.

The results of the samples indicate that the immediate surface material is relatively impure and is material which overlays the purer beds encountered in drill holes 1 and 2 located on the upper access road to the west. It is likely that the dip of the purer beds of drill holes 1 and 2 is slightly steeper than the dip slope of the surface between the upper and lower roads. The improved character of the last three samples indicates a closer proximity to the more pure beds below. Surface sampling up dip north of the upper road should indicate the outcropping of the more pure beds. Road construction in this area would require drilling, blasting and dozing - an expensive project at this stage.

A Sample Schedule describing the samples is herewith included.

Respectfully submitted,

R. E. Mieritz
Mining Consultant
Phoenix, Arizona

REM/c

SAMPLE SCHEDULE
112 Limestone Claims

<u>Sample Number</u>	<u>Sample Description</u>	<u>Loss on Ignition</u>	<u>Av. CaO</u>
1334	Outcrop chip sample near proposed drill hole at east end of upper road. Gray, oolitic, crystalline, calcitic, medium hard, weathers gray.	44.42%	77.50%
1335	Outcrop chip sample 300 feet west of #1334 on upper road. Fine grained, crystalline, cream-gray, hard, weathers smooth and grayish, some sandstone, moderately brittle.	45.02%	46.40%
1336	Outcrop chip sample near proposed drill hole at end of east drill road from upper road. Gray, moderately crystalline, calcitic, weathers gray, similar to #1334.	45.46%	85.60%
1337	Outcrop chip sample at end of west drill road to proposed drill hole from upper road. Dark gray, flinty, siliceous, hard and brittle. Similar (?) to #1335.	45.02%	48.10%
1338	Outcrop chip sample, at road junction of upper road and west drill road, dark gray, fine grained, flinty, red chert nodules, siliceous, weathers light gray. Similar to #1335 and 1337.	42.75%	35.50%
1339	Outcrop chip sample at east end of lower road near proposed drill hole. Gray, moderately crystalline, calcitic, tough, weathers gray.	43.45%	89.00%
1340	Outcrop chip sample at north end of drill site road from middle of lower access road. Reddish gray, moderately crystalline, calcitic, weathers gray.	44.34%	91.00%
1341	Outcrop chip sample from face of cliff near proposed drill hole most westerly from lower access road. Reddish gray, crystalline, moderate size crystals, calcitic, hard, weathers gray.	43.54%	93.80%

August 15, 1977

Robert A. Barbero, Pres.
CAN-AM Corporation
Drawer "T"
Douglas, Arizona, 85607

Re: LIZ Limestone Claims

Dear Mr. Barbero:

As a result of our discussion on Thursday, August 11, 1977, as regards assessment work and a development phase to test the depth of the "good" limestone on a portion of the LIZ claims, I travelled to the property on the following day in order to determine what would be necessary to accomplish work on the small "knob" of good limestone near the western border of the claims and which, at the moment is the most accessible and where the "good" limestone appears to exist in quantity.

To these ends, I walked a possible road route southward up the north slope of the "knob" from the west $\frac{1}{4}$ corner of Sec. 10. No rock work would be required, but all new road or trail would have to be built. This would be at least a half mile of new road.

The other alternative is to approach the drilling area from the south going up the south slope to the north. This is the area you, John and I stood looking across the canyon to the "large" area of limestone. From this point there is an old road or trail leading northward up the slope towards the common Sec corner of 9, 10, 15 and 16. (indicated in green color on the map). This portion would require some repair work, but it would get us close to the first line of proposed drill holes. From this point, a trail could be constructed to service the 2nd and 3rd line of proposed holes as indicated on the Map in red coloring. The hill slope is about 20° or about 40% grade -- too steep for an air-track to pull itself and a compressor trailing. It will therefore be necessary to have a dozer present when ever the drill must be moved.

I shopped around for a dozer in the area and the only one I could find that would be available is a D-8 belonging to Gordon Wainwright at Winkelman-Hayden area. I contacted him by phone this morning and he indicates his dozer would be available within a few days. His rate is \$50.00/hr and his movein - moveout time is \$30.00/ hr. He asked if I would want an operator and I said yes, not knowing what your situation might be at the plant. This would indicate he might rent it without an operator. Also advised him I would get back to him on Wednesday or Thursday of this week

- 2 -

to arrange a date and time for him to have the dozer available. If you wish to contact him, he is Gordon Wainwright, Winkelman-Hayden exchange, telephone 356-7322, before 7:00 AM or after 5:00 PM. That number is his Office and Home number. I believe he is the one mining the limestone for Kennecott. Perhaps if you called, you might get a better rate. The dozer would not really be working (operating) the full eight hours each day but we would need the dozer until the drill was ready to be moved off the property, which I estimate at $3\frac{1}{2}$ to $4\frac{1}{2}$ days, particularly if the drill holes could be drilled to depths of 150 feet. This is unknown ground, so we do not know what to expect in the way of drilling difficulties.

As part of my equipment, I have a Jones type dry splitter and paper or plastic sample bags. I also have drill shift forms, rubber stamp for sample identification as to hole number, from and to.

As indicated during our conference on the 11th, I walked down the El Capitan Canyon from the "gate" area down southward to where the wash crosses the highway and near the turnoff of the present road (in blue on the Map) from the Highway. With all the crooks and turns in the Canyon-wash, this is a distance of approximately 3 and $\frac{1}{3}$ miles. Construction of a good wide road is possible.

Except for the lower $\frac{1}{2}$ mile, the western bank of the Wash-Canyon is not a satisfactory location for a road. The bank is steep from the wash to the main highway and it consists of a conglomerate which would require considerable blasting. The first $\frac{1}{2}$ mile, the bank is much flatter and contains much alluvium. Some culvert drainage would be required when crossing some of the small drainages. After the first $\frac{1}{2}$ mile the route could cross El Capitan Wash at a very wide area to the east bank and remain on this side to the limestone area on the east side of the Canyon east of the drilling area. An average 10% grade would provide a rise of 1000 feet for two miles from an elevation of 2800 to 3800 feet, the assumed surface elevation of the outcropping "good" limestone on the east side of the Canyon. Culvert pipe would be necessary where the alignment crosses side washes and a low level crossing could be effective where the alignment crosses from the west side to the east bank.

I talked to the Rancher a mile north of the claims. His home is right in ElCapitan Canyon and is at a level about 15 to 18 feet above the canyon floor. The house has never been washed away and it has been there for many a year. The Rancher advises what water comes down runs for about 3 to 4 hours. The wider canyon floors show no evidence of high water--perhaps 2 to 4 feet because large bushes and trees are growing at this height. The average large boulder appears to be about 14 inches--not very large for a "fast-tremendous" flowing stream.

The other alternative is damming the Canyon with adequate culvert pipe at various elevations to permit the flow through.

Please advise what day the drill will be ready and what arrangements, if any you might have made with Mr. Wainwright.

Sincerely,

R. E. Mieritz

M O U N



LIZ
Claims

Little
RS Spring

RS Spring

Proposed
Drill
Holes

Trail to
be built

Road in
Disrepair

Gate

Capitan

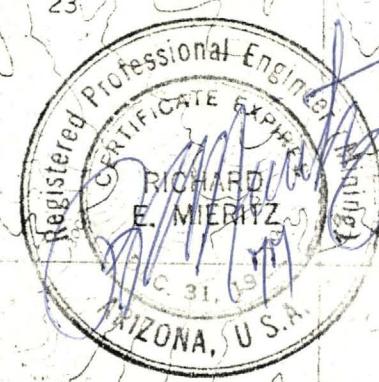
Canyon

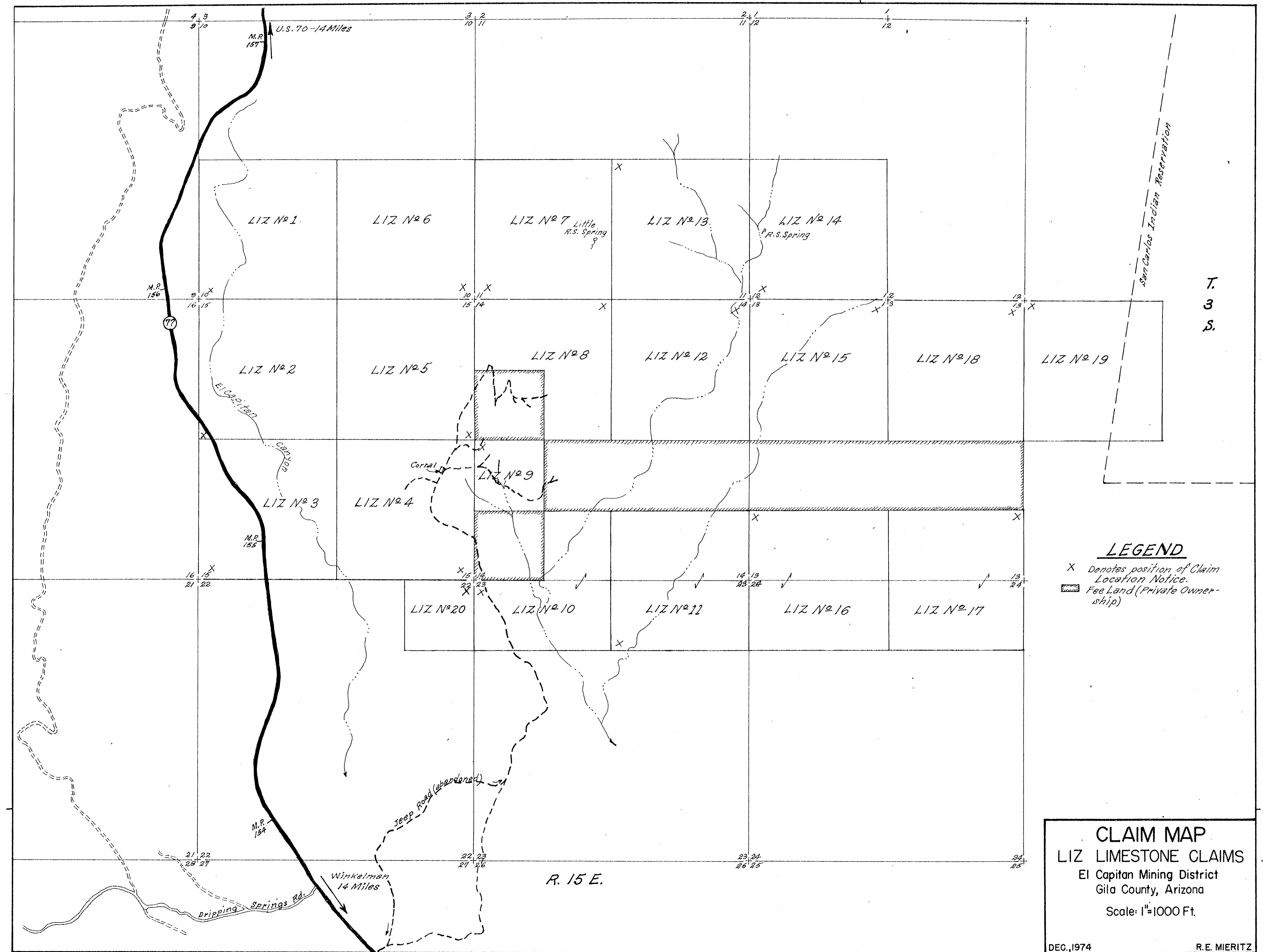
Coral

Future
Possible
ROAD

Present Road

Dripping
Spring
Turnoff





PAUL LIME DIVISION

PAUL SPUR, ARIZONA

**ADDRESS MAIL TO:
DRAWER T
DOUGLAS, ARIZONA 85607**

September 15, 1975

**TELEPHONE VIA DOUGLAS
AREA CODE 602
364-2429**

Richard E. Mieritz
2940 N. Casa Tomas
Phoenix, Arizona 85016

Dear Dick:

In connection with the Liz claims in T 3 S, R 15 E, Gila County on which you started working several weeks ago, you should be aware that title to the claims was transferred on May 9, 1975 from Paul Lime Plant, Inc. to Can-Am Corporation.

We are known as Paul Lime Division of Can-Am Corporation.

Our mailing address remains the same.

CAN-AM CORPORATION
Paul Lime Division



H. C. Hansen
Secretary-Treasurer

HCH:hb

February 14, 1975

Mr. Sherwood B. Owens:
P. O. Box 769
Tucson, Arizona, 85702

Dear Mr. Owens:

Enclosed please find an original and three copies of the last page of my Report on the LIZ Limestone Claims, Paul Line Plant, Inc. which I would like to request that you substitute for the last page in the above referred to Report which was dated December 28, 1974.

This substitution because I had erred in the presentation of a tonnage figure in the last paragraph of the page. Inadvertantly I had added one zero when reporting the tonnage for a 75 foot depth, and the secretary copied what I had in the rough draft.

The tonnage reported in the first instance was 1,088,800,000 tons of limestone for the 75 foot depth, when in reality it should have been reported as 108,880,000 tons which is now the figure in the enclosed page.

I greatly regret this error and ask for your pardon, hoping it has not caused you too much inconvenience.

Sincerely yours,

R. E. Mieritz,
Mining Consultant
Phoenix, Arizona.

UNPATENTED PLACER MINING CLAIMS

LIZ NO.	Section	Acres
1	SW $\frac{1}{4}$ Section 10 T3S, R15E	160
2	NW $\frac{1}{4}$ Section 15 T3S, R15E	160
3	SW $\frac{1}{4}$ Section 15 T3S, R15E	160
4	SE $\frac{1}{4}$ Section 15 T3S, R15E	160
5	NE $\frac{1}{4}$ Section 15 T3S, R15E	160
6	SE $\frac{1}{4}$ Section 10 T3S, R15E	160
7	SW $\frac{1}{4}$ Section 11 T3S, R15E	160
8	E $\frac{1}{2}$ NW $\frac{1}{4}$, NW $\frac{1}{4}$, NW $\frac{1}{4}$ Section 14 T3S, R15E	120
9	NW $\frac{1}{4}$ SW $\frac{1}{4}$ Section 14, T3S, R15E	40
10	N $\frac{1}{2}$ NW $\frac{1}{4}$ Section 23 SE $\frac{1}{4}$ SW $\frac{1}{4}$ Section 14 T3S, R 15E	120
11	N $\frac{1}{2}$ NE $\frac{1}{4}$ Sec 23 S $\frac{1}{2}$ SE $\frac{1}{4}$ Section 14 T3S, R15E	160
12	NE $\frac{1}{4}$ of Section 14 T3S, R15E	160
13	SE $\frac{1}{4}$ Section 11 T3S, R15E	160
14	SW $\frac{1}{4}$ Section 12 T3S, R15E	160
15	NW $\frac{1}{4}$ Section 13 T3S, R15E	160
16	N $\frac{1}{2}$ NW $\frac{1}{4}$ Section 24 S $\frac{1}{2}$ SW $\frac{1}{4}$ Section 13 T3S, R15E	160
17	S $\frac{1}{2}$ SE $\frac{1}{4}$ Section 13 N $\frac{1}{2}$ NE $\frac{1}{4}$ Sec 24 T3S, R15E	160

PAUL LIME PLANT, INC.

PAUL SPUR, ARIZONA

UNPATENTED PLACER MINING CLAIMS (continued page 2)

LIZ No 18	5-9-67	NE $\frac{1}{4}$ Section 13 ✓ T3S., R15E	455	160 ✓ Acres
LIZ No 19 ✓	5-9-67	NW $\frac{1}{4}$, Section 18 T3S., R16E	456	160 ✓ acres

*Total (Including conflict area of claim No. 19
and San Carlos Indian Reservation*

~~2720~~
2840 acres

December 28, 1974

Mr. Sherwood B. Owens
P. O. Box 769
Tucson, Arizona, 85702

CONFIDENTIAL

Dear Mr. Owens:

Herewith my Geological and Sampling Report on the LIZ Limestone property of Paul Lime Plant, Inc., Paul Spur, Arizona.

Mr. H. Hansen of Paul Lime Plant and yourself provided the writer with some factual data as prepared by Dirk Den-Baars, Consulting Geologist of Tucson. The information provided was very helpful to the writer, however, some discrepancies appear in the factual data particularly with reference to the drill hole Maps, and their locations as well as reference to a particular quarter Section corner.

Attached herewith is a copy each of three maps provided the writer the originals being prepared by Dirk Den-Baars. The first is a plan Map of the drill holes whereas the other two maps are a section through the drill holes, these being Numbered 1, 2 and 3. In each instance, the scale is 1" = 100 feet. The writer has assumed that Map number 1 is actual size in as much as it was a blue print or a black line print and not a zerox copy. Consequently, the writer has used this scale as the true scale of 1" = 100 feet, even though there is no "second point" of reference to use besides the $\frac{1}{4}$ corner of Sec. 14, 15 near bottom center. Map number 3 has not been reduced because the hole lengths measure true. The problem which concerns the writer is that the distances between drill holes is quite different between the Plan Map number 1 and the Section Map number 3. The measured distances in each case have been marked in red by the writer for comparison purposes. It is obvious that the distances do not match, consequently some error, but the writer cannot determine where the error occurs unless he himself resurveys.

Regardless, the writer has used the distances on Map number 1 to replot the hole locations on the writers own prepared Maps included in the report. Unfortunately, the plotted positions show that drill holes K-1 and K-2 were drilled on the patented ground described as $\frac{1}{4}$ SW/4NW/4 of Sec. 14. If the writers assumption of using the measured distances on Map number 1 is incorrect, then the writers own Map will also be incorrect at this time.

Note should also be made of the wrong naming of the $\frac{1}{4}$ corner near the bottom center of Map number 1. It is assumed that the section

numbers of 14 and 15 have merely been reversed as indicated in red pencil.

Although academic at this point, the limestone beds encountered in drill holes K-1 and K-2 have been classified as the Martin limestone, the writer believes the limestone to be that of the Naco formation, with the Martin limestone underlying the Escabrosa limestone as in the case at Superior, Arizona where the sequence is Troy quartzite, Martin limestone, Escabrosa limestone and the Naco limestone being on top of all.

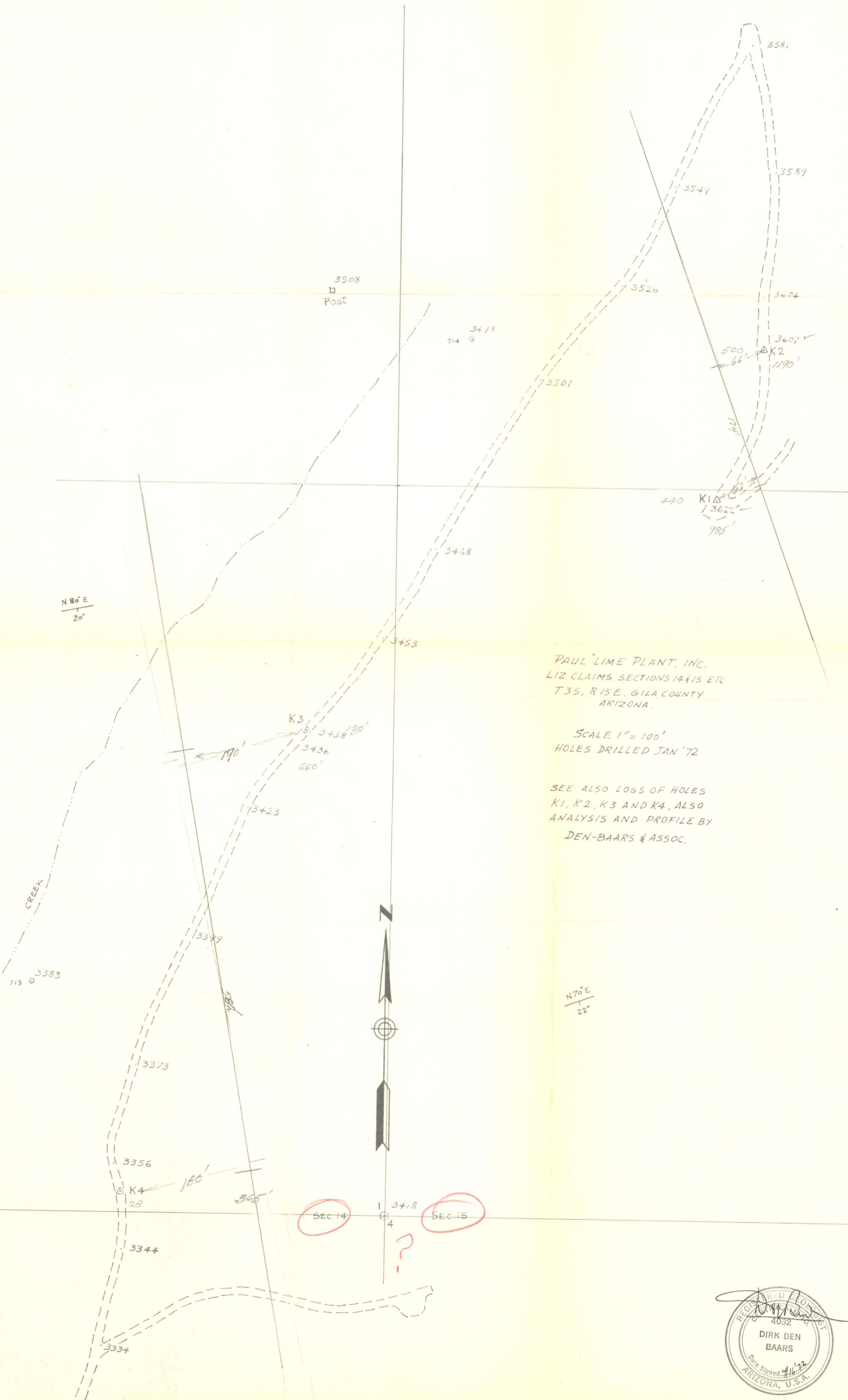
The writer has termed the penetrated limestone the Naco on the Geology Map and in the Section--Map No. 6.

The third point of error appears to be that the general thought is all 19 claims are of a contiguous nature and considered as one group. Reference to this fact is paragraph 2 of Den-Baars & Associates April 25, 1972 Memorandum on the LIZ Claims, Limestone Deposit, Gila County, State of Arizona. This fact of error is expanded upon in the writers report in the first paragraph under PROPERTY, LOCATION and ACCESSIBILITY. This is an important fact because accessment work is required on each group, which apparently here - to - for has not been done. Accessment work for year 1974-75 should be physical work on each group but if one more claim were staked or located and it had the legal description of N/2NE/4 of Sec. 22, T. 3 S., R. 15 E., this would then make or combine the two groups into an big single group of 20 claims.

Please be advised that the foregoing is not of a critical nature but has been presented to correct noted inaccuracies which do exist at the moment.

Sincerely yours,

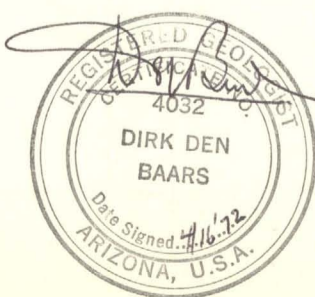
R. E. Mieritz,
Mining Consultant
Phoenix, Arizona.



PAUL LIME PLANT, INC.
LIZ CLAIMS, SECTIONS 14 & 15 ETC
T3S, R15E, GILA COUNTY
ARIZONA.

SCALE 1" = 100'
HOLES DRILLED JAN '72

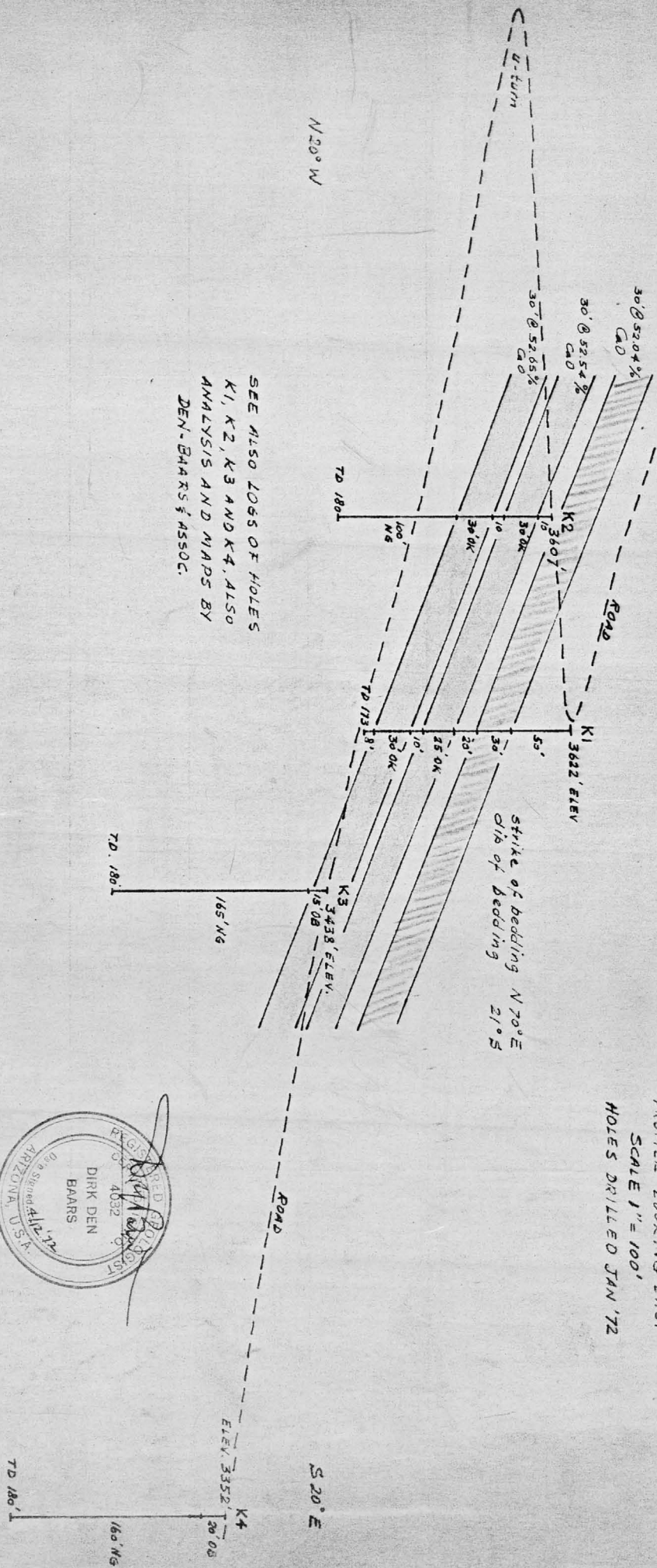
SEE ALSO LOGS OF HOLES
K1, K2, K3 AND K4, ALSO
ANALYSIS AND PROFILE BY
DEN-BAARS & ASSOC.



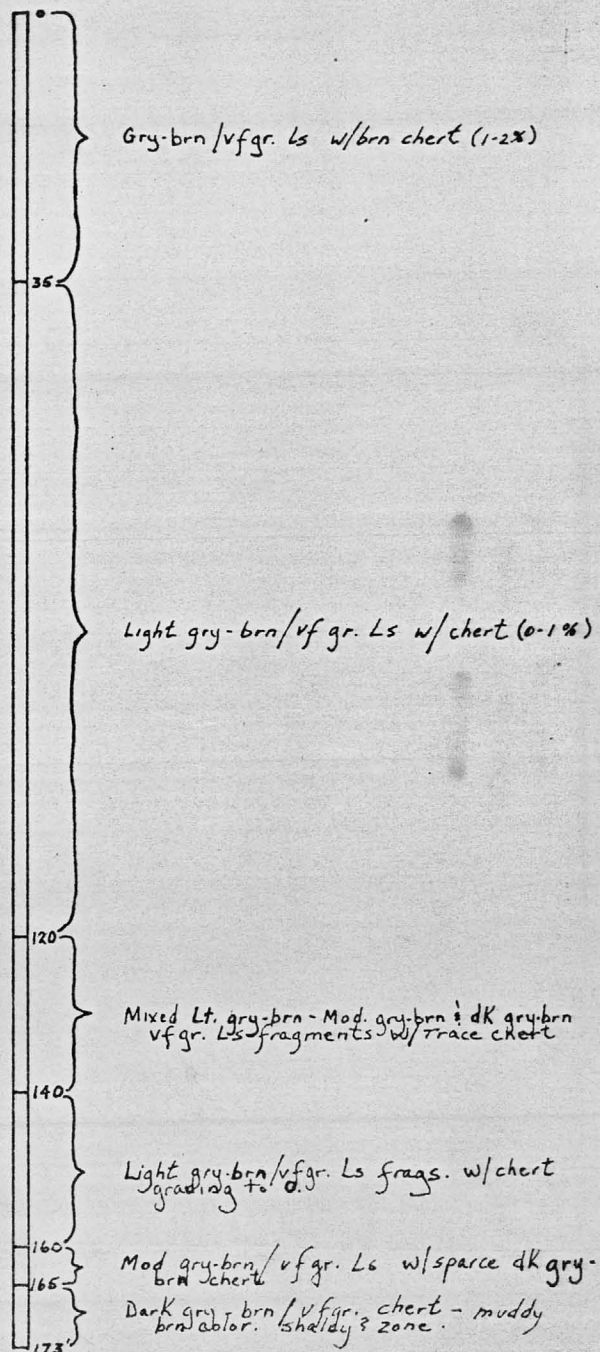
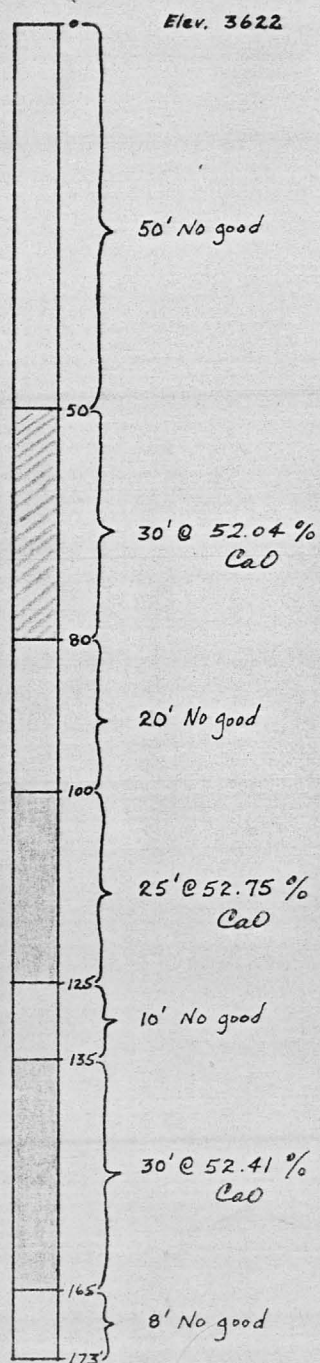
PAUL LINE PLANT, INC.
LIZ CLARK, SECTION 14,
T3S, R15E, GILA COUNTY

PROFILE LOOKING EAST
SCALE 1" = 100'
HOLES DRILLED JAN '72

SEE ALSO LOGS OF HOLES
K1, K2, K3 AND K4. ALSO
ANALYSIS AND MAPS BY
DEN-BARS & ASSOC.

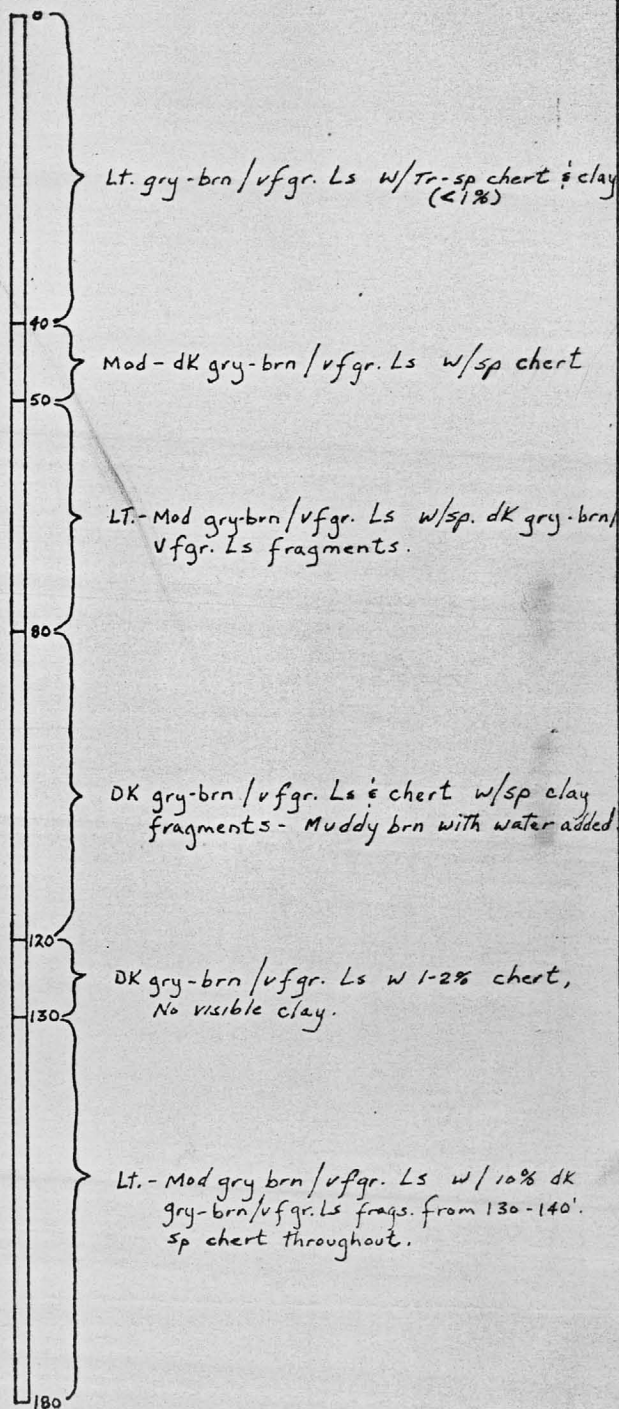
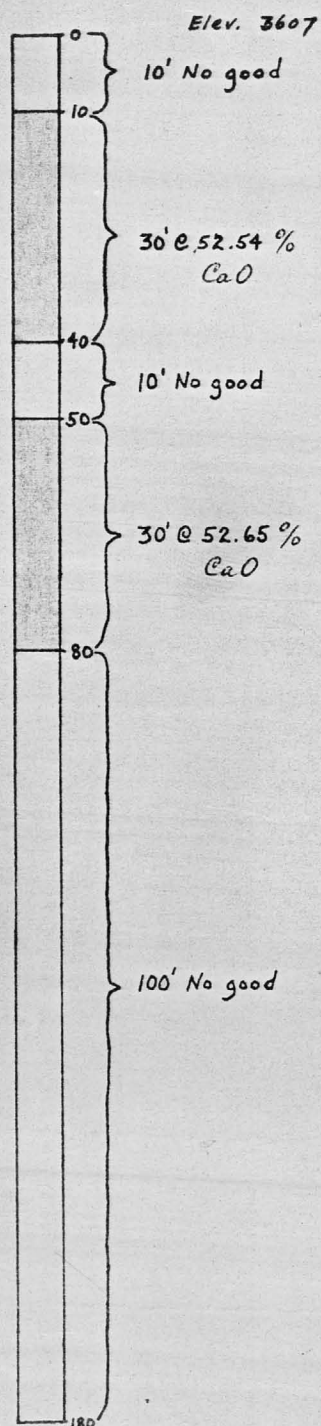


Hole K-1
Liz Claims



Scale 1" = 20' D.T.F.

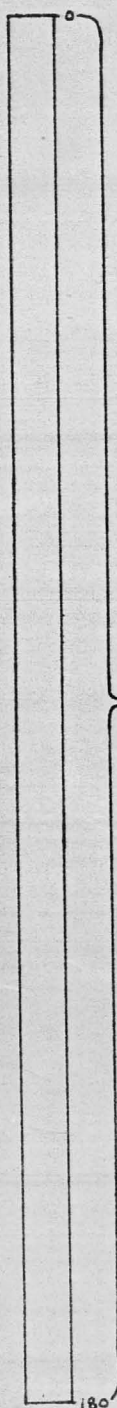
Hole K-2
Liz Claims



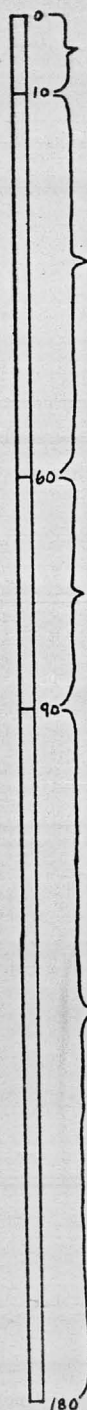
Scale 1" = 20' D.T.F.

Hole K-3
Liz Claims

Elev. 3438



180' No good



Overburden - Ls, chert & dirt fragments

DK gry / vfgr. Ls w/LT gry / vfgr. Ls frags.
approx. 5%, chert-agate 2-10%, clay 1%.

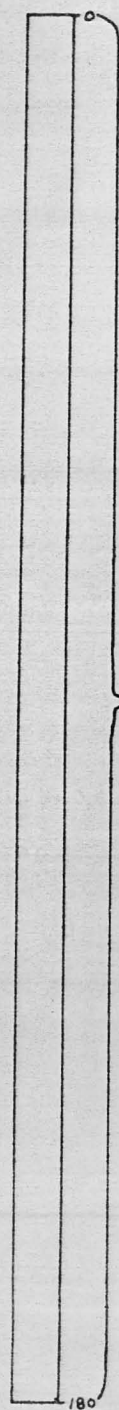
Lt. gry-brn / vfgr. Ls w/dk gry / vfgr Ls
frags. \approx 20%, chert-agate decr. 2%,
clay 1%.

DK gry / vfgr. Ls w/Lt. gry-brn / vfgr Ls
frags. \approx 5%, chert-agate 5-10% (15-20%
from 150-170'), clay 1%.

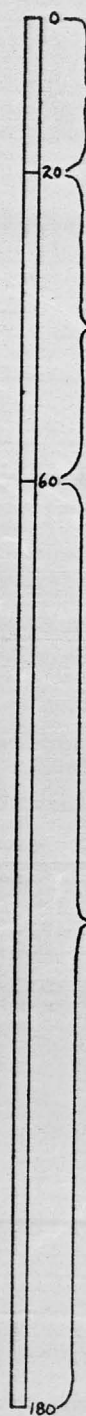
Scale 1" = 20' D.T.F.

Hole K-4
Liz Claims

Elev. 3350



180' No good



Overburden - Ls, chert, dirt - probably into bedrock approx. 17' (DK gry/vfgr. Ls w/chert ss)

LT. - Mod gry-brn/vfgr. Ls, sp chert, clay 0-2%.

DK gry/vfgr. Ls w/10-20% chert To 80',
80-130' 1-2% chert, 130-160' 25-30% chert
160-170' 10-15% chert, 170-180' 1-2% chert.

Scale 1" = 20' D.T.F.

1000 # 259	LOI	Av. CaO of LOI Residue	Total CaO	Total MgO	SiO ₂	P ₂ O ₅
(K1) 0-10	32.56%	20.9%				
10-15	24.95%	9.6%				
15-20	25.92%	8.5%				
20-25	27.19%	6.0%				
25-30	32.80%	10.4%				
30-35	42.01%	31.7%				
35-40	42.98%	55.1%				
40-45	43.80%	62.3%	39.98%		10.93%	
45-50	38.72%	66.1%	43.90%		4.81%	
50-55	42.39%	83.0%	49.54%		1.33%	
55-60	43.12%	89.6%	52.88%		.74%	
60-65	44.96%	85.7%	52.08%		1.08% .82%	
65-70	43.07%	87.4%	52.77%	30' 0 52.04	.66%	
70-75	43.78%	92.9%	53.69%		.91%	
75-80	41.22%	84.1%	51.27%		1.24%	
80-85	40.16%	75.2%	48.85%		.33%	
85-90	40.49%	78.6%	49.54%		Tr.	
90-95	43.40	91.5%	53.46%		.66%	
95-100	37.40%	68.4%	45.85%		.99%	
100-105	42.82%	89.3%	53.46%		.49%	
105-110	43.80%	95.4%	54.62%		tr.	
110-115	43.84%	95.9%	55.08%	25' 0 52.75	trace	
115-120	43.82%	95.4%	54.85%		tr.	
120-125	44.94%	80.5%	45.74%		7.70%	
125-130	44.65%	65.6%	38.60%		12.43%	
130-135	44.07%	70.3%	41.02%		10.24%	
135-140	43.84%	81.9%	46.44%		5.95%	
140-145	43.85%	94.0%	53.81%		1.07%	
145-150	43.89%	94.6%	54.62%	30' 0	Tr.	
150-155	43.81%	95.1%	54.50%	52.41	.91%	
155-160	43.68%	94.0%	54.15%		.75%	
160-165	43.53%	86.3%	50.93%		2.65%	
165-170	43.12%	41.0%				
170-175	38.15%	16.2%				

5' Fracture
correl.
see K2

(K2) 0-10	42.36%	83.5%	10 ft 08		
10-20	42.84%	86.6%		51.85%	.75%
20-30	43.56%	94.0%	30 ft ok 90.3	54.38%	.25%
30-40	43.87%	90.4%		51.39%	.29%
40-50	44.69%	67.0%	10 ft Bad see K1	39.41%	11.56%
50-60	43.97%	87.4%		49.66%	3.89%
60-70	43.81%	93.7%	30 ft ok 91.2	54.15%	.50%
70-80	43.65%	92.6%		54.15%	.10%
80-90	41.16%	51.3%		39.98%	8.03%
90-100	43.30%	47.1%			
100-110	43.18%	72.8%			
110-120	42.38%	50.7%			
120-130	45.98%	52.9%			
130-140	35.59%	40.2%			
140-150	37.75%	38.3%			
150-160	39.19%	36.9%			
160-170	45.10%	59.8%			
170-180	45.30%	73.3%			

(K3) 0-10	36.80%	52.9%			
10-20	40.48%	60.4%			
20-30	38.94%	51.8%			
30-40	41.55%	60.9%			
40-50	40.85%	57.9%			
50-60	42.43%	58.4%			
60-70	42.05%	63.1%			
70-80	41.30%	60.9%			
80-90	39.73%	55.9%			
90-100	41.22%	60.1%			
100-110	40.75%	59.3%			
110-120	35.16%	50.1%			
120-130	40.44%	55.9%			
130-140	39.95%	52.9%			
140-150	37.15%	33.6%			
150-160	38.35%	55.9%			
160-170	38.02%	42.7%			
170-180	41.17%	57.9%			

<u>Footings</u>	<u>I.L.</u>	<u>Av. CaO of Res.</u>	<u>Total CaO</u>	<u>Total MgO</u>	<u>SiO₂</u>	<u>R₂O₃</u>
1-10	41.18%	47.4%				
10-20	42.80%	75.06%				
20-30	43.03%	84.6%	50.58%	1.66%		
30-40	43.96%	63.4%				
40-50	42.13%	68.4%				
50-60	41.97%	67.8%				
60-70	41.74%	51.0%				
70-80	40.63%	41.9%				
80-90	42.49%	33.9%				
90-100	43.83%	47.9%				
100-110	43.87%	78.6%				
110-120	43.52%	83.8%				
120-130	41.37%	81.0%				
130-140	35.98%	61.2%				
140-150	37.22%	42.2%				
150-160	26.07%	11.8%				
160-170	32.37%	11.5%				
170-180	41.58%	46.3%				

CAN-AM CORPORATION

H.C. HANSEN
SECRETARY-TREASURER

P.O. DRAWER T
DOUGLAS, ARIZONA 85607
TELEPHONE (602) 364-2429

January 26, 1977

Richard E. Mieritz
2940 N. Casa Tomas
Phoenix, Arizona 85016

Dear Mr. Mieritz:

We are enclosing Quit Claim Deeds for Liz No. 21
and Liz. No. 22. Please sign, have notarized
and return to this office.

Thanks.



H. C. Hansen

HCH:hb

QUIT CLAIM DEED

For and in consideration of the sum of TEN DOLLARS (\$10.00), and other valuable considerations, we, RICHARD E. MIERITZ and CAROLYN L. MIERITZ, his wife, Grantors, do hereby quitclaim unto CAN-AM CORPORATION, INC., an Arizona Corporation, all their right, title and interest in and to the following described property situate in Gila County, Arizona, to wit:

Liz No. 21 unpatented placer mining claim, located in the El Capitan Mining District, recorded in Docket 407, page 877, in the Official Records of the Gila County Recorder, Arizona.

TOGETHER with all improvements thereon situate.

Dated this _____ day of _____, 1977.

*Corrected copy
E. Mieritz
2-2-77*

RICHARD E. MIERITZ

CAROLYN L. MIERITZ

Grantors

STATE OF ARIZONA)
) ss:
County of Maricopa)

On this, the _____ day of _____, 1977, before me the undersigned Notary Public, personally appeared RICHARD D. MIERITZ and CAROLYN L. MIERITZ, his wife, known to me (or satisfactorily proven) to be the persons whose names are subscribed to the within instrument, and acknowledged to me that they executed the same for the purposes therein contained.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

Notary Public

My Commission Expires:

QUIT CLAIM DEED

For and in consideration of the sum of TEN DOLLARS (\$10.00), and other valuable considerations, we, RICHARD E. MIERITZ and CAROLYN L. MIERITZ, his wife, Grantors, do hereby quitclaim unto CAN-AM CORPORATION, INC., an Arizona Corporation, all their right, title and interest in and to the following described property situate in Gila County, Arizona, to wit:

Liz No. 22 unpatented placer mining claim, located in the El Capitan Mining District, recorded in Docket 407, page 878, in the Official Records of the Gila County Recorder, Arizona.

TOGETHER with all improvements thereon situate.

Dated this _____ day of _____, 1977

RICHARD E. MIERITZ

CAROLYN L. MIERITZ

Grantors

STATE OF ARIZONA)
) ss:
COUNTY OF MARICOPA)

On this, the _____ day of _____, 1977, before me the undersigned Notary Public, personally appeared RICHARD D. MIERITZ and CAROLYN L. MIERITZ, his wife, known to me (or satisfactorily proven) to be the persons whose names are subscribed to the within instrument, and acknowledged to me that they executed the same for the purposes therein contained.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

Notary Public

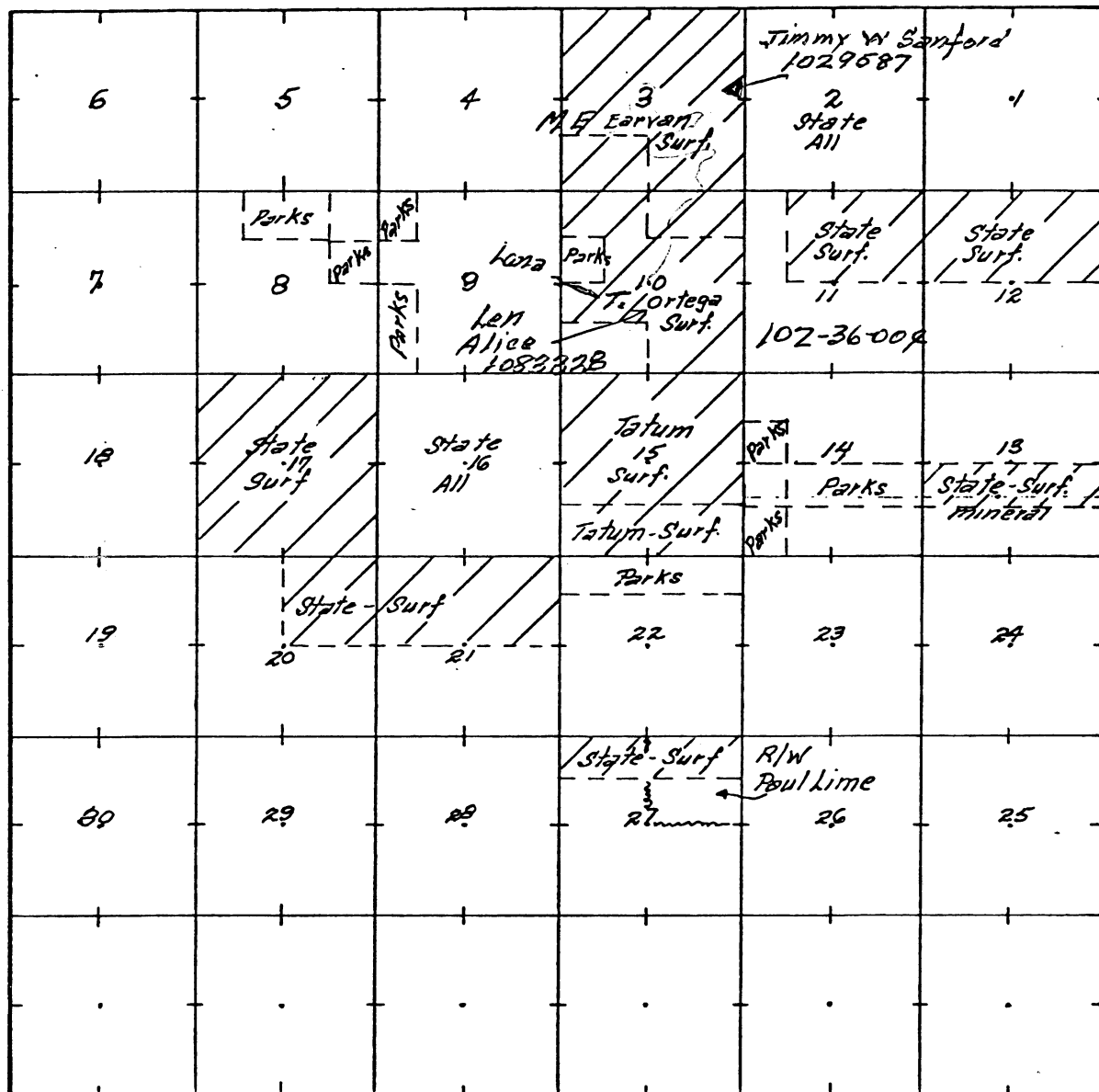
My Commission Expires:

PHOTO I - View of Surface on east side of El Capitan Canyon showing the approximate outline of the various limestone beds in this Area. An attempt has been made to indicate the approximate position or location of samples Nos. 1537 through 1556. Lines between samples are east-west and north-south, the distance in most cases being 200 feet in a grid type pattern. The limestone outcroppings north of the Naco contact, are all probably Escabrosa limestone.

PHOTO II - Looking southeasterly down El Capitan Canyon showing the limestone beds on the East side of the Canyon and the back or north side of the limestone hill between the Canyon and the Highway (west side of the Canyon. Beds #6, 7 and 8 all contain nodules and globules of chert or silica. These limestones would be quite impure.






R. 15 E.

102-36-002



T.
3
S.

LEGEND

-  FEE LAND - Owner has surface and Mineral Rights.
-  FEDERAL LAND - U. S. Gov. has surface and mineral Rights.
-  FEDERAL LAND - Patentee has surface Rights, U. S. Gov. has mineral Rights.
-  STATE LAND - STATE has surface and mineral Rights.
-  STATE LAND - STATE has surface Rights, U. S. Gov. has mineral Rights.

LAND CLASSIFICATION MAP

LIZ CLAIM AREA
Gila County, Arizona

SCALE: 1"= 1 Mile.

Sept., '77

R. E. M.

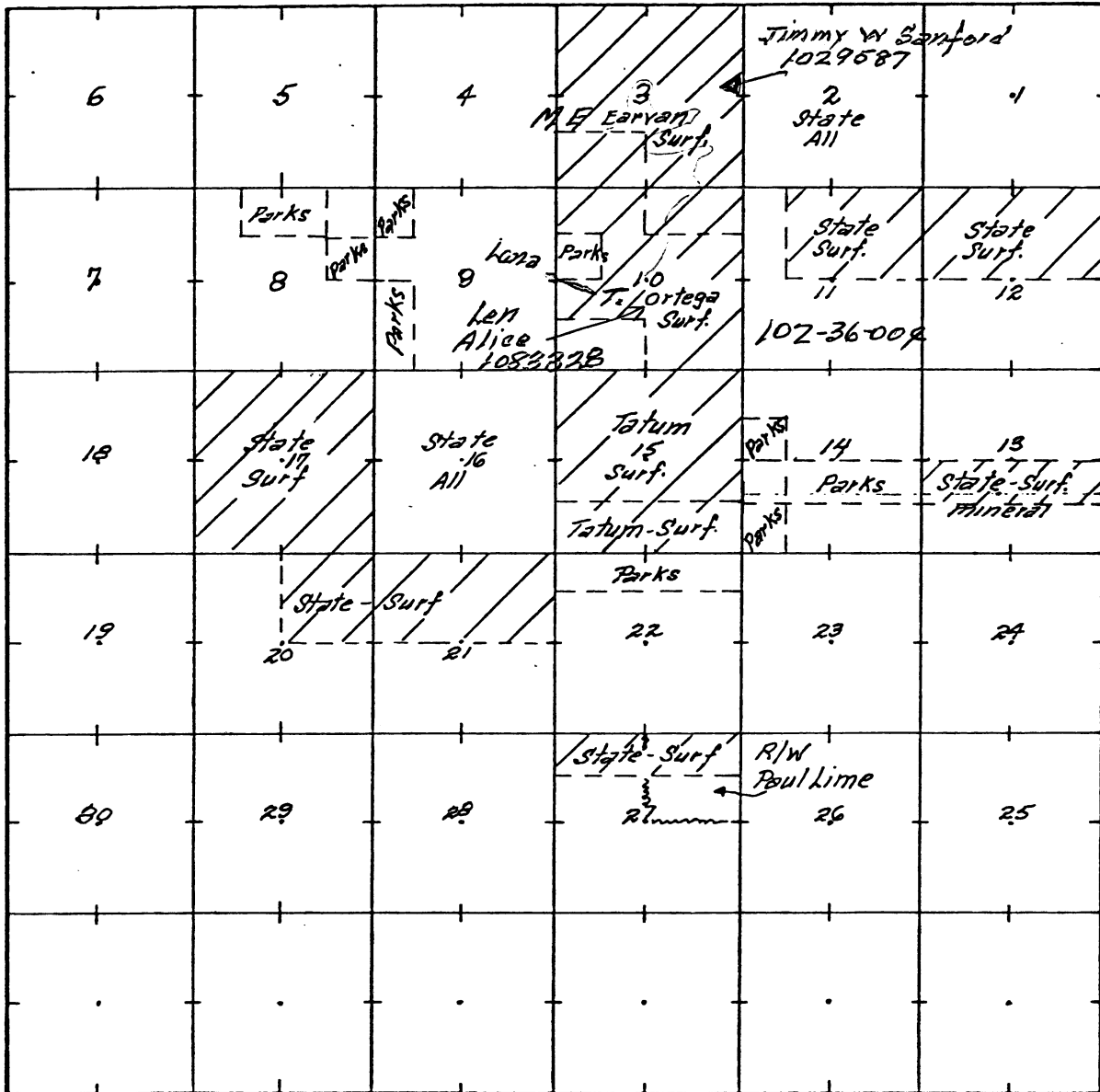
MAP NO

PHOTO I - View of Surface on east side of El Capitan Canyon showing the approximate outline of the various limestone beds in this Area. An attempt has been made to indicate the approximate position or location of samples Nos. 1537 through 1556. Lines between samples are east-west and north-south, the distance in most cases being 200 feet in a grid type pattern. The limestone outcroppings north of the Naco contact, are all probably Escabrosa limestone.






PHOTO II - Looking southeasterly down El Capitan Canyon showing the limestone beds on the East side of the Canyon and the back or north side of the limestone hill between the Canyon and the Highway (west side of the Canyon. Beds #6, 7 and 8 all contain nodules and globules of chert or silica. These limestones would be quite impure.

R. 15 E.

102-36-002



LEGEND

-  FEE LAND - Owner has surface and Mineral Rights.
-  FEDERAL LAND - U. S. Gov. has surface and mineral Rights.
-  FEDERAL LAND - Patentee has surface Rights, U. S. Gov. has mineral Rights.
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LAND CLASSIFICATION MAP

LIZ CLAIM AREA
Gila County, Arizona

SCALE: 1" = 1 Mile.

Sept., '77

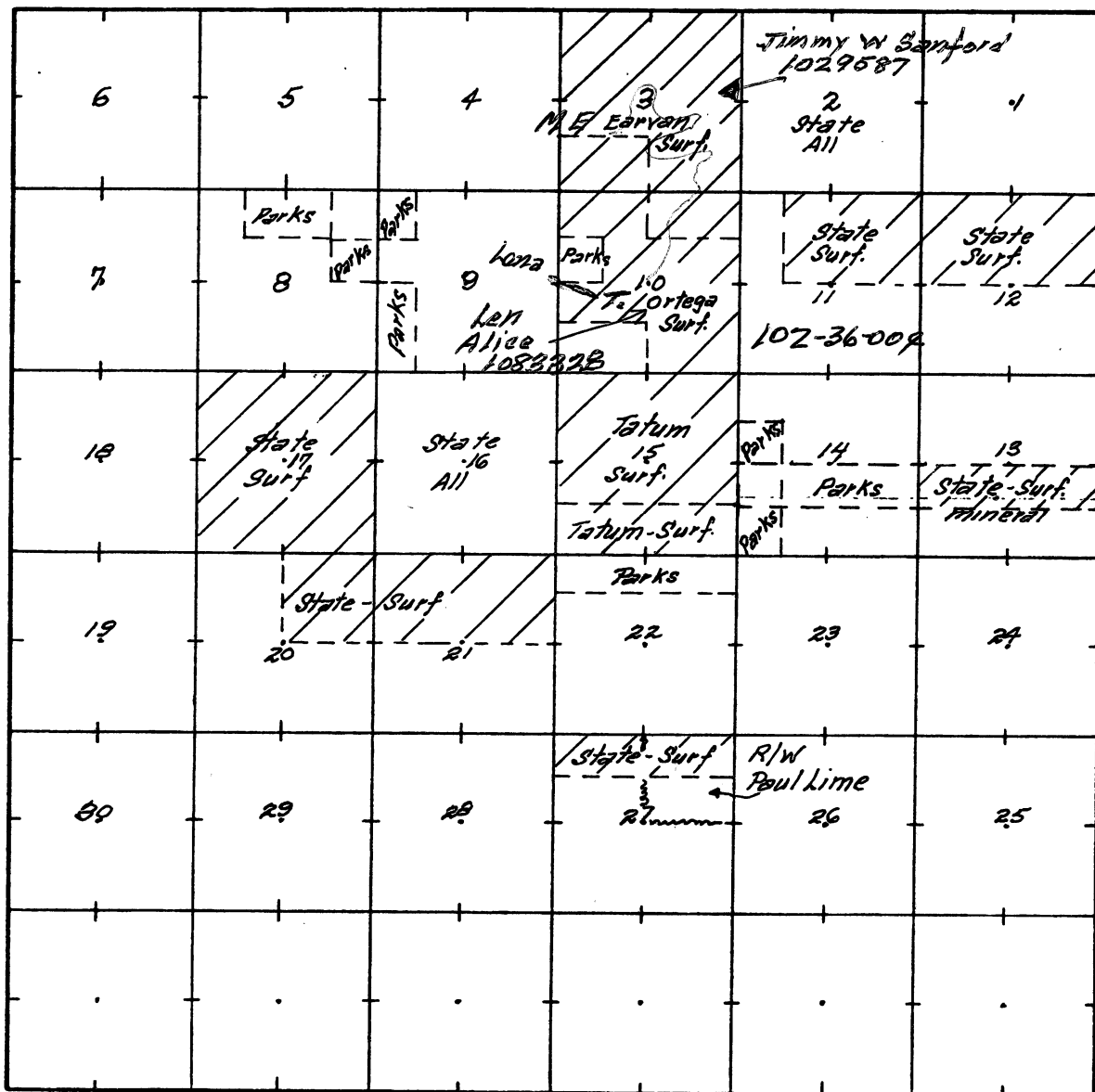
R. E. M.

MAP No

PHOTO I - View of Surface on east side of El Capitan Canyon showing the approximate outline of the various limestone beds in this Area. An attempt has been made to indicate the approximate position or location of samples Nos. 1537 through 1556. Lines between samples are east-west and north-south, the distance in most cases being 200 feet in a grid type pattern. The limestone outcroppings north of the Naco contact, are all probably Escabrosa limestone.






PHOTO II - Looking southeasterly down El Capitan Canyon showing the limestone beds on the East side of the Canyon and the back or north side of the limestone hill between the Canyon and the Highway (west side of the Canyon. Beds #6, 7 and 8 all contain nodules and globules of chert or silica. These limestones would be quite impure.

102-36-002



T.
3
S.

LEGEND

- | | |
|---|--|
|  | FEE LAND - Owner has surface and Mineral Rights. |
|  | FEDERAL LAND - U. S. Gov. has surface and mineral Rights. |
|  | FEDERAL LAND - Patentee has surface Rights, U. S. Gov. has mineral Rights. |
|  | STATE LAND - STATE has surface and mineral Rights. |
|  | STATE LAND - STATE has surface Rights, U. S. Gov. has mineral Rights. |

LAND CLASSIFICATION MAP

LIZ CLAIM AREA
Gila County, Arizona

SCALE: 1"= 1 Mile.

Sept. , '77

R. E. M.

MAP NO

REPLY TO:

2940 N. CASA TOMAS
PHOENIX, ARIZONA 85016
TELEPHONE (602) 277-6053

Richard E. Mieritz

MINING CONSULTANT

ARIZONA REGISTERED
MINING ENGINEER AND GEOLOGIST

GEOLOGY
EXPLORATION
EVALUATION
FEASIBILITY
OPERATION

10/15/79

Mr. [unclear]:

Here with (20) samples, however, I have a bit of a problem. Last Monday, Oct. 8 I took samples 1569 through 1574. Someone stole my backpack, water jug and these samples - within 20 minutes while I hiked up the road to get my car. (Backpack was hidden behind bush I cut off sight from highway - but somebody must have parked and saw it) Anyway, the above samples were retaken on this Saturday - with different numbers. Numbers 1569 through 1574 are marked in the field as such. The new samples have numbers as 1580 through 1585. Please report and cross reference both numbers as follows. ~~1579~~ 1579.

1569 - 1580	} then continue with 1579, 1586 through 1598.
1570 - 1581	
1571 - 1582	
1572 - 1583	
1573 - 1584	
1574 - 1585	

Note Samples 1575 through 1578 from other work not San Am.

Thanks - R. E. Mieritz I will report both numbers on Map.



PHOTO II - Looking southeasterly down El Capitan Canyon showing the limestone beds on the East side of the Canyon and the back or north side of the limestone hill between the Canyon and the Highway (west side of the Canyon. Beds #6, 7 and 8 all contain nodules and globules of chert or silica. These limestones would be quite impure.

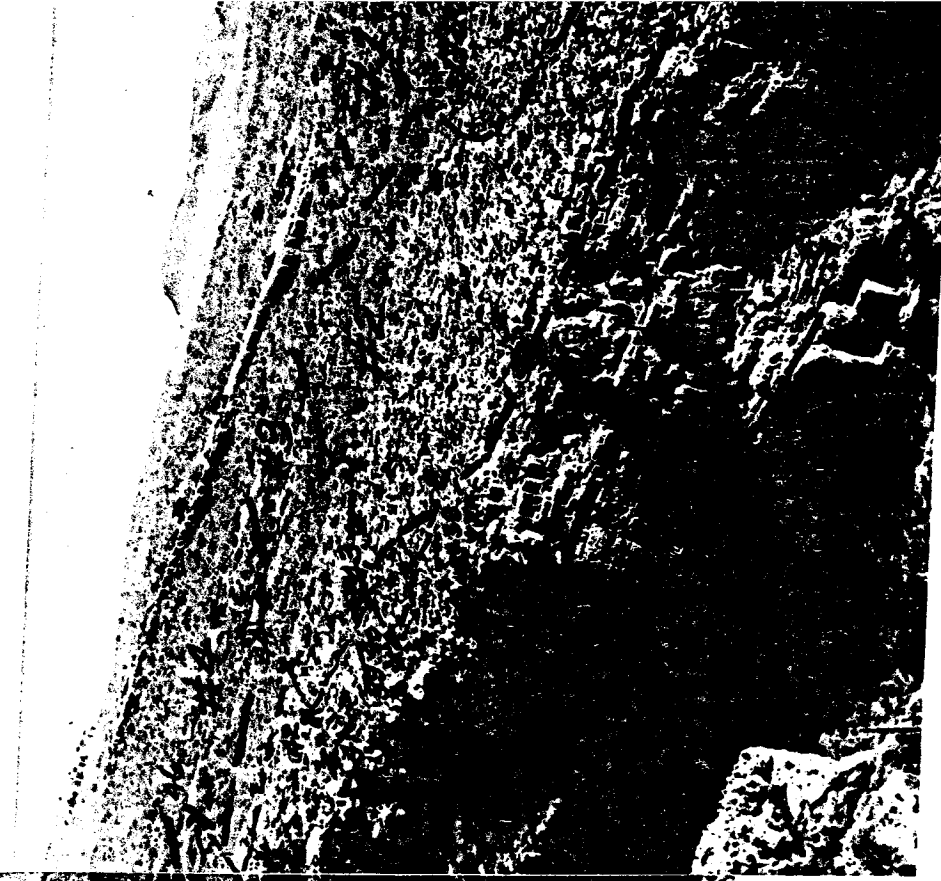


PHOTO I - View of Surface on east side of El Capitan Canyon showing the approximate outline of the various limestone beds in this Area. An attempt has been made to indicate the approximate position or location of samples Nos. 1537 through 1556. Lines between samples are east-west and north-south, the distance in most cases being 200 feet in a grid type pattern. The limestone outcroppings north of the Naco contact, are all probably Escabrosa limestone.