



CONTACT INFORMATION  
Mining Records Curator  
Arizona Geological Survey  
416 W. Congress St., Suite 100  
Tucson, Arizona 85701  
602-771-1601  
<http://www.azgs.az.gov>  
[inquiries@azgs.az.gov](mailto:inquiries@azgs.az.gov)

The following file is part of the JABA, Inc. Tombstone Mining Records

#### **ACCESS STATEMENT**

These digitized collections are accessible for purposes of education and research. We have indicated what we know about copyright and rights of privacy, publicity, or trademark. Due to the nature of archival collections, we are not always able to identify this information. We are eager to hear from any rights owners, so that we may obtain accurate information. Upon request, we will remove material from public view while we address a rights issue.

#### **CONSTRAINTS STATEMENT**

The Arizona Geological Survey does not claim to control all rights for all materials in its collection. These rights include, but are not limited to: copyright, privacy rights, and cultural protection rights. The User hereby assumes all responsibility for obtaining any rights to use the material in excess of "fair use."

The Survey makes no intellectual property claims to the products created by individual authors in the manuscript collections, except when the author deeded those rights to the Survey or when those authors were employed by the State of Arizona and created intellectual products as a function of their official duties. The Survey does maintain property rights to the physical and digital representations of the works.

#### **QUALITY STATEMENT**

The Arizona Geological Survey is not responsible for the accuracy of the records, information, or opinions that may be contained in the files. The Survey collects, catalogs, and archives data on mineral properties regardless of its views of the veracity or accuracy of those data.

0087

Volume 7 ; Book 8

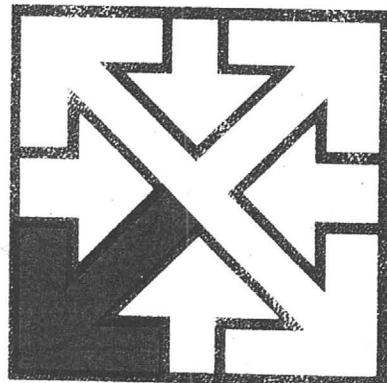
# TOMBSTONE

Mining District

Cochise County

ARIZONA

Stewart Mines Claims - #1  
Correspondence and Legal

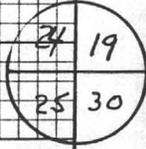
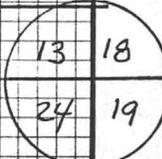
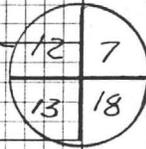
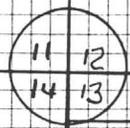
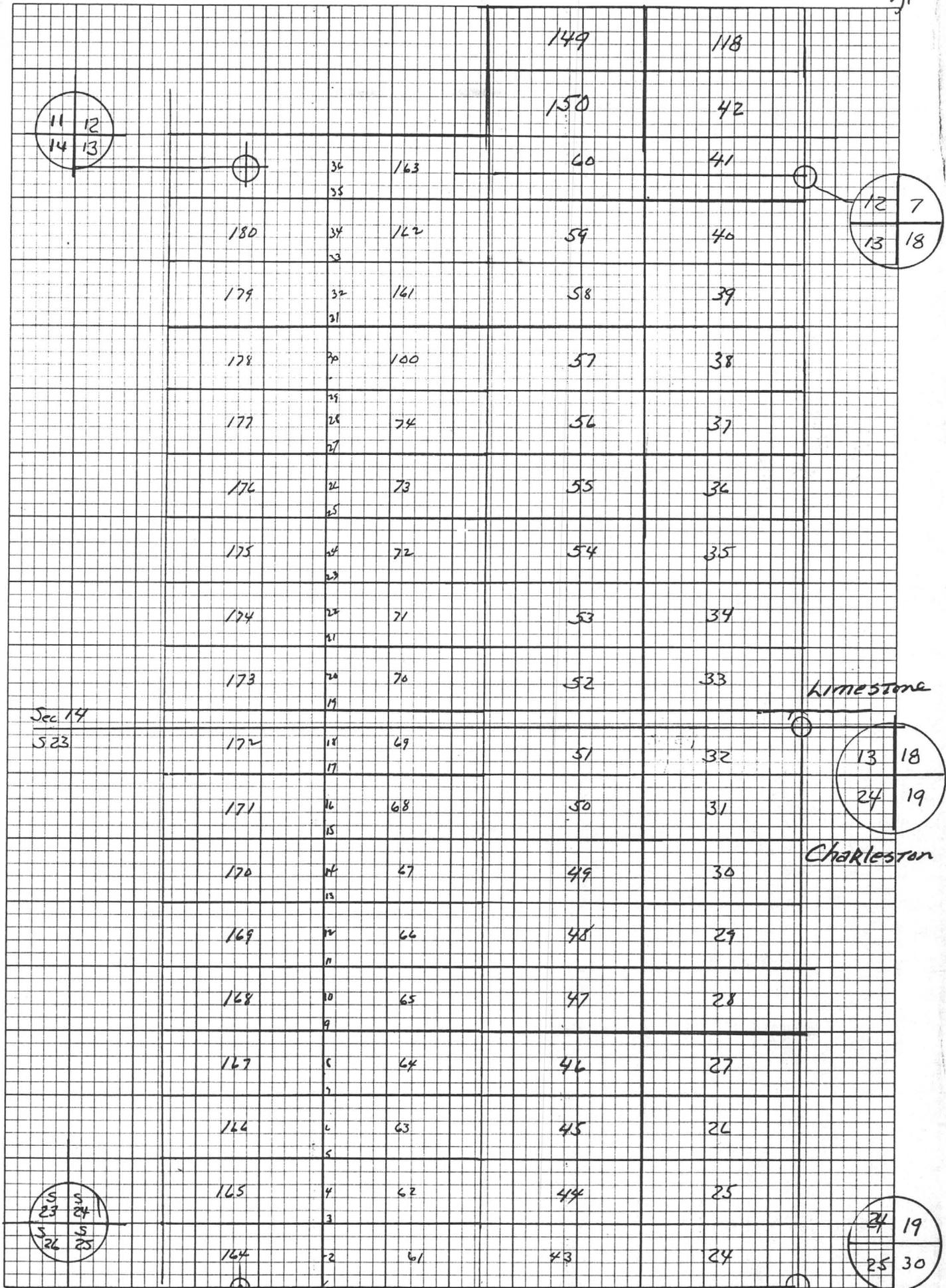


**Southwestern  
Exploration  
Associates**

**Mineral Exploration &  
Natural Resource  
Consultants**

*Tucson, Arizona*

STEWART MINES  
HARNE GROUP



Sec 14  
523

Limestone

Charleston

D

GROUP "C" 15 CLAIMS

Home 85-89 - 8/21/67 \* 5  
 Home 90-94 10/31/67  
 Home 95-99 8/11/67 \* 5

Assessment 10 claims - \$1000 by 9/1  
 There After - 1500<sup>00</sup> / Annual -

GROUP "D" 12 CLAIMS

Home 101-109A 10/17/67 -  
 v 159 & 160 12/26/67 -

No Assessment Required. This Year.  
 There After \$1200<sup>00</sup>

TOTAL 106 CLAIMS.

- Summary Assessment Required 9/1/68

A.	19	Hold L-1 OK
B.	5	?
C.	10	?
D.	<u>0</u>	<u>0</u>
	34	

345

File  
Claims  
Inventory

LIMESTONE

HORNE	# 33-42	8/4/67	- 10 Claims	"A" Group	*
✓	52-60	8/4/67	9 "	"A"	*
✓	70-74	10/31/67	5 "	"A"	
✓	100	10/31/67	1 "	"A"	
✓	161-163	10/31/67	3 "	"A"	
✓	173-181	10/31/67	9 "	"A"	
✓	118-150	10/6/67	33 "	A	
✓	151-154	10/17/67	4 "	A	
			<u>74</u>		

"A" Group of Claims are contiguous - 74 each  
 Assessment work required by Law - as follows  
 \* only Claims requiring Assessment prior to 9/1/68

19 Claims Value \$1900<sup>00</sup> -

Annual Assessment this Group thereafter - \$7400<sup>00</sup>

Hole "L-1" Being Drilled on Claim Horne #123  
 will far exceed value required

Questions:

(1) Can <sup>excess</sup> Assessment work be done in year '68  
 & qualify for Assessment work in year '69

(2) If Group "A" Claims are contiguous, containing  
 for example Claim 123, on which work is  
 done; can this work be applied only to  
 those 19 Claims requiring <sup>the</sup> Annual work or  
 must it cover the entire Group -

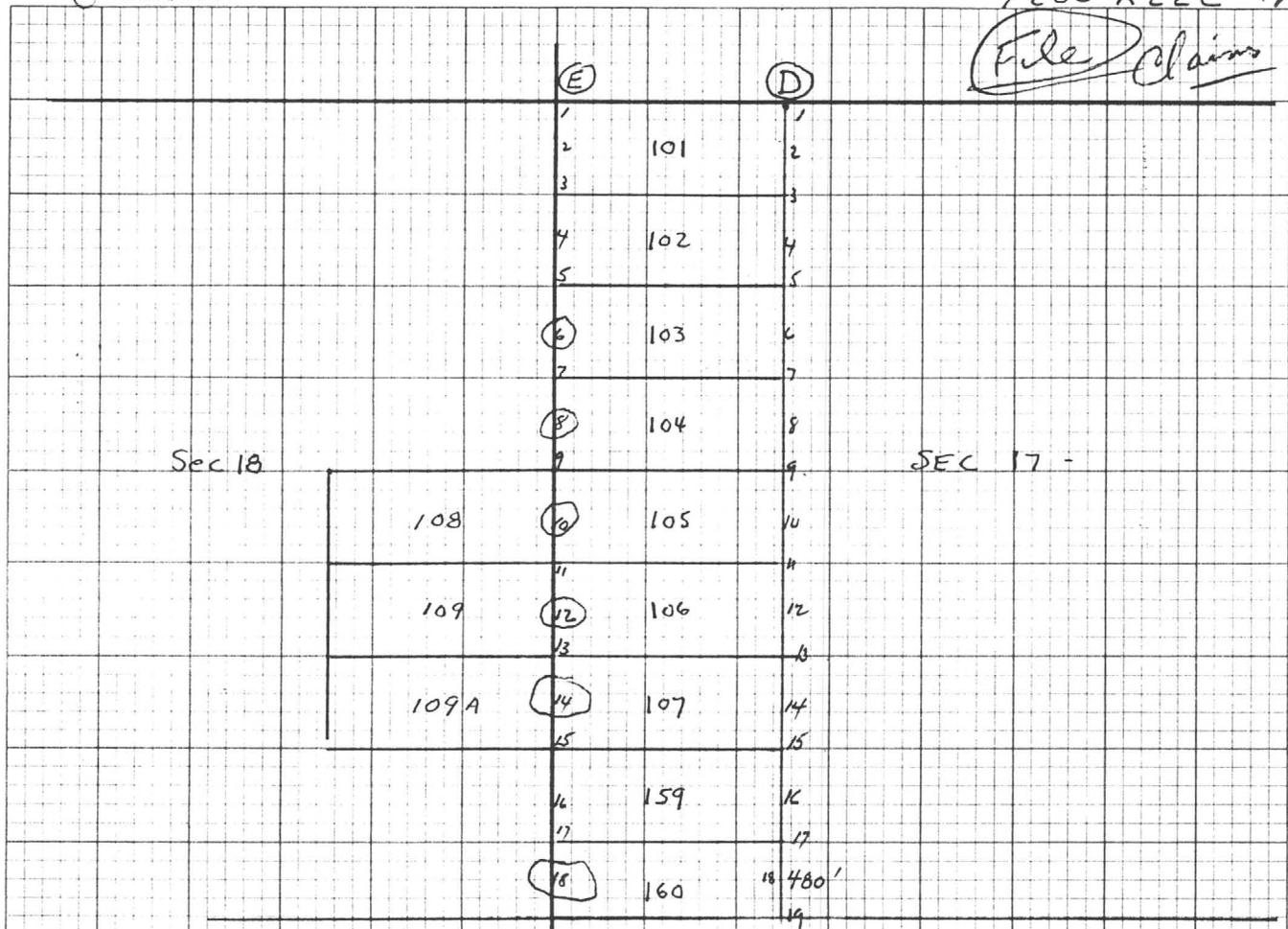
"B" Group - 5 Claims -

80-84 - 8/19/67 -  
 assessment work \$500<sup>00</sup>

Junestone

T20S R22E 240

File Claims



18 = 160

16 = 107 A

101 in ~~101~~ E 4

OFFSETS

- E1 - 60' N (EW Fence)
- E2 - 60' South EW Rock Ridge
- E11 - South Bank - Sandy Wash
- E12 - 500' E of Windmill
- D-1 48' N Fence
- D-5 84' N of NNE & SSW Road
- D-8 - 65' South of Position South Bank Large Wash
- D-9 - 40' South of Position South Bank of Wash

347

# Notice of Mining Location

## LODE CLAIM

TO ALL WHOM IT MAY CONCERN:

This Mining Claim, the name of which is the HORNE # 101 Mining Claim, situate on land belonging to the United States of America, and in which there are valuable mineral deposits, was entered upon and located for the purpose of exploration and purchase by M. S. HORNE, Trustee for certain citizens of the United States and certain corporations organized under the laws of states of the United States and qualified to do business in the State of Arizona.

(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 17 day of October, 1967.

The length of this claim is 1500 feet and I claim 1500 feet in a Easterly direction and 0 feet in a Westerly direction from the center of the discovery point, at which this notice is posted, lengthwise of the claim together with 300 feet in width of the surface grounds, on each side of the center of said claim. The general course of the lode deposit and premises is from the West to the East.

The claim is situated and located in the Tombstone Mining District, in Cochise County in the State of Arizona, about 300 feet in a Southerly direction from the Northwest corner of Section 17, T 20 S, R 22 E, G. & S. R. B. & M. West line of claim is common with west line of said Section 17. North line of claim is common with the north line of said Section 17.

The surface boundaries of the claim are marked upon the ground as follows:  
Beginning at a 4" x 4" Post

at a point in a 0 direction 300 feet from the discovery point (at which this notice is posted), being in the center of the West

end line of said claim; thence North 300 feet to a 4" x 4" Post, being the Northwest corner of said claim; thence East 1500 feet to a 4" x 4" Post being at the Northeast corner of said claim; thence South 300 feet to a 4" x 4" Post at the center of the East end of this claim; thence South 300 feet to a 4" x 4" Post, being at the Southeast corner of said claim; thence West 1500 feet to a 4" x 4" Post at the Southwest corner of said claim; thence North 300 feet to the place of beginning.

Dated and posted on the grounds this 17 day of October, 1967.

Charles Hughes Witness  
M. S. Horne M. S. HORNE, Trustee  
Locator(s)

STATE OF ARIZONA } ss.  
COUNTY OF COCHISE }

Witness my hand and Official Seal

JAMES O. DIXON

County Recorder

Deputy

Indexed Photostatic Blotted  
Copied

\$2.00  
Fee \$1.00

DKT 507

Docket

I hereby certify that the within instrument was filed and recorded at request of

James Stewart Co.  
3033 W. Central Ave., Suite 707  
Phoenix, Ariz 85012

Date OCT 23 1967 8-00 AM

Page 80 No. 20687

348

# Notice of Mining Location

## LODE CLAIM

TO ALL WHOM IT MAY CONCERN:

This Mining Claim, the name of which is the HORNE # 102  
Mining Claim, situate on land belonging to the United States of America, and in which there are valuable mineral deposits, was entered upon and located for the purpose of exploration and purchase by M. S. HORNE, Trustee for certain citizens of the United States and certain corporations organized under the laws of states of the United States and qualified to do business in the State of Arizona.

(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 17 day of October, 1967

The length of this claim is 1500 feet and I claim 1500 feet in a Easterly direction and 0 feet in a Westerly direction from the center of the discovery point, at which this notice is posted, lengthwise of the claim together with 300 feet in width of the surface grounds, on each side of the center of said claim. The general course of the lode deposit and premises is from the West to the East.

The claim is situated and located in the Tombstone Mining District, in Cochise County in the State of Arizona, about 900 feet in a Southerly direction from the Northwest corner of Section 17, T 20 S, R 22 E, G. & S. R. B. & M. West line of claim is common with west line of said Section 17. North line of claim is common with the south line of Claim Horne #101.

The surface boundaries of the claim are marked upon the ground as follows:  
Beginning at a 4" x 4" Post  
at a point in a 0 direction 300 feet from the discovery point (at which this notice is posted), being in the center of the West

end line of said claim; thence North 300 feet to a 4" x 4" Post, being the Northwest corner of said claim; thence East 1500 feet to a 4" x 4" Post being at the Northeast corner of said claim; thence South 300 feet to a 4" x 4" Post at the center of the East end of this claim; thence South 300 feet to a 4" x 4" Post, being at the Southeast corner of said claim; thence West 1500 feet to a 4" x 4" Post at the Southwest corner of said claim; thence North 300 feet to the place of beginning.

Dated and posted on the grounds this 17 day of October, 1967

Clark Hughes Witness  
M. S. Horne M. S. HORNE, Trustee  
Locator(s)

STATE OF ARIZONA } ss.  
COUNTY OF COCHISE }

Witness my hand and Official Seal  
**JAMES O. DIXON**

County Recorder  
A. White Deputy

Indexed Photostat Blotted  
Compared  
AK

\$2.00  
Fee \$2.00

Docket DKT 507

I hereby certify that the within instrument was filed and recorded at request of

James Stewart Co  
Phoenix, Ariz

Date OCT 23 1967 8-00 AM

Page 81 No. 20688

343

# Notice of Mining Location

LODE CLAIM

TO ALL WHOM IT MAY CONCERN:

This Mining Claim, the name of which is the HORNE # 103 Mining Claim, situate on land belonging to the United States of America, and in which there are valuable mineral deposits, was entered upon and located for the purpose of exploration and purchase by M. S. HORNE, Trustee for certain citizens of the United States and certain corporations organized under the laws of states of the United States and qualified to do business in the State of Arizona.

(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 17 day of October, 1967.

The length of this claim is 1500 feet and I claim 1500 feet in a Easterly direction and 0 feet in a Westerly direction from the center of the discovery point, at which this notice is posted, lengthwise of the claim together with 300 feet in width of the surface grounds, on each side of the center of said claim. The general course of the lode deposit and premises is from the West to the East.

The claim is situated and located in the Tombstone Mining District, in Cochise County in the State of Arizona, about 1500 feet in a Southerly direction from the Northwest corner of Section 17, T 20 S, R 22 E, G. & S. R. B. & M. West line of claim is common with west line of said Section 17. North line of claim is common with the south line of Claim Horne #102.

The surface boundaries of the claim are marked upon the ground as follows:

Beginning at a 4" x 4" Post at a point in a 0 direction 300 feet from the discovery point (at which this notice is posted), being in the center of the West end line of said claim; thence North 300 feet to a 4" x 4" Post, being the Northwest corner of said claim; thence East 1500 feet to a 4" x 4" Post being at the Northeast corner of said claim; thence South 300 feet to a 4" x 4" Post at the center of the East end of this claim; thence South 300 feet to a 4" x 4" Post, being at the Southeast corner of said claim; thence West 1500 feet to a 4" x 4" Post at the Southwest corner of said claim; thence North 300 feet to the place of beginning.

Dated and posted on the grounds this 17 day of October, 1967.

*Clark Hughes*  
Witness

*M. S. Horne*  
M. S. HORNE, Trustee  
Locator(s)

STATE OF ARIZONA } ss.  
COUNTY OF COCHISE }

Witness my hand and Official Seal

12.00

Fee \$2.00

**JAMES O. DIXON**

County Recorder

*A. White*

Deputy

Photo Copied	Blotted
<i>H</i>	<i>H</i>

Docket **DKT 507**

I hereby certify that the within instrument was filed and recorded at request of

*James Stewart Co*  
*Phoenix, Ariz*

Date **OCT 23 1967 8-00 AM**

Page **82** No. **20689**

400

# Notice of Mining Location

## LODE CLAIM

TO ALL WHOM IT MAY CONCERN:

This Mining Claim, the name of which is the HORNE # 104  
Mining Claim, situate on land belonging to the United States of America, and in which there are valuable mineral deposits, was entered upon and located for the purpose of exploration and purchase by M. S. HORNE, Trustee for certain citizens of the United States and certain corporations organized under the laws of states of the United States and qualified to do business in the State of Arizona.

(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 17 day of October, 1967.

The length of this claim is 1500 feet and I claim 1500 feet in a Easterly direction and 0 feet in a Westerly direction from the center of the discovery point, at which this notice is posted, lengthwise of the claim together with 300 feet in width of the surface grounds, on each side of the center of said claim. The general course of the lode deposit and premises is from the West to the East.

The claim is situated and located in the Tombstone Mining District, in Cochise County in the State of Arizona, about 2100 feet in a Southerly direction from the Northwest corner of Section 17, T 20 S, R 22 E, G. & S. R. B. & M. West line of claim is common with west line of said Section 17. North line of claim is common with the south line of Claim Horne #103.

The surface boundaries of the claim are marked upon the ground as follows:  
Beginning at a 4" x 4" Post

at a point in a 0 direction 300 feet from the discovery point (at which this notice is posted), being in the center of the West

end line of said claim; thence North 300 feet to a 4" x 4" Post, being the Northwest corner of said claim; thence East 1500 feet to a 4" x 4" Post being at the Northeast corner of said claim; thence South 300 feet to a 4" x 4" Post at the center of the East end of this claim; thence South 300 feet to a 4" x 4" Post, being at the Southeast corner of said claim; thence West 1500 feet to a 4" x 4" Post at the Southwest corner of said claim; thence North 300 feet to the place of beginning.

Dated and posted on the grounds this 17 day of October, 1967.

Clark Hughes  
Witness

M. S. Horne  
M. S. HORNE, Trustee  
Locator(s)

STATE OF ARIZONA }  
COUNTY OF COCHISE } ss.

Witness my hand and Official Seal \$ 2.00  
Fee \$ 2.00  
JAMES O. DIXON  
County Recorder

A. White Deputy

Indexed	Photostat	Blotted
<u>AT</u>	<u>AT</u>	<u>AT</u>
Compared		

Docket DKT 507

I hereby certify that the within instrument was filed and recorded at request of

James Stewart Co.  
Phoenix, Ariz

Date OCT 23 1967 8-00 AM

Page 83 No. 20690

Notice of Mining Location

LODE CLAIM

TO ALL WHOM IT MAY CONCERN:

This Mining Claim, the name of which is the HORNE # 105 Mining Claim, situate on land belonging to the United States of America, and in which there are valuable mineral deposits, was entered upon and located for the purpose of exploration and purchase by M. S. HORNE, Trustee for certain citizens of the United States and certain corporations organized under the laws of states of the United States and qualified to do business in the State of Arizona.

(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 17 day of October, 1967.

The length of this claim is 1500 feet and I claim 1500 feet in a Easterly direction and 0 feet in a Westerly direction from the center of the discovery point, at which this notice is posted, lengthwise of the claim together with 300 feet in width of the surface grounds, on each side of the center of said claim. The general course of the lode deposit and premises is from the West to the East.

The claim is situated and located in the Tombstone Mining District, in Cochise County in the State of Arizona, about 2700 feet in a Southerly direction from the Northwest corner of Section 17, T 20 S, R 22 E, G. & S. R. B. & M. West line of claim is common with west line of said Section 17. North line of claim is common with the south line of Claim Horne #104.

The surface boundaries of the claim are marked upon the ground as follows:

Beginning at a 4" x 4" Post at a point in a 0 direction 300 feet from the discovery point (at which this notice is posted), being in the center of the West end line of said claim; thence North 300 feet to a 4" x 4" Post, being the Northwest corner of said claim; thence East 1500 feet to a 4" x 4" Post being at the Northeast corner of said claim; thence South 300 feet to a 4" x 4" Post at the center of the East end of this claim; thence South 300 feet to a 4" x 4" Post, being at the Southeast corner of said claim; thence West 1500 feet to a 4" x 4" Post at the Southwest corner of said claim; thence North 300 feet to the place of beginning.

Dated and posted on the grounds this 17 day of October, 1967.

Witness: Clark H. ... Locator(s): M. S. HORNE, Trustee

STATE OF ARIZONA } ss. COUNTY OF COCHISE }

Witness my hand and Official Seal

JAMES O. DIXON County Recorder

Deputy

Table with 3 columns: Indexed, Photos at Compared, Blotched. Contains handwritten marks.

12.00 Fee \$2.00

DKT 507 Docket

I hereby certify that the within instrument was filed and recorded at request of

James Stewart Co Phoenix, Ariz

Date OCT 23 1967 8-00 AM

Page 84 No. 20691

402

# Notice of Mining Location

## LODE CLAIM

TO ALL WHOM IT MAY CONCERN:

This Mining Claim, the name of which is the HORNE # 106 Mining Claim, situate on land belonging to the United States of America, and in which there are valuable mineral deposits, was entered upon and located for the purpose of exploration and purchase by M. S. HORNE, Trustee for certain citizens of the United States and certain corporations organized under the laws of states of the United States and qualified to do business in the State of Arizona.

(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 17 day of October, 1967.

The length of this claim is 1500 feet and I claim 1500 feet in a Easterly direction and 0 feet in a Westerly direction from the center of the discovery point, at which this notice is posted, lengthwise of the claim together with 300 feet in width of the surface grounds, on each side of the center of said claim. The general course of the lode deposit and premises is from the West to the East.

The claim is situated and located in the Tombstone Mining District, in Cochise County in the State of Arizona, about 3300 feet in a Southerly direction from the Northwest corner of Section 17, T 20 S, R 22 E, G. & S. R. B. & M. West line of claim is common with west line of said Section 17. North line of claim is common with the south line of Claim Horne #105.

The surface boundaries of the claim are marked upon the ground as follows:  
Beginning at a 4" x 4" Post

at a point in a 0 direction 300 feet from the discovery point (at which this notice is posted), being in the center of the West end line of said claim; thence North 300 feet to a 4" x 4" Post, being the Northwest corner of said claim; thence East 1500 feet to a 4" x 4" Post being at the Northeast corner of said claim; thence South 300 feet to a 4" x 4" Post at the center of the East end of this claim; thence South 300 feet to a 4" x 4" Post, being at the Southeast corner of said claim; thence West 1500 feet to a 4" x 4" Post at the Southwest corner of said claim; thence North 300 feet to the place of beginning.

Dated and posted on the grounds this 17 day of October, 1967.

*Charles Hughes*  
Witness

*M. S. Horne*  
M. S. HORNE, Trustee  
Locator(s)

STATE OF ARIZONA } ss.  
COUNTY OF COCHISE

Witness my hand and Official Seal

**JAMES O. DIXON**  
County Recorder

*A. W. White*  
Deputy

Indexed	Photostat Compared	Blotted
<i>RA</i>	<i>RA</i>	<i>RA</i>

Fee \$2.00  
\$2.00

DKT 507

I hereby certify that the within instrument was filed and recorded at request of

*James Stewart Co*  
*Phoenix, Ariz*

Date OCT 23 1967 8-00 AM

Page 85 No. 20692

403

# Notice of Mining Location

## LODE CLAIM

TO ALL WHOM IT MAY CONCERN:

This Mining Claim, the name of which is the HORNE # 107 Mining Claim, situate on land belonging to the United States of America, and in which there are valuable mineral deposits, was entered upon and located for the purpose of exploration and purchase by M. S. HORNE, Trustee for certain citizens of the United States and certain corporations organized under the laws of states of the United States and qualified to do business in the State of Arizona.

(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 17 day of October, 1967

The length of this claim is 1500 feet and I claim 1500 feet in a Easterly direction and 0 feet in a Westerly direction from the center of the discovery point, at which this notice is posted, lengthwise of the claim together with 300 feet in width of the surface grounds, on each side of the center of said claim. The general course of the lode deposit and premises is from the West to the East.

The claim is situated and located in the Tombstone Mining District, in Cochise County in the State of Arizona, about 4000 feet in a Southerly direction from the Northwest corner of Section 17, T 20 S, R 22 E, G. & S. R. B. & M. West line of claim is common with west line of said Section 17. North line of claim is common with the south line of Claim Horne #106.

The surface boundaries of the claim are marked upon the ground as follows:

Beginning at a 4" x 4" Post at a point in a 0 direction 300 feet from the discovery point (at which this notice is posted), being in the center of the West end line of said claim; thence North 300 feet to a 4" x 4" Post, being the Northwest corner of said claim; thence East 1500 feet to a 4" x 4" Post being at the Northeast corner of said claim; thence South 300 feet to a 4" x 4" Post at the center of the East end of this claim; thence South 300 feet to a 4" x 4" Post, being at the Southeast corner of said claim; thence West 1500 feet to a 4" x 4" Post at the Southwest corner of said claim; thence North 300 feet to the place of beginning.

Dated and posted on the grounds this 17 day of October, 1967.

Clark Hughes Witness  
M. S. Horne Locator(s)  
M. S. HORNE, Trustee

STATE OF ARIZONA } ss.  
COUNTY OF COCHISE }  
Witness my hand and Official Seal  
**JAMES O. DIXON**  
County Recorder

H. White Deputy  
Indexed  Photostat  Blotted   
Compared

\$ 2.00  
Fee \$400

Docket DKT 507

I hereby certify that the within instrument was filed and recorded at request of

James Stewart Co  
Phoenix, Ariz

Date OCT 23 1967 8-00 AM

Page 86 No. 20693

404

# Notice of Mining Location

## LODE CLAIM

TO ALL WHOM IT MAY CONCERN:

This Mining Claim, the name of which is the HORNE # 107A  
Mining Claim, situate on land belonging to the United States of America, and in which there are valuable mineral deposits, was entered upon and located for the purpose of exploration and purchase by M. S. HORNE, Trustee for certain citizens of the United States and certain corporations organized under the laws of states of the United States and qualified to do business in the State of Arizona.

(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 17 day of October, 1967.

The length of this claim is 1500 feet and I claim 1500 feet in a Easterly direction and 0 feet in a Westerly direction from the center of the discovery point, at which this notice is posted, lengthwise of the claim together with 300 feet in width of the surface grounds, on each side of the center of said claim. The general course of the lode deposit and premises is from the West to the East.

The claim is situated and located in the Tombstone Mining District, in Cochise County in the State of Arizona, about 4600 feet in a Southerly direction from the Northwest corner of Section 17, T 20 S, R 22 E, G. & S. R. B. & M. West line of claim is common with west line of said Section 17. North line of claim is common with the south line of Claim Horne #107.

The surface boundaries of the claim are marked upon the ground as follows:

Beginning at a 4" x 4" Post  
at a point in a 0 direction 300 feet from the discovery point (at which this notice is posted), being in the center of the West end line of said claim; thence North 300 feet to a 4" x 4" Post, being the Northwest corner of said claim; thence East 1500 feet to a 4" x 4" Post being at the Northeast corner of said claim; thence South 300 feet to a 4" x 4" Post at the center of the East end of this claim; thence South 300 feet to a 4" x 4" Post, being at the Southeast corner of said claim; thence West 1500 feet to a 4" x 4" Post at the Southwest corner of said claim; thence North 300 feet to the place of beginning.

Dated and posted on the grounds this 17 day of October, 1967.

*Clark Pughen*  
Witness

*M. S. Horne*  
M. S. HORNE, Trustee  
Locator(s)

STATE OF ARIZONA } ss.  
COUNTY OF COCHISE }

Witness my hand and Official Seal  
**JAMES O. DIXON**  
County Recorder

*A. White*  
Deputy

Indexed	Photostat Compared	Blotted
<i>H</i>	<i>H</i>	<i>NK</i>

Fee \$2.00  
Fee \$1.00

DKT 507  
Docket

I hereby certify that the within instrument was filed and recorded at request of

*James Stewart Co.*  
*Phoenix, Ariz*

Date OCT 23 1967 8-00 AM

Page 87 No. 20694

405

# Notice of Mining Location

## LODE CLAIM

TO ALL WHOM IT MAY CONCERN:

This Mining Claim, the name of which is the HORNE # 108 Mining Claim, situate on land belonging to the United States of America, and in which there are valuable mineral deposits, was entered upon and located for the purpose of exploration and purchase by M. S. HORNE, Trustee for certain citizens of the United States and certain corporations organized under the laws of states of the United States and qualified to do business in the State of Arizona.

(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 17 day of October, 1967

The length of this claim is 1500 feet and I claim 1500 feet in a Westerly direction and 0 feet in a Easterly direction from the center of the discovery point, at which this notice is posted, lengthwise of the claim together with          feet in width of the surface grounds, on each side of the center of said claim. The general course of the lode deposit and premises is from the East to the West.

The claim is situated and located in the Tombstone Mining District, in Cochise County in the State of Arizona, about 2700 feet in a Southerly direction from the Northeast corner of Section 18, T 20 S, R 22 E, G. & S. R. B. & M.; east line of claim is common with the east line of said Section 18.

The surface boundaries of the claim are marked upon the ground as follows:

Beginning at a 4" x 4" Post  
at a point in a -- direction 0 feet from the discovery point (at which this notice is posted), being in the center of the East end line of said claim; thence South 300 feet to a 4" x 4" Post, being the Southeast corner of said claim; thence West 1500 feet to a 4" x 4" Post being at the Southwest corner of said claim; thence North 300 feet to a 4" x 4" Post at the center of the West end of this claim; thence North 300 feet to a 4" x 4" Post, being at the Northwest corner of said claim; thence East 1500 feet to a 4" x 4" Post at the Northeast corner of said claim; thence South 300 feet to the place of beginning.

Dated and posted on the grounds this 17 day of October, 1967.

Clasif Hughes  
Witness

M. S. Horne  
M. S. HORNE, Trustee  
Locator(s)

STATE OF ARIZONA }  
COUNTY OF COCHISE } ss.

Witness my hand and Official Seal

JAMES O. DIXON  
County Recorder

H. White Deputy

Indexed	Photostat	Blotted
<u>H</u>	<u>H</u>	<u>H</u>
Compared		

\$ 2.00  
Fee \$2000

Docket DKT 507

I hereby certify that the within instrument was filed and recorded at request of

James Stewart Co  
Phoenix, Ariz

Date OCT 23 1967 8-00 AM

Page 88 No. 20695

406

# Notice of Mining Location

## LODE CLAIM

TO ALL WHOM IT MAY CONCERN:

This Mining Claim, the name of which is the HORNE # 109  
Mining Claim, situate on land belonging to the United States of America, and in which there are valuable mineral deposits, was entered upon and located for the purpose of exploration and purchase by M. S. HORNE, Trustee for certain citizens of the United States and certain corporations organized under the laws of states of the United States and qualified to do business in the State of Arizona.

(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 17 day of October, 1967

The length of this claim is 1500 feet and I claim 1500 feet in a Westerly direction and 0 feet in a Easterly direction from the center of the discovery point, at which this notice is posted, lengthwise of the claim together with          feet in width of the surface grounds, on each side of the center of said claim. The general course of the lode deposit and premises is from the East to the West.

The claim is situated and located in the Tombstone Mining District, in Cochise County in the State of Arizona, about 3300 feet in a Southerly direction from the Northeast corner of Section 18, T 20 S, R 22 E, G. & S. R. B. & M.; east line of claim is common with the east line of said Section 18.

The surface boundaries of the claim are marked upon the ground as follows:  
Beginning at a 4" x 4" Post

at a point in a -- direction 0 feet from the discovery point (at which this notice is posted), being in the center of the East

end line of said claim; thence South 300 feet to a 4" x 4" Post, being the Southeast corner of said claim; thence West 1500 feet to a 4" x 4" Post being at the Southwest corner of said claim; thence North 300 feet to a 4" x 4" Post at the center of the West end of this claim; thence North 300 feet to a 4" x 4" Post, being at the Northwest corner of said claim; thence East 1500 feet to a 4" x 4" Post at the Northeast corner of said claim; thence South 300 feet to the place of beginning.

Dated and posted on the grounds this 17 day of October, 1967.

Clark Hughes Witness  
M. S. HORNE M. S. HORNE, Trustee  
Locator(s)

STATE OF ARIZONA } ss.  
COUNTY OF COCHISE }  
Witness my hand and Official Seal  
**JAMES O. DIXON**  
County Recorder

H. White Deputy

Indexed	Photostated	Blotted
<u>H</u>	<u>H</u>	<u>H</u>

Fee \$1.00

I hereby certify that the within instrument was filed and recorded at request of

James Stewart Co  
Phoenix, Ariz

Date OCT 23 1967 8-00 AM

Docket DKT 507

Page 89 No. 20696

407

# Notice of Mining Location

## LODE CLAIM

TO ALL WHOM IT MAY CONCERN:

This Mining Claim, the name of which is the HORNE # 109A Mining Claim, situate on land belonging to the United States of America, and in which there are valuable mineral deposits, was entered upon and located for the purpose of exploration and purchase by M. S. HORNE, Trustee for certain citizens of the United States and certain corporations organized under the laws of states of the United States and qualified to do business in the State of Arizona.

(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 17 day of October, 1967

The length of this claim is 1500 feet and I claim 1500 feet in a Westerly direction and 0 feet in a Easterly direction from the center of the discovery point, at which this notice is posted, lengthwise of the claim together with          feet in width of the surface grounds, on each side of the center of said claim. The general course of the lode deposit and premises is from the East to the West

The claim is situated and located in the Tombstone Mining District, in Cochise County in the State of Arizona, about 3900 feet in a Southerly direction from the Northeast corner of Section 18, T 20 S, R 22 E, G. & S. R. B. & M.; east line of claim is common with the east line of said Section 18.

The surface boundaries of the claim are marked upon the ground as follows:  
Beginning at a 4" x 4" Post

at a point in a -- direction 0 feet from the discovery point (at which this notice is posted), being in the center of the East

end line of said claim; thence South 300 feet to a 4" x 4" Post, being the Southeast corner of said claim; thence West 1500 feet to a 4" x 4" Post being at the Southwest corner of said claim; thence North 300 feet to a 4" x 4" Post at the center of the West end of this claim; thence North 300 feet to a 4" x 4" Post, being at the Northwest corner of said claim; thence East 1500 feet to a 4" x 4" Post at the Northeast corner of said claim; thence South 300 feet to the place of beginning.

Dated and posted on the grounds this 17 day of October, 1967

*Charles Hughes*  
Witness

*M. S. Horne*  
M. S. HORNE, Trustee  
Locator(s)

STATE OF ARIZONA }  
COUNTY OF COCHISE } ss.

Witness my hand and Official Seal  
**JAMES O. DIXON**  
County Recorder

*J. White* Deputy

Indexed	Photostat	Blotted
<i>JK</i>	<i>J</i>	<i>JK</i>
Compared		

12.00  
Fee \$1.00

DKT 507  
Docket

I hereby certify that the within instrument was filed and recorded at request of

*James Stewart Co*  
*Phoenix, Ariz*

Date OCT 23 1967 9-00 AM

Page 90 No. 20697

408

# Notice of Mining Location

## LODE CLAIM

TO ALL WHOM IT MAY CONCERN:

This Mining Claim, the name of which is the HORNE # 159 Mining Claim, situate on land belonging to the United States of America, and in which there are valuable mineral deposits, was entered upon and located for the purpose of exploration and purchase by M. S. HORNE, Trustee for certain citizens of the United States and certain corporations organized under the laws of states of the United States and qualified to do business in the State of Arizona.

(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 \_\_\_\_\_ day of December, 19 67

The length of this claim is 1500 feet and I claim 1500 feet in a Easterly direction and 0 feet in a Westerly direction from the center of the discovery point, at which this notice is posted, lengthwise of the claim together with 300 feet in width of the surface grounds, on each side of the center of said claim. The general course of the lode deposit and premises is from the West to the East

The claim is situated and located in the Tombstone Mining District, in Cochise County in the State of Arizona, about 780 feet in a Northerly direction from the Southwest corner of Section 17, Township 20 South, Range 22 East, G. & S. R. B. & M. West end line of claim is common with west line of said Section 17. North line of claim is common with south line of Horne #107.

The surface boundaries of the claim are marked upon the ground as follows:  
Beginning at a 4" x 4" Post

at a point in a -- direction 0 feet from the discovery point (at which this notice is posted), being in the center of the West

end line of said claim; thence North 300 feet to a 4" x 4" Post, being the Northwest corner of said claim; thence East 1500 feet to a 4" x 4" Post being at the Northeast corner of said claim; thence South 300 feet to a 4" x 4" Post at the center of the East end of this claim; thence South 300 feet to a 4" x 4" Post, being at the Southeast corner of said claim; thence West 1500 feet to a 4" x 4" Post at the Southwest corner of said claim; thence North 300 feet to the place of beginning.

Dated and posted on the grounds this 26 day of December, 1967

Clark Hughes  
Witness

M. S. Horne  
M. S. HORNE, Trustee  
Locator(s)

STATE OF ARIZONA  
COUNTY OF COCHISE

Witness my hand and Official Seal

JAMES O. DIXON  
County Recorder

Deputy

Indexed  Rejected  Blotted   
Compared

\$2.00  
Fee \$1.00

DKT 517

Docket \_\_\_\_\_

I hereby certify that the within instrument was filed and recorded at request of

James Stewart Co.  
Phoenix, Ariz

Date DEC 28 1967 - 800AM

Page 70 No. 25097

Notice of Mining Location

LODE CLAIM

TO ALL WHOM IT MAY CONCERN:

This Mining Claim, the name of which is the HORNE # 160 Mining Claim, situate on land belonging to the United States of America, and in which there are valuable mineral deposits, was entered upon and located for the purpose of exploration and purchase by M. S. HORNE, Trustee for certain citizens of the United States and certain corporations organized under the laws of states of the United States and qualified to do business in the State of Arizona.

(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 December 26, 1967

The length of this claim is 1500 feet and I claim 1500 feet in a Easterly direction and 0 feet in a Westerly direction from the center of the discovery point, at which this notice is posted, lengthwise of the claim together with 300 feet in width of the surface grounds, on each side of the center of said claim. The general course of the lode deposit and premises is from the West to the East

The claim is situated and located in the Tombstone Mining District, in Cochise County in the State of Arizona, about 180 feet in a Northerly direction from the southwest corner of Section 17, Township 20 South, Range 22 East, G. & S. R. B. & M. West end line of claim is common to west line of said Section 17. North line of claim is common with south line of Horne #159.

The surface boundaries of the claim are marked upon the ground as follows: Beginning at a 4" x 4" Post

at a point in a -- direction 0 feet from the discovery point (at which this notice is posted), being in the center of the West

end line of said claim; thence North 300 feet to a 4" x 4" Post, being the Northwest corner of said claim; thence East 1500 feet to a 4" x 4" Post being at the Northeast corner of said claim; thence South 300 feet to a 4" x 4" Post at the center of the East end of this claim; thence South 180 feet to a 4" x 4" Post, being at the Southeast corner of said claim; thence West 1500 feet to a 4" x 4" Post at the Southwest corner of said claim; thence North 180 feet to the place of beginning.

Dated and posted on the grounds this 26 day of December, 1967

Witness: B. C. ... Charles ...

Locator(s): M. S. HORNE, Trustee

STATE OF ARIZONA COUNTY OF COCHISE ss.

Witness my hand and Official Seal

\$ 2.00

Fee \$1.00

JAMES O. DIXON

County Recorder

Notary seal and stamp area with checkboxes for Indexed, Photostatic, Blotted, Copied.

I hereby certify that the within instrument was filed and recorded at request of

James Stewart Co. 3033 N. Central, Suite 707 Phoenix, Ariz 85012

Date DEC 28 1967 - 8:00AM

Docket DKT 517

Page 69 No. 25096

409

410

# Notice of Mining Location

## LODE CLAIM

TO ALL WHOM IT MAY CONCERN:

This Mining Claim, the name of which is the HORNE #159  
Mining Claim, situate on land belonging to the United States of America, and in which there are valuable mineral deposits, was entered upon and located for the purpose of exploration and purchase by M. S. HORNE, a Citizen of the United States, as his Sole and Separate Property.

(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 17 day of October January, 1969 70

The length of this claim is 1500 feet and I claim 1500 feet in a Easterly direction and 0 feet in a Westerly direction from the center of the discovery point, at which this notice is posted, lengthwise of the claim together with 300 feet in width of the surface grounds, on each side of the center of said claim. The general course of the lode deposit and premises is from the West to the East

The claim is situated and located in the Tombstone Mining District, in Cochise County in the State of Arizona, about 780 feet in a Northerly direction from the Southwest Corner of Section 17, Township 20 South, Range 22 East, G. & S. R. B. & M. West end line of claim is common with west line of said Section 17. North line of claim is common with south line of Horne #107.

The surface boundaries of the claim are marked upon the ground as follows:

Beginning at a 4" x 4" Post  
at a point in a -- direction 0 feet from the discovery point (at which this notice is posted), being in the center of the West end line of said claim; thence North 300 feet to a 4" x 4" Post, being the Northwest corner of said claim; thence East 1500 feet to a 4" x 4" Post being at the Northeast corner of said claim; thence South 300 feet to a 4" x 4" Post at the center of the East end of this claim; thence South 300 feet to a 4" x 4" Post, being at the Southeast corner of said claim; thence West 1500 feet to a 4" x 4" Post at the Southwest corner of said claim; thence North 300 feet to the place of beginning.

Dated and posted on the grounds this 17 day of October, 1969 70

Clark Hughes  
Clark Hughes  
Witness

M. S. HORNE  
By: Clark Hughes  
Locator(s)

STATE OF ARIZONA }  
COUNTY OF COCHISE } ss.

Witness my hand and Official Seal

Fee \$2.00

County Recorder

Deputy

Indexed	Photostat Compared	Blotted

Docket

Date

Page No.

304

JAMES STEWART COMPANY  
PHOENIX, ARIZONA

FEB 10 1970

RECEIVED

STATE OF ARIZONA  
COUNTY OF COCHISE  
JAMES O. DIXON, County Recorder  
Witness my hand and Official Seal  
Deputy  
\$2.00  
DKT 625  
FEB 16 10-8 00 AM  
303 No. 2655  
304

thereby certify that the within instrument was filed and recorded at  
Phoenix, Arizona  
Stewart & Stewart

Indexed  
Photostat  
Copies  
Filed  
Deputy

Fee No. Page  
Dkt No.  
Dkt  
Fee \$  
Request

JAMES STEWART COMPAN  
PHOENIX, ARIZONA

FEB 18 1970

RECEIVED



412

# Notice of Mining Location

## LODE CLAIM

TO ALL WHOM IT MAY CONCERN:

This Mining Claim, the name of which is the HORNE #160 Mining Claim, situate on land belonging to the United States of America, and in which there are valuable mineral deposits, was entered upon and located for the purpose of exploration and purchase by M. S. HORNE, a Citizen of the United States, as his Sole and Separate Property,

(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 17 day of October ~~January~~, 1909

The length of this claim is 1500 feet and I claim 1500 feet in a Easterly direction and 0 feet in a Westerly direction from the center of the discovery point, at which this notice is posted, lengthwise of the claim together with 300 feet in width of the surface grounds, on each side of the center of said claim. The general course of the lode deposit and premises is from the West to the East

The claim is situated and located in the Tombstone Mining District, in Cochise County in the State of Arizona, about 180 feet in a Northerly direction from Southwest Corner Section 17, Township 20 South, Range 22 East, G. & S. R. B. & M. West line of claim is common to west line of said Section 17. North line of claim is common with south line of Horne #159.

The surface boundaries of the claim are marked upon the ground as follows: Beginning at a 4" x 4" Post

at a point in a -- direction 0 feet from the discovery point (at which this notice is posted), being in the center of the West

end line of said claim; thence North 300 feet to a 4" x 4" Post, being the Northwest corner of said claim; thence East 1500 feet to a 4" x 4" Post being at the Northeast corner of said claim; thence South 300 feet to a 4" x 4" Post at the center of the East end of this claim; thence South ~~300~~ 180 feet to a 4" x 4" Post, being at the Southeast corner of said claim; thence West 1500 feet to a 4" x 4" Post at the Southwest corner of said claim; thence North ~~300~~ 180 feet to the place of beginning.

Dated and posted on the grounds this 17 day of January ~~October~~, 1909

George Hughes  
J. S. H. Hughes  
Witness

M. S. HORNE  
By: Charles Hughes  
Locator(s)

STATE OF ARIZONA }  
COUNTY OF COCHISE } ss.

Witness my hand and Official Seal

Fee \$2.00

County Recorder

Deputy

Indexed	Photostat Compared	Blotted
---------	--------------------	---------

Docket

I hereby certify that the within instrument was filed and recorded at request of

Date

Page No.

JAMES STEWART COMPANY  
PHOENIX, ARIZONA

FEB 10 1970

RECEIVED

STATE OF ARIZONA  
COUNTY OF COCHISE  
James D. Dixon, County Recorder  
Witness my hand and Official Seal  
Deputy  
Date: Feb 10 1970  
Blk. No. 2654  
Doc. No. DKI 625  
Page 302  
I hereby certify that the within instrument was filed and recorded at  
Phoenix, Arizona  
Edward J. Hovick  
Recorder

JAMES STEWART COMPANY  
PHOENIX, ARIZONA

FEB 18 1970

RECEIVED

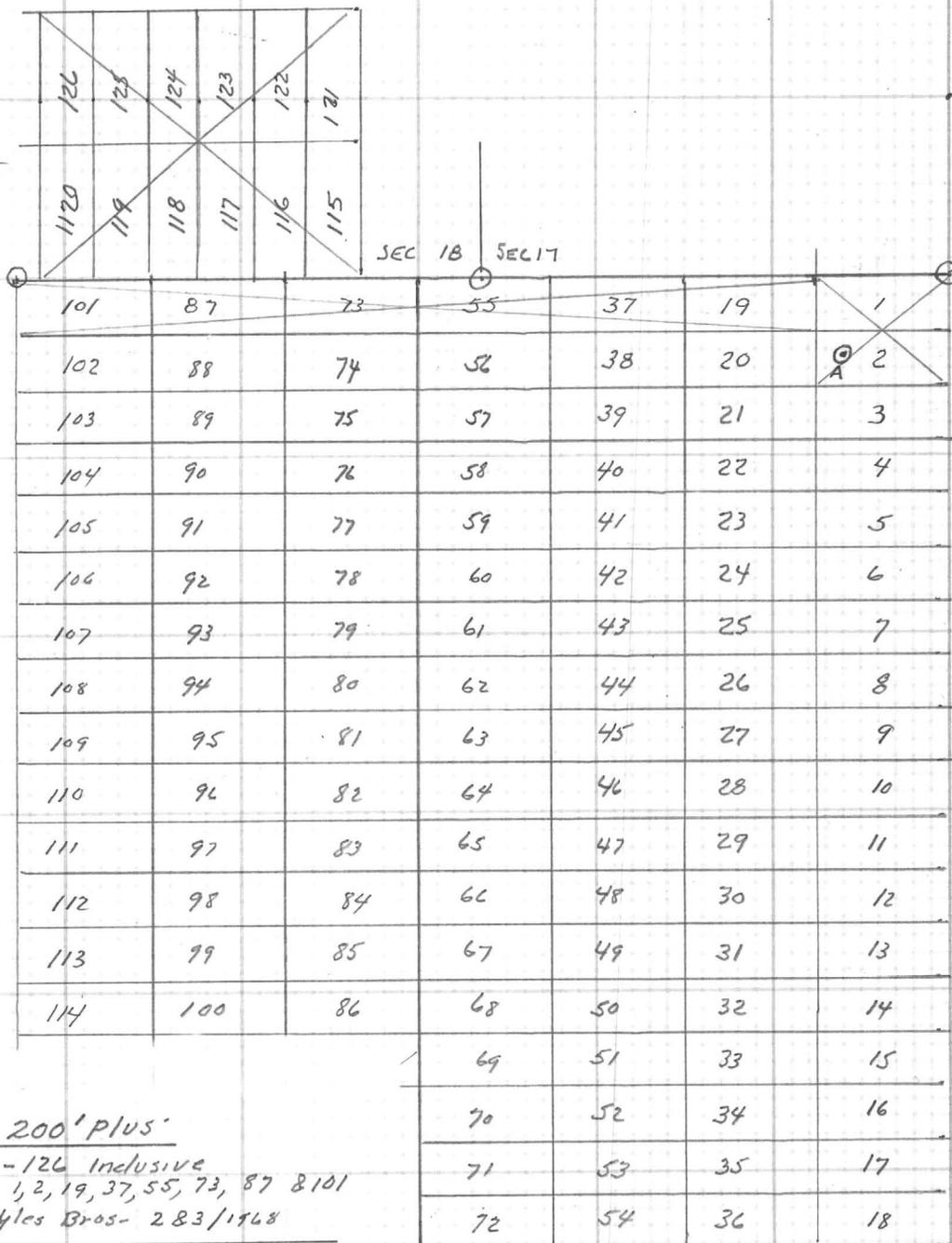


STEWART MINES  
BERTHA AREA

415

BERTHA - MINE  
FEDERAL CLAIMS -  
LOCATION WORK - 1968  
Field WORK Copy - CAC.

T. 215.  
R23E | R24E

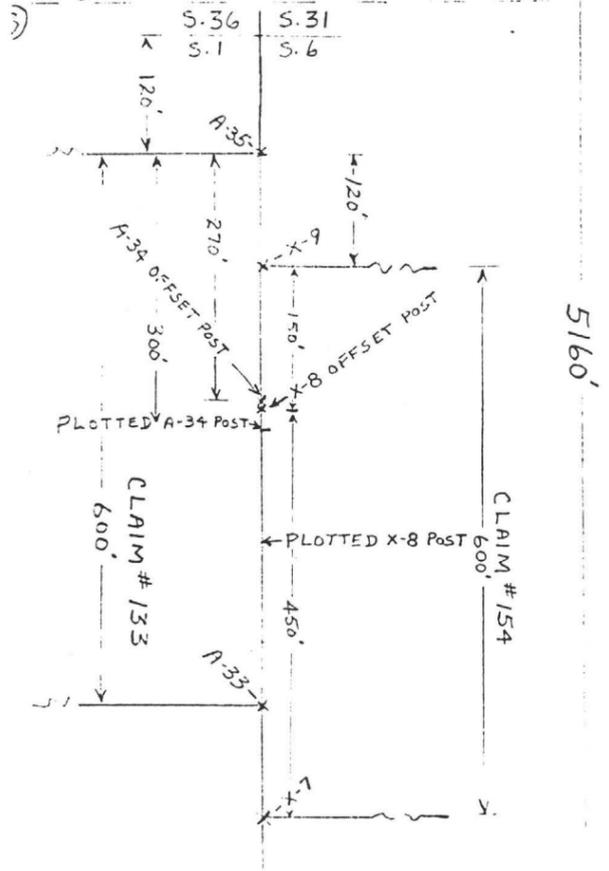


D. DRILL HOLE - Ⓐ 200' PLUS  
CLAIMS 121-126 inclusive  
Plus 1, 2, 19, 37, 55, 73, 87 & 101  
Drilled By Boyles Bros - 283/1968

STEWART MINE  
LIMESTONE AREA

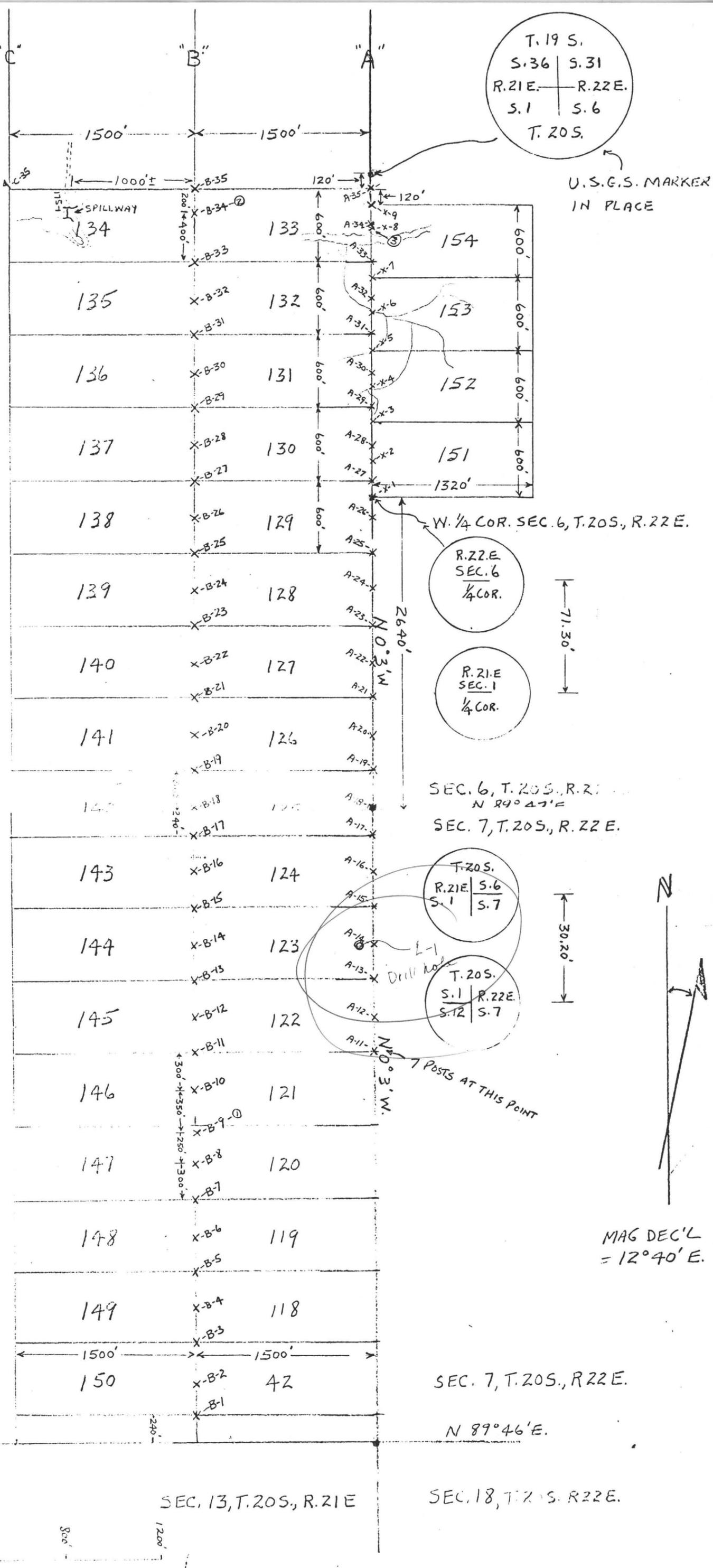
NOTES:  
 1) #B-9 POST IS OFFSET 50' SOUTH OF N.W. CORNER OF CLAIM #120. PLOTTED LOCATION OF B-9 POST IS IN CENTER OF E-W WASH.

2) #B-34 IS OFFSET 100' NORTH OF PLOTTED LOCATION. #B-34 POST IS SET ON NORTH BANK OF LARGE E-W WASH.



SEC. 1, T. 20 S., R. 21 E.  
 SEC. 12, T. 20 S., R. 21 E.

3) CON'T.  
 A-34 POST IS OFFSET 30' NORTH OF PLOTTED LOCATION DUE TO MAIN E-W WASH CHANNEL. X-8 POST IS OFFSET 150' NORTH OF PLOTTED LOCATION DUE TO MAIN E-W WASH CHANNEL.



R. 22 E.  
 SEC. 6  
 1/4 COR.

R. 21 E.  
 SEC. 1  
 1/4 COR.

SEC. 6, T. 20 S., R. 21 E.  
 N 89° 47' E  
 SEC. 7, T. 20 S., R. 22 E.

T. 20 S.  
 R. 21 E. | S. 6  
 S. 1 | S. 7

T. 20 S.  
 S. 1 | R. 22 E.  
 S. 12 | S. 7

SEC. 7, T. 20 S., R. 22 E.  
 N 89° 46' E.

SEC. 18, T. 20 S., R. 22 E.

SEC. 13, T. 20 S., R. 21 E



SCALE 1" = 500'

MISC. LAND  
STATUS REPORTS

417

March 1, 1963

Mr. R. J. Dobson  
Vice President  
Austral Oil Company Incorporated  
2700 Humble Building  
Houston, Texas 77000

Re: Land Status  
Tombstone Project

Dear Mr. Dobson:

Pursuant to the request of Mr. Darrell C. Morrow of Vinson, Elkins, Weems & Sparks, this office has examined certain records in the Bureau of Land Management office and State Land Department office in Phoenix, Arizona, and also certain records in the office of the Recorder of Cochise County, Arizona, at Bisbee, Arizona, and, pursuant to instructions from Mr. Morrow, have obtained preliminary title insurance reports from the Bisbee offices of Southern Arizona Title and Trust Company and Transamerica Title Insurance Company relating to the areas and titles as hereinafter described. As you will recall, when you were in Tucson on January 27, I furnished to you copies of the MTP plats and Historical Indexes and also of Mining District Plat Sheets, all of which material pertains to the area examined and all of which was obtained from the Bureau of Land Management in Phoenix.

My examination covered the following areas, all in T. 20 S., R. 22 E., G&SRM, Cochise County, Arizona:

418

- Section 9 - SE/4
- Section 10 - SW/4
- Section 15 - NW/4
- Section 16 - All
- Section 17 - E/2 and E/2 W/2
- Section 20 - NE/4
- Section 21 - N/2

all of which areas are shown on the Sketch Map attached to this status report. The attached Sketch Map is intended only as a general graphic representation of land status, is not to scale, and should not be relied upon except with reference to the specific comments set forth in this letter.

FEDERAL MINERALS

(a) Public Domain

Based upon an examination of the records in the Arizona Land Office of the Bureau of Land Management in Phoenix on January 24, 1968, the following areas (shown in yellow on Sketch Map):

NW/4 SE/4 and Lots 1, 3 and 4 of Section 9 (containing 133.75 acres); S/2 SW/4 and Lots 8, 9 and 10 of Section 10 (containing 132.72 acres); NE/4 NW/4 and Lots 2, 3 and 4 of Section 15 (containing 138.15 acres); NE/4 of Section 20 (containing 160 acres), and N/2 of Section 21 (containing 320 acres), all in T. 20 S., R. 22 E., G&SRM.

were, as of January 24, 1968, public domain and open to entry under the mining laws subject to the following:

1. Any valid unpatented mining claims staked within the area - an opinion as to the title and validity of such claims cannot be based upon BLM, State of Arizona or Cochise County records, but can only be ascertained from a thorough field examination by a person qualified by training and experience to conduct such examinations.

419

2. Right of Way for construction and maintenance of a railroad issued to the New Mexico & Arizona Railroad under Serial No. 086526 across portions of Sections 9, 10, and 20 pursuant to the Act of March 3, 1875, as amended.

3. Rights of Taylor Grazing Act lessees to reimbursement for grazing improvements.

4. Rights of Way, if any, acquired for road purposes by public user.

(b) Minerals Reserved to United States

The January 24, 1968, examination revealed that the area shown in blue on the attached Sketch Map consisting of:

E/2 W/2, S/2 SE/4, SW/4 NE/4 and Lots  
1, 2, 3, 4 and 5 of Section 17, T. 20 S., R.  
22 E., G&SRM, (containing 453.41 acres)

was conveyed to the State of Arizona under the Section 8 exchange provisions of the Taylor Grazing Act (43 USCA § 315 [g]) on January 24, 1941, which patent contains the following reservation:

Reserving, also, to the United States all minerals in the lands so granted, together with the right to prospect for, mine and remove the same, as authorized by the provisions of said Section 8, as amended as aforesaid.

The applicable portions of the statute provide that:

. . . any person who prospects for or acquires the right to mine and remove the reserved mineral deposits may enter and occupy so much of the surface as may be required for all purposes incident to the prospecting for, mining and removal of the minerals therefrom, and may mine and remove such minerals, upon payment to the owner of the surface for damages caused to the land and improvements thereon.

It should be pointed out that the Taylor Grazing Act (unlike the Stock-Raising Homestead Act) does not limit the surface owner to a

420

particular type of damage under a Section 8 exchange. As of January 24, 1968, the reserved minerals were open to location under the mining laws subject to the following:

1. Any valid unpatented mining claims staked within the area - an opinion as to the title and validity of such claims cannot be based upon BLM, State of Arizona or Cochise County records, but can only be ascertained from a thorough field examination by a person qualified by training and experience to conduct such examinations.
2. Right of Way for construction and maintenance of a railroad issued to the New Mexico & Arizona Railroad under Serial No. 086526 across portions of Section 17 pursuant to the Act of March 3, 1875, as amended.
3. State of Arizona Grazing Lease issued to Harold O. Love et al., 1900 First National Bank Building, Detroit, Michigan, for a period expiring February 18, 1976. In the event of any mining operations, compensation would have to be made to the State of Arizona and its lessees for any surface damage.
4. Rights of Way, if any, acquired for road purposes by public user.

STATE OF ARIZONA MINERALS

The examination revealed that the State of Arizona's title attached to the following (shown in green on Sketch Map):

Lots 1 through 14, NE/4 SW/4 and S/2 SW/4 of Sec. 16, T. 20 S., R. 22 E., G&SRM, (containing 450.33 acres)

upon the filing of the official survey with the General Land Office on April 5, 1906, subject to the proviso that the state did not acquire title to any of such lands known to be mineral on that date. The state's title, under the applicable legislation, vested upon the filing of the survey and no patent has been issued to the State of Arizona by the United States. As will be noted on the MTP plat furnished to you on January 27, certain portions of Section 16 were patented under the mining laws prior to state's acquisition of title. In addition, a U. S. Mineral Survey of the

AZ1

Franklin unpatented lode mining claim is of record in the office of the Bureau of Land Management; the State of Arizona does not claim ownership to the area encompassed within the Franklin unpatented claim, as surveyed.

(a) State of Arizona Mineral Leases

The State of Arizona issued Mineral Lease No. 2990 encompassing State of Arizona land in the E/2 of Lot 1 (19.00 acres) and Mineral Lease No. 2491 encompassing State of Arizona land in the W/2 of Lot 1 (11.35 acres) to E. H. Escapule, both of which Leases were dated December 1, 1966. Subject to compliance with the provisions of the said Leases, the Leases were issued for terms of 20 years and contain preferential rights of renewal thereafter. The annual rental payments in the amount of \$15.00 per Lease were timely paid on or before December 1, 1967. Section 27-235 of Arizona Revised Statutes specifies that every mineral lease of state lands shall provide for:

The performance of annual labor . . . and for furnishing proof thereof to the commissioner.

Failure to comply with this requirement can result in the commissioner giving written notice of default and failure to cure the default within a stated period of not less than 30 days can result in forfeiture of the lease. As of January 24, 1968, there had been no proof of labor furnished to the commissioner for the lease year ending in 1967. As a practical matter the commissioner will not issue a notice of default as long as rental and royalty payments are current unless such default is urged by a third party.

On February 5, 1968, this office forwarded to the State Land Department applications for assignment of Mineral Lease Nos. 2990 and 2991 to Austral Oil Company Incorporated. After my January 24th examination of the State Land Department records and prior to February 5, 1968, the State Land Department discovered that the two Lease property descriptions contained erroneous recitals of acreage. Accordingly the State Land Department forwarded supplemental descriptions to E. H. Escapule with instructions that they be attached to the originals of the Leases. Upon being advised of this fact and of the fact that the assignments could not be completed until the supplemental descriptions were attached to the originals of the Leases, I sent Mr. Escapule a letter asking him to return the supplemental descriptions to this office. As of the present date I have not yet received the supplemental descriptions.

(b) State of Arizona Prospecting Permit

The State of Arizona issued Mineral Prospecting Permit No. 11945 to W. W. Grace on January 31, 1968, for a period of

422

one year with the right to renew at yearly intervals thereafter for four additional years upon compliance with the obligations of the Permit. On February 5, 1968, this office forwarded to the State Land Department an application for assignment of the Permit to Austral Oil Company, Incorporated. This application is presently being processed. Prospecting Permit No. 11945 covers the following:

Lots 2 through 14, NE/4 SW/4 and S/2  
SW/4 of Section 16, T. 20 S., R. 22 E.,  
G&SRM

Although Permit No. 11945 recites that it encompasses 419.98 acres, the State Land Department tract books indicate that the State of Arizona claims 419.99 acres within this area subject to Permit No. 11945. This latter figure is probably inaccurate inasmuch as the 419.98 acreage figure conforms with the lot acreage descriptions in the MTP plat at the Bureau of Land Management. To completely and accurately verify this minor discrepancy in acreage would require examination and evaluation (preferably by an engineer) of the General Land Office survey plat and of the various mineral survey field notes of the surveyed mining claims, all or portions of which lie within Section 16.

In my opinion the Austral Oil Company Incorporated, upon completion of assignments to it of the above described Mineral Leases and Prospecting Permit, will be the holder of all rights granted thereunder by the State of Arizona subject to the following:

1. Rights, if any, that can be established under unpatented mining claims located prior to April 5, 1906, and on which claims valuable mineral discoveries can be proven to have existed prior to that date.
2. Right of Way for construction and maintenance of a railroad issued to the New Mexico & Arizona Railroad under Serial No. 086526 across portions of Section 16 pursuant to the Act of March 3, 1875, as amended.
3. State of Arizona Grazing Lease issued to Harold O. Love et al., 1900 First National Bank Building, Detroit, Michigan, for a period expiring February 18, 1976.

In connection with any third-party rights in unpatented mining claims located prior to April 5, 1906, I am informed that Mr. E. B. Escapule has observed no evidences of any rights asserted to such claims other than the Franklin claim (to which the State of Arizona

asserts no title).

423

PATENTED LODE MINING CLAIMS

Except as specifically set forth below, this office made no attempt to establish ownership to the surface or minerals within the boundaries of the lode mining claims which have been the subject of U.S. Mineral Surveys within the area examined (which claims are shown in pink on the Sketch Map). Of these claims, all but the Blue Jacket claim in Section 10 and the Necessity (Perronoud) in Section 9 are patented claims. Some preliminary title work was done in the office of the Recorder of Cochise County, Arizona, on certain claims involved in pending negotiations. However, because of time limitations we were instructed by Mr. Morrow to order title insurance and obtain preliminary title reports on the claims involved in the pending agreements.

(a) Brother Jonathan, Triple Ex, Maine, Sunset and Lowell Patented Lode Mining Claims.

Attached to this letter is a copy of a preliminary report issued by Southern Arizona Title and Trust Company under their Order No. 13542 indicating that, upon compliance with the requirements listed on page 2 of the report, record title would be vested in Charles B. Escapule and Louis W. Escapule, subject to the exceptions, encumbrances and reservations specifically listed in the report. As you will note, the requirements relate to evidence of marital status and to a conveyance of the Sunset claim from Ernest B. Escapule et ux to Charles B. and Louis W. Escapule.

(b) May Patented Lode Mining Claims.

Attached to this letter is a copy of a preliminary report issued by Southern Arizona Title and Trust Company under their Order No. 13541, indicating record title was vested in Charles B. Escapule and Louis Escapule subject to the exceptions, encumbrances and reservations specifically listed in the report. For title insurance purposes, the title company has indicated a requirement concerning the marital status of Ernest B. Escapule as set forth on the second page thereof.

(c) Chance Patented Lode Mining Claim.

Attached hereto is a preliminary report prepared by Transamerica Title Insurance Company indicating that on January 30, 1968, title to the Chance claim was vested in

424

Jeanne M. Devere and Burton J. Devere subject to the items set forth in Parts One and Two of the report.

Subsequent to the issuance of the preliminary report and at the time of execution of the Mining Lease and Option Agreement between Austral and W. W. Grace et ux., et al., there was recorded in the office of the Recorder of Cochise County Arizona, an Agreement between Jeanne M. Devere and Burton J. Devere as sellers and T. J. Colvin, an unmarried man as buyer, whereunder Colvin has agreed to purchase the Chance mining claim on the terms and conditions as set forth therein. I have instructed Transamerica Title Insurance Company to issue an amended preliminary title report insuring Austral's interest, as obtained under the above described Mining Lease and Option Agreement. As will be noted on the attached preliminary report, there is an Agreement between Wallace E. Main and the Deveres of record in the office of the Recorder of Cochise County granting to Main an option to purchase the Chance claim. Transamerica Title Insurance Company furnished me a copy of what is purported to be a cancellation and release of the Main-Devere Option Agreement. However, the document is not in a recordable form and it will be necessary to obtain a recordable cancellation and have the same placed of record to extinguish any apparent record interest of Wallace E. Main.

(d) Other Patented Mining Claims.

As stated above, no attempt was made by this office to determine ownerships in and to other patented mining claims situated within the examination area.

UNPATENTED MINING CLAIMS

An examination was conducted in the office of the Recorder of Cochise County, Arizona, by this office on January 31, 1968, and the results are set forth as follows:

(a) Amy Nos. 1-18.

Exhibit A to the February 2, 1968, Mining Lease and Option Agreement between Austral Oil Company Incorporated and W. W. Grace et ux., et al., recites that T. G. Colvin located 18 federal lode mining claims designated as the Amy Nos. 1-18 on January 1, 1968, and that such claims were situated in Sections 20 and 21, T. 20 S., R. 22 E. As of the date that this office examined the records in the office of the Recorder of Cochise County, location notices had not been recorded for this group of claims and no opinion is expressed as to the sufficiency of the

location notices. As an item of interest, however, it was noted that location notices for 18 Amy lode mining claims were placed of record on September 7, 1967, which claims were located by W. W. Grace. The notices failed to specify the date on which the claims were located other than that they were located in September, 1967. The location notices each recited that location work "to be done by drilling." No affidavits of performance of location work by drilling had been placed of record as of January 31, 1968, for the 18 Amy claims located by Grace.

(b) Fox Nos. 1, 2 and 3 (1960 locations).

E. B. Escapule (2/3) and E. H. Escapule (1/3) located three federal lode mining claims designated as the Fox Nos. 1, 2 and 3 on July 1, 1960, the location notices of which were timely recorded at Docket 42, pages 392-394. The location notices of the three claims recite that the claims are each 1500 feet by 600 feet and the notices are in good order. The location notices do not contain a description as to the position of the claims by legal subdivision but do tie the three claims into adjoining patented claims. Under a Quitclaim dated October 16, 1966, and recorded at Docket 447, page 235, E. B. Escapule et ux. quitclaimed their interest in the Fox Nos. 1-3 claims to E. H. Escapule, and the record title was vested in E. H. Escapule as of January 31, 1968, subject to the comments in subparagraph (j) below.

(c) Fox #1, #2 and #3 (1966 locations).

E. B. and E. H. Escapule located three claims designated as Fox #1, #2 and #3 on September 12, 1966. The location notices of the claims recite that the claims are located on "state lands only." The location notices were timely recorded at Docket 436, pages 406-411. The notices described claims 1,320 feet by 660 feet. It is not completely clear from the location notices as to whether the claims were located in Section 16 or Section 17, although it appears that the locations were intended to cover areas in the NE/4 of Section 17. If this is true, the claims are an invalid attempt to acquire state mining claims inasmuch as the minerals underlying the NE/4 of Section 17 are reserved to the United States as pointed out above. For these reasons it is my opinion that Austral acquired no rights with respect to the Fox #1, #2 and #3 claims.

(d) Fox #4 through Fox #10.

E. B. Escapule and E. H. Escapule located seven claims designated as Fox #4 through #10 on November 1, 1967, the location notices of which were timely recorded at Docket 503, pages 453-466. The location notices recite that the claims are

426

situated in the NE/4 and in the NW/4 SW/4 of Section 17, T. 20 S., R. 22 E. The location notice for Fox #7 is inconsistent in that the length of the claim is recited as 1300 feet but the metes and bounds description of the claim indicates an intent to claim 1320 feet.

Three major defects are apparent on the face of the location notices:

(1) Each of the location notices recites that the locators are claiming 600 feet in width (300 on each side of the point at which the notice is posted). Obviously, the claims are invalid as to areas claimed in excess of 300 feet in width on each side of the point on which the location notice was posted. This would result in a strip of open ground 60 feet in width between the claims. It is my understanding that this situation has been brought to the attention of the locators and that steps have either already been taken to correct this defect and cover the open ground or that such action will be taken in the near future.

(2) Each of the location notices recites that the location monument is situated on the end line. In absence of a very accurate survey, such a manner of posting could easily result in failure to post the location notice within the claim boundaries.

(3) The location notices for the Fox #9 and #10 claims purport to cover the same ground -- being the N/2 NW/4 SW/4 of Section 17. This latter area is not contiguous with the areas covered by the Fox #4 through #8 claims.

Record title as of January 31, 1968, was vested in E. B. and E. H. Escapule subject to the foregoing and to the comments contained in subparagraph (j) below. The first year for which annual labor must be performed on the claims will be the assessment year commencing September 1, 1968, and ending September 1, 1969.

(e) Fox #11 through Fox #19.

Exhibit A to the February 2, 1968, Mining Lease and Option Agreement between Austral Oil Company Incorporated and E. B. Escapule et ux., et al., recites that E. H. Escapule located nine unpatented claims designated as Fox #11 through #19 on January 25, 1968, and that such claims were situated in Section 17, T. 20 S., R. 22 E. As of the January 31, 1968, examination, the location notices for these claims had not been recorded and no opinion is expressed as to the sufficiency of the location notices.

427

(f) Misy #1 through #4

E. B. and E. H. Escapule located four claims designated as Misy #1 through Misy #4 on August 28, 1967, the location notices of which were timely recorded at Docket 508, pages 445-452. The location notices recite that these claims are situated in the SW/4 SW/4 of Section 10 and the NW/4 NW/4 of Section 15, T. 20 S., R. 22 E. Reference is made in the location notice of the Misy #3 claim to the fact that the claim is intended to cover the "SW 1/2" SW/4 SW/4 of Section 10. The portion of the description in quotes was obviously meant to be to the W/2 instead of SW/2. A similar reference to the "SE 1/2" in the Misy #4 location notice is an obviously erroneous reference to the E/2. One additional major defect exists in each of the location notices--each of the location notices recites that the claims are intended to cover an area 660 feet in width (330 feet in width on each side of the point at which the location notice was posted). The comments in subparagraph (d) (1) above apply also to the four Misy claims. Record title on January 31, 1968, was vested in E. B. and E. H. Escapule subject to the foregoing and to the comments contained in subparagraph (j) below. The first year for which annual labor must be performed on the claims is the assessment year which began September 1, 1967, and which will end September 1, 1968.

(g) SOLSTICE #1 through #8

E. B. and E. H. Escapule located eight claims designated as SOLSTICE #1 through #8. Each of the notices contains a discrepancy as to the date of location in that they recite a location date of August 28, 1967, and also recite that the location notices were posted on the ground on August 9, 1967. The date on which any rights were acquired by virtue of the location would be the date of actual posting on the ground regardless of the dates recited in the notice (but in no event would any rights arise prior to August 9, 1967). The location notices were timely recorded at Docket 508, pages 429-444 and the location notices recite that the claims are situated in the SE/4 of Section 9, T. 20 S., R. 22 E. Each of the location notices recites that the claims are 660 feet in width (330 feet on each side of the point at which the location notice was posted). The comments in subparagraph (d) (1) above apply also to each of the eight SOLTICE claims. Record title to each of the claims as of January 31, 1968, was vested in E. B. and E. H. Escapule subject to the foregoing and to the comments contained in subparagraph (j) below. The first year for which annual labor must be performed on the claims is the assessment year which began September 1, 1967, and which will end September 1, 1968.

428

(h) Z.B. #1, #2 and #3

D. L. Escapule located three claims on October 15, 1967, designated as the Z.B. #1, #2 and #3 claims. Location notices for the three claims were timely recorded at Docket 509, pages 7-9, and the location notices recite that the claims are situated in the W/2 SE/4 of Section 17, T. 20 S., R. 22 E. Each of the location notices contains gross errors in the metes and bounds descriptions but each indicates the intent to locate claims 1320 feet by 660 feet. None of the claims contain a description of the point of posting of the location notices as required under federal and State of Arizona statutes. Inasmuch as each of the claims is overwidth, the comments contained in subparagraph (d) (1) above apply. However, it cannot be determined from the location notices as to how much open ground exists on each side of each claim. Record title as of January 31, 1968, was vested in D. L. Escapule subject to the foregoing and to the comments contained in subparagraph (j) below. The first year for which annual labor must be performed on the claims will be the assessment year commencing September 1, 1968, and ending September 1, 1969.

(i) ERNEST EDWARD #1, #2 and #3

Harold E. Davis (H. E. Davis) located three claims on October 15, 1967, designated as the ERNEST EDWARD #1, #2 and #3 claims. The location notices were timely recorded at Docket 507, pages 150-152, and the notices recite that the claims are situated in the E/2 SE/4 of Section 17, T. 20 S., R. 22 E. Each of the location notices recites that the claims are intended to cover an area 660 feet in width (330 feet on each side of the point at which the location notice was posted). The comments in subparagraph (d) (1) above apply also to the three ERNEST EDWARD claims. Each of the notices also recite that the location monument was situated on an end line and the comments in subparagraph (d) (2) above apply also. As of January 31, 1968, record title was vested in H. E. Davis subject to the foregoing and to the comments contained in subparagraph (j) below. The first year for which annual labor must be performed on the claims will be the assessment year commencing September 1, 1968, and ending September 1, 1969.

(j) General Comments

(1) In view of the numerous discrepancies and errors contained in the location notices, it is essential that amendments or relocations be made of all claims (with the possible exception of the 1950 Fox Nos. 1, 2 and 3).

(2) Because of the fact that patented mining claims cut across

429

areas covered by many of the foregoing unpatented mining claims and since it is essential to the validity of an unpatented mining claim that the location notice and location monument be posted on ground open for location, an accurate survey should be made in order to establish that the point of posting of the location notices on the foregoing claims or any amendments or relocations thereof is on ground open to entry.

(3) The only unpatented mining claims listed above for which annual assessment work was required for the assessment year ending September 1, 1967, were the 1950 Fox Nos. 1-3. No attempt has been made to check assessment work for each year since the date of location of these claims. Enclosed under separate cover with the location notices is a copy of an Affidavit of Labor Performed and Improvements Made filed by E. H. Escapule for the three Fox claims for the assessment year ending September 1, 1967. The Affidavit was timely filed; however, the Affidavit describes neither the work performed nor the amount expended in such performance and it is doubtful that the Affidavit would constitute even prima facie evidence that proper work was performed if the work were challenged by a third party asserting forfeiture. For this reason, it would be my recommendation that a sworn statement be obtained from M. E. H. Escapule describing the work performed and the amount expended.

(4) The opinions expressed in this letter pertain solely to the record title as it existed on January 31, 1968. Other questions concerning the validity or lack thereof of each of the claims can only be ascertained through a thorough examination conducted on the ground by a person experienced in conducting such field examinations. Factors upon which the validity of the claims depend include determination of whether the claims are properly monumented in the field, evidence of performance of proper location work, and whether or not a discovery of valuable mineral in place has been made within the boundaries of each of the claims. In addition, such an examination is necessary to ascertain the existence or nonexistence of prior valid unpatented mining claims in conflict with the claims set forth above.

Under separate cover I am forwarding to you copies of the location notices for the unpatented claims discussed above. Copies were not obtained of the location notices of the 18 Amy claims nor of the Fox #11 through #19 claims inasmuch as location notices for such claims were not of record at the time of our examination. Copies of the Fox Nos. 1, 2 and 3 were illegible and also were not obtained.

430

If you have further questions or if you desire further clarifications of any of the above comments, please do not hesitate to contact this office.

VERITY & SMITH

By Leo N. Smith

LMS:lh

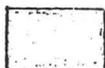
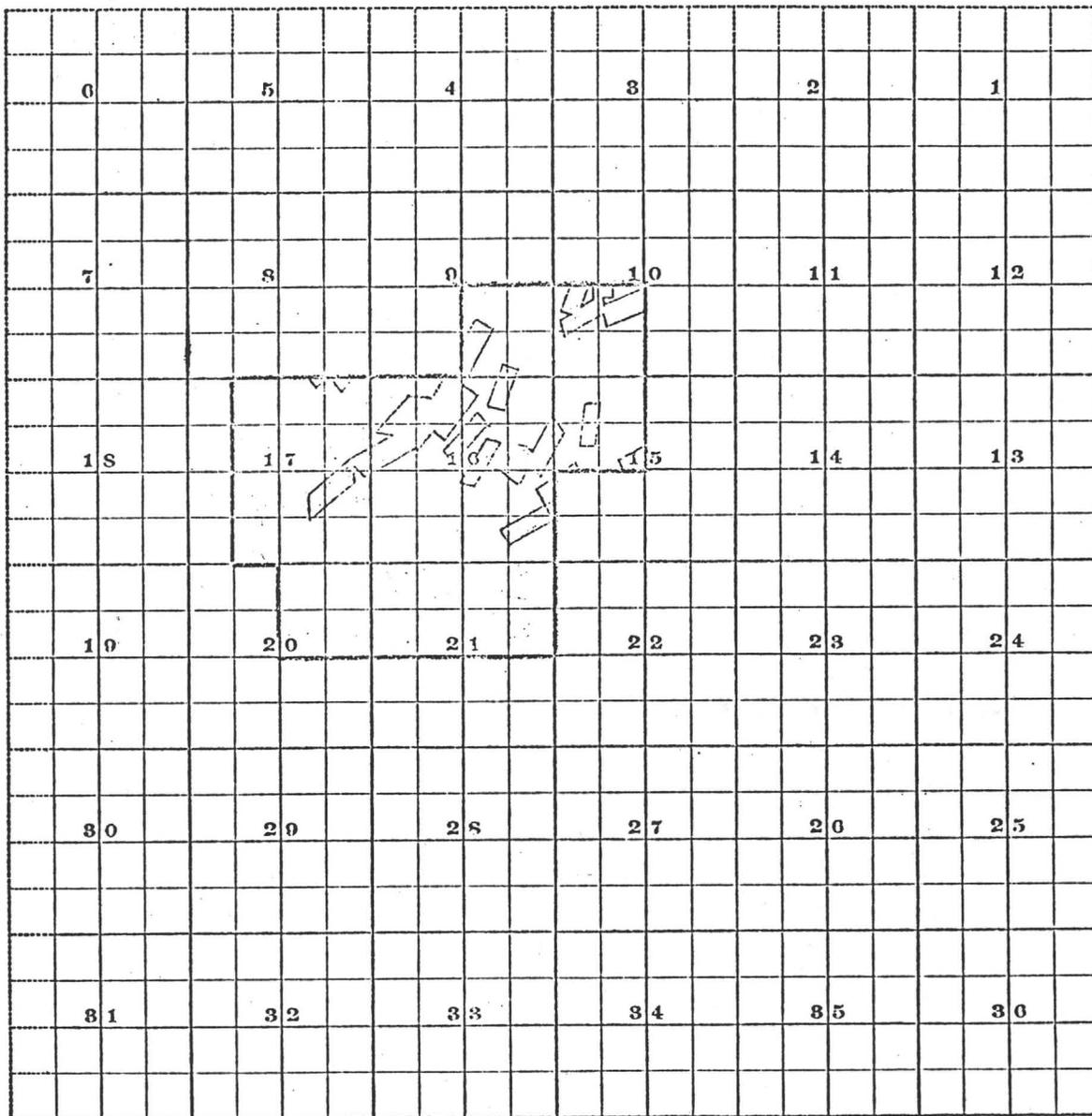
cc: Mr. Darrell C. Morrow

431

# SKETCH MAP - TO ACCOMPANY LAND STATUS REPORT

Cochise County Arizona

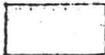
Sec. \_\_\_\_\_ Township No. 20 S. Range 22 E. of G&SR ~~N~~ Meridian



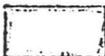
Public Domain (federal mineral and surface)



Mining Claims as shown on MTP plat (private mineral & surface)



Taylor Grazing Act Patent (federal minerals & state surface)



State School Lands (state minerals & surface)

Not to scale - Locations of patented mining claims are only approximate.

358-44  
TOWNSHIP  
KEUFFEL & ESSER CO. MAPS IN U.S.A.  
SCALE 1 INCH = 1 MILE  
K&E

432

TO: Richard Hewlett  
Sierra Mineral Management  
4741 E. Sunrise  
Tucson, Arizona

July 2, 1973

LAND STATUS STUDY  
OF THE  
TOMBSTONE MINING DISTRICT

FROM: John T. Devere  
Box 602  
Tombstone, Arizona 85638



LAND STATUS STUDY OF THE TOMBSTONE MINING DISTRICT

433

The following report is the result of researching the files of the Cochise County Recorder and Assessor to determine the ownership of patented mining claims and the validity of unpatented mining claims in the Tombstone Mining District. This report is to be accompanied by the enclosed map, which shows the land status by color code and numbers.

All of the patented claims on the map were taken from the Cochise County Assessor's section plats, and ownership was determined from the Assessor's records. In determining the ownership of the patented claims, only the ownership of the mineral rights was considered. There are many patented claims in the district in which the surface and mineral rights are held by different owners. The accuracy of the location of these claims is dependent upon the accuracy of the plats used and could vary from the actual location. If greater accuracy of location is required for any of these claims, this accuracy could be achieved by land or aerial surveys. Pages A & B of this report give the names and addresses of the owners of the patented mining claims as keyed by the black numbers on the map.

The unpatented claims were located from the actual claim notices on file as recorded in the Cochise County Recorder's office. In some cases there is a margin of error between the location notices as filed and the actual field location of the claim. Again, if greater accuracy of location is required, then aerial or land surveys should be made. Page C of this report gives the names and addresses of the owners of the valid unpatented mining claims as keyed by the orange numbers on the map.

There are two groups of valid unpatented mining claims which do not show on the enclosed map. The first group is a four-claim group held by John M. Nuttall. This group is located in Section 1, T 20 S, R 22 E, and the location notices were not accurate enough to determine the location. The second group is an eighteen-claim group held by the Tombstone Development Co. This group is located in Section 13, T 20 S, R 22 E, and Section 18, T 20 S, R 22 E. The location of this group is such that it is completely overlapped by other valid unpatented claims and patented claims in Section 13, and the location notices were too vague to determine locations in Section 18.

The validity of the unpatented mining claims was determined from affidavits of labor or recorded claims on file with the county recorder, and by personal contact with owners or personal knowledge of the claim. Pages D & E of this report give the names of ownership, names of claims, dates of filing, and type of validation for the unpatented claims.

The yellow area of the enclosed map is determined to be open ground. Page F of this report explains the reasons for determining the ground to be open.

The blue area on the map is the Amy Group, and there is some question as to the validity of these claims. They were held by T. J. Calvin. The last affidavit of labor was filed on 1-25-71, which would validate the claims only until September of 1972. An affidavit of labor was not filed for 1972, therefore the operator must prove assessment work to hold these claims, which by September 1973 will be two years in arrears. It is felt that this land can be staked and if these new claims are challenged, the holder must prove the validity of the Amy Group. It is recommended that the Amy notices not be removed, but the new notices be placed next to the Amy notices.

PATENTED CLAIMS  
MAP REFERENCES (RED)

434

1. Charles B. & Louis W. Escapule, Tombstone, Ariz. 85638.
2. Del Hale, Box 216, Dos Palos, Calif.  
Stefan M. Eminowicz, 3401 81st St., Scottsdale, Ariz.
3. Stefan M. Eminowicz, 3401 81st St., Scottsdale, Ariz.  
Del Hale, Box 216, Dos Palos, Calif.  
Helldorado Inc., Tombstone, Ariz. 85638
4. E.A. Thomas, 6644 N Chatelaine Pl., Phoenix, Ariz.  
Helldorado Inc., Tombstone, Ariz. 85638  
Stefan M. Eminowicz, 3401 81st St., Scottsdale, Ariz.
5. Frank Frankovich, E. 34 High Dr., Spokane, Wash.
6. San Diego Mining Co. Inc., H.N. Wolcott, A-313 Imperial Plaza,  
1717 Bellevue Ave., Richmond, Va. 23227
7. Leo F. Worth, 736 1st St., Cathedral City, Calif.
8. Ernie Escapule Jr., Tombstone, Ariz. 85638
9. James Barko Jr., 3812 Apperson, Kokomo, In. 46901
10. Wallace Turner, 3800 W. Central Ave., Phoenix, Ariz. 85012  
Kelly Johnson, Box 162, Munday, Tex. 76371
11. Amneco Oil, 1010 Milan St., Houston, Tex.
12. Same as 10 above
13. Tombstone Development Co., Box 1445, Grand Island, Neb. 68801
14. Stanley Secrist, Box 1038, Tucson, Ariz. 85702
15. Weldon C. Humphrey Jr, 6120 E. Hawthorne St., Tucson, Ariz.
16. Valley National Bank of Phoenix, William Bell (as trustee) Box 71, Phoenix, Ariz.
17. E.A. Thomas, 6644 N Chatelaine Pl., Phoenix, Ariz. 85014
18. John M. Castello, 4819 1/2 8th Ave., Los Angeles, Calif.
19. Paul W. Keating, Box 5442, Bisbee, Ariz. 85603
20. John M. Castello, 4819 1/2 8th Ave., Los Angeles, Calif.  
Frank Frankovich, E 34 High Dr., Spokane, Wash.
21. Pass City Mining Co., c/o Frances Brown, 1301 Cincinnati Ave., El Paso, Tex.
22. Ingersoll Cons. Mining Co., 100 Bush St., Rm 1813, San Francisco, Calif.

cont.

PATENTED CLAIMS  
CONT.

23. Florence Escapulo, "Box 1280," Bisbee, Ariz. 85692
24. Tombstone Development Co., Box 1445, Grand Island, Neb. 68801  
Charles E. & Louis W. Escapulo, Tombstone, Ariz. 85638
25. Gus Fotopulos, 762 E. Pierce, Phoenix, Ariz.  
Eugene M. Sears, 4802 N. Decatur Blvd., Phoenix, Ariz.
26. Elmer Hesterick, 3228 N. 3rd Ave., Phoenix, Ariz.
27. Joe Escapulo, Tombstone, Ariz. 85638
28. St. Louis Univ., 221 N. Grand Blvd., St. Louis, Mo.
29. Wayne Winters, Tombstone, Ariz. 85638
30. Chas. E. Culpopper, 2137 S. Linden Ln., Palatine, Ill. 60067
31. Charles E. Escapulo, Tombstone, Ariz. 85638
32. Jack J. Goode, 2075 Fort St., Lincoln Park, Mich.
33. Tombstone Restoration Comm., Box 606, Tombstone, Ariz. 85638
34. Harry A. Turrell, 4326 Calle Real, Sp. 117, Santa Barbara, Calif. 93105
35. William Deckerat, 16850 Adlon Rd., Encino, Calif. 91316
36. Latter Day Saints Church of Jesus Christ Reorganized,  
Walnut & River, Independence, Mo. 64051
37. Mrs. Joseph Jeffrey, c/o W.W. Grace, 8228 E. Indian School Rd, Scottsdale, Ariz.

VALID UNPATENTED CLAIMS  
MAP REFERENCES (GREEN)

436

1. H. S. Howe, James Stewart Co., 3033 N. Central Ave., Phoenix, Ariz. 85012
2. Wayne Winters, Tombstone, Ariz. 85638
3. Charles Guiter, 5008 W. Weldon Ave., Phoenix, Ariz.
4. John Lehti, 11 Martin Dr., Sierra Vista, Ariz.
5. C. Neil Vogel, 1820 E. Hampton, Tucson, Ariz.
6. Alex Gredillos, Tombstone, Ariz. 85638
7. Roy E. Harris, 1136 E. Jarvis St., Mesa, Ariz.
8. Dustin Escapule, Tombstone, Ariz. 85638
9. James K. Clark, c/o Nogales High School, Nogales, Ariz.
10. Wayne R. Resac, 4608 N. Bethany Home Rd., Phoenix, Ariz.
11. Frank Frankovich, E. 34 High Dr., Spokane, Wash.
12. Joe Escapule, Tombstone, Ariz. 85638
13. Ernie Escapule Sr., Tombstone, Ariz. 85638
- \*14. Jean M. Nuttall, Tombstone, Ariz. 85638
- \*\*15. Tombstone Development Co., Box 1445, Grand Island, Neb. 68601

NOTE:

\* Jean M. Nuttall holds 4 claims not shown on the map. These claims are located in Section 1, T 20 S, R 22 E.

\*\* Tombstone Development Co. holds 18 claims not shown on the map. These claims are located in Section 13, T 20 S, R 22 E, and Section 13, T 20 S, R 23 E.

VALID UNPATENTED CLAIMS

137

NAME	CLAIM	DATE FILED	TYPE
M. S. Horne	Horne 1-32	9-1-72	Aff. of Labor
M. S. Horne	Horne 43-51	9-1-72	Aff. of Labor
M. S. Horne	Horne 61-69	9-1-72	Aff. of Labor
M. S. Horne	Horne 101-117	9-1-72	Aff. of Labor
M. S. Horne	Horne 155-160	9-1-72	Aff. of Labor
M. S. Horne	Horne 164-172	9-1-72	Aff. of Labor
M. S. Horne	Stewart 1-9	9-1-72	Aff. of Labor
Wayne Winters	Blue Top 1-5	12-12-72	Aff. of Labor
Wayne Winters	Black Beauty	12-12-72	Aff. of Labor
Wayne Winters	Top Hat	12-12-72	Aff. of Labor
Wayne Winters	Fortuna	12-12-72	Aff. of Labor
Wayne Winters	Manganese-Silver	12-12-72	Aff. of Labor
Charles Suiter	Charleston Mines Group	7-24-72	Aff. of Labor
John A. Lahti	Frances	9-5-72	Aff. of Labor
C. Neil Vogel	Aurora	9-15-72	Aff. of Labor
C. Neil Vogel	Blanket Group	9-15-72	Aff. of Labor
C. Neil Vogel	Stella	9-15-72	Aff. of Labor
C. Neil Vogel	Maggie	9-15-72	Aff. of Labor
C. Neil Vogel	Side Shot	9-15-72	Aff. of Labor
C. Neil Vogel	Necessity	9-15-72	Aff. of Labor
C. Neil Vogel	Gallagher	9-15-72	Aff. of Labor
C. Neil Vogel	Gallagher-Bradshaw Group	9-15-72	Aff. of Labor
C. Neil Vogel	May Powell	9-15-72	Aff. of Labor
C. Neil Vogel	Mattie	9-15-72	Aff. of Labor
C. Neil Vogel	Liamis Leigh	9-15-72	Aff. of Labor
C. Neil Vogel	Little Loui	9-15-72	Aff. of Labor
Alex Gradillos	Bertha 1	(Work done for 1972)	
Alex Gradillos	Stuck Steel	(Work done for 1972)	
Roy E. Harris	Jack Harris 2-10	9-14-72	Aff. of Labor
Roy E. Harris	Deanna 1	9-14-72	Aff. of Labor
Roy E. Harris	Deanna 3	9-14-72	Aff. of Labor
Roy E. Harris	Deanna 7	9-14-72	Aff. of Labor
Roy E. Harris	Deanna 18-20	9-14-72	Aff. of Labor
Roy E. Harris	Ann Barrett 3-14	9-14-72	Aff. of Labor
Roy E. Harris	Ann Barrett 23-31	9-14-72	Aff. of Labor
Roy E. Harris	Nancy 1-8	9-14-72	Aff. of Labor
Roy E. Harris	Julie 2-8	9-14-72	Aff. of Labor
Roy E. Harris	Julie 11-36	9-14-72	Aff. of Labor
Roy E. Harris	Googy 1	9-14-72	Aff. of Labor
Roy E. Harris	Googy 3-4	9-14-72	Aff. of Labor
Roy E. Harris	Googy 6-8	9-14-72	Aff. of Labor
Roy E. Harris	Googy 13-20	9-14-72	Aff. of Labor

cont.

VALID UNPATENTED CLAIMS CONT.

428

NAME	CLAIM	DATE FILED	TYPE
Dustin Escapule	Las Vegas 1-5	3-30-72	Recorded
Dustin Escapule	Las Vegas 4-5	5-16-73	Recorded
James K. Clark	Show Low	(Work done for 1972)	
Wayne E. Rezac	Ernest Edward 1-3	8-31-72	Aff. of Labor
Frankovich	Silver Ledge 1-5	9-5-72	Aff. of Labor
Joe Escapule	Mtn. View 1-32	8-29-72	Aff. of Labor
Joe Escapule	Mtn. View Ext. 1-5	8-29-72	Aff. of Labor
Ernie Escapule	Fox 1-19	8-31-72	Aff. of Labor
Ernie Escapule	Missy 1-24	8-31-72	Aff. of Labor
Ernie Escapule	Solstics 1-10	8-31-72	Aff. of Labor
Jean M. Nuttall	Jean	9-6-72	Aff. of Labor
Jean M. Nuttall	Kate	9-6-72	Aff. of Labor
Jean M. Nuttall	Marion	9-6-72	Aff. of Labor
Jean M. Nuttall	Matia	9-6-72	Aff. of Labor
Tombstone Development Co.	T.D.C. 1-18	9-11-72	Aff. of Labor

439

OPEN GROUND  
MAP REFERENCE (YELLOW)

From my research it is determined that the claims covering the area shown in yellow on the enclosed map are no longer valid, and the ground can be considered open for staking. Following are my reasons for determining the ground to be open.

1. The Jub 1-134 claims held by C. T. Henderson had the last affidavit of labor filed on 5-24-63, which would validate the claims only until September 1969.
2. The Star 1-56 claims held by C. T. Henderson had the last affidavit of labor filed on 6-10-63, which would validate the claims only until September of 1969.
3. The Ray 1-126 claims have never had any affidavits of labor for assessment work filed since their location was recorded.
4. Touchstone Mineral Reserve is presently involved in court hearing on their petition for bankruptcy, and all of the above-mentioned claims are held by T.M.R. or people associated with T.M.R.
5. Since there are 318 claims in the above groups and the assessment work to validate these claims would require the proof of expenditure of over \$150,000, it is felt that this expenditure can not be proven, due to the financial situation of T.M.R.

P.O. Box 602  
Tombstone, Ariz. 85638  
May 25, 1973

440

Mr. Dick Hewlett  
Sierra Mineral Management  
4741 E. Sunrise  
Tucson, Arizona

Dear Mr. Hewlett

Enclosed here-with is my preliminary findings on the land status in the Tombstone Mining District. Following is a description of the enclosed:

1. Unpatented Claims; giving name of claims, name of holder, affidavit filed, dates, and status.
2. Approximate locations of unpatented claims not shown on map, giving section, township, and range.
3. Two maps, showing approximate location of claims, and status by color. The location of these claims was determined from assessor's maps, and location notices.
4. Map references; explaining map colors, giving ownership, and status.

This is just my preliminary report on the land status, and there is much work yet to be done. I have written to the State Land Department asking them for the status of state land in the area under consideration. It is hoped that the information from this department will help to fill in some of the area under study. There is also, the locations of the Horne Group claims, these claims are recorded in Bisbee and the location notices are available at \$.50 each, or about \$90.00. I feel that the Horne Claims will fill in a large area, and it is known that of the 181 claims in this group, at least 83 of these claims are valid. There are several other claims and groups of claims to research in the area. Several of these are known to be valid and the locations are unknown. Also, there is the Apache Group that must be researched to determine if these claims are valid, and if so, to determine their locations.

After studying my preliminary findings, if you want me to continue researching the land status, advise me as to whether you want to expend the required amount to obtain the locations of the Horne Group. Do you want further determination of patented claims, and if so, in what areas? Do you want me to continue with the research of unpatented claims?

I will be away until June 8th. If you want to discuss this report, I will be available after that date. If further study is requested please return the enclosed maps so that I can continue to add to them. I hope you are satisfied with the way I am conducting this study and I will be waiting to hear whether you want further study or not.

Yours truly

John T. Devere

May 24, 1973

441

UNPATENTED CLAIMS

CLAIM	NAME	TYPE	DATE	REMARKS
Apache 1-71	Edward F. Herold	?	?	Location?
Amy 1-18	T. J. Calvin	Aff. of Labor	1-26-71	Open?
Blue Top 1-5	Wayne Winters	Aff. of Labor	12-12-72	Valid
Black Beauty	Wayne Winters	Aff. of Labor	12-12-72	Valid Location?
Blanket Group	C. Neil Vogel	Aff. of Labor	9-15-72	Valid Location?
Bertha #1	Alex Gradillos	(Work for 1972 done)		Valid Location?
B & G	W. W. Grace	?	?	Location?
Cab 1-46	C. T. Henderson	Aff. of Labor	5-24-68	Open?
Cab 47-86	C. T. Henderson	Aff. of Labor	1-26-68	Open?
Cab 87-118	C. T. Henderson	Aff. of Labor	2-19-68	Open?
Cab 119-134	C. T. Henderson	Aff. of Labor	5-24-68	Open?
Charleston Mines	Charles Suiter	Aff. of Labor	7-24-72	Valid
Horne 1-32	M. I. Horne	Aff. of Labor	9-1-72	Valid Location?
Horne 33-42	M. I. Horne	?	?	Location?
Horne 43-51	M. I. Horne	Aff. of Labor	9-1-72	Valid Location?
Horne 52-60	M. I. Horne	?	?	Location
Horne 61-69	M. I. Horne	Aff. of Labor	9-1-72	Valid Location?
Horne 70-99	M. I. Horne	?	?	Location?
Horne 100-117	M. I. Horne	Aff. of Labor	9-1-72	Valid Location?
Horne 118-154	M. I. Horne	?	?	Location?
Horne 155-160	M. I. Horne	Aff. of Labor	9-1-72	Valid Location?
Horne 161-163	M. I. Horne	?	?	Location?
Horne 164-172	M. I. Horne	Aff. of Labor	9-1-72	Valid Location?
Horne 173-181	M. I. Horne	?	?	Location?
Stewart 1-9	M. I. Horne	Aff. of Labor	9-1-72	Valid
Stella	C. Neil Vogel	Aff. of Labor	9-15-72	Valid Location?
Star 1-56	C. T. Henderson	Aff. of Labor	6-10-68	Open?
Stuck Steel	Alex Gradillos	(Work for 1972 done)		Valid Location?
Show Low	James K. Clark	(Work ofr 1972 done)		Valid Location?
Ray 1-128	?	?	?	Open

442

Approximate Location of Unpatented Claims

Claim:	Location:
Black Beauty	Sec. 14 223, T 20 S, R 22 E
Blanket Group	Sec. 36, T 20 S, R 21 E
Bertha	Sec. 23, T 20 S, R 22 E
Horn Group	Sec. 36, T 20 S, R 21 E
Stella	Sec. 36, T 20 S, R 21 E
Stuck Steel	Sec. 23, T 20 S, R 22 E
Shew Low	? ? ?
Apache Group	Sec. 31, T 20 S, R 22 E

943  
May 24, 1973

MAP REFERENCES

PATENTED CLAIMS (RED)

1. Charles B. & Louwis W. Escapule
2. Del Hale, Box 216, Dos Palos, Calif.  
Stefan M. Eminowicz, 3401 81 St., Scottsdale, Ariz.
3. Stefan M. Eminowicz, 3401 81 St., Scottsdale, ARIZ.  
Del Hale, Box 216, Dos Palos, Calif.  
Helldorado Inc., Tombstone, Ariz.
4. E.A. Thomas, 6644N Chatelaine Pl., Phoenix, Arizona  
Helldorado Inc., Tombstone, Ariz.  
Stefan M. Eminowicz, 340. 81 St., Stottsdale, Ariz.
5. Frank Frankovich, E. 34 High Dr., Spokane, Wash.
6. San Diego Mining Co., Inc., H.N. Wolcott, A-313 Imperial Plaza,  
1717 Bellevue Ave., Richmond, Va. 23227
7. Leo F. Worth, 736 1st St., Cathedral City, Calif.
8. Ernie Escapule, (some surface held by individuals.)
9. James, Jr. & P.A. Barko, 3812 Apperson, Kokomo, In. 46901
10. Wallace Turner, 3800 N. Central Ave., Phoenix, Ariz. 85012  
Kelly Johnson, Box 162, Munday, TEx. 76371
11. Tenneco Oil, 1010 Milan St., Houston, Tex.
12. Same as 10 above.

VALID UNPATENTED CLAIMS (GREEN)

1. M.I. Horne
2. Wayne Winters, Tombstone, Ariz.
3. Charleston Mines, Charles H. Suiter
4. John Lahti, Sierra Vista, Ariz.

UNPATENTED CLAIMS (YELLOW)

See attached explanation

May 24, 1973

MAP REFERENCE (YELLOW) EXPLANATION

From my preliminary research, I feel that the claims covering the area shown in yellow on the map are no longer valid, and the ground can be considered open for staking. Following are my reasons for stating that the ground is open:

1. The AMY 1-18 claims held by T.J. Calvin had the last affidavit of labor filed on 1-26-71, which would validate the claims only until September 1972. An affidavit of labor for assessment work was not filed for 1972, therefore the operator must prove work to hold the claims, which by September 1973 will be 2 years in arrears.
2. The CAB 1-134 claims held by C.T. Henderson had the last affidavit of labor filed on 5-24-68, which would validate the claims only until September 1969.
3. The STAR 1-56 claims held by C.T. Henderson had the last affidavit of labor filed on 6-10-68, which would validate the claims only until September 1969.
4. The RAY 1-128 claims have never had any affidavits of labor for assessment work filed since their location was recorded.
5. Tombstone Mineral Reserve has a pending court hearing on their petition for bankruptcy, and all of the above-mentioned claims are held by T.M.R. or people associated with T.M.R.
6. Since there are 336 claims in the above-mentioned groups, I feel there is no way that sufficient assessment work can be done to validate all of these claims.

It must be pointed out that a person or company is not required to file an affidavit of labor for location work or assessment work, but they must be able to prove work sufficient to cover the requirements of the law. There is the possibility that some of the claims could have been validated and have not been recorded. The most likely group in which this could occur is the Amy group 1-18.

It is felt, however, that due to the financial situation of T.M.R., sufficient expenditure to validate these claims has not been made and the land can be considered open.

CORRESPONDENCE

Mr Charles Suiter  
5008 West Weldon  
Phoenix, Arizona

239

Dear Mr Suiter:-

I am interested in the production of Sericite, and would like to have the following information:

1. Is your Tombstone property available for lease?
2. If available, would you accept a contract on a basis of a certain price per ton determined by railroad weight, with a small minimum monthly guarantee.

I am not interested in any of the equipment on the property except the use of the buildings. All that is needed is water and power.

I am not interested in lead and zinc all I want is Sericite.

3. Have you a geological report indicating the estimated tonnage of sericite available without having to lift it. If mining is necessary the cost will be prohibitive. It should be in a large body formation.

If this is of interest to you, may I have your reply via air mail please.

Very truly yours  
J.V. Slavick

238

July 11, 1959

Mr. H. Clyde Davis  
1000 North Mountain  
Tucson, Arizona

Dear Clyde:

We have received five thousand dollars from the Harlow Jones group for a 30 day option on the Charleston Mine. During the 30 days, they are to assemble and put up \$45,000.00 additional as a deposit to go in escrow to be used for the purchase of equipment and the operation of the Charleston Mine.

If they do not have their funds on deposit and exercise their option within this 30 day period, we would then be in a position to pursue something with you and Minnear.

Because of your great helpfulness to us, and your interest in the property, I was hopeful that something could be worked out with you and one of your groups. It was necessary, however, in fairness to ourselves, to accept the first bona fide, reasonable offer that was backed up with some degree of financial responsibility.

We certainly have appreciated and I want to sincerely thank you for all of the help that you have rendered. I am sure that one of these days we will be together on something that will make us some money.

Sincerely yours,

JAMES STEWART COMPANY

MSH:da

M. Seth Horne  
President

JAMES STEWART COMPANY

PHOENIX  
September 21, 1962

Memorandum to File

Re: Charleston Mines

Please Note: Dr. Gaines obtained a file from Mr. C. Neil Vogel pertaining to his deal with Suiter on the Charleston Mine which file contained a lot of very valuable data on the mine and studies that were made by Vogel and his group. This file was obtained by Gaines and has been returned to Mr. Coppock. \*

  
M. S. Horne

Mr. C. Neil Vogel  
1820 East Hampton Street  
Tucson, Arizona

263 RH

# CHARLESTON MINES—TOMBSTONE, ARIZONA

KAOLIN                      ZINC                      GROUND MUSCOVITE                      LEAD                      COPPER

CHARLES H. SUITER, PRESIDENT

*Copied*

## FINANCIAL STATEMENT OF THE CHARLESTON MINES

as of July 31, 1963

### ASSETS

James Stewart contract for purchase of mine	\$250,000.00	
Paid on contract to July 31 1963 - - -	<u>67,100.00</u>	
Balance due on contract as of 7/31/63 - - - - -		<u>\$ 182,900.00</u>

### LIABILITIES

Authorized Capital 300,000 shares common, par \$1.00		
Originally issued 200,000 shares - - - - -	\$200,000.00	
Shares repurchased and redeemed 42,200 - -	<u>42,200.00</u>	
Capital shares remaining outstanding - - - - -		\$ 157,800.00
Surplus under Stewart Contract - - - - -		<u>25,100.00</u>
		<u>\$ 182,900.00</u>

#####

The Charleston Mines was incorporated November 1 1955 under the laws of Arizona for twenty-five (25) years. The 1963 annual report has been filed and the 1963 annual fee has been paid - the corporation is in good corporate standing.

The Charleston Mines is the record owner of possessory title to twelve (12) unpatented mining claims in Cochise County, Arizona, which were sold under a contract dated June 1st 1957 to the James Stewart Company of Phoenix for the sum of \$250,000.00 on which contract there has been paid \$67,100.00, leaving a balance due under the contract of \$182,900.00 as of July 31 1963.

GC

236

# Perforadora Latina, S. A.

MADRID 21  
MEXICO 4, D. F.

Mexico City, August 15, 1963.

Mr. Charles H. Suiter  
5008 W. Weldon  
Phoenix 31, Arizona.

Dear Mr. Suiter:

Enclosed is our check for \$ 120.00, in satisfaction of the annual payment due the State of Arizona on the Charleston claims.

The assessment work done by us on these claims for the year starting September 1, 1962 consisted of \$ 2,500.00 worth of diamond drilling, covering holes # 9, # 10, and part of # 8. Dick Coppock can give you any information pertaining to this work that you may need.

With best regards, very sincerely yours,

*Richard V. Gaines*  
ING. RICHARD V. GAINES

c.c. James Stewart Company.  
c.c. Consolidated Minerals, Inc.

PHOENIX ARIZONA  
JAMES STEWART COMPANY  
AUG 18 1963  
RECEIVED

G. e.

235

HECLA MINING COMPANY

SOUTHWEST EXPLORATION OFFICE

~~XXXXXXXXXXXXXXXXXXXX~~  
2020 East 13th Street  
TUCSON, ARIZONA

792-1745  
PHONE ~~XXXXXXXX~~

Mr. Charles Suiter, President  
Charleston Mines, Inc.  
5008 West Weldon Avenue  
Phoenix, Arizona 85031

Dear Mr. Suiter:

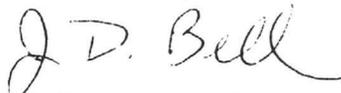
Thank you for your letter of March 3. I have had recent occasion to examine Dr. Gaines report, dated September 10, 1962, detailing Heron Mining Company's exploration of the Charleston property. The report states that five holes were drilled, four of which cut ore. In his reserve estimate for the drilled block, 285 x 305 x 13 feet, he estimates 86,300 tons of 3.0% Pb, 3.7% Zn, and 36.0% sericite, with a gross value of 44,491,700, and a net value (at 9.5¢ Pb, 11.5 ¢ Zn, and \$100/Ton Sericite) after mining cost of \$10.00 and milling cost of \$12.90, but before capital costs, of \$1,050,000. A recovery of 82% of the sericite is indicated.

Calculation on an open smelter schedule at present metal prices indicates a net smelter return for the lead and zinc in the ore of approximately \$7.30 per ton. If the sericite product is sold at \$20 per ton, net value of the sericite in the ore figures at \$5.90 per ton, and we see a combined value of \$13.20 per ton of ore. At present-day underground mining costs, even though the milling cost might be substantially reduced from Gaines' figure, due to production of the lower grade product, the profit potential appears poor. This would be true whether we were considering 86,000 tons or 200,000 tons.

For these reasons, I cannot regard the property as being of much interest to Hecla. However, when I am next in Phoenix, I would appreciate the opportunity of discussing it somewhat further with Mr. Horne.

Thank you for bringing it again to our attention.

Sincerely yours,



J Douglas Bell  
Geologist, Exploration

JDB:jan *Read 3/13/65*

234

July 9, 1965

Mr. H. Clyde Davis  
1000 North Mountain Avenue  
Tucson, Arizona

Dear Clyde:

We are enclosing some data on the Charleston Mine, Tombstone, Arizona. A group is proposing to drill to approximate depth of 800' to 1000' using 8" to 10" rotary bore. We are requesting your opinion of the proposed drill locations.

During our meeting at the Mine early in 1961, we were discussing a possible hole location while inspecting the access road to the pit. It was our feeling at that time that a hole to the south of this pit road, and to the east of the High Cone Mountain along the probable secondary ~~line~~ *fault*, would uncover a good possibility of an enlarged ore body.

We have made a sketch, which is enclosed, (Exhibit I), showing the drill positions of the Churn Drill Hole #2 bottoming at 345', drilled in 1950, with the super-imposed location of Diamond Drill Hole #8 at 45° drilled in 1962.

To further refresh your memory, we are enclosing pictures of the pit operation with the Diamond Drill hole casing projecting on the skyline (Exhibit II); a plotting of the ore intersects of both Diamond Drill #8 and Churn Drill #2 (Exhibit III) made by Dr. Gaines with the Heron Mining Company; an Assay Report Summary (Exhibit IV) of the ore intersects of the Diamond drilling of the Heron Mining Company; a plot of all intersects encountered in the Diamond Drilling by Heron Mining Company (Exhibit V); a plotting from the notes of Nash & Vogel, plotting made by Dr. Gaines, of the ore intersects of the Nash & Vogel drilling (Exhibit VI); a Preliminary Geophysical Reconnaissance (Exhibit VII) prepared by Heinrichs Geoexploration Company, Tucson This contains a rather detailed surface workings map which will assist your recollection of the property.

Shattuck-Denn, in their recent exploration of this property, felt strongly that there was a rather large ore body to be encountered in this Mine, but they recommended prior to any drilling that further geophysical research be done to assist in the hole locations. A copy of the Assay reports and drilling log of the Churn Drill Hole #2, prepared by Robert P. Teten, Geologist, is enclosed (Exhibit VIII).

We are also furnishing a copy of the Notes on Exploring this Mine by Paul Gilmour, Geologist for Shattuck-Denn (Exhibit IX).

Due to your past interest in this property, we would appreciate receiving your opinion of the proposed work and/or any recommendations you might have to offer in this connection.

Yours very truly,  
JAMES STEWART COMPANY

C. A. Cosgrove

CAG:ef  
Encls.

6.C. 261

# Charleston Mines

INCORPORATED

5008 West Weldon Avenue, Phoenix 31, Arizona

CHAS. H. SUITER, President

August 28, 1965

Mr C.A. Cosgrove  
James Stewart Company  
3033 North Central Avenue  
Phoenix, Arizona 85012

RECEIVED  
AUG 30 1965  
JAMES STEWART COMPANY

Dear Mr Cosgrove:

and I  
Confirming our telephone conversation of yesterday afternoon - Mrs Suiter/visited the mine on Thursday and Friday of this week. On Friday morning we found that a D-12 Cat had arrived and was busy cutting a road to a core drill location, with Harlow Jones at the controls. Harlow said that the truck had returned to Benson to pick up a D-24 - as we were returning to Phoenix about one o'clock we met the truck loaded with the D-24 just south of Benson, so I feel quite certain that both Cats are now at the mine and working.

I told Harlow that the assessment work was the most urgent at the moment and I suggested that he take the cats over about 1000 feet west of No. 5 shaft to a trench we had previously dug across the vein and that ~~he~~ enlarge that trench in both length and width. Erosion and detritus from the hill has obscured the vein in this area - the proposed trench will not only expose substantial vein material but will make visible the best location for a core drill hole or an exploratory shaft in the vein. Before we sunk No. 5 shaft, we had to dig a long trench to the vein before we could decide upon the right ~~spot~~ spot on which to sink. I am sure the D-24 with a ripper will handle this ground - this will be assessment work that can be both seen and measured. I will have a report from Joe Escapule in a few days regarding the assessment work then I can complete and file the annual assessment affidavit.

With regard to future work, Mr Jones stated that he was committed to the Stewart Company to perform 2800 feet of deep core drilling with the view of intersecting and testing the vein at a depth of 800 or 1000 feet. Now I am not presuming to dictate how Mr Jones should spend his money but I hate to see him waste a dollar or several thousands of dollars so with your permission I wish to give you the benefit of my experience and study of the Charleston over a period of the last twenty years.

The plan to undertake the drilling of an 800 to 1000 ft core hole calls for an intensive geological study of the area by a competent engineer before deciding upon the location to start the hole and I am convinced that such a study would result in the abandonment of such a plan at the present time.

The range of hills extending for four miles or more, running S-W and N-E north of Charleston of which our hill in Section 36 is a part, is a massive granite intrusion of which our mineralized fault on the north side of our hill is also a part and undoubtedly formed at the time of the granite uplift - the vein filling of sericite and sulphides caused by hydro-thermal action. This granite hill undoubtedly extends to a great depth therefore a core hole would give only granite and more granite. The depressed saddle over the crown of the hill might well be another different vein.

Most folks acquainted with the Charleston have assumed that our sericite vein

262

# Charleston Mines

INCORPORATED

5008 West Weldon Avenue, Phoenix 31, Arizona

CHAS. H. SUITER, President

Mr Cosgrove page 2 8/28/65

has an incline of 55 to 65 degrees to the south and most of my shafts were sunk at this angle mainly for working convenience - the assumption of 55-65° incline of the vein has resulted from the andesite dike which appears to be the footwall of our sericite vein, the south wall or vein side has a south incline of about 60°. Contradicting this assumed vein angle of 60° is an exposure up on the side hill of the granite of which the hill is composed - this granite exposure is badly weathered and decomposed and shows no definite inclination one way or another and it could be about vertical - without doubt this granite is the hanging wall of our sericite vein, which indicates 250 feet or more of vein width. In my opinion, it is highly improbable that a randomly located core drill hole on the hill will give satisfactory results, and would cost approximately \$16,000.00.

I suggested to Mr Jones that he spend his money where we know the ore is. In his report Dr Gaines said we have in the area of No. 3 and No. 5 shafts, 86,000 tons of ore having a gross value of \$50.00 per ton or over four million dollars. I am one of a very few persons who have actually seen this ore and know the extent of it because I developed that ore body and am confident that Dr Gaines' estimate could reasonably be doubled. How much more ore does any one want? At a sensible estimate of a 1000 tons per month per month there is enough ore in this one little spot ~~for~~ to last for ten years.

To get this ore, I suggest sinking a good shaft in the andesite footwall at a point about mid-way between No. 3 and No.5 and fifty feet or more north of the vein, to a depth of 150 or 200 feet and cross-cutting from this shaft to the vein at the 100 ft, 150 ft and 200 ft levels. Such a shaft 200 ft deep with the three cross-cuts and adequate hoisting equipment will cost approximately \$20,000.00.

Mr Jones seemed to be favorable to the shaft sinking as a substitute to the core drilling but he says he has to have your O.K. I am enclosing some maps I promised Harlow - after you look them over kindly send them too him along with your approval or rejection of the shaft plan. I am also sending you a copy of this letter which you may send to Harlow along with the maps.

Kindly advise me of your reaction.

Very truly yours,

*Chas. H. Suiter*

G.C.

256

October 18, 1965

Mr. Charles H. Suiter  
5008 West Weldon Avenue  
Phoenix 31, Arizona

Dear Mr. Suiter:

Reference is made to your letter of September 21, 1965 wherein you transmitted copies of the affidavits relating to assessment work for the Charleston Mines. I have delayed this letter pending a meeting with Mr. Harlow Jones, but as this will be further delayed, I felt I had better answer your letter.

We were pleased to hear of your feelings concerning the prospects of the vein continuing to depth and the possibility of copper being the dominant metal at the greater depths.

We concur with your recommendation that a horizontal hole drilled into the south wall of the pit would reveal interesting information on the outcrops occurring above the pit. This suggestion will be relayed to Mr. Jones and his group.

The preliminary proposed core drill hole was not 800 to a 1000 feet to the south, but just over 250 further south measured from CD2, designed to intercept the vein at top depth of 800' assuming same vein dip. However, it was also recommended that no drilling be done prior to a geophysical study and an I. P. tracing of the property to properly ascertain the proper hole locations.

We have notified the Jones group of the churn drill holes which were drilled to search for water and furnished them with assay information received.

To avoid any recurrence of ill advised financial expenditures on the subject property, it is our intention not to sink a shaft as proposed in your letter nor to invest in a mill until the ore body has been determined, both as to extent and content, and the mill then properly engineered. For this reason, we must take exception to your deadline of production by April 1, 1966.

We propose to keep you advised of progress made in any negotiations and in developments occurring.

Very truly yours,

JAMES STEWART COMPANY

C. A. Cosgrove

CAC:lp

1<sup>st</sup>

2<sup>nd</sup>

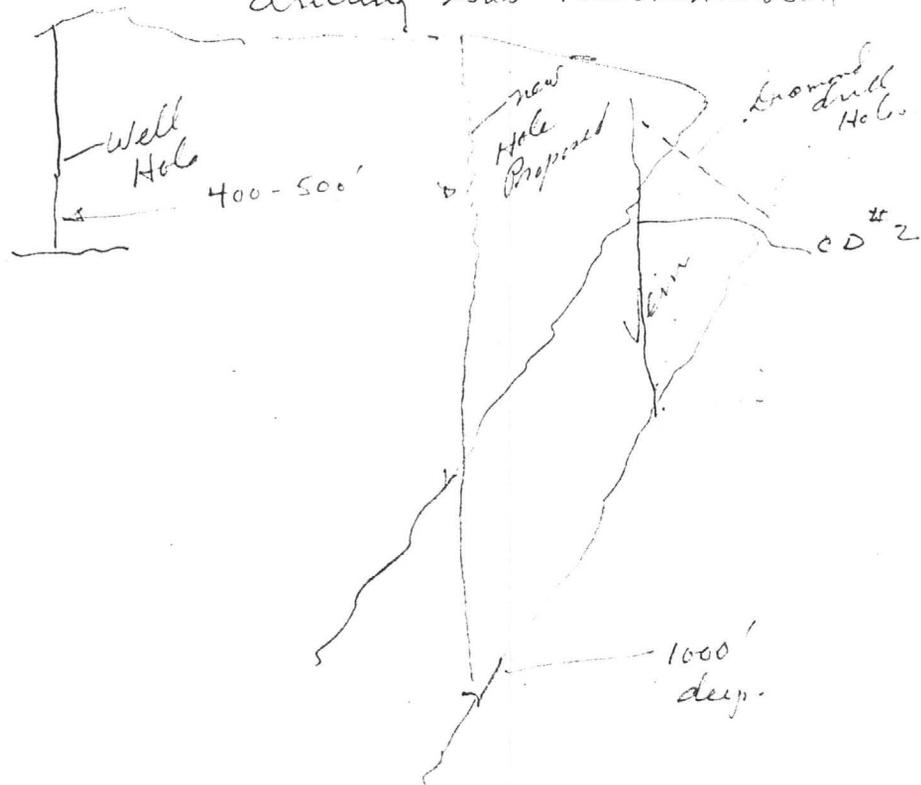
3<sup>rd</sup>

No Comment

Then why object to drilling a deep hole

Harlow and others have been advised of this drilling was a hole to locate water (our #2 hole.)

400-500 feet to the south of where the proposed drilling was recommended



257

#4 - we are not anticipating  
ore on the south side

#5 - no comment.

#6 (a) Horizontal drilling to  
intersect & study the  
vein south of the  
Present Pit would  
provide excellent info.

(b) This  $-50^\circ$  dip.  
recommendation  
would not give very  
good results. Not good  
practice to drill parallel  
to vein;

#7 - 6 months ultimatum -

---

259

# Charleston Mines

INCORPORATED

5008 West Weldon Avenue, Phoenix 31, Arizona

CHAS. H. SUITER, President

September 21, 1965

Mr C.A. Cosgrove  
James Stewart Company  
Phoenix, Arizona 85012

Dear Mr Cosgrove:

Enclosed is copy of assessment affidavit relating to the Charleston Mines - the original has been recorded in the records of Cochise County. I am not too happy over the sufficiency of the work indicated in the affidavit but since Mr Jones is on the property and is presumably continuing some work, it will pass.

In your letter of the 30th August you stated that you had the impression that I did not believe that the vein extends to any appreciable depth - on the contrary, it is my opinion, based on information gleaned from several competent engineers and from my own underground experience on the property, that our present known sericite vein will continue in more and better ore to a depth of several hundred and perhaps a 1000 feet or more and at depth copper may be the dominant metal, as was the case at Butte, Montana where they have a surface condition very similar to the Charleston.

In connection with your proposed geological study preliminary to drilling, I suggest that you inform your engineer about the churn drill hole which you drilled in July 1957 in the area you are now considering, to a depth of 476 feet, all in igneous rocks, several samples of which showed traces of gold. You no doubt have the log of this well and its location can no doubt still be determined.

In the past eight years I have seen so much of the money of the Stewart Company and others wasted in ill-advised and incompetent work at the Charleston that I am adverse to seeing any further such performance. Unless another unknown vein might be found on the south side of the granite hill, your chances of encountering worth while ore with your core drill, are about one in twenty.

The report of Dr Gaines, a highly touted engineer, stated in effect that in the area between old No. 4 shaft and old No. 2 shaft (about 350 ft) and 300 ft deep there is a block of 86,000 tons of ore of a gross value of over \$ 4 million dollars. I developed that block of ore - my tonnage estimate is much higher. With lead at 16¢, zinc at 14½¢ and mica at \$100.+ per ton, prices are very favorable and will likely continue high or higher for some time to come. The sinking of a shaft as I recommended in my letter of August 28th, will in my opinion make available for mining, Dr Gaines' 86,000 tons and more - enough ore at 50 tons per day to last several years and the initial cost for sinking and equipping the shaft will be less than the cost of drilling two 800 ft core holes.

There is one drill location that in my opinion would reveal interesting information - a horizontal core hole drilled into the south wall of the pit to the granite (approximately 200-250 ft) that outdrops up on the side hill, would locate the granite and define its incline if any, at the same time permit sampling of a 20 ft vein ( shown at the surface ) that lays against this granite - then from the same drill location, run a core hole into the vein at about 50 degree south incline angle to as deep as you wish to go, probably all in ore.

260

# Charleston Mines

INCORPORATED

5008 West Weldon Avenue, Phoenix 31, Arizona

CHAS. H. SUITER, President

Mr C.A.Cosgrove

page 2

9/21/65

The north wall of the granite ridge, exposed on the north side of the hill, is undoubtedly the hanging wall of our present sericite fissure vein - this wall may be vertical or it might slope or incline to the north, contrary to the assumed south incline of our sericite vein. In any event, in my opinion it is unreasonable to assume that our sericite vein continues to dip south under that granite hill to the extent of finding it with a core drill hole located 800 to 1000 feet to the south - it is my opinion that our sericite vein does not dip to the south that much. In this connection it is significant to note that on the north side of the granite ridge, several churn drill holes have not found water, while on the south of this ridge water is found at shallow depths in quantity. About three-quarters of a mile south of our workings an old shaft 100 feet deep makes water rated at 200 gallon per minute.

With 86,000 tons of ore above 300 feet, according to Dr Gaines, and with present good metal prices, there can now be no reasonable excuse for further delaying production of metals and sericite. I must insist therefore that action be taken and necessary work performed with the view of having the mine under production by April 1, 1966 - this gives you over six months time in which to sink and equip a shaft that will make available in my opinion, enough ore to last several years. Failing in this will make your contract subject to cancellation. I am sure that you can appreciate the iniquity of a production contract that takes over 35 years to pay out.

Also kindly instruct your book-keeper that the \$500.00 monthly check must be in my hands on or before the 10th day of each month.

Very truly yours,

  
Charleston Mines...

# JAMES STEWART COMPANY

GENERAL CONTRACTORS

707 MAYER CENTRAL BUILDING

3033 NORTH CENTRAL AVENUE • PHOENIX, ARIZONA 85012

602-264-2181

232  
January 12, 1968

Mr. R. H. Pickard  
General Manager  
Western Mica Division  
U. S. Gypsum Company  
101 South Wacker Drive  
Chicago, Illinois 60606

Dear Mr. Pickard:

RE: Charleston Sericite Deposit

Thank you very much for having your man, R. J. Beckman, come to Phoenix and visit our Charleston Sericite Deposit. Mr. Cosgrove of our office took him down and spent the best part of two days showing him over the property.

We did not know just what Mr. Beckman was sent to do. Apparently it was to determine the quantity of material that we had and how it could be extracted. Unfortunately, if this is the case, Mr. Beckman did not seem to be properly qualified to make such a determination since his experience apparently has been limited to quarrying, and he has had little or no experience in underground operations, either geologically or from an operator's standpoint. He was completely unacquainted with this type of material; therefore, we concluded that he was not sent down to appraise the material itself. We presume that this has been done by your laboratory studies.

Regarding the tonnage at Charleston, our drilling and exploration operations have indicated to us that the deposit would yield at least 1,000,000 tons of refined Sericite, and we think that there is closer to 2,000,000 tons. We also think from our knowledge of the Mine that the extraction process will have to be by underground mining methods and that it could not be handled by an open pit, dragline or scoop shovel operation. We also know from our studies that the value of the hard metals in the Sericite veins will almost cover the cost of mining and milling. Mr. Beckman made it clear that your firm has no interest in the hard metals; however, these can be readily disposed of to one of the various hard metal companies who are or will be operating in the Tombstone area.

We are proceeding with our drilling program to determine what we have in the way of hard metals. We have been very encouraged by our findings to date -- enough so that we have brought in a second drilling rig on the property, and two rigs will be drilling on the Charleston for an indefinite period until we have concluded arrangements with a major company to take over the mining and milling operation. There is a possibility that the mining operation may not touch the Sericite veins for a long period of time, if at all.

JAMES STEWART COMPANY

233

Mr. R. H. Pickard  
U. S. Gypsum Company

- 2 -

January 12, 1968

We would appreciate an early response from you as to whether or not your company has a serious interest in the Charleston Mine or the Charleston Sericite material.

Very truly yours,

JAMES STEWART COMPANY

M. S. Horne  
President

MSH:ef

*Check on the reports of Log file* 231

**Bear Creek Mining Company**  
**Arizona District**

1714 WEST GRANT ROAD  
TUCSON, ARIZONA 85705

March 19, 1968

TELEPHONE: 602-624-5547  
TWX: 510-837-0252

RECEIVED

MAR 21 1968

JAMES STEWART COMPANY  
TUCSON, ARIZONA

REGISTERED MAIL

Mr. C.A. Cosgrove  
James Stewart Company  
707 Mayer Central Building  
3033 North Central Avenue  
Phoenix, Arizona, 85012

Dear Clarence:

We have reviewed the data submitted on your Charleston Mine property and are returning the following herewith:

1. Jonathan M. Gordon Report - 1950.
2. Charles H. Dunning Report - 1955.
3. Undated and Unsigned Assay Summary - 1933-1934.
- NH 4. Heron Mining Drill Logs - 1962 and Assay Record  
Holes 7, 8, 9, and 10  
45° Angle Core Drilling across vein.
5. General Surface Map - 1" = 60' - Dated 1962.
6. University of Arizona Ore Test - 1960.
7. Assay Map by Suiter - 1948-49 - Anaconda Assays.
8. X-Section #5 Shaft by Suiter.
9. Ore Settlement Sheets and Cross Section Locations  
Suiter - 1950 (Plus).

We have retained the claim map. Currently we are preparing copies of our logs of your holes No. 1 and 2. As soon as we have logged hole No. 3 and make a surface geologic examination we should be in a position to make a decision on your property.

Very truly yours,

*John S. Phillips*

John S. Phillips  
Senior Geologist

JSP:bjm

encl. as noted

GC.  
AM

Memorandum Status of Federal Mining Claims

June 4, 1968

	Location Complete	Work Required	For 9-1-69 Completed	Assessment Pending	Work Note
Charleston -old- 12 claims & 8 state - 20 ea.	X		X		Hole #1
- Stewart Claims 1-8 inclusive	X		X		Hole #1
Horne 1-154; 156-158; 160-181	X				
Horne 1-74 inclusive			X		Hole #1
✓Horne 75-79 "				X	Note 1
✓Horne 80-84 "				X	Note 1
✓Horne 85-89 "				X	Note 1
✓Horne 90-94 "					Not Required in 1968
Horne 110-117 "				X	Note 2
Horne 95 - 110 "			X		Hole #1
Horne 117-154 "			X		Hole #1
Horne 156-158 "			X		Hole #1
Horne 155	X		X		Hole #1
Horne 160-181 "			X		Hole #1
North 7-A - North 7-E		X		X	Note 2
Airport 1-50 inclusive		X		X	Note 2
Bertha					
Any 20 contiguous to Hole B-1	X		X		Hole B-1
1-126				X	Not Required in 1968
106 claims		X			Note 3

Note 1 - Assessment work for these claims can be by geological report by Smith - Davis.

Note 2 - Assessment work for these not required in 1968 - Located September 20, 1967.

Note 3 - No work recommended at this time.

2  
400

M E M O R A N D U M

To: M. S. Horne

Date: June 5, 1968

From: C. A. Cosgrove

Re: Assessment Work -  
Location Work

As can be seen by the attached chart, assessment work for the present year can be met by present drilling and by 3 geological reports by Davis - Smith on aerial magentics prepared for filing.

Location work on 106 Bertha Claims, 50 Airport Claims, and 5 North 7 Claims have not been accomplished, nor under the circumstances is it recommended.



C. A. Cosgrove

Chart Attached

CAC:jm

*e*

CAC

Clyde Davis's secretary called and said Clyde is meeting with McKay Smith at 11 a.m. tomorrow. He will call here tomorrow afternoon.

6-3-68

1230

August 2, 1968

Mr. H. Clyde Davis  
Director, Mineral Development  
Brigham Young University  
A-362 Smoot Administration Building  
Provo, Utah 84601

Dear Clyde:

Enclosed are two logs for Charleston Holes 1 and 2  
by Kennicott which were delivered to us yesterday by  
John Phillips of Bear Creek.

Very truly yours,

C. A. Cosgrove

CAC:ef  
Encls.

*Given to Clyde Davis  
personally by MSH 8/2/68*

E 229

August 28, 1968

Mr. McKay Smith  
Computer Update  
72 East 4th South  
Salt Lake City, Utah 84111

Dear Mr. Smith:

Confirming our verbal request to your office on Monday, August 26, 1968, we would appreciate your delivering to Kennicott Exploration Service, Salt Lake City, Utah, Attention: Mr. F. M. Wright, one set of prints and data on the Aerial Magnetic Surveys made by you on the Charleston Mine.

In our previous phone call on Monday, August 19, we requested a copy of the additional 2nd derivative work you had done. (The 4 mylars received by our office on August 1 covered the following:

- One ground level magnetic
- One second derivative
- One downward continuation 1500'
- One downward continuation 2500')

The additional second derivatives have not been received. In addition, we would appreciate receiving a copy of the whole area magnetic data turned out from the government flying which you reduced originally.

We appreciate your cooperation in the above.

Yours very truly,

JAMES STEWART COMPANY

C. A. Cosgrove

CAC:jm

December 26, 1968

MEMORANDUM TO FILE

Charles Freesh was in on the afternoon of December 23, 1968, to look at the aerial magnetic maps of the area from Charleston to south of Tombstone. He did not seem too interested and did not ask for copies. I reported to him the depth problem with these and that new studies were being made.

He asked if Union Oil Company's geologists could come in and look at them. I advised this would be okay. The men who may come are Mr. Ken Jones, Mr. McLean, and/or Mr. Bolin. We do not know when they might come.

---

C. A. Cosgrove

CAC:jm

OFFICE CORRESPONDENCE

JAMES STEWART COMPANY

December 30, 1968

To: M. S. Horne

Charles Freesh called. The Union geologists will be real interested in talking to you and will postpone their trip here to the office until your return from the East.

  
\_\_\_\_\_  
C. A. Cosgrove

CAC:jm

*Handwritten initials*

GC.  
478

## JAMES STEWART COMPANY

MEMORANDUM

April 4, 1969

TO: M. S. Horne

RE: Assessment Work Requirements for Federal Mining Claims by  
Contiguous Claim Blocks

		<u># Claims</u>	<u>\$ Involved</u>
Block (A)	Charleston and State Group Stewart Group Horne Group	20) 7) 164 137)	\$ 16,400
Block (B)	Section 7 - T20S R 22 E Horne 85 - 94 Section 8 - T 20 S, R 22 E Horne 95 - 99	) ) ) 15 )	1,500
Block (C)	Section 17 - T 20 S, R 22 E Section 18 - T 20 S, R 22 E Horne 101 - 107, 159, 160, 108 109, 109A	12	1,200
Block (D)	Section 20, T 20 S, R 22 E Horne 110 - 117	8	800
Block (E)	Section 6 - T 20 S, R 22 E Horne 80 - 84	5	500
Block (F)	Section 32 - T 19 S, R 22 E Horne 75 - 79	5	500
Block (g)	Section 4 - T 20 S, R 22 E North 7-A - 7-E	5	500
Block (H)	Section 18 - T 20 S, R 23 E Airport 1 - 20	20	2,000
Block (I)	Section 6 - T 21 S, R 23 E Airport 21 - 50	30	3,000
Block (J)	Bertha	127	12,700

Assessment work must be done within period 9-1-68 to 9-1-69.

JAMES STEWART COMPANY

AM

Assessment Work Requirements for Federal Mining Claims -- 2

April 4, 1969

Drilling Periods

Hole #1	On July 1967 Off October 1967
Hole #2	On September 1967 Off February 24, 1968
Hole #3	Started January 1968 Rig moved off hole May 1968
Limestone	On March 1968 Off May 13, 1968
Bertha	On February 1968 Off June 1968

Geological work, geophysical work and or geochemical work can all be used for assessment. If done, must file a report and set forth, all by a qualified expert.

- (1) Location of work performed in relation to point of discovery and boundaries of claim.
- (2) Nature, extent and cost of work performed.
- (3) The basic findings of the surveys.
- (4) The name, address and professional background of "qualified expert."

  
\_\_\_\_\_  
C. A. Cosgrove

CAC:ef

JAMES STEWART COMPANY

ATT

Assessment and Location Work -- 2

August 11, 1970

Location Work

Clarence has roughly designated five location holes to relocate the following claims:

Hole #1: Apache #2, #4, #9, #10, #13, #14, #17 and Stewart #8.

Hole #2: Apache #1, #3, #18, #19, #20, #21, #22, Apache Scout, and Stewart #9.

Hole #3: Apache #5, #6, #7, #8, #23, #27, #28, #29.

Hole #4: Apache #24, #25, #26, #30, #31, #36, #37, #38, #39, #40.

Hole #5: Horne #155. This hole could be dug by Clark Hughes.

It is recommended that this location work be done after September 1, 1970. This will then give us a year's free ride since claims located during an assessment year do not require assessment work during that year.

This means that no relocation work is contemplated for the claims listed above under assessment work for which the assessment work has not been done during the current year. In addition, no relocation work is contemplated for the following Apache claims:

Apache #11, #12, #15, #16, #32, #33, #34, #35 and #41 through #71.



Edward F. Herold

EFH:ef  
Attachments

## JAMES STEWART COMPANY

MEMORANDUM

August 11, 1970

TO: M. S. Horne

RE: Assessment and Location Work

Before Clarence left on his vacation, I reviewed with him one more time what assessment and location work is currently required:

Assessment Work

For the fiscal year ended September 1, 1970, assessment work has been accomplished on the following claims:

Original 12 Federal claims purchased from Suiter  
8 State claims purchased from Suiter

Suiter is in the process of preparing the annual Affidavit for the above claims.

Stewart #1 through #7  
Horne #1 through #32  
Horne #43 through #51  
Horne #61 through #69  
Horne #156 through #158  
Horne #164 through #172

Attached is the proposed Affidavit to be filed for the above group of claims. I talked to Loyd Hewitt on the phone, and he was mailing his report by Thursday, August 13. However, it is an 80-page report. If portions cannot be extracted to file with this Affidavit, then we may wish to reword the Affidavit and simply refer to the work having been done by Hewitt. Clarence had suggested sending the 2000' elevation Isopach with this Affidavit, so Hewitt will send us two or three of these loose and separate from their report. It may be that these Isopachs would be sufficient to go with the Affidavit without any part of the report itself.

Horne #101 through #107  
Horne #108, #109 and #109A  
Horne #110 through #117  
Horne #159 and #160

Attached is the Affidavit supported by Hewitt's letter to cover the above claims.

Affidavits are therefore not being filed on the following claims which had been located prior to September 1, 1969:

Limestone

Horne #155  
Horne #33 through #37  
Horne #52 through #56  
Horne #38 through #42  
Horne #57 through #60  
Horne #70 through #74  
Horne #80 through #89  
Horne #100  
Horne #118 through #150  
Horne #151 through #154  
Horne #161 through #163  
Horne #173 through #181

North 7

Horne #75 through #79  
North 7A through 7E

Airport #1 through #50

Bertha #1 through #126

6.C. 75

# Charleston Mines

INCORPORATED

5008 West Weldon Avenue, Phoenix 31, Arizona

CHAS. H. SUITER, President

December 28, 1970

Mr M.S.Horne, President  
James Stewart Company  
Phoenix, Arizona 85012

Dear Mr Horne:

I have received from Mr Cosgrove the claims map showing the approximate location of your #6 core hole recently drilled, which location appears to be quite close to the Nash # 2 hole.

From my old files I have resurrected Dr Gaines' report on the Charleston Mine dated Sept. 10, 1962 and his very good surface map of the mine area. This map shows the five vertical holes core-drilled by Nash-Vogel and their churn drill hole # 2, also five 45 degree angle holes drilled by Dr Gaines (Heron Mng Co.)

The Gaines Report states that Nash # 2 hole, located 340' west of Heron # 10, intersected 18 feet of Sericite (true width 9'). With this information it was hardly worthwhile to drill your # 6 in practically the same area. There are several, more desirable and perhaps more informative drill locations, 1st: on the strike of the vein 150 or 200 feet west of Nash # 2. 2nd: in the bottom of the pit, a horizontal core hole in the south wall to locate the position and slope or angle of the granite wall and to test the vein lying against the granite and the area in between. 3rd: a deep hole in the structure or fault approximately 400' north of north bank of pit and about on the west line of the Chief Justice claim - because of a north-south fault cutting the vein, care must be exercised and not get too far to the east.

In his report Dr Gaines states on page 10, in an area from 40' east of his # 7 to 40' west of # 10, 285 ft by 305 ft deep, there is 86,000 tons of sulphide and sericite ore, which he states, after mining, milling, freight and taxes will net \$1,050,000. figuring in 1962 lead at 9½¢ and zinc at 11½¢. Today's prices are Lead 14½¢ and zinc 15¢.

The Gaines report states further, "There is every reason to expect that this same formation should continue in depth, to double or more the 305 feet. In addition it is known that Nash-Vogel intersected 18' of sericite (9' true width) in their hole # 2, also sericite is visible in an outcrop on Connecting Links over 1100' N 75 degrees east of the pit. Obviously there is plenty of room for exploration with the promise of multiplying present reserves several fold."

On page 4 Dr Gaines states: "Giluly has mapped a major East-West fault which passes through the Charleston Mine area. This fault is supposed to be one mile long, --- then it must be considered that this altered zone continues some what farther to the north, perhaps two or three hundred feet north of the present working, to where the fault actually is."

Dr Gaines' report confirms my long contention that exploration work should be conducted near the known mineral vein and north of the pit.

Sincerely yours,

*Chas H. Suiter*  
Charleston Mines...

G.C.  
Copy sent to  
CAC 1/13/71  
J.S.

CHARLESTON MINES INC.  
SUCCESSOR TO  
CHARLESTON LEAD MINES COMPANY  
UNINCORPORATED  
BOX 347

TOMBSTONE, ARIZONA

CHARLES H. SUITER  
GENERAL MANAGER

Office: 5008 W. Weldon, Phoenix, 85031

January 11, 1971

Mr M.S.Horne, President  
James Stewart Company  
3033 North Central Avenue  
Phoenix, Arizona 85012

Dear Mr Horne:

When I talked to you some time ago about your core drill hole # 5, you mentioned that the formations your core drill encountered were badly disturbed and showed no correlation or conformity with the formations your drill intersected in your # 4 hole.

After we timbered No. 4 shaft I attempted to drift to the east on the 52 foot level and immediately encountered what I thought was just a big rhyolite boulder but after cross-cutting both north and south right angle to our vein we found it to be a wall probably related to the cross-fault some competent engineers have predicted. When we needed an exit at the east end of the pit we had to drill and blast to get through the wall and into the nearby gully. This cross fault very likely accounts for the unconformity of your holes # 4 and # 5. Johnathan Gordon, a noted mining engineer and metallurgist, and long familiar with the Charleston Mine and the Tombstone area, contended that our sericite vein split or forked to the north through the Connecting Links claim but to the south he would not state, caused by a cross fault north and south that was marked by the gully east of the pit.

I am enclosing you one of my old unground maps showing the relative location of my No. 4 shaft both on surface and underground and the wall by red line.

It has long been my opinion that the Charleston sericite vein is a big chimney that has sneaked into the south side of the wide altered zone bringing up with the sericite much copper, lead and zinc sulphides from what could be an immense body of rich ore. A 3000 foot hole drilled on the structure and in the faulted zone might have been very rewarding.

My Charleston Mines Corporation will hold its annual shareholders meeting Monday January 18th 1971 - if you happen to have some encouraging information in the meantime, I will be glad to have and report it.

Sincerely yours,



President  
Charleston Mines

RECEIVED

JAN 13 1971

JAMES STEWART COMPANY  
PHOENIX, ARIZONA

**Charleston Mines**  
INCORPORATED

5008 West Weldon Avenue, Phoenix, Arizona 85031

CHAS. H. SUITER, President

June 8, 1971

RECEIVED

JUL 10 1971

Mr M.S.Horne, President  
James Stewart Company  
Phoenix, Arizona 85012

JAMES STEWART COMPANY  
PHOENIX, ARIZONA

Re: State Mineral Lease No. 786

Dear Mr Horne:

I have received from the State Land Department a statement for \$120.00 for the annual rental on our eight mineral claims for the ~~assessment~~ *next* year due August 19, 1971 along with forms for reporting material removed from said claims and for reporting and filing the usual assessment work affidavit.

To assist me in preparing the required affidavit, will you kindly tell me the names of the drilling contractor who drilled holes No. 5 and 6 and the approximate depth of each hole, and the names of other persons who had a part in the drilling or any other work on the claims? I am certain that the cost of these two holes was in excess of the required \$2000.00 expenditure for the assessment year 9/1/70 to 9/1/71, for our twenty claims - 12 in the Mary Jo Group and 8 in the State Group.

Several months ago I gave you a map on which Mr Cosgrove plotted the location of your several drill holes and returned to me. I suggest that he might be wrong about the locations on the claims of several of your drill holes. He shows No. 1 hole located in the north-west corner of the Father Lode claim. This hole was actually drilled about 200 ft east of the S/W corner of State Claim No. 5 at a point considered to be about the center of the Eight State claims for which it was the discovery or Location as it is now called. This hole was 476 ft deep and assayed a trace of gold for almost its full depth, it made 10 to 12 gallon water per minute.

The water well was drilled in the south-east corner of State No. 6 claim, it was not sampled but it should have been. Well No. 4 Mr Cosgrove shows about properly located - it is located by my measurement about 810 ft north of the well on a directline between the well and the 30 ft tank on the hill to the north. Of course a holes location and elevation is not important unless an Engineer wishes to correlate the formations and structure between holes which is a good practice. I have not the least idea where holes No. 2 and 5 should be shown on the claims map.

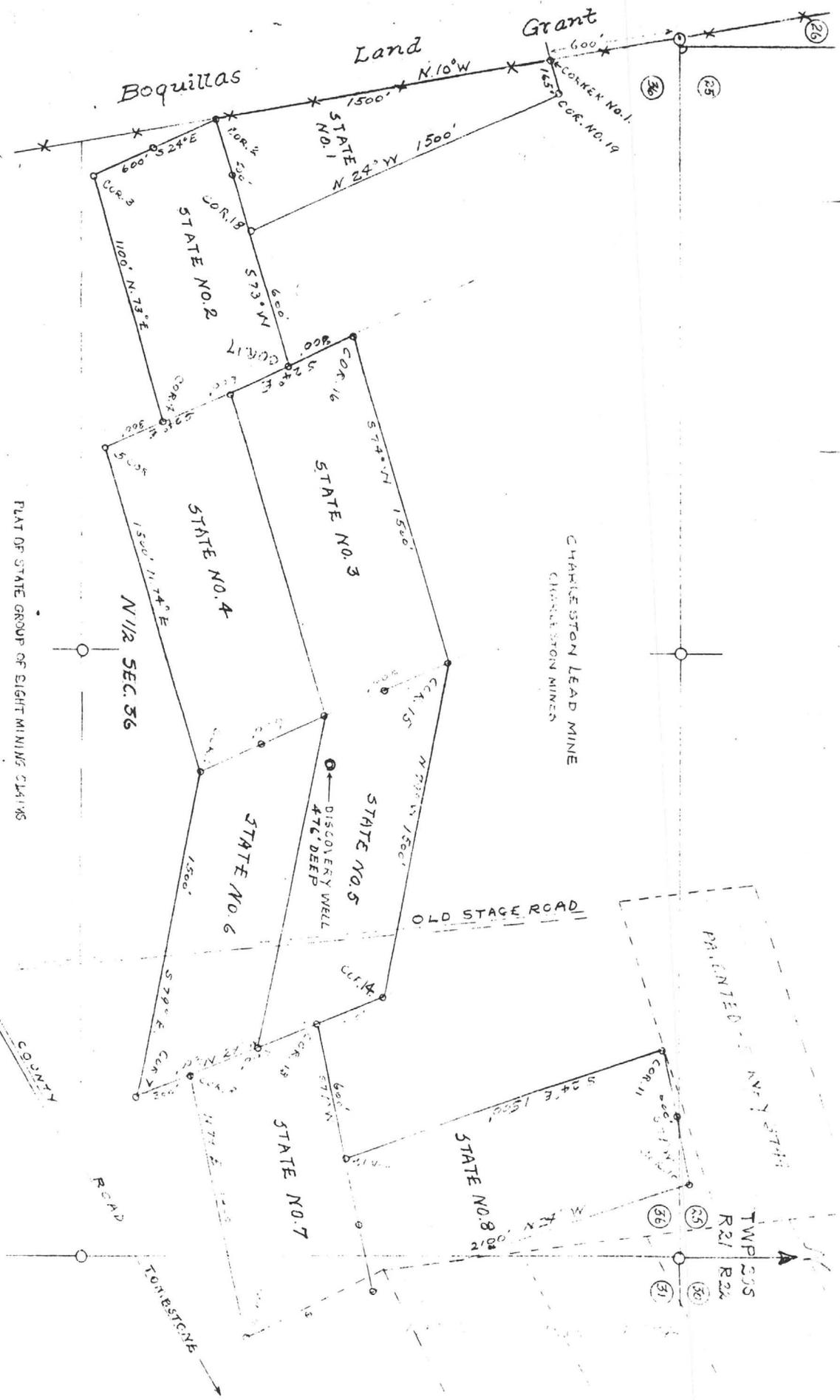
Kindly send me the assessment work information. Thank you....

Very truly yours,



Charleston Mines....

*Copy to C.H.C.  
6/15/71 (2/1)*



PLAT OF STATE GROUP OF EIGHT MINING CLAIMS  
 LOCATED JUNE 10 1957 BY CHARLES H. SUTHER, TOMBSTONE, ARIZONA  
 LEASED FROM THE STATE OF ARIZONA

Scale 1" = 400'

Copy made - 6/15/71

E 251

June 21, 1971

RECEIVED

JUN 22 1971

JAMES STEWART COMPANY  
PHOENIX, ARIZONA

Mr. M. S. Horne,  
3033 N. Central  
Phoenix, Ariz.

Dear Mr. Horne,

Mr. Suiter's letter June 8, 1971  
alleges error on my part in the location of  
Drill Hole #1 on the map sent to him.

Mr Suiter is confusing our Diamond  
Drill Hole locations which I had shown on  
the map with the second of three churn drill  
holes. The churn drill holes were drilled  
looking for water, the assaying of the second  
being incidental. We do not consider them  
of any value, geologically, as all three are  
within the volcanic sill. The three churn  
drill holes were drilled about 1958.

very truly,

CHARLES H. SUITER  
5008 WEST WELDON AVENUE  
PHOENIX, ARIZONA 85031

July 7, 1971

Memo to Mr Horne:

The Copper stained rock I told you about, can be found at a spot about 1200 feet more or less west and north of the gate that enters onto our mine road. This green stained rock as I recall, is not a surface outcrop but comes from a shallow hole that was dug by old-timers. Twenty years ago there was plenty of it in evidence but rock hounds depleted the pile.

About this same spot can be seen evidence of some old trenching work where a miner took out \$45000.00 in horn silver (Cerargyrite) and never got below his shoulders - according to Johnathan Gordon, an old Mining Engineer who spent most of his adult life in the Tombstone area. Years ago it was a common opinion that this area concealed many rich silver pockets - your core drill might find one good enough to sink on.

I have always been concerned about our claims markings - our monuments and posts. In 1962 Robert Lenon, Mineral Surveyor, made an official map of our twelve Mary Jo claims which was approved by the Bureau of Land Management - Lenon marked the corners with a pipe sunk in the ground and a brass cap all of which could be obliterated by a bull-dozer. According to Lenon's map the south-west corner of the Woolery claim is almost directly under the Telephone Line. From this point west about 300 feet there should be a 4 x 4 post set on the Land Grant (Tenneco) fence line, marking the north-west corner of the State No. 2 claim - 600 feet south there should be another 4 x 4 post marking the south-west corner of State No. 2. It might be well to check these and other claim marking. Cattle some times rub them over and some two legged animals steal them.

In my humble opinion ~~opinion~~, the three Charleston Hills, almost in line north-east and south-west, are surface evidence of only a part of a massive intrusive granite ridge or dike and it appears to me that your drill hole, located between and in line with the hills, may be over the top of the intrusion and therefore you may contact the Magma granite at a higher level than you expect. The location does not appear favor able to find a sedimentary mineral deposition at depth but for your sake, I hope I am wrong.

My best wishes for your good luck.

*Suiter*

G.C. RECEIVED 250

JAMES  
P.

299

August 5, 1971

Mr. Charles H. Suiter, President  
Charleston Mines, Inc.  
5008 West Weldon Avenue  
Phoenix, Arizona 85031

Dear Mr. Suiter:

Enclosed is James Stewart Company check in the amount of \$120.00 payable to Arizona State Land Department in payment of annual rent due for Lease M-786, which are the eight State claims you are selling to us.

For purposes of the affidavit, Hole #5 was drilled on the Sweetheart claim and Hole #6 on the Brother George claim. Holes were drilled by Joy Manufacturing Company, 900 Woodland Avenue, Michigan City, Indiana 43660. Hole #5 was commenced August 3, 1970 and completed October 13, 1970. Its total depth was 2528 feet. Hole #6 was commenced on October 16, 1970 and drilling was stopped October 20, 1970 after drilling to a depth of 237 feet.

In addition to the expenditures for drilling during the current year, consulting fees concerning these claims were paid to Mr. C. A. Cosgrove, now retained on a consulting basis with our company, and to Hewitt Enterprises, R.D. #1, Box 978A, Sandy, Utah 84070, for geophysical work.

Please let me know if you need additional information in order to sign the affidavit.

Sincerely yours,

Edward F. Herold, CPA  
Controller

EFR/bde  
Enc.

cc: C.A. Cosgrove

298

# Charleston Mines

INCORPORATED

5008 West Weldon Avenue, Phoenix, Arizona 85031

CHAS. H. SUITER, President

August 11, 1971

RECEIVED

AUG 13 1971

Mr Edward F. Herold, Controller  
James Stewart Company  
3033 North Central Avenue  
Phoenix, Arizona 85012

JAMES STEWART COMPANY  
PHOENIX, ARIZONA

Dear Mr Herold:

I am enclosing you a copy of the recorded labor affidavit with respect to the assessment work on the Charleston Mines claims for the current assessment year along with receipt of Arizona Land Department (copy) for the annual rental of \$120.00 paid by the Charleston Mines. I am returning your check for the reason that the rental has already been paid. Since the eight state claims are on a year to year basis we are advised that in order minimize an already confused situation the Charleston should pay the annual rental even tho Stewart Company have the benefit of the water therefrom.

// These eight claims are the ones that Turley and Cosgrove did not want to be bothered with. I started to locate the eight claims in 1954 and run into trouble with the State Land Department who advised me that all of Section 36 was state school land and before I resumed mining operations on the Mary Jo I must obtain a State Mineral Lease. I fought with them several months before I could convince them that our claims were located in 1928 on federal land that was not surveyed until 1947, therefore we had prior rights. I finally convinced them - see enclosed Land Department letter. //

? // In the spring of 1957 I resumed my job of locating the state claims, working alone. I had mapped the new claims surrounding and extending the claim lines of the Mary Jo group and at the time of our deal I had four of them measured and monumented. I wanted these eight claims for the reason that they offered the only source of and adequate water supply for the Mary Jo mine. Turley was not impressed but to placate the "old Man" a vague reference was made to the claims with no agreement on the part of any one to buy or sell. //

The Stewart Company mining venture in Cochise is in quite a mess, and I am one of the few persons who can help them as I have offered many times to do over the past fourteen years. The potential of our State Claims in Section 36 is far beyond the capability of either the Stewart Company or the Charleston Mines - some major mining company must join us and in this connection a full disclosure of all conditions must be made - let us work together in this undertaking that promises so much.

Sincerely,

President  
Charleston Mines.

**Charleston Mines**  
INCORPORATED

5008 West Weldon Avenue, Phoenix, Arizona 85031

CHAS. H. SUITER, President

May 3, 1972

RECEIVED

Mr Edward Herold  
James Stewart Company  
Mayer Central Building  
Phoenix, Arizona 85012

JAMES STEWART COMPANY  
PHOENIX, ARIZONA

Dear Mr Herold:

I thank you for mailing me the Charleston check which was received yesterday.

I got a little kick out of your mentioning the sale of the Charleston Mine. Early in the deal I had a Howard Davis, an Engineer, and a Mr Logan from Midland, Texas who had studied the property, worked out their plans for operation along with the Charleston side of a deal, then I took them to see Mr Horne. They were sort of over whelmed by the affluency of the Stewart office and they wondered why Stewart did not put the mine in operation then Mr Horne told them in effect that the mine could not be profitably operated and they quit cold.

*NO INFORMATION*

Then a year or two later a Hecla Engineer spent part of three months examining the mining property, about the time he was ready to start serious negotiations he met Howard Jones who told him that he Jones, owned the mine. That was the end of Hecla's interest.

At the outset there was no intention and no provision in our agreement, for a sale or assignment of the mining property. when this became apparent, although my help was never solicited, I offered my help and co-operation to the Stewart Company in their efforts to make a deal - I did this for the reason that I am certain that no major company will enter into a deal based on our present agreement for the reason that it is not a mining contract - major companies have their own special forms of contract which they insist on using which requires contact with and co-operation of the record owner. Had the mine been put in operation and production as originally intended I have felt that between the Charleston Mines and the Stewart Company the implications and ambiguities in the agreement could be amicably worked out - major companies demand specifics. I am still ready, able and willing to help the Stewart Company in any reasonable way.

I have made allowance for the fact that the Stewart Company are not experienced mining folks - they have acted upon a lot of bad advice and most everything they have done has been contrary to sound mining practice. Under the mining law and numerous court decisions it is their duty to protect and preserve and improve our mine and the Mary Jo claims in an effort to eventually produce minerals - that was the intent of the Federal Mining Laws in the first place. Instead they have destroyed our property and down-graded the mines mineral potential.

(1)

*Hecla  
investigated  
area.*

247

**Charleston Mines**  
INCORPORATED

5008 West Weldon Avenue, Phoenix, Arizona 85031

CHAS. H. SUITER, President

Mr Edward Herold, James Stewart Company 5/4/72 page 2

I have a copy of a recent treatise, a legal research manual pertaining to annual assessment work and maintenance of possessory title to unpatented mining claims published by the Rocky Mountain Mineral Law Foundation. In the PREFACE it states; " all miners and prospectors should know by now, the United States Supreme Court can --and does--change the mining law. And in this there is a lesson: The mining law is not immutable: the courts are not insensitive to changed conditions, and lawyers and mining landmen must be alert to recent developments in the law of assessment work, a subject of great importance to small prospectors and large mining companies alike." "The manual treats Of the general topic of assessment work under the General Mining Law of 1872 - now a century old, when it should be apparent to all that that law, as generations have known it, will not survive for much more than another year."

The Manual further states "There are pending in Congress a number of bills which would eliminate all vestiges of the 1872 law and make prospecting on the public domain, particularly, and mine development and mineral production to some extent as well, discretionary with some elected or appointed official of the Executive Branch."

The above is a few of the high points - our mining Laws have been abd are very liberal and generous which many people of the present generation, have come to resent - Conservationists and others are advocating that old mining claims on public lands that are not producing mineral be retrived by the Government and then lease to qualified operatrs(miners) subject to a royalty to the Federal Government.

Since 1947 to 1957 inclusive, the Charleston Mine was under production. development and ore sales - since Stewart come in 1957 no mineral has been developed, produced and sold - this places our claims in jeopardy.

If Howard Jones had talked to me before he made those two shipments of dirty ore that did not pay the freight, I would have told him how to adjust our classifier and he could have rewashd and sold \$60,000. in metals. The record of my shipments show that I did it to the extent of \$40,000. out of 4000 tons of crude ore with the sericite going down the creek. It would have been a simple process - the ore was handy to the mill and he had help of the two boys from Seattle - Doherty and Clements.

There is much more that should be talked over but I am limited for time and space. This letter is intended to be helpful and not to harass anyone.

Sincerely,



G.C.

225

Phone OFF-264-2181, Home-2746116  
AMERICAN EXPLORATION & MINING CO.

July 18, 1972

Mr. M. Seth Horne  
3033 North Central Avenue  
Phoenix, Arizona 85012

Dear Mr. Horne:

I was delighted to learn from our telephone conversation today that the Charleston Mine property is available for examination by an experienced mining company. I am looking forward to reviewing your data and meeting you once you have assured yourself of the serious intent of American Exploration and Mining Co., and its technical and financial capability, through our parent company, Placer Development, Ltd. of Vancouver, B. C., to explore, develop, and place economic ore deposits into production.

By way of introduction, I am the regional geologist for Amex at our field office in Tucson. Our head office is located in San Francisco, California at Suite 2500, One California Building 94111. We have been active in mineral exploration in the Western United States and Alaska for nearly 20 years, and at present have in operation Cortez Gold Mines near Elko, Nevada. This is an open pit operation averaging 2100 tons per day through the mill. I am enclosing the 1971 Annual Report for Placer Development so that you may acquaint yourself with the essential details of their operations around the world. If you have any further questions, I will do my best to answer them for you.

As I stated on the phone, my initial inquiry was to obtain some general information concerning the availability of your property. We had selected the area west of Tombstone as a target for reconnaissance exploration. Now I learn, more by rumor, that you have done some deep drilling with encouraging results. I gather that your findings are closely associated with the Tombstone Mineral Reserves property and that a consolidation of the two properties, in all likelihood, will become a physical necessity. I am in touch with the TMR people and they appear receptive to a data and property examination under conditions similar to your request.

Mr. M. Seth Horne

Page two

July 18, 1972

226

I am hopeful that Amex can serve as the catalyst to bring these two properties together (if such is the case) and that we can participate in an exploration program to evaluate the ore deposit for the mutual benefit of all parties concerned.

The time and place for the data presentation will be at your convenience. If you wish management representatives from San Francisco to be present, so indicate and allow one week's advance notice for me to make the arrangements. If not, then I can meet you anytime that suits you. I would appreciate a resume of your findings as further inducement for the San Francisco people to attend. To date, I have been operating on hearsay and rumor and cannot give a clear picture of what they would see. I have my suspicions that your property is what we are looking for and I would like to back it up with some of your facts.

Hoping to meet with you soon, I remain,

Sincerely yours,

Christopher Gillette  
Regional Geologist

CG:jl

Enclosure: Placer Annual Report

G.C. 228

# JAMES STEWART COMPANY

REAL ESTATE INVESTMENTS AND DEVELOPMENT.

707 MAYER CENTRAL BUILDING

3033 NORTH CENTRAL AVENUE • PHOENIX, ARIZONA 85012

602-264-2181

August 3, 1972

*PLACER DEVELOPMENT - AMEX*

Mr. Christopher Gillette  
Regional Geologist  
American Exploration & Mining Co.  
5214 East Pima Street  
Tucson, Arizona 85716

Dear Mr. Gillette:

In accordance with our telephone conversation and your letter of July 18, there is enclosed a Data Compelation Report on the Charleston Mine prepared by Hewitt Enterprises. This report does not include a log on the last hole that was drilled on the extreme west side of the property to a depth of approximately 3300 feet.

After reviewing this data and you are interested in further pursuing this property, I will arrange with Mr. Clark Hughes, our caretaker on the property, for you to see the cores.

It would be appreciated if you would treat the enclosed data and your findings strictly confidential. We would like the report returned to us after you have completed your analysis.

If there is any way that we can be of assistance to you, please let us know. Our Geologist is Mr. Clyde Davis of Brigham Young University. You have our consent to talk to him or to Loyd Hewitt of Hewitt Enterprises.

Sorry to have been so long in getting this material to you.

Very truly yours,

*M. S. Horne*

M. S. Horne  
President

MSH:ef

cc H. Clyde Davis  
Loyd Hewitt  
C. A. Cosgrove

AMERICAN EXPLORATION & MINING CO.

August 23, 1972

Mr. M. Seth Horns  
3033 North Central Avenue  
Phoenix, Arizona 85012

Dear Mr. Horns:

Enclosed is your Data Compilation Report for the Charleston Mine which you kindly provided for Amex to evaluate. I have taken the liberty of making a work copy for myself, and I thought it best to return your copy of the report and to bring you up to date on our activities concerning your property.

One problem has developed which is preventing me from arriving at any conclusion from your data. Although the Tombstone Mineral Reserves people indicated the availability of their property, they have not contacted me about showing their data. As I stated earlier, it is my thought that a compilation of data from both properties would be necessary to really understand the the problems we would be facing in an exploration program.

Therefore, I am forced into a waiting position until the T.M.R. people decide what they are going to do. Without learning their intent, I don't think there is much more that I can do for the present. Our geophysicist in San Francisco is reviewing your geophysical data and will inform me of his findings. I remain interested in your property, particularly the pervasive sulfide mineralization shown in your DDH#4, with the hope that additional data will give some indication where a center of mineralization could be located. The fissure veins are interesting but are not considered commercially important while other avenues of exploration remain open for large tonnage disseminated ore bodies.

I will be in touch with you again after I have heard from the T.M.R. group. Until then, many thanks for the consideration you have shown me.

Sincerely,

C. B. Gillette

Regional Geologist

*A subsidiary of placer development limited*

JAMES STEWART COMPANY

472

August 16, 1973

MEMO TO FILE

RE: REQUIRED ASSESSMENT WORK 9-1-72 to 9-1-73

Attached is a summary of the required assessment work for both Federal claims and State prospecting permits. These are broken down into five groups. The claims within each group are contiguous. Group 4 and Group 5 are each State prospecting permits. In accordance with a meeting on August 16, 1973 attended by M. S. Horne, C. A. Cosgrove, Roger M. Horne and Edward F. Herold, Cosgrove recommended the following assessment work be accomplished:

- Group 1 - Arrangements were made with Jack Lloyd of Joy Manufacturing to perform core drilling for this group. Cosgrove is meeting with Mr. Lloyd, Friday, August 17 at Charleston.
- Group 2 - Cosgrove recommended that bulldozer work be done on this group. He will make arrangements with either Bill Grace's crew or Robert Cowan for this work.
- Group 3 - This date Bill Grace advised that Messrs. T.J. Colvin and Charles Escapule had performed rotary drilling and other work in excess of the required \$800. Mr. Grace will send us supporting data for this work.
- Group 4 and Group 5 - Cosgrove recommended that rotary drilling be performed on these two groups. Bill Grace was asked to give us a quote for this work. Cosgrove will also obtain a quote from Jack Lloyd of Joy Manufacturing.

QUESTION TO COSGROVE: Check Apache Claims #1-26 to see if there are any intervening claims since we have not done the assessment work since these claims were first located in 1969.

EFH/bde

  
Edward F. Herold

cc: M. S. Horne  
C. A. Cosgrove  
R. M. Horne

8/16/73

JAMES STEWART COMPANY AND M.S. HORNE

REQUIRED ASSESSMENT WORK

9/1/72 - 9/1/73

473

LINE NO.	TYPE OF CLAIM	OWNER	CATEGORY	NO. OF CLAIMS OR ACRES	REQUIRED WORK
<u>GROUP ONE</u>					
1	SUITER CLAIMS	FEDERAL AND STATE ML	JSC	CHARLESTON	20 \$ 200000
2	STEWART 1-7	FEDERAL	JSC	CHARLESTON	7 70000
3	STEWART 8-9 (1)	FEDERAL	JSC	CHARLESTON	2 20000
4	HORNE 1-32	FEDERAL	MSH, TRUSTEE	CHARLESTON	32 320000
5	HORNE 43-51	FEDERAL	✓ ✓	CHARLESTON	9 90000
6	HORNE 61-74	FEDERAL	MSH	CHARLESTON	14 140000
7	HORNE 155 (1)	FEDERAL	MSH, TRUSTEE	CHARLESTON	1 10000
8	HORNE 156-158	FEDERAL	✓ ✓	CHARLESTON	3 30000
9	HORNE 164-177	FEDERAL	MSH	CHARLESTON	14 140000
10	APACHE 1-26 (3)	FEDERAL	EFH, TRUSTEE	CHARLESTON	26 260000
11				128	1280000
<u>GROUP TWO</u>					
12	HORNE 101-109A	FEDERAL	MSH, TRUSTEE	SILVER	10 100000
13	HORNE 159-160 (1)	FEDERAL	MSH	SILVER	2 20000
14				12	120000
<u>GROUP THREE</u>					
15	HORNE 110-117 (3)	FEDERAL	MSH, TRUSTEE	SILVER	8 80000
<u>GROUP FOUR</u>					
16	SEC. 36, 205, 21E	PP # 22176	MSH	CHARLESTON	309.27 AC 309270
<u>GROUP FIVE</u>					
17	SEC. 30, 205, 22E	PP # 22185	MSH	CHARLESTON	240.41 AC 240410
18					\$ 2029680
19	(1) RECORDS SHOW LOCATION WORK NOT DONE. HOWEVER, WE HAVE BEEN PERFORMING AND REPORTING ANNUAL ASSESSMENT WORK				
20	(2) LOCATED 1969, LOCATION WORK 8/12/69, ASSESSMENT WORK NEVER CLAIMED				
21	(3) ASSESSMENT WORK DONE BY BILL GRACE PER AGREEMENT				

James Stewart Company & M.A. Hoare  
Required Assessment Work -  
 9/1/72 - 9/1/73

474

LINE NO.	DESCRIPTION	REMARKS	NO. OF CLAIMS
1	<u>James Stewart Company</u>		
2	<u>Federal Claims &amp; State Leases</u>		
3	Switer Claims		20
4	Stewart 1-7		7
5	Stewart 849 (NOTE 1)		2
6	<u>Total Stewart Claims</u>		<u>29</u>
7			
8			
9	<u>M.A. Hoare Trustee - Federal Claims</u>		
10	Hoare 1-32		32
11	Hoare 43-51		9
12	<del>Hoare 61-69</del>		<del>11</del>
13	Hoare 155 (NOTE 1)		1
14	Hoare 156-158		3
15	<del>Hoare 164-172</del>		<del>9</del>
16	Hoare 101-109A	SILVER	10
17	Hoare 110-117	SILVER	8
18	<u>Total M.A. Hoare Trustee Claims</u>		<u>63</u>
19			
20			
21	<u>M.A. Hoare, an individual - Federal Claims</u>		
22	Hoare 61-69 (NOTE 1)		9
23	Hoare 164-177 (NOTE 1)		14
24	Hoare 159-160 (NOTE 1)	SILVER	2
25	<u>Total M.A. Hoare Claims</u>		<u>30</u>
26			
27			
28			
29			
30	<u>M.A. State Prospecting Permits</u>		REQUIRED WORK
31	Permit # 22185	Sec 30, 20 L 22 E - 240.41 acres	SILVER 240410
32			
33	Permit # 22176	Sec 36 20 L 21 E 309.27 acres	309270
34			
35			
36			
37			
38			
39			
40			
41			
42			
43			
44			
45			
46			
47			

JAMES STEWART COMPANY

475

August 26, 1971

MEMO TO: M. S. Horne

RE: ANNUAL ASSESSMENT WORK FOR FEDERAL MINING CLAIMS

I reviewed today with Clarence all of the Federal claims we have located. Attached are all claims we have located, with an explanation next to each group.

A "No" next to a group of claims means we are not claiming assessment work in this year's affidavit. A "NR" means assessment work is not required because the claims were located during the fiscal year ended August 31, 1971. A "LWND" means that location work was not accomplished, and therefore, those claims should be relocated and the location work accomplished if we wish to reinstate them. All claims with a "Yes" next to them are those for which we will file affidavits of assessment work. This assessment work is specified. Note, however, that for some of these claims I have noted LWND, meaning that the location work was never done. However, Clarence feels we should include them in our affidavit anyway.

Please note the comment next to the Herold claim.

Clarence repeated what he has recommended before, that the original 12 Federal claims being purchased from Suiter should be patented. He feels that, along with the Texas claims recently acquired, this would give us a good block of patented land that would be valuable for future development regardless of its mineral qualities.

EFH/bde

Edward F. Herold

cc: C.A. Cosgrove

270

JAMES STEWART COMPANY

August 20, 1973

MEMO TO: M. S. HORNE

RE: CHARLESTON MINE ASSESSMENT WORK

Clarence called this morning to report the following regarding assessment work.

Group 1 - Joy will be at the site on Monday to start drilling. Clark will connect the water line.

Group 2 - By Wednesday, August 22, Robert Cowan will perform bulldozer work for this group. Cosgrove feels a reasonable breakdown of the required work would be as follows:

Robert Cowan	\$800
Clark Hughes	120
Clarence Cosgrove	280
Total . . . . .	\$1200

Group 3 - Clarence felt the work done by Bill Grace's people was more than adequate for this group.

Groups 4 & 4 - Clarence is still attempting to line up rotary drilling. He spent 2-1/2 hours on the phone this morning talking to various drillers and expects to work something out by Wednesday or Thursday, at which time he will return to the area and coordinate with the drillers. In addition, Robert Cowan will do some dozer work in this area.

When Cosgrove returns he will check out Apache Claims #1-26 for intervening claims. This is in answer to my question in my memo of August 16.

Clarence advised that there had been some windstorm damage to our core storage area, and he authorized Clark to do the necessary repair work. He estimates it will take not more than 60 hours of Clark's time.

Edward F. Herold

EFH/bde

cc: C.A. Cosgrove

P.S. Clarence advised that Clark is no longer living at the mine, but is now living at St. David.

8/20/73

471

Group 1 - Job on job Monday (today)  
Clark will connect water line.

Went storm damage to care storage  
Authorized Clark to do repair work

Group 2 - Bay Wed, 8/22, Cowan will  
perform about 800.00  
Clark 120.00  
Cac 280.00  
1200.00

Group 4+5

Cac still working on - some  
boiler work by Cowan

Will go back after arranging rotary  
work in Group 4+5 probably  
Wed or Thurs.

Charles H. Suiter

5008 West Weldon Avenue, Phoenix, Arizona 85031

REC  
JAMES STEWART CO.  
Phoenix, Arizona

August 20, 1973

Telephone 278-7974

AUG 22 1973

Mr Edward Herold  
James Stewart Company  
3033 North Central Avenue  
Phoenix, Arizona 85012

Dear Mr Herold:

Referring to our telephone conversation this morning regarding assessment work at the Charleston Mines - in the past two years the U.S. Supreme Court has made some vital changes in the interpretation of the 1872 Mining Laws and one authority states "it should be apparent to all that that law, as generations have known it, will not survive for much more than another year. Mr Justice Douglas says "that the annual assessment work requirement of the 1872 Act is a command that assessment work worth one hundred dollars be done during each year, and any defeasance inevitably accrues to the United States, the owner of the fee title." "The United States, having what Mr Justice Douglas calls "an interest in retrieving the lands" and being intent upon "recapturing mining claims". Under new regulations a valid mining claim must stand up to the test of marketability at a profit. "In the field of law is the element of good faith more important."

For your information the above are excerpts taken from a definitive legal research manual pertaining to annual assessment work. The status of the Charleston Claims and our right to possessory title are in jeopardy. Assessment work cannot apply to more than ten claims in a group.

I have made a rough plat and a consolidation of the Mary Jo Group of 12 claims and the State Group of eight claims - it is not offered as an accurate map but it is close enough to lead one to the monuments established by the B.L.M Survey No. 4599 approved by B.L.M March 5, 1963.

I have indicated by circle marked No.1 hole on the L.P.W claim - this claim is in the trend line with Hewlett's State of Mine and has same type of mineralization - I took a sample there in 1951 that gave 3.9 oz Gold and 81.3 silver - at that time Roosevelt's executive order 208 had gold and silver mining shut down and there was no market for gold and silver except to U.S.Govt thro smelters. An enclosing copy of assay. Hole 1 should be drilled in one of several quartz outcrops.

I also show No.2 hole at the north-east corner of Chief Justice claim, this hole too is in the State of Maine trend. Holes 1 and 2 may give us a new vein. Hole No. 3 location is at the bottom of a deep trench I cut across the vein on the west end of Brother George claim in Sept. 1960 when your neglect forced me at last minute to do the assessment work. Both walls show plenty of sericite, a 10 foot hole in bottom will give more sericite and extend our vein. Hole No. 4 should be drilled in the top of a good looking vein lying next to the granite outcrop that was exposed by bulldozer at top of road up on side hill. This could be an all new vein of copper and silver.

I can get these four tests made and sampled and assayed for \$500.00 - This will take a driller and two helpers which are included. Your one Joy Hole will not be sufficient. I will look to hear from you soon.

Suiter

JAMES STEWART COMPANY

August 22, 1973

MEMO TO: M. S. Horne

RE: CHARLESTON ASSESSMENT WORK

Charlie Suiter called today as a follow-up to his letter received today. He is concerned about the assessment work on his claims. He said he talked to Mr. Phillips at the State of Arizona Department of Mineral Resources, and Mr. Phillips informed him that work done on State claims will not qualify for the annual assessment work for Federal claims even though they are contiguous and vice versa. Over the years Charlie has filed one affidavit for assessment work done on all of his claims, Federal and State. This year we were planning for the hole drilled by Joy to cover all contiguous claims, including both the Federal and State Suiter claims.

The most recent edition of "Laws and Regulations Governing Mineral Rights in Arizona" which we have is the Sixth Edition, Revised June, 1965. Charlie informed that there is a Seventh Edition, Revised 1970. Today I called the Department of Mineral Resources and asked that they send us a copy.

Charlie further stated that he would not sign the affidavit for his claims based on the one hole drilled by Joy, since based on the above, he doesn't feel it would qualify for both Federal and State claims.

I suggest that Roger follow-up concerning Charlie's information. If he is right we would have to drill separately or do some other work separately on the State Suiter claims.

EFH/bde

  
Edward F. Herold

## JAMES STEWART COMPANY

August 23, 1973

MEMO TO: M. S. Horne

RE: ASSESSMENT WORK - CHARLESTON MINE

Clarence called this afternoon and advised that he had been bitten by Clark Hughes' dog. He had to go to the Doctor and take a tetanus shot, and the dog is being held for observation, as there is a possibility of rabies. Clarence may return this afternoon, as he is not feeling well due to the tetanus shot and booster which they gave him.

He has located the holes for Sierra Minerals Management on Sections 30 and 36. The Sierra people did raise the question as to whether the one hole being drilled by Joy will qualify for all of the contiguous claims we intended it to cover. Suiter had raised this same question, you will recall. The Laws and Regulations Governing Mineral Rights, in dealing with this subject on page 39 states:

"On a group of contiguous claims of common ownership it is possible to perform the work and improvements on one or more of the claims, but for the benefit of all the claims in the group. For example, in a five-claim group, \$500 worth of work and improvements may be made on one claim only. However, this work must tend to develop or benefit all the claims in the group. The mere fact that the claims are contiguous is not enough to satisfy the requisites of the law. What will tend to develop or benefit all the claims in the group is a question of fact in each particular instance. The work may be performed on an adjoining patented claim if it meets the test of actually benefiting and developing the unpatented claims in the group."

In discussing this with Clarence, he feels we would have no problem in proving that this one hole will benefit all of the claims in our so-called Group 1. However, he feels this entire matter should be investigated further since the booklet we have, although the latest edition, is still three years old.

Clarence is somewhat suspicious of the Sierra Minerals people, at least the ones he met, and feels we should be very careful in dealing with them.

Clarence ran into Mr. King of American Smelting & Refining, who wants to log our new hole. He, apparently, with our permission, logged some previous holes. He was to contact you this afternoon to get your permission. Clarence didn't know if our new deal with Sierra Minerals would preclude this.

Clarence said Clark advised him drilling was being done in the Spanish land<sup>Grant</sup> area near Bronco Mine, fairly close to the dam site. He doesn't know who is doing the drilling.

In summary as to assessment work, all work has now been arranged on our Groups 1 to 5. However, as to Group 1, Clarence didn't think he would be able to do the field work regarding intervening claims on the Apache Group due to the dog bite. Therefore, we must determine if we are to include these claims in the affidavit.



Edward F. Herold

EFH/bde

Clarence:

State sales located for SMM on Dec  
30 4 36

King of A & R ~~has~~ logged wants  
to log new hole - logged 1, 2, 4

Is suspicious of SMM

Thinks should check law re benefiting  
claims

Drilling being done on Spanish land  
grant near Demas mine. Doesn't know  
who's doing - fairly close to land  
site

JAMES STEWART COMPANY

August 24, 1973

MEMO TO: Edward F. Herold

RE: ASSESSMENT WORK - CHARLESTON MINE

To date the writer has not traversed the mining claim posting for the Apache Group, nor the Horne claims north of the mine proper because of time and other circumstances. In driving, attempts were made to observe workings in those areas, but nothing was visible from the roads.

The group consisting of Hewlitt, Escapule and ?, asked the writer if we were planning to do the work on our claims on Section 17. I advised that this work was under way under the direction of Bill Cowan and would be accomplished in ample time to file the affidavit. They seemed quite disappointed.

They then asked if it was our intention to qualify the Horne Group, the Stewart Group and the Suiter Group with the drilling from this Hole #8 (which we were looking at at the time of the question). I said "Yes, including the Apache Group." They looked at each other but made no comment.

I suggest that a thorough investigation of the latest interpretations be made and that a call to Loyd Hewitt and Clyde Davis be made to get their opinion on the question, as follows:

Will the Hole #8 as it develops give mineralization indication for the vast claim areas we are contemplating, in light of having the I.P. geophysical, etc., etc.?

It is my belief that the hole will qualify, but this is just a personal belief, not to be relied on beyond my technical qualification.

CAC/bde

C. A. Cosgrove

cc: C.A. Cosgrove  
M. S. Horne

243

August 24, 1973

MEMO TO: Edward F. Herold

RE: FILE SURVEY NOTES

Subsequent to our conversation regarding Mr. Suiter's contention on assessment work for the State claims, I decided to visit the location of the proposed drill site which we had scheduled for lease qualification on Section 36.

As a result the location now spotted for this work is exactly on the south line of Claim State #6, approximately 600 feet westerly of the southeast corner, and bears south  $7^{\circ}$  east from Hole #4. The hole is located by Brunton compass in a manner we call "line in between the two corners". It was ground marked and flagged.

On my leaving the property at 6:30PM yesterday, I met Mr. Hewlitt on the road and advised him of this location, its markings and the importance of putting the hole at this spot. Drilling in this manner will qualify for both the State claims and the lease, providing the depth is sufficient.

CAC/bde

C. A. Cosgrove

cc: C.A. Cosgrove  
M. S. Horne

## JAMES STEWART COMPANY

August 24, 1973

MEMO TO: M. S. HORNE

RE: ASSESSMENT WORK

In accordance with your instructions I cancelled out the drilling scheduled operations for Sections 30 and 36 to cover the State requirements on these mining leases. I met with Mr. Hewlett and Charles Escapule, and another gentleman whose name I do not recall associated with them, meeting approximately at 10:45AM.

We proceeded to Section 30 where the dozer work and drill site preparation which I had previously ordered to be accomplished by Cowan was complete and satisfactory. I showed Mr. Hewlett the drilling location and we discussed the water table which will affect the type of drilling and the results from the drilling. It was my estimate that we would locate it at a depth of 240. He concurred generally that this probably was in the range.

We then proceeded to Section 36. I showed them the approximate drill hole location within an area of 50 feet radius, needing no preparation of any type for the drill access for drilling procedures. I then showed them its relationship to Hole #4, and its relationship to Hole #2. We observed the relationship of the new drill hole being accomplished by Joy Manufacturing Company and its relationship to Hole #2. During this conversation a Mr. King, who is the geologist for ASRCO appeared on the scene and came up for a discussion.

Mr. King asked for permission to review the core of the drill hole, stating that he had logged most of the core of the previous holes. Not being authorized to approve this request, I suggested that Mr. King call you in Phoenix and bring you up to date and request this permission from you direct. Mr. King then asked if the Stewart Company and Sierra Minerals Management had joined forces in the development of this property. I answered the question stating that any information of this nature should only be given by you, and no one else, but suggested that Mr. King or his superior contact you without delay. (During my conversation with Clark Hughes after having been to the Doctor, he mentioned that Mr. King of ASRCO was very impressed with the quality of the mineralization in the holes and would like to enter into a drilling program with you.) Clark also passed on the observation that a diamond drill was being operated near the river at the Bronco Mine. Although I drove to the river and observed from the road, I did not locate it due to the heavy traffic on the road the narrow road conditions, so I cannot advise you of this personally.

The present drilling on Hole #8 is down to approximately 158 feet. The core is being stored at the lab. This will suffice for a matter of just a few days until other arrangements must be made to either move some of the core out and make room for the new, or provide another area for the core from this hole. As previously stated on my earlier trip, the core from Hole #6 or 7 (?) stored at the mill site is being exposed to weather because of wind damage to the roof area. Some of the core from the Hole #3 has fallen over and approximately 20-30 boxes have spilled, and as a result, the core has lost its continuity. This is not important in itself, but if it happens to some of the more important holes we could be in trouble. It is suggested that steps be taken to correct some of the deficiencies in maintenance and storage at this mine site, either by the Hewlitts if your deal is made, or ?

**Charleston Mines**  
INCORPORATED

5008 West Weldon Avenue, Phoenix, Arizona 85031

CHAS. H. SUITER, President

August 28, 1973

REC  
JAMES ST  
Telephone 278-7974  
Phoenix, Arizona

James Stewart Company  
3033 North Central Avenue  
Phoenix, Arizona 85031

Attention Mr Herold

AUG 30 1973

Dear Mr Herold:

I have spotted on my claims map the location of the assessment validation hole being drilled on the Mary Jo Claim North 63° West 240 feet from the south-east corner of said claim and I am sorry to say it does look **NOT** good.

According to Johnathan Gordon, a former Tombstone Mining Geologist, who was familiar with the Tombstone Mining District and the Charleston claims, there is a 50-50 chance that your drill rig is parked on the top of an andesite dike that out-crops at a point 90+ feet north of the collar of the Brother George No. 5 shaft and runs eastward forming the footwall of our sericite vein, an unknown distance - Nash No.2 churn drill 128' south of Mary Jo No. 3 shaft contacted this andesite at a depth of 340 feet.

The gully east of the old working and the two houses marks a north-south cross fault cutting the andesite and blocking our sericite vein - according to Gordon the vein divides here, one forking north east toward Connecting Links claim and the other fork south east - in this direction a hole dug for power line pole hit sericite at two feet. East of the gully Nash and Teten cored a hole at the south end of a surface scalped area in the andesite for total depth of 300 feet. Your chances in between the forks are slim.

Under the Mining Laws as they have been revised the past two years, assessment work on a claim must benefit the claim - since it is already known that there is a substantial mineral deposition on the Mary Jo claim it cannot be benefitted further by the hole you are drilling and might be damaged - also this hole on the Mary Jo will not benefit the several claims lying to the north and west. It is doubtful if this Mary Jo qualifies as adequate assessment work.

The drill hole on State No. 6 claim must be located well north of the south line of the claim. Twenty years ago Neil Vogel shipped five cars of good but oxidized ore from a patented claim just south of road, I have copies of settlement sheets, this hole of years may give you the same at about 100 feet and watch out for rich silver pockets at shallow depth. Because of future need for more water drillers should carefully check and measure water tables - there is no water in north half of Section 36, but plenty in south half near and below road. I would like a copy of the log of each well or hole. Thank you...

*Suiter*

*Send copy to cac  
sent 8/31/73 - ef.*

*245*

G.C. 242

# Charleston Mines

INCORPORATED

5008 West Weldon Avenue, Phoenix, Arizona 85031

CHAS. H. SUITER, President

April 17, 1974

Tel. 247-8155

Mr Robert B. Crist  
American Smelting & Refining Company  
1130 North 7th  
Tucson, Arizona 85705

Dear Mr Crist:

I do not wish to bother you too much or encumber your files with too much data pertaining to the Charleston Mines, but I believe you told me when I talked to you yesterday that you had not been informed in regard to Core Drill Hole No. 4 that was drilled on State No. 5 claim - it seems to me that this information would be interesting and important to you in connection with your work in this area so I am giving it to you as it was given to me by Mr Horne, President and owner of the James Stewart Company.

This hole was located just east of the mine road - when completed Mr Horne told me that the drill hit ore at 1750 feet and continued in ore to 2250 feet, a 500 foot bed of sedimentary sulphide that assayed 3 to 9% copper, lead and zinc. Later they drilled No. 5 about 800 feet north east of No. 4 - I was not told much about No. 5 except it was said that it was not quite as good as No. 4 but it was good enough to induce them to go to Cisco, Texas and buy 23/24 of six patented claims, Survey No. 3744 from the Hefner heirs for \$40,000.00 so Cosgrove told me. This No. 5 was drilled on my Charleston Mines Sweetheart Claim.

I am enclosing you a rough map of the State Leased Claims showing the approximate location of holes No. 4 and 5, also the six claims of Map No. 3744. Hole # 6 was drilled to 267 feet on Brother George Claim of the Mary Jo Group, within 10 feet of the 9 foot wide sericite vein but they did not know it. No. 7 against my advice was located about on top of the granite ridge formed by the three Tombstone Hills, drilled to 3600 feet and of course was a blank. Because of the easterly-westerly granite ridge or dike the north half of Sec. 36 has no water except the Howell Springs but the south half has an abundance.

I think all the core samples are stored at the mine - there must be a lot of them. On my north claim of the Mary Jo Group, the L.P.W., there are three east-west parallel quartz outcrops headed toward the State of Maine and could be on the same structure - in 1951 when I found them one could not own or sell gold and silver only to the Government through the Smelters - then it just was not interesting and I did not have the development money anyway - Stewart Company do not know about the possibilities of the L.P.W. Claim - they did not listen when I tried to tell them. Incidentally for your information I worked underground in the Couer de Alenes in Idaho years ago across the Canyon from The Hecla - I mined in the Mother Lode country in Eldorado County California and at the Charleston near Tombstone - so I am no stranger to the mining business.

Let me hear from you from time to time. My old friend Joe Escapule can tell you a lot about old man Suiter and his Charleston Mine.

Sincerely yours,

*Chas. H. Suiter*  
Chas. H. Suiter

Charles H. Suiter

August 26, 1975

5008 West Weldon Avenue, Phoenix, Arizona

RECEIVED

AUG 28 1975

JAMES STEWART COMPANY  
PHOENIX, ARIZONA

Mr Edward Herold, Controller  
James Stewart Company  
3033 North Central Avenue  
Phoenix, Arizona 85012

Dear Ed:

I have your letter of August 20th enclosing your check for \$120.00 payable to Charleston Mines to reimburse them for rental paid for State of Arizona Mineral Lease No. 786.

I am today forwarding to the Recorder of Cochise County at Bisbee, the affidavit of R.B.Crist of ASARCO., relating to Labor Performed and Improvements made for assessment year 1976-1975 on the eight claims covered by Lease 786. When the recorded affidavit is returned to me I will forward copy to you along with copy of rental receipt. I do not drive anymore and have to rely upon my kids to do some errands for me which takes more time. I have some mis-givings regarding the information contained in Mr Christ's affidavit and am surprised that it emanated from an ASARCO office, but I'm too darn old to bother about it. For one thing I doubt if the factor of contiguity applies.

I am sorry that the Stewart Company is not able to accept my offer of the sale of my Charleston Mines Corporation - your reasons are the same as mine except I am very old. I have never considered the sale of your contract separate from the corporation.

I regret too, that ASARCO has stopped drilling and intend to drop their option - they are doing the same thing it seems in Idaho and other places. I suggest that you offer them a moratorium on any work that requires money for at least one year or more - we have had metal situations like this before and they always correct themselves - all the mining companies are in trouble - Anaconda is a high cost producer and will have to merge but ASARCO is much better off with many new ventures ready to come on stream when in a year or two conditions and prices are right again - Silver is now about \$5.00 per ounce - \$10.00 per ounce id predicted - ASARCO and its affijlates have a potential of 30,000,000. (30 million) ounces per year - folks wanting to buy silver bullion should buy ASARCO shares - thats what I am doing.

Kindest regards to all and keep you<sup>r</sup> chins up.

Sincerely,

Chas. H. Suiter

JAMES STEWART COMPANY

6c.

7  
464

MEMORANDUM TO FILE

August 27, 1975

Re: Annual Assessment Work  
Federal Mining Claims, Charleston Mine Area

A meeting was held this date between Clarence Cosgrove, Ed Herold and Roger Horne.

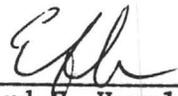
All assessment work has been done on the claims covered by the ASARCO Agreement and the Affidavit has been filed.

Re Horne Claims 110-117 which are covered by the Grace Agreement, Ed Herold called Grace and determined the work has been done, and Grace will send an Affidavit from Mr. Colvin for use in filing our Affidavit on these claims.

*Rec'd  
and filed*

Re Horne Claims 101-109A and 159, 160, Clarence advised the work has not been done on these claims. He had previously suggested to Mr. Horne that a deal be made with Bill Grace to do the work. However, this was not done. Clarence questioned the advisability of continuing to carry these isolated claims, again, suggesting a possible deal with Grace. If we do decide to keep these claims, he suggests we do the work soon.

*Work not  
done*

  
\_\_\_\_\_  
Edward V. Herold

EFH:vs  
cc: Clarence A. Cosgrove

JAMES STEWART COMPANY

*Roger*  
*Please take care of this*  
*RMH*

*E*  
*1976*

MEMORANDUM TO FILE

April 20, 1976

RE: Charleston Area Assessment Work

Today I discussed assessment work on various mining sections with Clarence. He gave the following recommendations:

P.P. #31578 - Section 22, 19 S, 25 E - "Pierce"

We have not done assessment work for this year. We should let the permit expire and file a new application.

*Sunderlands*  
*Shirley etc*  
*take care of*  
*all feed*  
*conty*

P.P. #31579 - Section 33, 19 S, 22 E

We have not done assessment work on this for this year. We should let the permit expire and file a new application.

*protect case*  
*& slow it*  
*in and out*  
*number by side*  
*can only if*  
*grad required*

The Main Charleston Section on the Federal Claim

*900 down*

We should deepen Hole #8 by drilling and casing it up to the required dollar amount to satisfy annual assessment work requirements.

*on hill post landing strip*  
*between gully*  
*10' off dirt road*  
*pipe sticking up*

The State Land - Section 30

*20S-22E*

*just that section for that hole*  
*pilot hole*

We will probably have to do some new work up to the dollar amount required for annual assessment work.

The State Land - Section 36

*South pond road - to L of dirt road 500' up from*

Near the road there is a 500' ASARCO hole. We should deepen this up to the extent required for annual assessment work.

*drill depth*  
*return a narrow*  
*as casing*

Clarence suggested that we contact Joy Manufacturing to accomplish the drilling. Of course, the annual work must be completed by the end of August, 1976.

*750 E Ernie Blvd*  
*Tucson 85713*

*RMH*

Roger M. Horne

*contact Joy man in Tucson - phone*  
*personal contact on sight*

RMH:ef  
Nino or  
Jack Lloyd }  
Nino Trujillo }  
Tucson 294-2931

Ad

ASSESSMENT WORK :

Main Charleston Section on Federal Claim:

Deepen hole no. 8 which is 10' off dirt road after passing airstrip, going over hill, into first gully. Look for prominent pipe sticking out of ground.

Contiguous claims incl Suiter claims, Stewart, Apache, Horne, etc  
Do enough work to qualify all of them.

Drill only deeper. Do NOT case the hole further unless ground conditions require it.

The hole is now something over 900 ' deep.

Have the driller protect the core, and store it in our shed. It should be labeled and put in numbered boxes.

State Land Section 30

just this section. Clarence thinks it is a Lease.

Do a pilot hole (send him a map to show location of hole)

State Land Section 36

About 500' off paved road, to the left of the dirt road 10'

Drill this deeper. NO casing. Use rotary or diamond drill.

This work will apply to the 8 state claims and section 36.

There is only one man for JOY in Tucson. Contact him by phone

They will want to have someone meet the crew on the site to positively locate holes.

TALK WITH CLARENCE 8/10/76 :

The "Air Hole" which Clark Hughes found near the dirt road and furthest south was done by Asarco but not by Joy. It is on the south border of "State #6" and is about 300' to 400' feet north of the cattle guard. It IS THE ONE TO BE DRILLED for state assessment work.

Section 36 state ground (about 300 acres) under state mineral lease -- needs annual work too.

We will do federal annual work in Hole #8 for two years "back to bak" with continuous drilling. \$12,000 for August for this year, and \$12,000 in September for next year.

He thinks Hole #8 is size BX. Continue drilling same size whatever it is.

Drill NX on the Air Hole for state work.

Have all misc, travel, and set up billed to federal Hole #8

Back to back

Needed:

461

state 205-22E sec 30 240 acres  
Quintana (NOT doing work) PP# 22185 ✓  
no work, TOP File 8/31

state Little Claims 8X @ \$1000  
Minnel 786 ✓ \$800 work 8/18

Fed Blanko group  
Stewart 1-9  
Horne 1-32, 43-51 }  
61-69 } 116 claims ✓ \$11,600  
155-158 }  
164-172 }  
Apache 1-44 }

Fed Horne 110-117 ?  
Fed 12 claims Charleston ✓ \$1,200

state Sec 36 205-21E PP  
state 205-22E sec 19 PP# 22691 ✓ \$6500  
Quintana (NOT doing work) 1/9/22

state 205-21E sec 36 "The Charleston" ✓  
309.27 acres 10/21

F I Jo Sims (121 of claims)  
Sells at 11/11/22  
Quintana 1/9/22  
sec 30

Stewart Fed }  
Horn Fed } 116 Lains ~ ✓ ordered  
C. A. Fed }

Mary Jo Sharp 12 Lains ✓ ordered  
Fed - (Cutter) Dec 25 & 36 205-21E

Stat Lease 786 Dec 36 205-21E ✓ ordered  
8x state - (Cutter)

State PP 33634 310 acres ✓  
Dec 36 205-21E "Charleston"  
due Oct 21

State PP 32691 643 acres ✓ top file  
Dec 19 205-22E  
Quantum - not done work

~~"Stat Lease 786 12 Lains ✓ ordered  
Fed - (Cutter) Dec 25 & 36 205-21E"~~

Charleston Mines  
INCORPORATED

5008 West Weldon Avenue, Phoenix, Arizona 85031

CHAS. H. SUITER, President

July 23, 1976

RECEIVED

Mr Edward Herold  
James Stewart Company  
3033 North Central Avenue  
Phoenix, Az 85012

JUL 27 1976

JAMES STEWART COMPANY  
PHOENIX, ARIZONA

Dear Ed:

I have paid the \$120.00 rental to the State Land Department for the eight State claims we hold under State Lease No. M786, and am enclosing their receipt herewith to you. For your information the Land Dept. several years ago were reluctant to issue rental receipts to unregistered lessees, in fact they refused to do it - to avoid confusion lets stick to the old way. Also am enclosing their form for Labor affidavit which, after assessment work id done, should be filled out, acknowledged, recorded at Court House and then a copy of recorded affidavit sent to Land Dept. and one copy to me.

Am enclosing page from Pay Dirt Magazine showing ads of three outfits who contract drilling and assessment wrok. Joe Escapule told me about J.T.Murphy, Tombstone, Telephone 457-3382, who does back hoe trenching work. Often trenching is sufficient if trenches are deep and distributed. Drilling is better.

I am sending you an old map I dug out which I used years ago, it should be helpful in laying out your drilling, if you do some drilling. On this map on the L.P.W. claims are three circles indicating drill locations about 200 feet apart or more. I planned to back off 90 feet south of the exposed quartz vein and drill at 45 degree angle to north and contact the vein at about 90 feet or more where it might be much wider - a sample at surface assayed 3.9 oz Gold, '81 oz silver and lead 13% - this sample and assay were made 25 years ago when silver was only 90¢ an oz and could only be sold to Government, and I had evidence of plenty copper, zinc and lead. This spot lines up with <sup>mine</sup> the State of Mine about a mile east. Some drilling here would be qualified assessment of the highest and might be a bonanza. The 25 yr old assay report was taken by me, from a seam in the south-east corner of the old discovery shaft - it was less than an inch wide - at 90ft depth it might be a foot or two wide and worth going after. Silver now is \$5.00 oz, Gold \$100/ +.

I don't know about the labor requirements of your State Prospecting Permit but the 20 Charleston Claims call for labor and improvements to the value of \$100.00 on each claim or \$2000. Now if you have had someone living in the cottage on the property rent free, you could probably apply a reasonable amount say \$40. or \$50. per month to assessment laboror, any other neccessary labor or improvements that benefit thr claims, in addition to watchman.

I am enclosing you for your information two A S & R settlement sheets for ore sold to them 26 years ago - one to leasors who paid me 25% royalty, there were several other shipments - these did not include any of the now valuable serecite. I am thinking of the possibility of leasing the top 200 feet of the vein to some non-mettalic (mica) outfit. The top of the vein (200 ft) could cheaply mined by bull dozer and drag line, stock piling the ~~metals~~ <sup>metals</sup>.  
If I can help you, please command me.

Suiter

ANNUAL ASSESSMENT WORK

GC.

1976-77

458

	Desc. of Work	Date Finished	\$ Amt.	Filed	Recorded	Other	ALL DONE
State Lease (Suiter) #786 176 affid. filed 8/19 177 affid. filed	Side hole on #6 Clean "Air Hole"	8/17	\$800+	✓			✓
State P.P. #33634 5 <sup>2</sup> sec 36 310 acres "Charleston" 176 & 177 affid. filed	Deepen "Air Hole" for 2 yrs	10/20	\$6200+				✓
FED'L Stewart 1-9 115 claims Home 1-32, 43-51, 61-69 155-158, 169-172 NO 76 affid. filed affidant valid 11/28/77	Deepen Hole #8 for 2 yrs \$23,200	8/31	\$24,000+				
FED'L Home 110-117 <del>112</del> <del>Suiter</del> claim Grace claims 76 Affid. + filed ✓	176 work done by Bell Grant	8/31					
State PP# 22185 Sec 30 205-22E	TOP FILE 4 simultaneous filings	8/31	NO	8/31	NO	NO	✓ ✓
State PP# 32691 Sec 19 205-22E	TOP FILE	9/23	NO		NO	NO	✓
FED'L Mary Jo Group Suiter 12 claims NO 76 Affid. filed affidant valid 11/28/77	Deepen Hole #8 2 yrs	8/31	\$2400+				

**JAMES STEWART COMPANY**  
 5033 NORTH CENTRAL SUITE 707  
 PHONE 264-2131  
 PHOENIX, ARIZONA 85012

HOME OFFICE  
 UNITED BANK OF ARIZONA  
 PHOENIX, ARIZONA

01-283  
 1221

457

NO 14294

PAY TO THE ORDER OF **ALVIN C. JOHNSON, JR. PH.D.** DATE **11-16-77** AMOUNT **\$ 1,000.00**  
**238 EAST ELLIS DRIVE**  
**TEMPE, ARIZONA 85282**  
**JAMES STEWART COMPANY**

NOT NEGOTIABLE

⑆014394⑆ ⑆1221⑆⑆0253⑆ ⑆0347201001⑆

PAYEE: DETACH THIS STATEMENT BEFORE DEPOSITING CHECK

JAMES STEWART COMPANY

DATE	ACCOUNT OR INVOICE NO.	DESCRIPTION	AMOUNT	DISCOUNT OR DEDUCTION	NET AMOUNT
-16-77		BALANCE OF RETAINER FOR GEOLOGICAL WORK CHARLESTON MINE			1,000.00

EMPLOYEE'S NAME

JAMES STEWART COMPANY

PAY PERIOD ENDING	HOURS	RATE	GROSS EARNINGS	FICA	FED WITH TAX	STATE WITH TAX	NET EARNINGS PAID
REG. T.							
O.T.							

EMPLOYEE: THIS IS A STATEMENT OF YOUR EARNINGS AND DEDUCTIONS FOR PERIOD INDICATED. KEEP THIS FOR YOUR PERMANENT RECORD

Dr. Alvin C. Johnson, Jr.,  
 238 E. Ellis Drive  
 Tempe, Arizona 85282

STATEMENT

Mr. Seth Horne  
 Seth Horne Development Co.  
 Phoenix, Arizona

*Assessment Work*

*Report ??*

PLEASE RETURN THIS STUB WITH YOUR REMITTANCE. YOUR CANCELLED CHECK IS YOUR RECEIPT \$ \_\_\_\_\_

DATE	DESCRIPTION	CHARGES	CREDITS	BALANCE
10/5/77	Completion of photostructural study of Charleston Mining District, Arizona	\$5000.00	\$4000.00	\$1000.00
	<i>Hoh</i>			

PAY LAST AMOUNT IN BALANCE COLUMN ▲

1978 AUG-SEPT

GC  
450

CLAIM

# Amt.  
1 Year

Work to be  
Done

STATE Sutter Lease

8 claims #786 8/19  
@ \$100

# 800

Deepen "Air Hole"  
"on line"

STATE PP #33634

S<sup>2</sup> sec 36 "charleston"

310 acres @ \$20 10/20

# 6200

"Air Hole" "on line"  
Rotary to 1200'  
samples @ 5'  
Core Drill deeper,  
log & assay

FED. 116 Claims MSH

Horne 1-32, 43-51, 61-69  
155-158, 164-172

@ \$100

8/31

# 11,600

Do same for  
all contiguous

FED. Horne MSH

110-117

8/31

# 800

Clean out Hole 1  
by Rotary Rig. 2100'

FED. Mary Jo Group

Sutter 12 claims 8/31

@ \$100

JSC

# 1200

Core Drill,  
log & assay

Att. locations too

GC  
455

MEMO TO FILE

August 3, 1978

Re: 1978-79 Assessment Work On Mining Claims

This reflects the recommendations of Clarence Cosgrove as discussed with M. S. Horne and Roger M. Horne today.

State Suiter Lease #786

There is a question of whether we must do this work while the renewal is pending with the State Land Department. If it turns out we still have to do the work, then Clarence recommends deepening the air hole which is on the land between the State Lease and PP ~~33634~~ 33634 in Section 36. This hole should be deepened by a rotary drill to a depth of 1200 feet, taking samples every 5 feet and assaying the samples where relevant.

From 1200 feet down the air hole to be core drilled and a log of the core should be taken. Assay can also be made on important core.

State PP 33634 on Sec 36

The same program as for State Lease 786 by deepening the air hole on the dividing line so that the work is done for both the state lease and the Prospecting Permit.

Federal Claims (116 Claims)

Stewart 1-9  
Apache 1-44 \*  
Horne 1-32, 43-51, 61-69,  
155-158, 164-172

Federal Grace Claims

Horne 110-117 \*

Federal Mary Jo Group

12 Suiter Claims \*

\* All Federal Claims are contiguous and all work can be done in one spot to cover all of the claims.

FED

Clarence recommends that we <sup>reem-out</sup> remount hole #1 and deepen it with a rotary rig to 2100 feet. Then the hole should be deepened by core drilling and a log of the core taken and assays made on relevant cores.

Part of the money to be spent on the federal drilling could be spent in an area north of hole No. 7 and 2,000 feet south of hole No. 3.

Another alternative suggested by Clarence is to drill on the Apache claims south of Ching first hole. To locate this area, go south into Section 31 south of the road, south of Charleston hole No. 1 and drill well into the Apache claims--about 600 feet south of the section line and 600 feet east of the section line.

We will consult with Al Johnson regarding his recommendation on the alternative federal drilling area.

Clarence recommends we use Joy Manufacturing to do the drilling.

  
\_\_\_\_\_  
Roger M. Horne

August 10, 1978

Mr. Clark D. Hughes  
Box 141  
St. David, Arizona 85630

Dear Clark:

We are arranging for Joy Manufacturing to do drilling at Charleston. We hope to have them in their some time between August 21 and August 30. Basically speaking, we will be deepening the air hole in Section 36 and deepening hole No. 1. We would like you to work with Joy as you did two years ago in locating the holes, providing water from the well and caring for the core.

I am leaving town today and will be at Howard Johnson's, Salt Lake City through Saturday--phone number 801-521-0130. From Sunday, August 13 through Saturday, August 19, I will be at the Homestead, Midway, Utah, 84049 where you could drop me a note. Their phone number is 801-654-2700. Please call me collect at either hotel very early in the morning or late at night. We can arrange to send you maps, diagrams, details and so forth after we have talked about your schedule. We are dealing with Jack Lloyd of Joy Manufacturing in Tucson.

Thank you.

Very truly yours,

Roger M. Horne

RMH:vs

*E*  
*RS*

MEMO TO FILE

October 22, 1979

Re: Assessment work done on Horne Claims 110 thru 117

This morning, Ed Herold and Roger Smith spoke on the phone with W. W. Grace concerning the assessment work for these mines. He stated, to us, that he had personally supervised the work and that it had been done by John Escapule during the assessment year beginning September 1, 1978 and ending ~~October~~ 31, 1979.  
*AUGUST*

---

Roger Smith

RS:vs

## JAMES STEWART COMPANY

Roger Smith

S  
7  
452MEMORANDUM TO FILE

May 9, 1980

RE: Annual Assessment Work to be Done on State Prospecting Permit #74958  
Section 16 near Charleston Mine

This afternoon I spoke with Clarence Cosgrove regarding assessment work to be done in this area. Last week when I spoke with him, we had determined to drill the air hole 1,000 feet deeper, and take cores and assays of what we found. However, in trying to determine what the cost of this would be, I learned that it would be in the neighborhood of \$30,000.

Inasmuch as we only need to do approximately ~~\$14,000~~<sup>\$1400.00</sup> annual assessment work this year on this Prospecting Permit, I spoke with Clarence today regarding what else we could do. He told me that it would be possible to do some chemical analysis on some rock samples in the area. He said that I could travel down the road toward the Charleston Mine from Tombstone and I could get my samples here. The samples would be located just on the west side of the road that leads to Charleston Mine. He says to look for some color staining on the rocks. The colors will be green or blue speckles, to knock off some of these rocks in several areas, label these samplings, mark on a map the corresponding locations where the samples were taken, and take these samples to Tucson for chemical analysis. The chemical analysis should determine the silver, copper and lead found in the samplings and the parts per million.

After these chemical analyses are made, I should then write a report stating what I have done and include it with a map. I should then send this report to Clarence and he will make any additional comments. This report will be signed by me as "Geologist Trainee" and also be signed by Clarence.

The amount of actual chemical analysis will be depended upon the actual cost per sample. I will need to take enough samples so that the end cost will be about ~~\$14,000~~<sup>1400.00</sup>, which would include my time to and from the Mine, transportation, etc.

x Clarence Tombs

  
\_\_\_\_\_  
Roger P. Smith

RPS :ef

RSJ

SETH HORNE FAMILY LIMITED PARTNERSHIP

10560 MAIN STREET, SUITE 413  
FAIRFAX, VIRGINIA 22030  
PHONE (703) 591-5074

RECEIVED

MAY 19 1980

JAMES STEWART COMPANY  
PHOENIX, ARIZONA

May 13, 1980

Mr. Roger Smith  
Property Manager  
James Stewart Company  
3033 N. Central Avenue, Suite 707  
Phoenix, AZ 85012

Re: Assessment Work - Charleston

Dear Roger:

This is a follow up to my letter, May 12, regarding Mining Assessment, which covered PP # 74958.

This recommendation for the following:

12 Claims - original Suiter Group  
Stewart 1-9 inclusive; Apache 1-44 inclusive; Horne 1-32, 43-51, 61-69  
155-158, 164-172; all contiguous claims.

The most feasible method to handle this assessment is as follows:  
Late in August, have a diamond drill in operation so that Joy Drilling,  
or other, can bill you on 9-01-80 for a value of drilling, which, together  
with management fee, assay reports and time for a geologist to log the  
hole (in absence of use of Assarco or Phelps Dodge for this work). Also  
included in this should be the provision of storage for the core, possibly  
mini warehouse space in Sierra Vista. At this time, the company can then  
decide if they want to combine the 1981 drilling, getting more effective  
drilling for dollars spent.

Needless to say this must be scheduled with the driller as soon as possible,  
so that you will be assured of "work in progress status" on September 1.

You may have to arrange water haul if the driller cannot provide this service.  
Also you must prepare the drill station, access road and mud pits, which are  
usually required. Clark Hughes could help on this, if he has time.

Hole Location - I have given much thought to this and have three recommendations  
for a new hole.

- (1) Area near common point Apache 7, 27 & 28
- (2) Western corner common to Apache 24 & 36 (NOTE: This would be on east line  
of Section 36 so that a percentage of the drilling could be allocated for  
the \$3,092.70 required by the 309.27 acres of section 36, State Prospecting  
Permit #77664). It is important that this be located to avoid being on the  
Galliger conflict area (see map dated 9-1973 by Assarco).

Mr. Roger Smith  
May 13, 1980  
Page -2-

(3) Along the south line of Stewart #7, preferably near the east corner.

Since any of these holes should eventually be drilled to 4,000' I, preparations should be made for leaving casing and capping for future deepening. Also the bit size should allow for this depth.

I'm sure Clyde Davis might also have some recommendations for drill locations, probably better than mine.

If a location other than Item 2 above is selected, then consideration must be given to providing the work required by PP#7766+. This could be accomplished by deepening the hole at the midpoint of the south line of State #6. So far it has been air drilled with a rotary and we have no core. From this point on we should diamond drill, log core and assay where indicated.

I hope this will be of help to you.

Yours very truly,



C. A. Cosgrove

CAC:jm  
cc

AS

# James A. Briscoe & Associates, Inc.

Exploration Consultants:

Base and Precious Metals/Geologic and Land Studies/Regional and Detail Projects

James A. Briscoe  
Registered Professional Geologist

Thomas E. Waldrip, Jr.  
Geologist/Landman

CERTIFIED #P498 523 923

October 8, 1984

Cochise County Recorder's Office  
P. O. Box 184  
Bisbee, Arizona 85603

RE: Filing and Request for Recording 1984 Annual Assessment documentation for the T.S., T.S.A., Apache, Horne, Jared, Stewart, and Suiter lode mining claim groups, Tombstone Mining District, and the S.H.M. lode mining claim group, Swisshelm Mining District, Cochise County, Arizona

Dear County Official:

Please find enclosed the following document to be recorded in your county:

1. Proof of Annual Labor document of the T.S. Group of lode mining claims, owned by Tombstone Development Co. consisting of 15 pages.
2. Letter of Intent to Hold for the T.S.A. Group of lode mining claims, owned by Tombstone Development Co., consisting of 4 pages.
3. Proof of Annual Labor document of the combined Apache, Horne, Jared, Stewart and Suiter lode mining claim groups, owned by James Stewart Company, consisting of 8 pages (please note the Suiter Group consists of individually named claims).
4. Proof of Annual Labor document for the S.H.M. Group of lode mining claims, owned by James A. Briscoe & Associates, Inc., consisting of 4 pages.

449

Cochise County Recorder's Office  
October 8, 1984  
Page 2 of 2

A James A. Briscoe & Associate, Inc. check, #2780 in the amount of \$33.00 has been included to cover recording fees. After recording, please return all documents in the stamped self addressed envelope provided.

Thank you.

Sincerely,

*Thomas E. Waldrip, Jr.*

Thomas E. Waldrip, Jr.

TEW/ms

Enclosures: T.S. Proof  
T.S.A. Letter  
Apache, Horne, Jared, Stewart & Suiter Proof  
S.H.M. Proof  
JABA CK #2780  
S.A.S.E.

# James A. Briscoe & Associates, Inc.

Exploration Consultants:

Base and Precious Metals/Geologic and Land Studies/Regional and Detail Projects

James A. Briscoe  
Registered Professional Geologist

Thomas E. Waldrip, Jr.  
Geologist/Landman

CERTIFIED #P498 523 897

November 5, 1984

U. S. Department of the Interior  
Bureau of Land Management  
Arizona State Office  
3707 North 7th Street  
Phoenix, Arizona 85014

ATTN: Records Section

RE: Filing of evidence of yearly assessment work and/or letters of intent to hold mining claims in Arizona for the 1984 calendar year

Dear B.L.M. Official:

Please find enclosed county recorded evidence of yearly assessment work for the calendar year of 1984 for the following claim groups:

CLAIM GROUP NAME	TYPE OF DOCUMENT	CLAIM GROUP OWNER
1. T.S. Lode Claim Group	Proof of Labor	Tombstone Development Co.
2. T.S.A. Lode Claim Group	Letter of Intent to Hold	Tombstone Development Co.
3. S.H.M. Lode Claim Group	Proof of Labor	James A. Briscoe & Assoc., Inc.
4. M.M. Lode Claim Group	Proof of Labor	James A. Briscoe & Assoc., Inc.
5. B.H.A. Lode Claim Group	Notice of Intent to Hold	James A. Briscoe & Assoc., Inc.
X 6. Apache, Horne, Jared Stewart & Suiter Lode Claim Groups	Proof of Labor (contiguous claims combined as one document)	James Stewart Company

NOTE: The Suiter Group is comprised of 12 individually named mining claims.

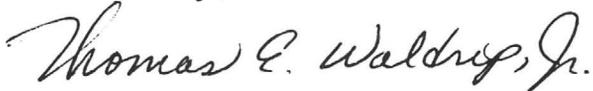
447

Arizona B.L.M.  
November 5, 1984  
Page 2 of 2

We request that these documents be placed in their appropriate mining claim serial files. As will be noted, each separate document contains a "master claim list" containing pertinent county recording information and B.L.M. serial numbers assigned by your office to each individual mining claim. Should your mining claim computer records not have the recording information pertaining to the original Notice of Location, these lists may be used to update them.

Thank you.

Sincerely,



Thomas E. Waldrip, Jr.

TEW/ms

Enclosures: T.S. Proof  
T.S.A. Letter  
S.H.M. Proof  
M.M. Proof  
B.H.A. Letter  
Apache, Horne, Jared Stewart, Suiter Proof\*

Apache - Tombstone  
STEWART MINES  
FILE

AS

# James A. Briscoe & Associates, Inc.

Exploration Consultants:

Base and Precious Metals/Geologic and Land Studies/Regional and Detail Projects

James A. Briscoe  
Registered Professional Geologist

Thomas E. Waldrip, Jr.  
Geologist/Landman

CERTIFIED #P362 667 851

November 5, 1984

Steven M. Halbert  
James Stewart Company  
707 Mayer Central Building  
3033 N. Central Avenue  
Phoenix, AZ 85012

RE: Forwarding the original 1984 county recorded assessment documentation for Apache, Horne, Jared, Stewart and Suiter lode claim groups, owned by James Stewart Company, Tombstone/Charleston Project, Cochise County, Arizona

Dear Steve:

Please find enclosed for your company's records the originally recorded assessment documents for the 1984 calendar year for the following James Stewart Company claim groups:

CLAIM GROUP NAME	TYPE OF DOCUMENT	PROJECT AREA
1. Apache, Horne, Jared, Stewart & Suiter claim groups	Proof of Labor document	Tombstone/Charleston (combined as one Cochise County, AZ)

This document has been filed and recorded in the records of the appropriate county recorder's office, and is, concurrently with this correspondence, being forwarded to the assigned office of the Bureau of Land Management. To my knowledge, this completes all filing requirements for the 1984 calendar year on claims held by the James Stewart Company in the Tombstone Mining District.

Sincerely,



Thomas E. Waldrip, Jr.

TEW/ms

Enclosures: Apache, Horne, Jared, Stewart, Suiter Proofs

cc: James A. Briscoe

5701 East Glenn Street, Suite 120/Tucson, Arizona 85712/602-721-1375

ASARCO

AMENDMENT TO AGREEMENT

THIS AMENDMENT TO AGREEMENT entered into between STEWART MINES LIMITED PARTNERSHIP, a limited partnership (Stewart), and AMERICAN SMELTING AND REFINING COMPANY, a New Jersey corporation (ASARCO),

WITNESSETH:

WHEREAS the parties have heretofore entered into a written agreement dated March 7, 1974, relating to certain properties located in Cochise County, Arizona;

WHEREAS the parties have heretofore agreed to modify the terms and provisions of said written agreement; and

WHEREAS it is the desire of the parties to reduce to writing their agreement to amend said agreement.

NOW, THEREFORE, it is hereby agreed:

1. The requirements specified under subparagraph 3A for the first year have been satisfied, and ASARCO is not required to satisfy any further requirements for the first year of said agreement. However, ASARCO has not exceeded the 10,000 feet requirement specified in subparagraph 3A and therefore will not have any excess to apply to second year drilling requirements as contemplated under subparagraph 3B.

2. Subparagraph 3B of said agreement is hereby amended to read as follows:

"B. During the first six months of the second year (March 7, through September 6, 1975), ASARCO will drill not less than 3,750 feet of exploratory drill holes on the Property, and during the second six months of the second year, ASARCO will drill not less than 3,750 feet of exploratory drill holes on the Property. It is understood and agreed that if ASARCO exercises its option to terminate this agreement during the first six months of the second year, the obligation to drill required of it during the second six months of the second year will not have accrued; i.e., if the termination occurs during the first six months, the drilling required in the second six-month period under the foregoing provisions will no longer be required."

3. Except as herein expressly modified and amended, said agreement shall remain in full force and effect.

IN WITNESS WHEREOF, this Amendment to Agreement has been executed the 26th day of February, 1975.

STEWART MINES LIMITED PARTNERSHIP  
By James Stewart Company, General Partner

By /s/ M. S. HORNE  
M. S. Horne, President

AMERICAN SMELTING AND REFINING COMPANY

By /s/ JOHN J. COLLINS  
J. J. Collins, Director of Exploration

## AGREEMENT

THIS AGREEMENT, made as of this 7<sup>th</sup> day of March, 1974, between STEWART MINES LIMITED PARTNERSHIP, a limited partnership, hereinafter referred to as "Stewart," and AMERICAN SMELTING AND REFINING COMPANY, a New Jersey corporation, hereinafter referred to as "Asarco."

## WITNESSETH:

In consideration of the sum of FIFTEEN THOUSAND DOLLARS (\$15,000.00) now paid by Asarco to Stewart (the receipt whereof is hereby acknowledged), and of the mutual covenants hereinafter exchanged, the parties agree as follows:

1. Title and Description of Property.

Stewart represents and warrants that it has the Buyer's rights under a Purchase Agreement dated June 1, 1957, with Charleston Mines, an Arizona corporation, providing for sale by Charleston Mines to James Stewart Company of 12 unpatented lode mining claims and 8 State of Arizona Mineral Leases in the Tombstone Mining District, Cochise County, Arizona (which have been consolidated into one lease), that said Purchase Agreement is in effect and not in default. Said Purchase Agreement is attached hereto as Exhibit "A", and by reference made a part hereof. Stewart also represents and warrants that it is the owner of certain Arizona State prospecting permits, certain unpatented lode mining claims and an undivided 23/24 interest in certain patented lode claims. All of

*[Handwritten signature]*  
7/11/74

said permits and claims and said lease are described on Exhibit "B" annexed hereto. Copies of the state lease and the state permits described on Exhibit "B" are annexed hereto as Exhibits "C", "D", "E" and "F" respectively. Stewart represents and warrants that said lease and permits are in effect and not in default, that said unpatented claims were validly and legally located, that all required assessment work has been performed on said claims and that said lease permits and claims are free and clear of all liens, encumbrances and claims by other parties except as expressly stated to the contrary.

The claims covered by said Purchase Agreement attached hereto and the claims and the property covered by the permits and leases described on Exhibit "B", together with any improvements thereon, and all timber and water rights, privileges, easements, rights, and appurtenances pertaining thereto or connected therewith or owned, held or used by Stewart in connection therewith, are hereinafter referred to as the "Property."

Stewart covenants that it will endeavor to acquire the outstanding 1/24 interest in said Texas Group of Claims and that said interest will be added to the Property when and if acquired. If not acquired within two (2) years, at the request of Asarco Stewart will petition the court for separation of the properties. Stewart shall within the time permitted obtain a prospecting permit on the current application for permit on Section 19 and such permit will constitute part of the Property.

If Asarco, without obligation to do so, should determine, in its sole judgment, that any of the mining claims forming part of the Property, should be relocated or that locations should be amended, or that fractions exist between any of such claims, it may at its cost and expense, after notification to Stewart, relocate or amend location of such claims and locate any such fractions, all in the name of Stewart and prepare and file in behalf of Stewart such notices and certificates as may be required or proper in the premises. All such mining claims which have been relocated, or the location of which has been amended and all such fractional mining claims, shall constitute part of the Property hereunder.

2. Possession of Property.

During the term of this agreement, Stewart grants to Asarco and Asarco shall have sole and exclusive possession and control of the Property, and the right to examine, explore, sample, test, develop, work, mine, operate and use the Property and remove therefrom the ores and minerals therein and belonging thereto, and to treat, mill, smelt, refine, ship, sell or otherwise dispose of the same and receive the full proceeds therefrom; and to erect, construct, maintain, use and operate thereon and therein buildings, structures, machinery and equipment.

3. Obligations of Asarco.

Subject always to its right to terminate this Agreement at any time pursuant to Article 14 hereof, Asarco shall:

A. During the first year of this Agreement drill

2/1/66

not less than ten thousand (10,000) feet of exploratory drill holes on the Property,

B. During the second year of this Agreement drill not less than fifteen thousand (15,000) feet of exploratory drill holes on the Property; provided, however, that any drilling in excess of ten thousand (10,000) feet during the first year shall apply to such drilling obligation for the second year,

C. On or before the thirtieth (30th) day following the second anniversary date of this Agreement pay to Stewart the sum of Fifty Thousand Dollars (\$50,000),

D. On or before the thirtieth (30th) day following the third anniversary date of this Agreement pay to Stewart the sum of One Hundred Thousand Dollars (\$100,000),

E. On or before the thirtieth (30th) day following the fourth anniversary date of this Agreement pay to Stewart the sum of One Hundred Fifty Thousand Dollars (\$150,000),

F. On or before the thirtieth (30th) day following the fifth anniversary date of this Agreement pay to Stewart the sum of Two Hundred Thousand Dollars (\$200,000),

G. On or before the thirtieth (30th) day following the sixth anniversary date of this Agreement and on or before the thirtieth (30th) day following each succeeding anniversary date of this Agreement thereafter, until the date of beginning operations (as hereinafter defined), pay to

Stewart the sum of Two Hundred Fifty Thousand Dollars (\$250,000),

H. Beginning with the "date of beginning operations" (as hereinafter defined), Asarco shall during each year until six (6) years following the date of beginning operations (as hereinafter defined) or until Asarco has recovered all its advances and expenditures pursuant to Article 10 whichever anniversary date is earlier, pay to Stewart Five Hundred Thousand Dollars (\$500,000) per year,

I. Beginning six (6) years from the date of beginning operations (as hereinafter defined) or the date Asarco has recovered all its advances and expenditures made or incurred as calculated in accordance with Article 10 whichever date is earlier, Asarco shall, at the end of each three (3) months, pay to Stewart amounts equal to three percent (3%) of net smelter returns received during such three (3) months on all ores removed by Asarco from portions of the property consisting of patented and unpatented claims and one and one half percent (1.5%) of net smelter returns received during such three (3) months on all ore removed by Asarco from portions of the Property presently covered by lease or permit from the State of Arizona so long as this Agreement remains in effect.

4. Assessment Work, Lease, Permit and Option Obligations.

Beginning with the date hereof and thereafter during the term of this Agreement, Asarco shall be obligated to perform and record within the time required by law, the assessment work on the

unpatented mining claims within the Property required to keep them in good standing. Asarco may exclude from this agreement any one or more of the mining claims comprising the Property on giving notice to Stewart and Asarco shall have no further obligations with respect to such excluded or terminated claims except that, in case of any such exclusion or in case of termination of the entire Agreement, if the assessment year for any mining claims affected thereby expires within two months from the date of such exclusion or termination, Asarco shall be obligated to perform and record the assessment work pertaining to such claims and this obligation shall survive any such exclusion or termination.

Beginning with the date hereof and thereafter during the term of this agreement, Asarco shall comply with all the provisions of the lease and the permits copies of which are annexed hereto as Exhibits "C", "D", "E" and "F", including the payment of rent as it falls due. Asarco may exclude from this Agreement, by giving notice to Stewart, any one or more of the permits and lease described in Exhibit "B" and Asarco shall have no further obligations nor rights with respect to such excluded or terminated lease and permits, except that, in case of any such exclusion or in case of termination of the entire Agreement, if the anniversary date of any such lease or permit is less than two months from the date of such exclusion or termination, Asarco shall be obligated to perform any exploration work required for such year by such lease or permit whose anniversary date is less than two months from the date of such exclusion

or termination. Asarco shall have the right but not the obligation to carry any such permit into lease and in such event the resulting lease shall be included in the Property.

Beginning with the date hereof and thereafter during the term of this Agreement, Asarco shall perform all work required by the Purchase Agreement attached hereto as Exhibit "A" and Stewart shall make all payments within the times permitted or required thereunder to maintain said Purchase Agreement in good standing. Stewart shall complete said Purchase within the time permitted thereunder and make all payments necessary to do so. If said Purchase has not been exercised prior to notice given pursuant to Article 9 below, Stewart shall complete said Purchase not later than thirty (30) days after such notice is given pursuant to Article 9. In the event Stewart fails to make any of such payments or to complete said Purchase as required hereunder, Asarco shall have the right but not the obligation to do so and to recover from Stewart the amounts so paid together with interest thereon at the rate of ten percent (10%) per annum.

5. Manner of Work and Operation, Records, Reports, Inspection, Etc.

Asarco shall do all its exploration, development and mining of the Property in a minerlike manner and shall conform to the applicable Federal and State mining laws and regulations.

During the term hereof Asarco shall pay all property taxes assessed against the Property and against any personal property thereon, and the obligation for payment of such taxes shall

DW

be prorated between Stewart and Asarco if they cover a period before the date hereof, or a period after the termination of this Agreement.

Asarco shall keep the Property free of liens for work performed upon the Property for it or materials furnished to it for use on the Property.

Asarco shall keep proper records showing details of all expenditures in respect of work on the Property, which shall include all expenses attributable to examination, exploration, development and equipment of the Property including mobilization, demobilization and travel costs for equipment and personnel and prorated salaries of geologists and engineers for time devoted to the work on the Property. Designated representatives of Stewart may inspect such records at all reasonable times.

Accredited representatives of Stewart shall, for the purpose of inspection, have reasonable access to the Property and the workings thereon, to the financial, mining and metallurgical records of the Property and all maps pertaining thereto, but such inspection shall not interfere with Asarco's operations and all such entries on the Property shall be at the sole risk of Stewart and such representatives, and Stewart shall indemnify and hold Asarco harmless from any claim, liability, damage or expense, including attorneys' fees, by reason of injury (including death) of Stewart's said representatives or Stewart's guests on the Property or the approaches thereto.

Except as provided above, Asarco agrees to indemnify and hold Stewart harmless from any claim, liability, damage or expense, including attorneys' fees, by reason of bodily injury (including death) or property damage resulting from any act by Asarco in connection with the Property.

6. Perfection of Title and Conveyance of Property.

If, in the judgment of Asarco, the title to any of the property governed by this Agreement is subject to encumbrances or any cloud, Asarco, after notifying and discussing same with Stewart, shall have the right but not the obligation to perfect such title through litigation or otherwise and to deduct the expense incurred by it in this connection from any payments otherwise payable to Stewart.

At any time thirty (30) days after notice has been given pursuant to Article 9 below upon Asarco's written request to Stewart, the latter shall execute and deliver to Asarco, in forms approved by Asarco containing the warranties set forth in Article 1 above and suitable for recording, proper instruments of conveyance conveying the Property to Asarco and shall deliver such evidences of title and certificates of work as it may have and which Asarco may request; provided, however, that such conveyances shall contain language reserving to Stewart the right to receive as royalties any of the payments specified in Article 3 which have not theretofore been paid.

If this Agreement should be terminated after such

conveyance of the Property to Asarco, it shall upon such termination reconvey to Stewart all its interest in the Property.

7. Use of Adjacent Properties.

Asarco shall have the right to remove ores, waste, water and other materials from the Property and to carry on general mining operations pertaining to the Property by means of shafts and workings on other properties controlled by Asarco and to remove ores, waste, water and other materials from such other properties and to carry on general mining operations pertaining to such other properties on the surface of or through shafts and workings on the Property, but until weighed and sampled, all ores extracted and removed from the Property shall be kept separate from ores extracted and removed from any other properties.

8. Vertical Boundary Planes.

In consideration of the mutual benefits to be received by Stewart and Asarco and by the owners of other properties in the district from whom Asarco has obtained or shall hereafter obtain leases or agreements, Stewart and Asarco hereby agree with each other and for the benefit of all other owners in the district from whom Asarco now has or shall hereafter obtain leases or other agreements containing this or a similar provision, that any and all ores and minerals within the surface boundaries extended downward vertically of any property so held under lease and agreements by Asarco, or now or hereafter owned by Asarco, shall belong to such property and none other, and Asarco shall be required to account

*Claw*

only to the owner of such property for ores mined and removed by it therefrom. As to all other claims or property adjoining or adjacent to the property this Agreement is intended to and does hereby grant to Asarco, subject to the terms hereof, the full rights of possession and enjoyment in and to the Property and all ore and minerals therein and appurtenant thereto and all extralateral rights as provided by law.

9. Equipment and Operation of Property.

At any time during the exploration period Asarco may give notice to Stewart that it intends to put the Property in commercial production. In case of such notice the exploration period shall come to an end, and Asarco shall proceed with due diligence with the development and equipment of the Property to a producing stage on a basis of such tonnage capacity as is deemed proper in Asarco's sole judgment, and shall advance all funds required therefor, and after the Property has been placed on a producing basis Asarco shall advance all required working capital and be solely responsible for all costs in the operation of the Property, and shall operate the Property at such level of production as in its sole judgment it deems proper. Asarco may suspend or curtail operation of the Property during periods when the products derived therefrom cannot be sold and produced at a profit or when such products cannot readily be sold at prevailing prices so that an unreasonable inventory would otherwise accumulate.

In equipping the Property for operation, Asarco may

*S.H.W.*

determine in its sole judgment the location of any buildings, structures, machinery and equipment and whether the same shall be located outside the limits of the Property, and may acquire other land by purchase, lease or otherwise for such purposes.

Upon, or at any time after the giving of such notice, Asarco may defer or interrupt its work of developing and equipping the Property for operation, but without the consent of Stewart, the total of such period or periods of deferment shall not exceed a cumulative total of five years.

10. Reimbursement of Asarco Advances and Expenditures.

Asarco shall be considered to have recovered all its advances and expenditures made prior to the date of beginning operations for purposes of Article 3H when the cumulative net proceeds (as hereinafter defined) realized by it from the Property equal Asarco's total advances and expenditures in examining, exploring, developing, acquiring and equipping the Property for production and all matters connected therewith, which shall include, but not be limited to, all expenditures incurred prior to the date of beginning operations (as hereinafter defined) which would be allowable as operating expenses (as hereinafter defined) if they had been made after the date of beginning operations, advances for initial working capital, all payments made to Stewart pursuant to Article 3 and Article 13 above, plus an amount equivalent to a single interest charge at the rate of one percent (1%) over the

*MCA*

prime interest rate in effect in New York City on the date notice was given that Asarco intended to put the Property into production, calculated on the average of the net outstanding balances of the foregoing at the beginning and end of each calendar quarter.

11. Definitions:

A. Date of Beginning Operations.

The term "date of beginning operations" shall mean the time when the production of ores or concentrates from the Property for sale on a commercial basis has begun and the precise date shall be fixed as the first day of the month following the beginning of such production.

B. Net Proceeds.

Net proceeds shall be determined by deducting from the gross proceeds received from the sale of ores, concentrates and other products of the Property and any miscellaneous revenues therefrom, all operating expenses as hereinafter defined. Any excess of operating expenses over gross proceeds shall be carried forward and be a charge against net proceeds thereafter derived.

C. Operating Expenses.

There shall be included in operating expenses of the Property all costs, obligations, liabilities and expenses of whatsoever nature which are incurred or become payable by Asarco after the date of beginning operations in connection with or for the benefit of the Property, its development, improvement, maintenance and operation and the products thereof, both during periods of

*Rich*

operation and during periods when the Property may be shut down, including all expenditures for capital assets (as distinguished from expense items), all payments made to Stewart hereunder and all expenses and deductions from income allowable (but with discretion in Asarco in what accounting periods the same shall be chargeable) for income tax purposes under the Internal Revenue Code but excluding (a) depletion and depreciation; and (b) all taxes based on profits other than any government royalties and/or mining taxes based on profits; and without limiting the generality of the foregoing, operation expenses shall also include the following:

(1) The actual cost of Asarco's traveling auditor's audit about once a year;

(2) A charge of seven percent (7%) of the total operating expenses (excluding said seven percent) for Asarco's routine general administration service and expenses, and except for the foregoing there shall not be included in operating expenses any charge by Asarco for routine general administration services, that is to say, for management above that of the resident superintendent or manager of the Property, but Asarco may include in operating expenses any item of cost outside the usual course of such general administration, as, e.g., engineering expenses other than routine;

(3) Asarco need procure only such insurance on the Property and such liability insurance as in its sole judgment it shall deem adequate, and the cost of all insurance premiums and all expenditures and liability by reason of losses and damages not covered by insurance shall be included as operating expenses;

D. Net Smelter Returns.

Net smelter returns shall be gross proceeds received from all products, minerals or otherwise, recovered from the ore taken from the Property less only the expenses of transporting (exclusive of loading costs) such ore or (as the case may be) any and all concentrated material from the concentration facility used to process the ore to the smelter or refinery based on the most economical means of satisfactory transportation available.

12. Marketing of Products.

All mineral products of the Property shall be marketed at the best terms obtainable from any responsible smelter or refinery with due regard to freight differentials, and if such ores or concentrates or other products shall be treated at a smelter or refinery owned or controlled by Asarco, the smelter or refinery schedules used for determining the net smelter returns shall not be less favorable to the Property than the schedules under which products of like character and in similar quantities are purchased at the time from other independent shippers by such Asarco smelter

or refinery.

13. Force Majeure.

If Asarco shall be prevented or delayed from performing any of the obligations on its part to be performed hereunder by reason of act of nature, strike or threat of strike, fire, flood, interruption or delay in transportation, war, insurrection or mob violence, requirement or regulation of government, unavoidable casualties, shortage of labor, equipment, fuel or material, plant breakdown or any disabling cause, without regard to the foregoing enumeration, beyond the control of Asarco or which cannot be overcome by the means normally employed in performance and at comparable expense, then and in such event any such failure to perform shall not be deemed a breach of this agreement but performance of the aforesaid obligations shall be suspended during such period of disability and all rights of Asarco and the time for performance of such obligations shall be extended for a period equal to the period or periods of disability. In the event Asarco is, becomes or believes it is about to become subject, at any time, to Environmental Pollution Regulations (Environmental Pollution Regulations shall include any governmental law, rule, order, regulation, policy, proposal or restriction relating to Environmental Pollution) which will prohibit or materially affect any operation Asarco is carrying out, or planning to carry out hereunder, Asarco shall have the right to declare the existence of a condition of force majeure during the period in which Asarco is in good faith

*Handwritten initials/signature*

seeking a feasible method to comply with, be exempted from, modify, obtain necessary permits or licenses under, or prevent the enactment or promulgation of said Environmental Pollution Regulations. Asarco agrees to use reasonable diligence to remove such causes of disability as may occur from time to time, but shall not be required to settle strikes or other labor difficulties contrary to its own judgment. The causes recited in this Article shall not excuse a delay or failure to make a payment of money.

Force majeure occurring after the "date of beginning operations" shall extend the "six-year period" referred to in Article 3H and defined in Article 11-A hereof by a period of time equal to the length of the period of disability; provided, however, that during any such event of force majeure Asarco shall continue to pay to Stewart at the annual rate of Five Hundred Thousand Dollars (\$500,000) per year in accordance with the provisions of said Article 3-H.

14. Voluntary Termination by Asarco.

Asarco shall have the right to terminate this Agreement at any time and to relinquish and surrender the Property to Stewart

by giving written notice to that effect to Stewart. Upon such termination, Asarco shall be relieved of all further obligations or liabilities hereunder except for payments, obligations and liabilities already accrued to the date of termination and the obligations on its part to be performed upon termination as herein provided. In such event, the payments specified in Article 3 above for the lease year in which such termination occurs shall be deemed to have accrued at the time of such termination.

15. Termination for Breach.

The failure of Asarco to keep or perform any obligations on its part to be kept or performed according to the terms and provisions hereof shall, at the election of Stewart constitute a breach of this Agreement, unless such default be cured as hereinafter provided. In the event of any such default and such election of Stewart, it shall first give Asarco notice of its intention to declare such breach of this Agreement and to terminate the same on account thereof, specifying the particular default or defaults relied upon by it. Asarco shall have a reasonable time (which in any case shall not be less than ninety (90) days) after receipt of such notice in which to cure such specified default or defaults, and if such default or defaults are cured or if Asarco has commenced and proceeds with due diligence to cure such default, there shall be no breach hereunder with respect to such default or defaults. No waiver of and no failure on the part of Stewart to give notice of a default or defaults shall affect any subsequent default or impair

its rights resulting therefrom. If Asarco should dispute that a default has occurred, it shall so advise Stewart and the question shall be determined by arbitration as hereinafter provided. If the decision of the arbitrators shall be that Asarco was in default, then it shall have the reasonable time aforesaid after said decision within which to cure the default or defaults before Stewart may terminate this agreement in the manner aforesaid, and if such default or defaults be cured, there shall be no breach hereunder with respect to the same. In the event Stewart terminates this Agreement on account of breach by Asarco, Asarco shall be under no further obligation or liability hereunder to Stewart from and after the date of such termination except for the performance of obligations and the satisfaction of liabilities to third parties or respecting the Property, which have accrued to the date of such termination, and the performance of its obligations to Stewart upon termination of this Agreement as provided in Article 17 and Article 4 hereof.

16. Arbitration.

In case of any dispute or difference between the parties, the same shall be submitted to and determined and settled by arbitration which shall be conducted by and under the rules of the American Arbitration Association, except as the same may be modified herein. Arbitration shall take place in Tucson, Arizona. There shall be three arbitrators, all of whom shall be disinterested persons of experience in the mining business or if no mining question is involved then persons having technical competence relative

to the point in dispute, and who are not and never have been associated directly or indirectly with either party to the dispute. The decision of the arbitrators or any two of them in writing shall be binding upon the parties. Said arbitrators shall, after hearing the parties and any evidence that they may submit make up their award and reduce the same to writing, and deliver one copy thereof to each of the parties hereto. The arbitrators shall retain jurisdiction to determine whether a default has been cured. The expense of the arbitrators shall be paid accordingly as the arbitrators shall decide in their award. The terms of this Article shall continue to apply in the event of termination of this agreement for any cause, if any dispute or difference arise in connection therewith, and shall govern the settlement of every such dispute or difference.

17. Rights on Termination.

Upon termination of this agreement for any cause, Asarco shall surrender peaceable possession of the Property to Stewart, and if the Property shall have been theretofore conveyed to Asarco, the latter shall reconvey the same to Stewart by conveyances in appropriate form as aforesaid.

Asarco shall have the right to remove from the Property all equipment, materials and supplies placed thereon by it, subject however, to the rights of Stewart to purchase (a) any one or more of the units of removable equipment, the basis of the purchase price to be the delivered cost to Asarco of the said equipment

DE

erected or placed on the Property, less ten percent (10%) per year for depreciation, and (b) all or any part of such materials and supplies on the basis of the delivered cost at the Property thereof to Asarco; said delivered costs to include any erection and installation costs.

Asarco shall not remove mine timbers, mine tracks, ties and pipelines in place on the Property, the title to which shall be vested upon such termination in Stewart.

Upon termination Asarco shall deliver to Stewart copies of exploration data related to the property including all drill logs, reports, maps, assays, results of geophysical work, together with all documents and data pertaining to the size, grade, and nature of the ore or ore body and other valuable material found in or on the property, but the accuracy of any such data shall not be warranted.

18. Notices.

All notices hereunder shall be in writing and may be given by registered mail. Such notice shall be conclusively deemed delivered and given two (2) days after the posting thereof.

The notice shall be addressed as follows:

Stewart Mines Limited Partnership  
Suite 707  
3033 North Central Avenue  
Phoenix, Arizona 85012

American Smelting and Refining Company  
Attn: Exploration Department  
120 Broadway  
New York, New York 10005

and

American Smelting and Refining Company  
Attn: Exploration Department  
P. O. Box 5747  
Tucson, Arizona 85703

Either party may give notice to the other at any time and from time to time of any other address and/or addresses different from or additional to the above to which all notices thereafter given to such party shall be addressed.

19. Term.

The term of this agreement is ninety-nine (99) years from the date hereof, subject to earlier termination as herein provided and subject to any further limitation by reason of law which may be applicable at the situs of the Property.

20. Memorandum; Confidentiality.

The parties to this Agreement shall execute and record a Memorandum of this Agreement in form sufficient to give notice of Asarco's rights hereunder. Stewart shall not disclose or publicize the terms of this agreement except for recording said Memorandum without the prior written consent of Asarco.

21. Assignability and Inurement.

Asarco shall have the right to assign its rights in whole or in part to any party but any such assignment will not relieve Asarco of any of its obligations which have accrued at the date of such assignment. Asarco will notify Stewart of any such assignment. This Agreement shall be binding upon and inure to the benefit of the successors and assigns of the parties.

22. Article Headings.

The titles of the respective Articles hereof shall not be deemed a part of this Agreement in the interpretation thereof, but shall be regarded as used for convenience only.

IN WITNESS WHEREOF, the parties have executed these presents as of the day and year first above written.

STEWART MINES LIMITED PARTNERSHIP

By *James Stewart Company, General Partner*

By: *M. S. Horne*

*General Partner*  
*M. S. HORNE, President*

ATTEST:

\_\_\_\_\_  
Secretary

AMERICAN SMELTING AND REFINING COMPANY

ATTEST:

By: *J. J. Collins*

*Director of Exploration*

*[Handwritten initials]*  
RBC

AGREEMENT

1 THIS AGREEMENT, MADE AND ENTERED INTO AS OF THE FIRST DAY OF JUNE, 1957,  
2 BY AND BETWEEN THE CHARLESTON MINES, AN ARIZONA CORPORATION, (HEREINAFTER RE-  
3 FERRED TO AS SELLER), AND JAMES STEWART COMPANY, A TEXAS CORPORATION, (HEREIN-  
4 AFTER REFERRED TO AS BUYER);

5 WITNESSETH:

6 WHEREAS SELLER IS THE OWNER OF CERTAIN UNPATENTED MINING CLAIMS,  
7 HEREINAFTER DESCRIBED, AND IS DESIROUS OF SELLING SAID CLAIMS; AND

8 WHEREAS BUYER IS DESIROUS OF PURCHASING SAID CLAIMS;

9 NOW THEREFORE, IN CONSIDERATION OF THE PREMISES AND THE MUTUAL  
10 COVENANTS AND AGREEMENTS HEREINAFTER CONTAINED, THE PARTIES HERETO AGREE AS  
11 FOLLOWS:

12 1. SELLER AGREES TO SELL AND BUYER AGREES TO PURCHASE THOSE  
13 CERTAIN MINING CLAIMS LOCATED IN SECTIONS 25 AND 36, TOWN-  
14 SHIP 20 SOUTH, RANGE 21 EAST, G & S R B AND N, IN THE  
15 TONKSTONE MINING DISTRICT, COCHISE COUNTY, STATE OF ARIZONA,  
16 DESCRIBED AS THE MARY JO GROUP, AND CONSISTING OF TWELVE  
17 (12) UNPATENTED MINING CLAIMS, AS MORE PARTICULARLY APPEARS  
18 ON THE PLAT ATTACHED HERETO AND MADE A PART HEREOF AND  
19 DESCRIBED AS FOLLOWS, TOGETHER WITH ALL PERSONAL PROPERTY,  
20 EQUIPMENT AND BUILDINGS LOCATED THEREON, AND ALL WATER  
21 RIGHTS APPURTENANT THERETO:

NAME OF CLAIM	RECORDED IN RECORDER'S OFFICE COCHISE COUNTY, GIBSON, ARIZONA	
	BOOK	PAGE
1. BROTHER GEORGE	67	236
2. MARY JO.	67	237
3. PASS OVER	67	238
4. CHIEF JUSTICE	67	239
5. FATHER LODGE	67	237
6. RARE METALS	67	238
7. FATHER LODGE	67	310
8. L. P. W. NO. 2	67	311
9. CONNECTING LINKS	67	559
10. MARY AND GEORGE	67	560
11. SWEET-HEART	67	561
12. WOOLERY	67	562

30 IT IS UNDERSTOOD THAT APPLICATION WILL BE MADE FOR EIGHT (8)  
31 ADDITIONAL CLAIMS LOCATED ON STATE LANDS IN SECTION 36 ADJACENT  
32 TO THE SAID MARY JO GROUP. SELLER AGREES TO COMPLETE

*(Handwritten signatures and notes)*

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31  
32

LOCATION OF HARRINGS AND TO MAKE APPLICATION FOR SAID STATE CLAIMS. BUYER AGREES TO PAY EXPENSES OF SAID APPLICATION AND DISCOVERY WORK ON SAID CLAIMS.

2. SELLER RESERVES THE RIGHT TO THE USE AND OCCUPANCY OF THE HOME LOCATED ON THE MARY JO CLAIM UNTIL SUCH TIME AS IT HAS BEEN PAID THE SUM OF SIXTY THOUSAND (\$60,000.00) DOLLARS UNDER THIS AGREEMENT.

3. BUYER AGREES TO PAY SELLER THE SUM OF TWO HUNDRED AND FIFTY THOUSAND (\$250,000.00) DOLLARS, PAYABLE AS FOLLOWS:

A. TWO THOUSAND FIVE HUNDRED (\$2,500.00) DOLLARS UPON EXECUTION OF THIS AGREEMENT.

B. BUYER AGREES THAT SELLER SHALL, AFTER THE COMMENCEMENT OF PRODUCTION RECEIVE TEN PERCENT (10%) OF THE NET MILL OR SMELTER RETURNS ON METALS AND THREE (\$3.00) DOLLARS PER TON ON SERICITE MINED AND REMOVED FROM THE PROPERTY. ALL PAYMENTS TO BE MADE ON A CASH BASIS AS PAYMENT IS RECEIVED BY BUYER; SETTLEMENT TO BE MADE MONTHLY ON OR BEFORE THE 10TH DAY OF EACH MONTH.

IN THE EVENT THAT DURING THE MONTH OF OCTOBER, 1957, THE SUMS PAID TO SELLER FROM NET MILL AND SMELTER RETURNS AND SALE OF SERICITE DOES NOT EQUAL OR EXCEED THE SUM OF ONE THOUSAND (\$1,000.00) DOLLARS, BUYER AGREES THAT IT WILL ON OR BEFORE THE 10TH DAY OF NOVEMBER, PAY TO SELLER A SUM SUFFICIENT SO THAT SELLER WILL RECEIVE THE SUM OF ONE THOUSAND (\$1,000.) DOLLARS FOR THE MONTH OF OCTOBER, 1957, AND CONTINUING ON OR BEFORE THE 10TH DAY OF EACH MONTH THEREAFTER IN WHICH PRODUCTION PAYMENTS DO NOT EQUAL OR EXCEED THE SUM OF ONE THOUSAND (\$1,000.00) DOLLARS. IT IS AGREED THAT ALL BOOKS AND RECORDS OF MILL AND SMELTER RETURNS AND SALE OF SERICITE SHALL BE OPEN

*Handwritten signature*  
D.R.

FOR SELLER'S INSPECTION AT ANY REASONABLE TIME.

C. IT IS AGREED THAT ALL PAYMENTS MADE TO SELLER OF WHATEVER KIND SHALL APPLY ON THE PURCHASE PRICE OF TWO HUNDRED FIFTY THOUSAND (\$250,000.00) DOLLARS.

4. SELLER COVENANTS AND REPRESENTS THAT IT IS POSSESSED OF GOOD AND MERCHANTABLE TITLE TO SAID MINING CLAIMS AND THAT SAID CLAIMS ARE FREE AND CLEAR OF ALL LIENS, INDEBTEDNESS OR CLAIM OF ANY NATURE. SELLER COVENANTS AND AGREES THAT IT WILL NOT ENCUMBER OR DO ANY ACT HEREAFTER WHICH WILL PLACE ANY ENCUMBRANCE OR LIEN UPON SAID PROPERTY.

UPON PAYMENT TO SELLER OF THE SUM OF TWO HUNDRED FIFTY THOUSAND (\$250,000.00) DOLLARS, SELLER AGREES TO CONVEY SAID CLAIMS FREE AND CLEAR OF ALL LIENS AND ENCUMBRANCES BY DELIVERY TO BUYER OF A GOOD AND SUFFICIENT MINING DEED TO SAID CLAIMS, AND A BILL OF SALE TO ALL PERSONAL PROPERTY LOCATED THEREON.

SELLER FURTHER AGREES THAT, UPON PAYMENT OF THE FULL PURCHASE PRICE, THE BUYER SHALL HAVE THE RIGHT TO RECEIVE ONE HUNDRED PERCENT (100%) INTEREST IN THE CHARLESTON MINES, AN ARIZONA CORPORATION, FREE OF ANY OBLIGATION DIRECT OR INDIRECT.

5. SELLER AGREES THAT BUYER MAY, UPON THE GIVING OF THIRTY (30) DAYS' WRITTEN NOTICE, TERMINATE, CANCEL AND SURRENDER THIS AGREEMENT AND ALL ITS RIGHTS THEREUNDER WITHOUT PENALTY AND BE RELIEVED OF ANY FURTHER OBLIGATIONS HEREUNDER.

IT IS FURTHER AGREED THAT IN THE EVENT BUYER SHALL FAIL TO MAKE ANY PAYMENT OR FULFILL ANY COVENANT HEREUNDER AND REMAINS IN DEFAULT FOR THIRTY (30) DAYS AFTER WRITTEN NOTICE OF SUCH DEFAULT IS DELIVERED TO BUYER, SELLER MAY, AT ITS OPTION BY GIVING THIRTY (30) DAYS' NOTICE, CANCEL AND TERMINATE THIS AGREEMENT.

IT IS FURTHER AGREED THAT IN THE EVENT OF TERMINATION BY

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26

BUYER OR SELLER HEREUNDER, ALL PAYMENTS MADE TO SELLER SHALL BE RETAINED AS LIQUIDATED DAMAGES.

6. IT IS FURTHER AGREED THAT IN THE EVENT OF TERMINATION OR CANCELLATION OF THIS AGREEMENT, EITHER BY SELLER OR BUYER, FOR ANY CAUSE WHATSOEVER, BUYER SHALL HAVE THE RIGHT TO REMOVE FROM THE PROPERTY ALL MILLS, MINING EQUIPMENT, OR ANY OTHER PROPERTY OR EQUIPMENT PLACED UPON SAID PROPERTY BY BUYER, WHETHER SAID MILLS, MINING EQUIPMENT, OR OTHER PROPERTY OR EQUIPMENT IS ATTACHED TO THE LAND OR NOT, AND TITLE TO ALL SUCH MILLS, MINING EQUIPMENT, OR OTHER PROPERTY OR EQUIPMENT SHALL REMAIN IN BUYER.

7. BUYER AGREES TO HOLD SELLER FREE AND HARMLESS OF AND FROM EACH CLAIM, DEMAND, LOSS AND LIABILITY OF WHATSOEVER KIND OR CHARACTER OR AT ANY TIME MADE, ASSERTED OR CLAIMED BY OR ON BEHALF OF ANY PERSON OR PERSONS AGAINST SELLER FOR AND/OR ON ACCOUNT OF ANY INJURY TO OR DEATH TO ANY PERSON OR PERSONS AND DAMAGE TO PROPERTY, WHILE ON OR ABOUT SAID MINING CLAIMS. BUYER AGREES TO SAVE AND HOLD SELLER HARMLESS FROM ANY AND ALL LIENS AGAINST THE PREMISES CREATED BY OR RESULTING FROM ACTIONS OR OMISSIONS OF BUYER.

8. ALL NOTICES PROVIDED HEREUNDER SHALL BE IN WRITING, WRITTEN AND ADDRESSED TO SELLER AT P. O. BOX 357, TONESTONE, ARIZONA, AND TO BUYER AT 411 NORTH CENTRAL AVENUE, PHOENIX, ARIZONA, OR SUCH OTHER ADDRESSES AS THE SELLER OR BUYER SHALL DESIGNATE IN WRITING FROM TIME TO TIME.

IN WITNESS WHEREOF, THE PARTIES HERETO HAVE SET THEIR HANDS AND SEALS

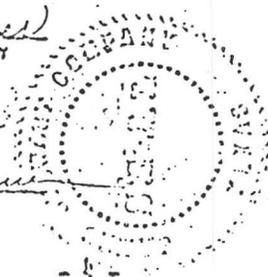
THIS 27th DAY OF MAY, 1957.



*Anna J. Suster*  
ANNA J. SUSTER, SECRETARY

CHARLESTON MINES  
By *Charles H. Suter*  
CHARLES H. SUTER, SR.  
PRESIDENT

31  
32 ATTEST *Wallace O. Tanner*  
WALLACE O. TANNER  
ASSISTANT SECRETARY



JAMES STEWART COMPANY  
By *W. L. Guthrie*  
W. L. GUTHRIE  
PRESIDENT

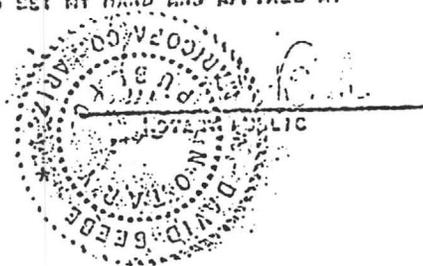
*W. L. Guthrie*  
*BC*

1 STATE OF ARIZONA }  
2 COUNTY OF MARICOPA } ss.

3 ON THIS 21ST DAY OF MAY, 1957, BEFORE ME, THE UNDERSIGNED, A NOTARY  
4 PUBLIC IN AND FOR SAID COUNTY AND STATE, PERSONALLY APPEARED CHARLES H. SUITER,  
5 SR. AND ANNA I. SUITER, KNOWN TO ME TO BE THE PRESIDENT AND SECRETARY RESPEC-  
6 TIVELY OF CHARLESTON MINES, AN ARIZONA CORPORATION, THE CORPORATION THAT  
7 EXECUTED THE FOREGOING INSTRUMENT, AND KNOWN TO ME TO BE THE PERSONS WHO  
8 EXECUTED THE FOREGOING INSTRUMENT ON BEHALF OF THE CORPORATION THEREIN, NAMED,  
9 AND ACKNOWLEDGED TO ME THAT SUCH CORPORATION EXECUTED THE WITHIN INSTRUMENT  
10 PURSUANT TO ITS BY-LAWS OR A RESOLUTION OF ITS BOARD OF DIRECTORS.

11 IN WITNESS WHEREOF, I HAVE HERUNTO SET MY HAND AND AFFIXED MY  
12 OFFICIAL SEAL.

13  
14 MY COMMISSION EXPIRES:  
15 My Commission Expires Feb. 19, 1960

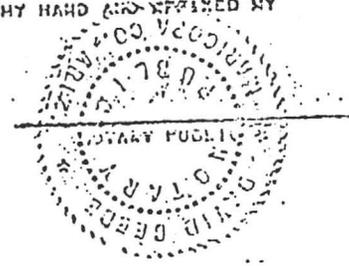


17 STATE OF ARIZONA }  
18 COUNTY OF MARICOPA } ss.

19 ON THIS 21ST DAY OF MAY, 1957, BEFORE ME, THE UNDERSIGNED, A NOTARY  
20 PUBLIC IN AND FOR SAID COUNTY AND STATE, PERSONALLY APPEARED H. SETH HORNE AND  
21 WALLACE O. TACKER, KNOWN TO ME TO BE THE PRESIDENT AND ASSISTANT SECRETARY OF  
22 JAMES STEWART COMPANY, A TEXAS CORPORATION, THE CORPORATION THAT EXECUTED THE  
23 FOREGOING INSTRUMENT, AND KNOWN TO ME TO BE THE PERSONS WHO EXECUTED THE FORE-  
24 GOING INSTRUMENT ON BEHALF OF THE CORPORATION THEREIN, NAMED, AND ACKNOWLEDGED  
25 TO ME THAT SUCH CORPORATION EXECUTED THE WITHIN INSTRUMENT PURSUANT TO ITS BY-  
26 LAWS OR A RESOLUTION OF ITS BOARD OF DIRECTORS.

27 IN WITNESS WHEREOF, I HAVE HERUNTO SET MY HAND AND AFFIXED MY  
28 OFFICIAL SEAL.

29  
30 MY COMMISSION EXPIRES:  
31 My Commission Expires Feb. 19, 1960



Handwritten initials: GMB, RBC

CHARLESTON MINES  
MINUTES OF SPECIAL MEETING OF THE  
BOARD OF DIRECTORS

119

A SPECIAL MEETING OF THE BOARD OF DIRECTORS OF CHARLESTON MINES WAS HELD IN THE OFFICE OF JAMES STEVART COMPANY, ROOM 610, FIRST NATIONAL BANK BUILDING, PHOENIX, ARIZONA, ON TUESDAY, THE 21ST DAY OF MAY, 1957 AT 2:00 O'CLOCK IN THE AFTERNOON.

THE FOLLOWING DIRECTORS WERE PRESENT:

Mr. CHARLES H. SUITER, SR.  
Mrs. ANNA I. SUITER

Mr. CHARLES H. SUITER, SR. PRESIDED AS CHAIRMAN AND ANNA I. SUITER WAS SECRETARY OF THE MEETING.

ON MOTION DULY MADE, SECONDED AND UNANIMOUSLY CARRIED, THE READING OF THE MINUTES OF THE LAST PREVIOUS MEETING OF THE BOARD OF DIRECTORS WAS WAIVED INASMUCH AS COPIES THEREOF HAD BEEN DISTRIBUTED BY MAIL.

THE CHAIRMAN DECLARED A QUORUM PRESENT.

THE CHAIRMAN SUBMITTED A RESOLUTION CONCERNING THE SALE OF THE MARY JO GROUP OF UNPATENTED MINING CLAIMS IN COCHISE COUNTY, ARIZONA.

ON MOTION, DULY MADE, SECONDED AND UNANIMOUSLY CARRIED, IT WAS RESOLVED, THAT THE CHARLESTON MINES ENTER INTO AN AGREEMENT WITH JAMES STEVART COMPANY, A TEXAS CORPORATION, FOR THE SALE OF THE MARY JO GROUP OF TWELVE UNPATENTED MINING CLAIMS LOCATED IN SECTIONS 25 AND 36, TOWNSHIP 20 SOUTH, RANGE 21 EAST OF G & S R B AND M IN THE TOMBSTONE MINING DISTRICT, COCHISE COUNTY, ARIZONA, UNDER THE TERMS AND CONDITIONS OF THE PROPOSED AGREEMENT ATTACHED HERETO.

NOW, THEREFORE, BE IT RESOLVED, THAT CHARLESTON MINES ENTER INTO THE SAID AGREEMENT ATTACHED HERETO AND THAT THE PRESIDENT BE AND HE IS AUTHORIZED AND DIRECTED TO EXECUTE THE AGREEMENT ATTACHED HERETO, TOGETHER WITH THE SECRETARY'S ATTEST THERETO AND DELIVER, TO THIS END EXECUTE SUCH OTHER DEEDS, BILLS OF SALE OR OTHER DOCUMENTS AS MAY BE NECESSARY TO EFFECTUATE SAID AGREEMENT OF SALE.

THERE BEING NO FURTHER BUSINESS, ON MOTION DULY MADE, SECONDED AND UNANIMOUSLY CARRIED, THE MEETING WAS ADJOURNED.



ANNA I. SUITER  
SECRETARY OF THE MEETING

THAT THIS IS A TRUE AND CORRECT COPY OF THE RESOLUTION ADOPTED BY THE BOARD OF DIRECTORS OF CHARLESTON MINES ON THE 21ST DAY OF MAY, 1957.

*Anna I. Suiter*  
SECRETARY

*CS*  
*MS*

EXHIBIT B

To the Agreement between Stewart Mines Limited Partnership and Amerco dated 3/77

STATE PROSPECTING PERMITS T20S, R21-22E

Permit #	Location	Acreage
22185	Sec. 30, T20S, R22E Lot 1; SE 1/4; NE 1/4 NW 1/4	240.41
22176	Sec. 36, T20S, R21E, Lots 5 to 8; Lots 10-15; N2SE 1/4; NE2SW 1/4; (less mineral lease 786)	309.27
26941 applied for	Sec. 19, T20S, R22E, Lots 1-4; E2W2; E2	642.72

UNPATENTED FEDERAL LODE CLAIMS - OPTION, CHARLESTON MINES  
(Located in Sections 25 and 36, T20S, R21E)

Claim Name	Book	Page	Claim Name	Book	Page
Brother George	67	236	Mother Lode	67	310
Mary Jo	67	237	L.P.W. No. 2	67	311
Pass Over	67	238	Connecting Link	67	559
Chief Justice	67	286	Mary & George	67	560
Father Lode	67	287	Sweet-Heart	67	561
Rare Metals	67	288	Woolery	67	562

UNPATENTED FEDERAL LODE CLAIMS - JAMES STEWART COMPANY  
(Located in Sections 24, 25, 36, T20S, R21E, and Sections 30, 31, T20S, R22E)

Claim Name	Docket	Page	Claim Name	Docket	Page
Stewart #1	491	97	Horne #17	493	538
Stewart #2	491	98	Horne #18	496	344
Stewart #3	492	432	Horne #19	493	539
Stewart #4	493	91	Horne #20	493	540
Stewart #5	493	92	Horne #21	493	541
Stewart #6	493	93	Horne #22	493	542
Stewart #7	493	94	Horne #23	493	543
Stewart #8	670	55	Horne #24	493	544
Stewart #9	670	56	Horne #25	493	545
Horne #1	493	261	Horne #26	493	546
Horne #2	493	262	Horne #27	493	547
Horne #3	493	263	Horne #28	493	548
Horne #4	493	264	Horne #29	493	549
Horne #5	493	267	Horne #30	493	550
Horne #6	493	266	Horne #31	493	551
Horne #7	493	265	Horne #32	493	552
Horne #8	493	537	Horne #43	493	562
Horne #9	509	318	Horne #44	493	563
Horne #10	509	319	Horne #45	493	564
Horne #11	509	320	Horne #46	493	565
Horne #12	496	339	Horne #47	493	566
Horne #13	496	340	Horne #48	493	567
Horne #14	496	341	Horne #49	493	568
Horne #15	496	342	Horne #50	493	569
Horne #16	496	343	Horne #51	493	570

*Handwritten initials/signature*  
RBC

Claim Name	Docket	Page	Claim Name	Docket	Page
Horne #61	606	464	Apache #12	591	446
Horne #62	606	465	Apache #13	591	447
Horne #63	606	466	Apache #14	591	448
Horne #64	606	467	Apache #15	591	449
Horne #65	606	468	Apache #16	591	450
Horne #66	606	469	Apache #17	591	451
Horne #67	606	470	Apache #18	592	249
Horne #68	606	471	Apache #19	592	250
Horne #69	606	472	Apache #20	592	251
Horne #155	670	53	Apache #21	592	252
Horne #156	509	342	Apache #22	592	253
Horne #157	509	343	Apache #23	592	254
Horne #158	509	344	Apache #24	592	255
Horne #164	606	473	Apache #25	592	256
Horne #165	606	474	Apache #26	592	257
Horne #166	606	475	Apache #27	882	545
Horne #167	606	476	Apache #28	882	546
Horne #168	606	477	Apache #29	882	547
Horne #169	606	478	Apache #30	882	548
Horne #170	606	479	Apache #31	882	549
Horne #171	606	480	Apache #32	882	550
Horne #172	606	481	Apache #33	882	551
Apache #1	591	435	Apache #34	882	552
Apache #2	591	436	Apache #35	882	553
Apache #3	591	437	Apache #36	882	554
Apache #4	591	438	Apache #37	882	555
Apache #5	591	439	Apache #38	882	556
Apache #6	591	440	Apache #39	882	557
Apache #7	591	441	Apache #40	882	558
Apache #8	591	442	Apache #41	882	559
Apache #9	591	443	Apache #42	882	560
Apache #10	591	444	Apache #43	882	561
Apache #11	591	445	Apache #44	882	562

PATENTED CLAIMS

Texas Group - 23/24ths undivided interest -

Kit Carson, Evening Star, North Star, Buffalo, Gold Needs and Bald Eagle, Mineral Survey No. 3744, in the Tombstone Mining District, as shown in the Patent recorded at Book 30, Deeds of Mines, Pages 397-402.

STATE MINERAL LEASE - OPTION, CHARLESTON MINES

Mineral Lease No. 786 dated 8/19/57, expiring 8/18/77, covering eight (8) mineral claims in Sec. 36, T20S, R21E

*7/11/77*  
*PBC*

Type of Lease A

To the Agreement between  
Stewart Mines Limited Partnership  
and Asarco dated 3/ 774

Lease # H-786

STATE LAND DEPARTMENT

State of Arizona

**COPY ONLY  
NOT TRANSFERABLE**

NOV 1 1957

MINERAL LEASE

This lease made and entered into this 15th day of August 19 57  
by and between the State Land Department, party of the first part, hereinafter  
called the lessor, by reason of the authority vested in it by the Arizona Re-  
vised Statutes, as amended, and CARLOS H. SUTER  
party of the second part, hereinafter called the lessee.

W I T N E S S E T H:

The lessor has this day leased to the said lessee, for and in considera-  
tion of the rental, royalties, covenants, stipulations and conditions herein-  
after contained, and hereby agreed to be paid, observed and performed by the  
said lessee, for the purpose of extracting and shipping ores and mineral sub-  
stances from or under the land described in lease supplement, attached hereto  
and made a part hereof, containing 142.50 acres, more or less, with a  
total annual rental of \$120.00.

TO HAVE AND TO HOLD the same for the period ending the 15th day of  
August 19 77.

This lease confers on the lessee the right:

1. Type A. If the mineral deposit be a vein, lode or ledge and located  
as a mineral claim according to location on the public domain of the United  
States, and pursuant to Section 27-232A, Arizona Revised Statutes, the lessee  
is entitled, during the term of the lease, to extract and ship mineral from  
said vein, lode or ledge, and to extralateral rights in the discovery vein only.
2. Type B. If the mineral deposit be located pursuant to Section 27-232B  
Arizona Revised Statutes, the lessee is entitled to extract and ship minerals,  
mineral compound and mineral aggregate from the property as above set forth  
located within planes drawn vertically downward through the exterior boundary  
lines of each claim.
3. To use so much of the surface as may be required for purposes incident  
to mining; and
4. Of ingress to and egress from other state lands, whether or not leased  
for purposes other than mining.

The lessee hereby agrees to pay or cause to be paid to the State Land  
Commissioner, annually in advance, a rental of \$15.00 per annum for each  
claim or fraction thereof, which shall be credited upon the royalties herein-  
after provided, which may become due during such year

The lessee further agrees to pay as royalty 5% of the net value of the  
minerals produced from the leased premises, which net value shall be the gross  
value after processing, if processing is necessary for commercial use, less the  
actual cost of transportation from the place of production to the place of pro-  
cessing, less costs of processing and taxes, if any, levied and paid upon the  
production thereof. In the case of minerals not processed for commercial use,  
the net value shall be the gross proceeds, or gross value at the place of sale  
or use, less the actual cost of transportation from place of production to the  
place of sale or use, less taxes, if any, levied and paid upon the production  
thereof.

Provided that in the case of sand, rock and gravel, the royalty shall be  
at the rate of five (5) cents per cubic yard of sand, rock or gravel, removed  
from the land described herein.

So that the state may be properly advised of the removal of ores and  
mineral substances from the lands involved in this lease, the lessee agrees to

*[Handwritten signature]*

file with the State Land Commissioner, within twenty (20) days after the removal of any such ores or mineral substances, an authenticated statement of the gross values found and accounted for by the smelter, mint, or other place of customs treatment and sale.

The lessee agrees to pay all royalties under this lease to the State Land Commissioner within twenty (20) days after the close of each month within which the minerals were extracted; such payments will be accompanied by a sworn statement on forms furnished by the Department.

The lessee shall at all times conduct operations in a workmanlike manner, protect all mines and deposits, and not commit nor suffer any waste upon the land. He shall not use nor permit the use of said lands and premises for any other purpose than as herein authorized, and at the expiration of this lease he shall return the premises to the owner in as good condition as received.

The lessee shall keep an accurate account of said operations showing the amount of mineral mined or extracted and all mineral shipped, smelted, used, or disposed of, the cost of such operations, and the gross value of the output of the minerals at the mine. The State Land Commissioner and other proper representatives of the department shall have the right at all times during the existence of this lease, and for six months thereafter, to make such reasonable examinations of the papers and books of account of the said lessee and of the mines as may be necessary to obtain all information desired.

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

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

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

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

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

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

NOV 14 1900

2244

# STATE LAND DEPARTMENT

PHOENIX, ARIZONA

LEASE SUPPLEMENT

Tr. To: Charleston Mines,  
 P O BOX 357  
 TOMBSTONE ARIZONA

11	786
<small>LEASE</small>	<small>LEASE OR REFERENCE NO.</small>

ACCOUNT NO.		DESCRIPTION	SEC.	TWP.	RANGE	ACREAGE
FUND	SUB					
3004	M	& B I N N 2	36	20 S	21 E	142:50 142:50

NOT COPY ONLY TRANSFERABLE

*Charles A. Lutes*  
SIGNATURE OF LESSEE

 11/4/57  
DATE

*Mathew H. Pitts*  
Acting Deputy

 NOV 18 1957  
DATE

*6/14*

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

The lessee shall not keep livestock of any kind on the lands leased herein except by permission from the State Land Commissioner at such rates as may from time to time be established.

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

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

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

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

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

STATE LAND DEPARTMENT

By Obed M. Lassen  
State Land Commissioner

By Katharine Hitt  
Acting Deputy State Land Commissioner

(Sign here) Charles H. Luster

Party of the Second Part

This lease is issued  
in duplicate

NOT COPY ONLY  
TRANSFERABLE

GRW  
TDC

Written by: \_\_\_\_\_

ASSIGNMENT OF LEASE

Checked by: \_\_\_\_\_

Phoenix, Arizona December 3, 1957

Date Mailed: DEC 5 1957

The application of Charles H. Suiter and Anna I. Suiter, husband and wife for permission to assign Lease No. \_\_\_\_\_ and the application of \_\_\_\_\_ for the assumption of said Lease, having been duly considered this \_\_\_\_\_ day of \_\_\_\_\_ 19 \_\_\_\_\_ and without waiver of State rights which may exist against the lease assigned, and with this consent not to be construed as initiating any new rights in assignee of lease, consent is hereby given for the assignment applied for and it is ordered that the said Lease No. \_\_\_\_\_ and all rights thereunder be and are hereby transferred to the said \_\_\_\_\_

Box 357,  
Acabston, Arizona

*Ed M. Reardon*  
State Land Commissioner

By *Kathleen Hite*  
Acting Deputy State Land Commissioner

COPY ONLY  
NOT TRANSFERABLE

ASSIGNMENT OF LEASE

Phoenix, Arizona \_\_\_\_\_

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

State Land Commissioner

By \_\_\_\_\_  
Deputy State Land Commissioner

COPY ONLY  
NOT TRANSFERABLE

ASSIGNMENT OF LEASE

Phoenix, Arizona \_\_\_\_\_

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

State Land Commissioner

By \_\_\_\_\_  
Deputy State Land Commissioner

*Miss*  
*RBE*

STATE LAND DEPARTMENT  
STATE OF ARIZONA

EXHIBIT D  
To the Agreement between  
Stewart Mines Limited Partnership  
and Asarco dated 3/ /74

RENEWAL OF  
PROSPECTING PERMIT NO. 22185

OCT 11 1973

PERMIT IS HEREBY RENEWED FOR THE PERIOD OF:

EFFECTIVE DATE

EXPIRATION DATE

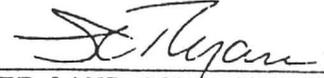
August 31, 1973

August 30, 1974

APPROVED DATE

October 9, 1973

BY



STATE LAND COMMISSIONER

THIS FORM MUST BE ATTACHED TO PERMIT



To the Agreement between  
Stewart Mines Limited Partnership  
and Asarco dated 3/ /74

Date August 31, 1977

STATE LAND DEPARTMENT

STATE OF ARIZONA

PROSPECTING PERMIT

(To prospect for minerals other  
than oil and gas upon State lands)

Comm	Forest
Admin Sv	Soil C
Land Div	Res Prog
Cent Pro	Data Pro
Appraise	Publica
Minerals	Title & S
Res Serv	Planning
Water Res	Purchase

The STATE OF ARIZONA grants to M. S. MORNE, a married man,  
as sole and separate property , the exclusive right, for a  
 period of one (1) year from date, subject to renewals as hereinafter set  
 forth, but in no event beyond the 30th day of August ,  
 1977, to prospect for minerals other than oil and gas on the State land  
 hereinafter described upon the following expressed conditions which are a  
 part of the permit, the same as though set forth over the signatures of the  
 parties.

STATE OF ARIZONA

By *J. Ryan*  
for, State Land Commissioner

(SEAL)

By [Redacted]  
Director, Land Division

Signed in the County of Maricopa , State of  
Arizona , on the 11th day of September ,  
1977.

(Sign Here) *M. Morne*  
Permittee

(This permit is issued in duplicate)

*(Handwritten initials)*

CONDITIONS

1. The permittee shall have those surface rights necessary for the prospecting and exploration for mineral, but may remove from the land only that amount of mineral required for sampling, assay and metallurgical testing purposes.
2. The permittee shall have the right of ingress to and egress from the land covered by the permit but only along routes first approved by the State Land Commissioner.
3. The permittee shall be liable to and shall compensate the owner and lessee of the surface of the State land covered by this permit, or across which the permittee exercises the right of ingress and egress, for any loss to such owner and lessee from damage or destruction caused by the permittee, his or its agents or employees, to grasses, forage, crops or improvements upon such State land.
4. This permit shall terminate automatically, as of the end of any annual period from and after the date of issuance thereof, unless during such annual period the permittee shall have expended in exploration for valuable mineral deposits on the State land covered by this permit the prescribed amount per acre, file an application for renewal and submit proof of the amount expended on exploration. The amount to be expended during each of the first two annual periods in which this permit may be in effect shall be not less than ten dollars for each acre of land covered by this permit at the commencement of such annual period, and the amount to be expended during each of the last three annual periods in which this permit may be in effect shall be not less than twenty dollars for each acre covered by this permit at the commencement of such annual period.
5. Prior to the termination of any annual period, the permittee may file a release with the State Land Department, releasing acreage covered by this permit provided that the acreage released be contained within one or more rectangular subdivisions of twenty acres more or less, or lots, according to the lines of the public survey.
6. Upon any partial or total relinquishment, or the cancellation or expiration of the permit, other than by issuance of mineral lease, the permittee shall fill any holes, ditches, or other excavations as may be required by the State Land Commissioner and so far as reasonably possible, restore the surface to its former conditions.
7. The permittee may, prior to expiration of the annual period for which the permit was issued, or prior to the expiration period for which this permit was renewed, file with the State Land Department an application for renewal for the ensuing annual period. This permit shall not be renewed for more than four successive annual periods following expiration of the first annual period.
8. No rental shall be payable for the first annual period for which the permit may be renewed. The rental for each of the three subsequent annual periods following the first annual period for which a permit may be renewed shall be one dollar for each acre of State land for which the application for renewal is filed.
9. The permittee shall file an affidavit of expenditure of the required amount in exploration during the current annual period, together with proof in support of such expenditure.
10. Following discovery of a valuable mineral deposit on the State land covered by this permit within a rectangular subdivision of twenty acres, more or less, or lot, of the public land survey, the permittee may apply to the State Land Commissioner for a mineral lease upon the State land within such rectangular subdivision, or lot.
11. This permit is subject to existing laws and rules and regulations and any laws or rules and regulations hereinafter enacted, or adopted, and in no event shall the State be liable for damages or otherwise under the provisions hereof.
12. The permittee shall not assign or sub-let this prospecting permit, or any right or rights thereunder, without first obtaining the written consent of the State Land Commissioner thereto.

2286



STATE LAND DEPARTMENT  
STATE OF ARIZONA

EXHIBIT E

To the Agreement between  
Stewart Mines Limited Partnership  
and Asarco dated 3/ 174

RENEWAL OF

OCT 11 1973

PROSPECTING PERMIT NO. 22176

PERMIT IS HEREBY RENEWED FOR THE PERIOD OF:

EFFECTIVE DATE

EXPIRATION DATE

August 31, 1973

August 30, 1974

APPROVED DATE

October 9, 1973

BY



STATE LAND COMMISSIONER

THIS FORM MUST BE ATTACHED TO PERMIT



EXHIBIT E  
To the Agreement between  
Stewart Mines Limited Partnership  
and Asarco dated 3/ 74

P. P. No. 22176

Date August 31, 1972

STATE LAND DEPARTMENT

STATE OF ARIZONA

PROSPECTING PERMIT

(To prospect for minerals other  
than oil and gas upon State lands)

Comm	Forest
Admin Sv	Soil C
Land Div	Res Prog
Cent Pro	Data Pro
Appraise	Publica
Minerals	Title & S
Res Serv	Planning
Water Rts	Purchase

The STATE OF ARIZONA grants to M. S. HORNE, a married man,  
as sole and separate property \_\_\_\_\_, the exclusive right, for a  
period of one (1) year from date, subject to renewals as hereinafter set  
forth, but in no event beyond the 30th day of August,  
1977, to prospect for minerals other than oil and gas on the State land  
hereinafter described upon the following expressed conditions which are a  
part of the permit, the same as though set forth over the signatures of the  
parties.

STATE OF ARIZONA

By *J. Ryan*  
for: State Land Commissioner

(SEAL)

By \_\_\_\_\_  
Director, Land Division

Signed in the County of Maricopa, State of  
Arizona, on the 11th day of September,  
1972.

(Sign Here) *William*  
Permittee

(This permit is issued in duplicate)

*MAA*

1. The permittee shall have those surface rights necessary for the prospecting and exploration for mineral, but may remove from the land only that amount of mineral required for sampling, assay and metallurgical testing purposes.
2. The permittee shall have the right of ingress to and egress from the land covered by the permit but only along routes first approved by the State Land Commissioner.
3. The permittee shall be liable to and shall compensate the owner and lessee of the surface of the State land covered by this permit, or across which the permittee exercises the right of ingress and egress, for any loss to such owner and lessee from damage or destruction caused by the permittee, his or its agents or employees, to grasses, forage, crops or improvements upon such State land.
4. This permit shall terminate automatically, as of the end of any annual period from and after the date of issuance thereof unless during such annual period the permittee shall have expended in exploration for valuable mineral desposits on the State land covered by this permit the prescribed amount per acre, file an application for renewal and submit proof of the amount expended on exploration. The amount to be expended during each of the first two annual periods in which this permit may be in effect shall be not less than ten dollars for each acre of land covered by this permit at the commencement of such annual period, and the amount to be expended during each of the last three annual periods in which this permit may be in effect shall be not less than twenty dollars for each acre covered by this permit at the commencement of such annual period.
5. Prior to the termination of any annual period, the permittee may file a release with the State Land Department, releasing acreage covered by this permit provided that the acreage released be contained within one or more rectangular subdivisions of twenty acres more or less, or lots, according to the lines of the public survey.
6. Upon any partial or total relinquishment, or the cancellation or expiration of the permit, other than by issuance of mineral lease, the permittee shall fill any holes, ditches, or other excavations as may be required by the State Land Commissioner and so far as reasonably possible, restore the surface to its former conditions.
7. The permittee may, prior to expiration of the annual period for which the permit was issued, or prior to the expiration period for which this permit was renewed, file with the State Land Department an application for renewal for the ensuing annual period. This permit shall not be renewed for more than four successive annual periods following expiration of the first annual period.
8. No rental shall be payable for the first annual period for which the permit may be renewed. The rental for each of the three subsequent annual periods following the first annual period for which a permit may be renewed shall be one dollar for each acre of State land for which the application for renewal is filed.
9. The permittee shall file an affidavit of expenditure of the required amount in exploration during the current annual period, together with proof in support of such expenditure.
10. Following discovery of a valuable mineral deposit on the State land covered by this permit within a rectangular subdivision of twenty acres, more or less, or lot, of the public land survey, the permittee may apply to the State Land Commissioner for a mineral lease upon the State land within such rectangular subdivision, or lot.
11. This permit is subject to existing laws and rules and regulations and any laws or rules and regulations hereinafter enacted, or adopted, and in no event shall the State be liable for damages or otherwise under the provisions hereof.
12. The permittee shall not assign or sub-let this prospecting permit, or any right or rights thereunder, without first obtaining the written consent of the State Land Commissioner thereto.

PHW  
RBC  
77-4



INSTRUCTION:  
Read Carefully.

P. P. No. 26941

EXHIBIT F  
To the Agreement between  
Stewart Mines Limited Partner  
ship and Asarco dated 3/ /74

1. This application must be accompanied by \$15.00 filing fee.
2. Applications must not cover more than ONE section.
3. All questions must be answered.
4. Attach a sealed plat for answers to numbers 4, 5, 7, 8. (Preferably a U.S.G.S. Topo Map.)
5. Recommend being familiar with pertinent Rules and Regulations.

ARIZONA STATE LAND DEPARTMENT  
1624 West Adams  
Phoenix, Arizona 85007

APPLICATION FOR MINERAL PROSPECTING PERMIT

~~XXXX~~ M. S. HORNE, a married man, as mv sole and separate property  
(Name)

of 3033 N. Central Ave., Suite 707, Phoenix, Arizona 85012  
(Address)

do hereby make application for a mineral exploration or prospecting permit on the State lands hereinafter described, in accordance with the provisions of Title 27, Chapter 2, Article 4, Arizona Revised Statutes, such rules and regulations as the Commissioner may prescribe, the terms of the permit; submit any additional information the Commissioner deems necessary, and to follow whatever steps that may be prescribed to protect the fresh water-bearing formations from contamination.

LEGAL DESCRIPTION:	Section	Township	Range	Acres	County	Grant
<u>Lots 1-4; E 1/2 W 1/2;</u>	<u>19</u>	<u>20 S</u>	<u>22 E</u>	<u>642.72</u>	<u>Cochise</u>	
<u>E 1/2</u>						

1. State whether individual, partnership or corporation: Individual
2. If an individual, are you a citizen of the United States? Yes
3. Are there valid mineral locations, claims or leases on this Section? None according to State records or to mv knowledge
4. Are there any abandoned workings on this Section? None found
5. Will it be necessary to cross other State lands to reach the land under application? Yes
6. Are there improvements or crops on the land under application? No crops. There may be fences for stock control purposes
7. Indicate on plat the routes of ingress and egress to land under application.
8. Indicate the type of exploratory method or methods to be employed:
  - a. EXCAVATIONS: Backhoe  Bulldozer  Other  Specify: \_\_\_\_\_
  - b. GEOPHYSICAL (type) \_\_\_\_\_ Geological  Geochemical
  - c. DRILLING:  Location: Show location(s) feet to nearest Section lines on plat. Indicate each location on plat, the elevation, hole size, and anticipated T/D. (If changes for drill sites occur, file a new plat showing amended locations and/or other pertinent information.)

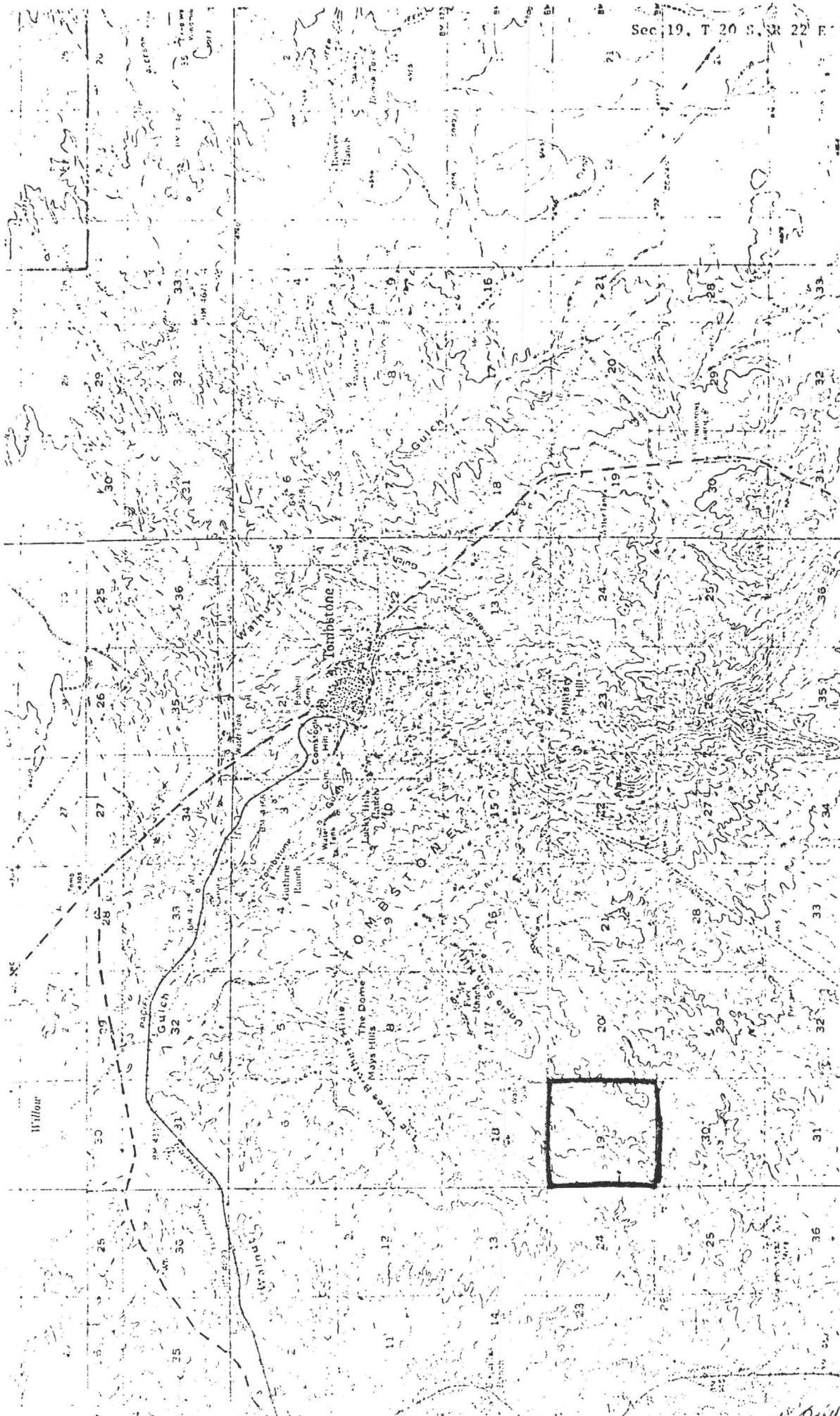
CERTIFICATION

~~XXXX~~ hereby certify under penalty of perjury that the information contained and statements herein made are to best of (my or our) knowledge and belief true, correct and complete.

Dated this 29th day of November, 19 73. M.S. HORNE, a married man, as mv sole and separate property  
(Applicant)

By: M.S. Horne

Address: 3033 N. Central Ave., Suite 707  
Phoenix, Arizona 85012



David

## MEMORANDUM OF AGREEMENT

Under the terms of that certain Agreement dated March 7, 1974, STEWART MINES LIMITED PARTNERSHIP, a limited partnership, therein and hereinafter referred to as "Stewart," has granted to AMERICAN SMELTING AND REFINING COMPANY, a New Jersey corporation authorized to do business in the State of Arizona, therein and hereinafter referred to as "Asarco," the sole and exclusive possession and control of certain unpatented lode mining claims situate in the Tombstone Mining District, Cochise County, Arizona, and certain State of Arizona prospecting permits, mineral lease and an undivided 23/24 interest in certain patented lode claims, with the right to examine, explore, sample, test, develop, work, mine, operate and use the property and remove therefrom the ores and minerals therein and belonging thereto, and to treat, mill, smelt, refine, ship, sell or otherwise dispose of the same and receive the full proceeds therefrom, and to erect, construct, maintain, use and operate thereon and therein buildings, structures, machinery and equipment. All of said permits, claims and lease are more particularly described in Exhibit A annexed hereto.

The term of the Agreement is for 99 years from March 7, 1974.

All of said rights are subject to the right of Asarco to terminate the Agreement at any time and to relinquish and surrender the property to Stewart upon notice to Stewart given in the manner set forth in said Agreement.

A copy of the Agreement is in the possession of Stewart Mines Limited Partnership, 3033 North Central Avenue, Suite 707, Phoenix, Arizona 85012, and one is in the hands of

*(Original in safe)*

American Smelting and Refining Company, Exploration Department,  
P. O. Box 5747, Tucson, Arizona 85703.

IN WITNESS WHEREOF, this MEMORANDUM OF AGREEMENT has  
been executed this \_\_\_\_\_ day of \_\_\_\_\_, 1974.

STEWART MINES LIMITED PARTNERSHIP

By James Stewart Company, General Partner

Approved as to form  
LEGAL DEPARTMENT.  
BY MBH

By M. S. Horne  
M. S. Horne, President

AMERICAN SMELTING AND REFINING COMPANY

By J. J. Collins  
J. J. Collins, Director of Exploration

STATE OF ARIZONA )  
County of Maricopa ) ss.

The foregoing instrument was acknowledged before me  
this 20 day of May, 1974, by M. S. HORNE,  
President of James Stewart Company, General Partner of Stewart  
Mines Limited Partnership, on behalf of the partnership.

My Commission expires: June 21, 1975  
Pamela Rae Blagrove Notary Public  
*formerly: Pamela Rae Fittle*

STATE OF NEW YORK )  
County of New York ) ss.

The foregoing instrument was acknowledged before me  
this 6<sup>th</sup> day of May, 1974, by J. J. COLLINS  
as Director of Exploration of American Smelting and Refining  
Company, a New Jersey corporation.

My Commission expires: \_\_\_\_\_  
Anne T. McDonough Notary Public  
ANNA T. McDONOUGH  
Notary Public, State of New York  
No. 24 2613265  
Qualified in Kings Co.  
Cert. Filed in New York Co.  
Commission Expires March 30, 1975

STATE PROSPECTING PERMITS T20S, R21-22E

<u>Permit #</u>	<u>Location</u>	<u>Acreage</u>
22185	Sec. 30, T20S, R22E Lot 1; SE 1/4; NE 1/4 NW 1/4	240.41
22176	Sec. 36, T20S, R21E, Lots 5 to 8; Lots 10-15; N2SE 1/4; NE2SW 1/4; (less mineral lease 786)	309.27
26941 applied for	Sec. 19, T20S, R22E, Lots 1-4; E2W2; E2	642.72

UNPATENTED FEDERAL LODE CLAIMS - OPTION, CHARLESTON MINES  
(Located in Sections 25 and 36, T20S, R21E)

<u>Claim Name</u>	<u>Book</u>	<u>Page</u>	<u>Claim Name</u>	<u>Book</u>	<u>Page</u>
Brother George	67	236	Mother Lode	67	310
Mary Jo	67	237	L.P.W. No. 2	67	311
Pass Over	67	238	Connecting Link	67	559
Chief Justice	67	236	Mary & George	67	560
Father Lode	67	287	Sweet-Heart	67	561
Rare Metals	67	288	Woolery	67	562

UNPATENTED FEDERAL LODE CLAIMS - JAMES STEWART COMPANY  
(Located in Sections 24, 25, 36, T20S, R21E, and Sections 30, 31, T20S, R22E)

<u>Claim Name</u>	<u>Docket</u>	<u>Page</u>	<u>Claim Name</u>	<u>Docket</u>	<u>Page</u>
Stewart #1	491	97	Horne #17	493	538
Stewart #2	491	98	Horne #18	496	344
Stewart #3	492	432	Horne #19	493	539
Stewart #4	493	91	Horne #20	493	540
Stewart #5	493	92	Horne #21	493	541
Stewart #6	493	93	Horne #22	493	542
Stewart #7	493	94	Horne #23	493	543
Stewart #8	670	55	Horne #24	493	544
Stewart #9	670	56	Horne #25	493	545
Horne #1	493	261	Horne #26	493	546
Horne #2	493	262	Horne #27	493	547
Horne #3	493	263	Horne #28	493	548
Horne #4	493	264	Horne #29	493	549
Horne #5	493	267	Horne #30	493	550
Horne #6	493	266	Horne #31	493	551
Horne #7	493	265	Horne #32	493	552
Horne #8	493	537	Horne #43	493	562
Horne #9	509	318	Horne #44	493	563
Horne #10	509	319	Horne #45	493	564
Horne #11	509	320	Horne #46	493	565
Horne #12	496	339	Horne #47	493	566
Horne #13	496	340	Horne #48	493	567
Horne #14	496	341	Horne #49	493	568
Horne #15	496	342	Horne #50	493	569
Horne #16	496	343	Horne #51	493	570

Exhibit A

<u>Claim Name</u>	<u>Docket</u>	<u>Page</u>	<u>Claim Name</u>	<u>Docket</u>	<u>Page</u>
Horne #61	606	464	Apache #12	591	446
Horne #62	606	465	Apache #13	591	447
Horne #63	606	466	Apache #14	591	448
Horne #64	606	467	Apache #15	591	449
Horne #65	606	468	Apache #16	591	450
Horne #66	606	469	Apache #17	591	451
Horne #67	606	470	Apache #18	592	249
Horne #68	606	471	Apache #19	592	250
Horne #69	606	472	Apache #20	592	251
Horne #155	670	53	Apache #21	592	252
Horne #156	509	342	Apache #22	592	253
Horne #157	509	343	Apache #23	592	254
Horne #158	509	344	Apache #24	592	255
Horne #164	606	473	Apache #25	592	256
Horne #165	606	474	Apache #26	592	257
Horne #166	606	475	Apache #27	882	545
Horne #167	606	476	Apache #28	882	546
Horne #168	606	477	Apache #29	882	547
Horne #169	606	478	Apache #30	882	548
Horne #170	606	479	Apache #31	882	549
Horne #171	606	480	Apache #32	882	550
Horne #172	606	481	Apache #33	882	551
Apache #1	591	435	Apache #34	882	552
Apache #2	591	436	Apache #35	882	553
Apache #3	591	437	Apache #36	882	554
Apache #4	591	438	Apache #37	882	555
Apache #5	591	439	Apache #38	882	556
Apache #6	591	440	Apache #39	882	557
Apache #7	591	441	Apache #40	882	558
Apache #8	591	442	Apache #41	882	559
Apache #9	591	443	Apache #42	882	560
Apache #10	591	444	Apache #43	882	561
Apache #11	591	445	Apache #44	882	562

PATENTED CLAIMS

Texas Group - 23/24ths undivided interest

Kit Carson, Evening Star, North Star, Buffalo, Gold Reeds and Bald Eagle, Mineral Survey No. 3744, in the Tombstone Mining District, as shown in the Patent recorded at Book 30, Deeds of Mines, Pages 397-402.

STATE MINERAL LEASE - OPTION, CHARLESTON MINES

Mineral Lease No. 736 dated 8/19/57, expiring 8/18/77, covering eight (8) mineral claims in Sec. 36, T20S, R21E

State Land Permit.

- . This application must be accompanied by \$25.00 filing fee.
- . Applications must not cover more than ONE section.
- . All questions must be answered.
- . Attach a scaled plat for answers to numbers 4, 5, 7, 8. (Preferably a U.S. G.S. Topo Map.)

STATE LAND DEPARTMENT  
1624 West Adams  
Phoenix, Arizona 85007

APPLICATION FOR MINERAL PROSPECTING PERMIT

~~/XXX~~ M. S. HORNE, a married man, as my Sole and Separate Property  
(Name)  
of 3033 North Central Avenue, Suite 707, Phoenix, Arizona 85012 264-2181  
(Address) (Telephone Number)

do hereby make application for a mineral exploration or prospecting permit on the State Lands hereinafter described, in accordance with the provisions of Title 27, Chapter 2, Article 4, Arizona Revised Statutes, such rules and regulations as the Commissioner may prescribe and the terms of the permit. Submit any additional information the Commissioner deems necessary, and to follow whatever steps that may be prescribed to protect the fresh water-bearing formations from contamination.

LEGAL DESCRIPTION:	SECTION	TOWNSHIP	RANGE	ACRES	COUNTY	GRANT
All	28	4 S	25 E	640.00	Graham	

- State whether individual, partnership or corporation: Individual
- If an individual, are you a citizen of the United States? Yes Age \_\_\_\_\_ Married? Yes  
Single? \_\_\_\_\_
- Are there valid mineral locations, claims or leases on this Section? No
- Are there any abandoned workings on this Section? No
- Will it be necessary to cross other State Lands to reach the land under application? Yes
- Are there improvements or crops on the land under application? No
- Indicate on plat the routes of ingress and egress to land under application.
- Indicate primary type of mineral for which exploration is being conducted. Copper
- What is the anticipated depth to the top of the ore body? Plus 1000'
- Which type mining operation do you anticipate for the extraction and/or removal of ore and/or mineral? Open Pit \_\_\_\_\_ Underground XX in situ leaching \_\_\_\_\_  
other \_\_\_\_\_
- Indicate the type of exploratory method or methods to be employed:
  - EXCAVATIONS: Backhoe ( ) Bulldozer ( ) Other ( ) Specify \_\_\_\_\_
  - GEOPHYSICAL: (type) \_\_\_\_\_ Geological ( ~~XX~~ ) Geochemical ( ~~XX~~ )
  - DRILLING: ( ) Location: Show location(s) feet to nearest Section lines on plat. Indicate each location on plat, the elevation, hole size, and anticipated T/D. (No drilling shall be commenced without written approval from the Department; a scaled plat showing above information shall be filed with the request for such approval.)

CERTIFICATION

~~/XXX~~ hereby certify under penalty of perjury that the information contained and statements herein made are to the best of (my/our) knowledge and belief true, correct and complete.

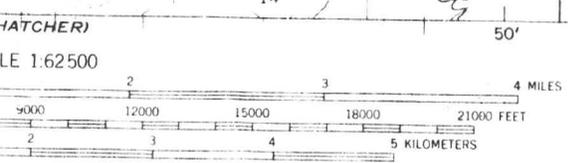
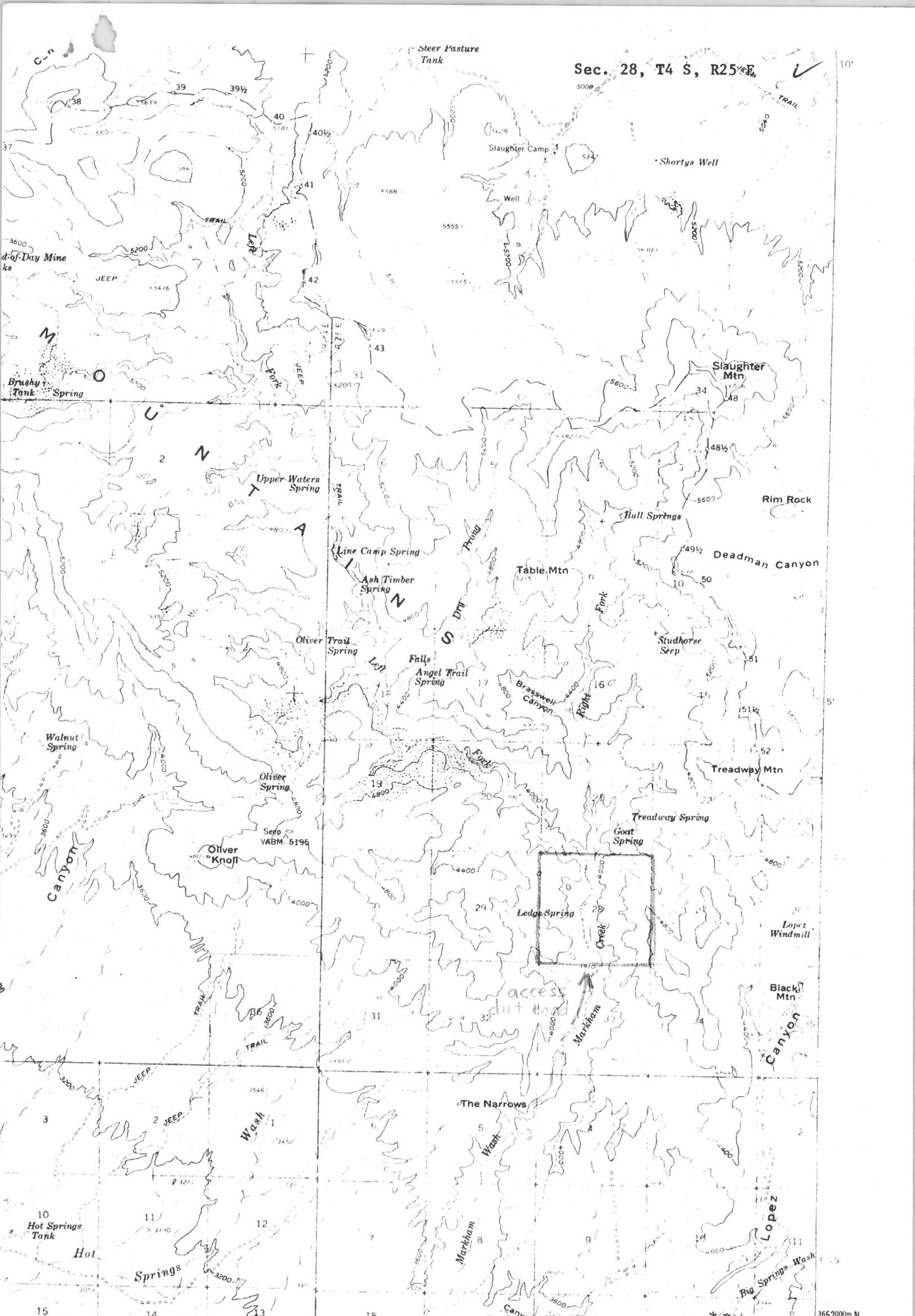
Dated this \_\_\_\_\_ day of \_\_\_\_\_, 19 \_\_\_\_\_

M. S. HORNE, a married man,  
as my Sole and Separate Property  
Applicant

By: \_\_\_\_\_

3033 N. Central Ave., Suite 707  
Phoenix, Arizona 85012  
Address

Sec. 28, T4 S, R25 E



ROAD CLASSIFICATION  
Heavy duty ——— Light-duty - - - - -  
Unimproved dirt - - - - -  
U S Route

FORT THOMAS, ARIZ.  
N3300—W10945/15

SAFFORD

1. This application must be accompanied by \$25.00 filing fee.
2. Applications must not cover more than ONE section.
3. All questions must be answered.
4. Attach a scaled plat for answers to numbers 4, 5, 7, 8. (Preferably a U.S.G.S. Topo Map.)

STATE LAND DEPARTMENT  
1624 West Adams  
Phoenix, Arizona 85007

APPLICATION FOR MINERAL PROSPECTING PERMIT

I/~~XXXX~~ M. S. HORNE, a married man, as my sole and separate property  
(Name)  
of 3033 North Central Avenue, Suite 707, Phoenix, Arizona 85012 264-2181  
(Address) (Telephone Number)

do hereby make application for a mineral exploration or prospecting permit on the State Land hereinafter described, in accordance with the provisions of Title 27, Chapter 2, Article 4 Arizona Revised Statutes, such rules and regulations as the Commissioner may prescribe and the terms of the permit. Submit any additional information the Commissioner deems necessary, and to follow whatever steps that may be prescribed to protect the fresh water-bearing formations from contamination.

LEGAL DESCRIPTION:	SECTION	TOWNSHIP	RANGE	ACRES	COUNTY	GRAN
<u>Lots 3 &amp; 4</u>	<u>33</u>	<u>19 S</u>	<u>22 E</u>	<u>79.65</u>	<u>Cochise</u>	

1. State whether individual, partnership or corporation: Individual
2. If an individual, are you a citizen of the United States? Yes Age \_\_\_\_\_ Married? Yes  
Single? \_\_\_\_\_
3. Are there valid mineral locations, claims or leases on this Section? \_\_\_\_\_  
None according to State records or to my knowledge
4. Are there any abandoned workings on this Section? None found
5. Will it be necessary to cross other State Lands to reach the land under application? Yes
6. Are there improvements or crops on the land under application? \_\_\_\_\_  
No crops. There may be fences for stock control purposes.
7. Indicate on plat the routes of ingress and egress to land under application.
8. Indicate primary type of mineral for which exploration is being conducted. \_\_\_\_\_  
Copper Sulphide.
9. What is the anticipated depth to the top of the ore body? Unknown
10. Which type mining operation do you anticipate for the extraction and/or removal of ore and/or mineral? Open Pit \_\_\_\_\_ Underground X in situ leaching \_\_\_\_\_  
other \_\_\_\_\_
11. Indicate the type of exploratory method or methods to be employed:

- a. EXCAVATIONS: Backhoe ( ) Bulldozer ( ) Other ( ) Specify \_\_\_\_\_
- b. GEOPHYSICAL: (type) \_\_\_\_\_ Geological (XX) Geochemical ( )
- c. DRILLING: ( ) Location: Show location(s) feet to nearest Section lines on plat. Indicate each location on plat, the elevation, hole size, and anticipate T/D. (No drilling shall be commenced without written approval from the Department; a scaled plat showing above information shall be filed with the request for such approval.)

CERTIFICATION

I/~~XXXX~~ hereby certify under penalty of perjury that the information contained and statement herein made are to the best of (my/our) knowledge and belief true, correct and complete.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 19 \_\_\_\_\_

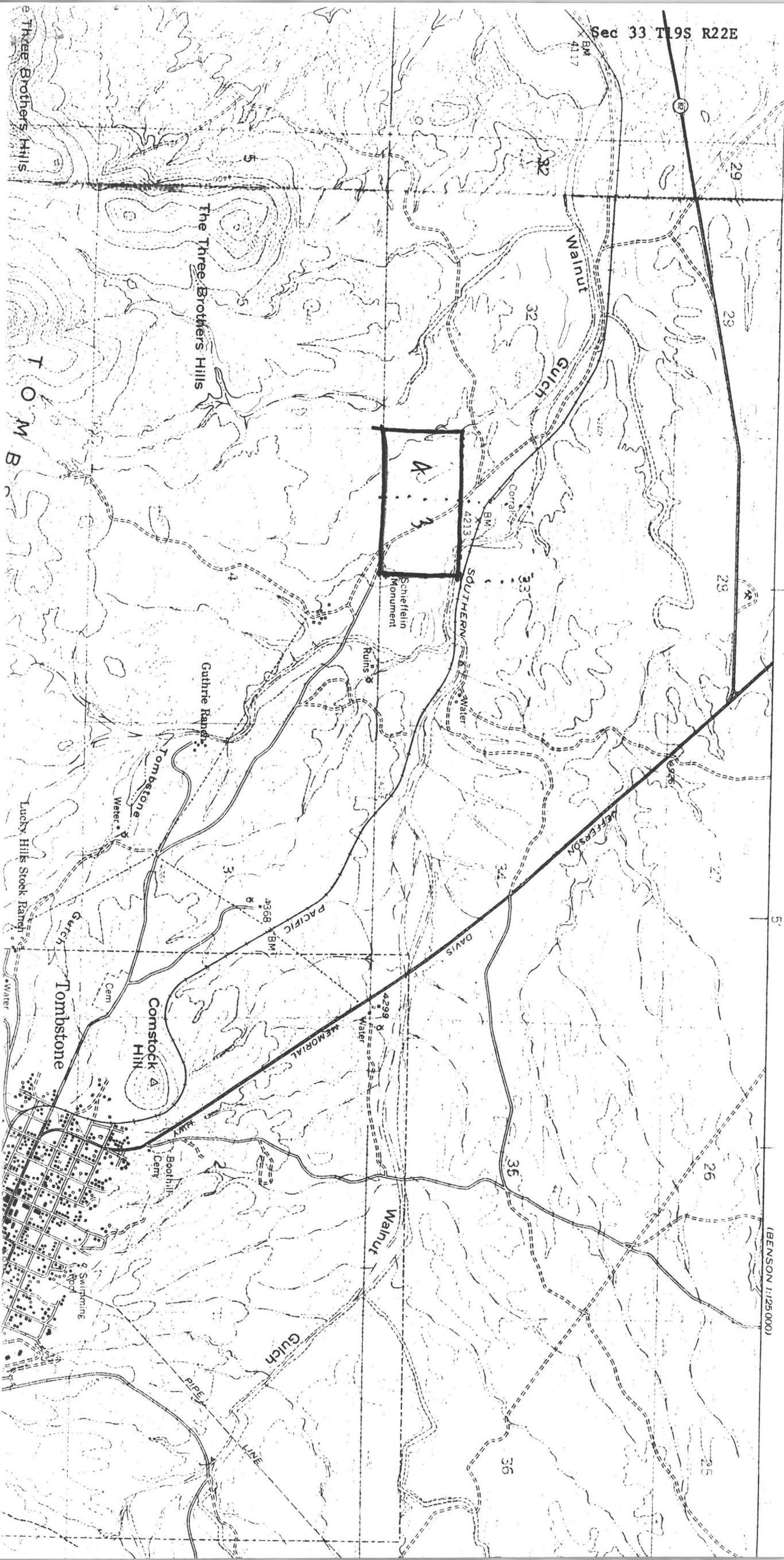
M. S. HORNE, a married man,  
as my sole and separate property  
Applicant

By: \_\_\_\_\_

3033 N. Central Ave., Suite 707  
Phoenix, Arizona 85012  
Address

1:50,000 FEET  
110° 0' 30"

(BENSON 1:125,000)



1. This application must be accompanied by \$25.00 filing fee.
2. Applications must not cover more than ONE section.
3. All questions must be answered.
4. Attach a scaled plat for answers to numbers 4, 5, 7, 8. (Preferably a U. S. G. S. Topo Map)

STATE LAND DEPARTMENT  
1624 West Adams  
Phoenix, Arizona 85007

APPLICATION FOR MINERAL PROSPECTING PERMIT

I/~~XXX~~ M. S. HORNE, a married man, as my sole and separate property  
(Name)  
of 3033 North Central Avenue, Suite 707, Phoenix, Arizona 85012 264-2181  
(Address) (Telephone Number)

do hereby make application for a mineral exploration or prospecting permit on the State Land hereinafter described, in accordance with the provisions of Title 27, Chapter 2, Article Arizona Revised Statutes, such rules and regulations as the Commissioner may prescribe at the terms of the permit. Submit any additional information the Commissioner deems necessary, and to follow whatever steps that may be prescribed to protect the fresh water-bearing formations from contamination.

LEGAL DESCRIPTION:	SECTION	TOWNSHIP	RANGE	ACRES	COUNTY	GRAN
E 1/2 NE; N 1/2 SE;	9	19 S	25 E	160.00	Cochise	E
SW; W 1/2 NW; SE NW;				320.00		M
SW NE						

1. State whether individual, partnership or corporation: Individual
2. If an individual, are you a citizen of the United States? Yes Age        Married? Yes  
Single?
3. Are there valid mineral locations, claims or leases on this Section?         
None according to State records or to my knowledge
4. Are there any abandoned workings on this Section?         
None found
5. Will it be necessary to cross other State Lands to reach the land under application?         
Yes
6. Are there improvements or crops on the land under application?         
No crops. There may be fences for stock control purposes
7. Indicate on plat the routes of ingress and egress to land under application.
8. Indicate primary type of mineral for which exploration is being conducted.         
Copper-Zinc Sulphides
9. What is the anticipated depth to the top of the ore body?         
2000' to 3000'
10. Which type mining operation do you anticipate for the extraction and/or removal of ore and/or mineral? Open Pit        Underground Yes in situ leaching         
other       .
11. Indicate the type of exploratory method or methods to be employed:
  - a. EXCAVATIONS: Backhoe ( ) Bulldozer ( ) Other ( ) Specify
  - b. GEOPHYSICAL: (type)        Geological (XX) Geochemical ( )
  - c. DRILLING: ( ) Location: Show location(s) feet to nearest Section lines on plat. Indicate each location on plat, the elevation, hole size, and anticipate T/D. (No drilling shall be commenced without written approval from the Department; a scaled plat showing above information shall be file with the request for such approval.)

CERTIFICATION

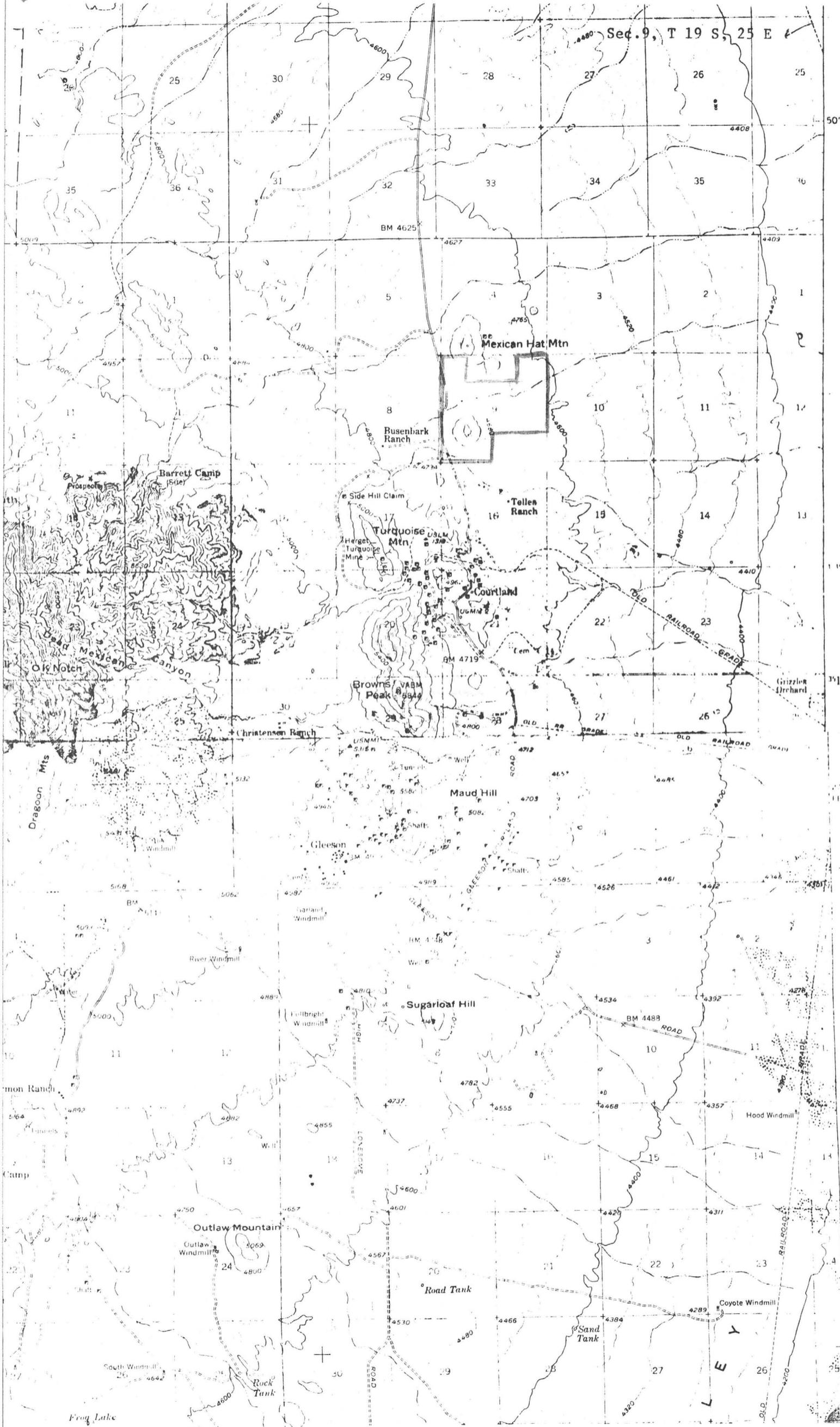
I/~~XXX~~ hereby certify under penalty of perjury that the information contained and statement herein made are to the best of (my/our) knowledge and belief true, correct and complete.

Dated this        day of       , 19         
M. S. HORNE, a married man,  
Applicant my sole & separate property

By:       

3033 N. Central Ave., Suite  
Address Phoenix, Arizona 85

Sec. 9, T 19 S, 25 E



Frog Lake

E

25

1. This application must be accompanied by \$25.00 filing fee.
2. Applications must not cover more than ONE section.
3. All questions must be answered.
4. Attach a scaled plat for answers to numbers 4, 5, 7, 8. (Preferably a U.S. G.S. Topo Map.)

STATE LAND DEPARTMENT  
1624 West Adams  
Phoenix, Arizona 85007

APPLICATION FOR MINERAL PROSPECTING PERMIT

I/~~XXX~~ M. S. HORNE, a married man, as my Sole and Separate Property  
(Name)  
of 3033 North Central Avenue, Suite 707, Phoenix, Arizona 85012 264-2181  
(Address) (Telephone Number)

do hereby make application for a mineral exploration or prospecting permit on the State Land hereinafter described, in accordance with the provisions of Title 27, Chapter 2, Article Arizona Revised Statutes, such rules and regulations as the Commissioner may prescribe at the terms of the permit. Submit any additional information the Commissioner deems necessary, and to follow whatever steps that may be prescribed to protect the fresh water-bearing formations from contamination.

LEGAL DESCRIPTION:	SECTION	TOWNSHIP	RANGE	ACRES	COUNTY	GRAN
<u>Lots 1-4; 6; 7; N2; NESE</u>	<u>16</u>	<u>19 S</u>	<u>25 E</u>	<u>482.66</u>	<u>Cochise</u>	

1. State whether individual, partnership or corporation: Individual
2. If an individual, are you a citizen of the United States? Yes Age \_\_\_\_\_ Married? Yes  
Single? \_\_\_\_\_
3. Are there valid mineral locations, claims or leases on this Section? \_\_\_\_\_  
None according to State records or to my knowledge
4. Are there any abandoned workings on this Section? \_\_\_\_\_  
None found
5. Will it be necessary to cross other State Lands to reach the land under application? \_\_\_\_\_  
Yes
6. Are there improvements or crops on the land under application? \_\_\_\_\_  
No crops. There may be fences for stock control purposes
7. Indicate on plat the routes of ingress and egress to land under application.
8. Indicate primary type of mineral for which exploration is being conducted. \_\_\_\_\_  
Copper-Zinc Sulphides
9. What is the anticipated depth to the top of the ore body? \_\_\_\_\_  
2,000' to 3,000'
10. Which type mining operation do you anticipate for the extraction and/or removal of ore and/or mineral? Open Pit \_\_\_\_\_ Underground Yes in situ leaching \_\_\_\_\_  
other \_\_\_\_\_
11. Indicate the type of exploratory method or methods to be employed:
  - a. EXCAVATIONS: Backhoe ( ) Bulldozer ( ) Other ( ) Specify \_\_\_\_\_
  - b. GEOPHYSICAL: (type) \_\_\_\_\_ Geological (XX) Geochemical ( )
  - c. DRILLING: ( ) Location: Show location(s) feet to nearest Section lines on plat. Indicate each location on plat, the elevation, hole size, and anticipated T/D. (No drilling shall be commenced without written approval from the Department; a scaled plat showing above information shall be filed with the request for such approval.)

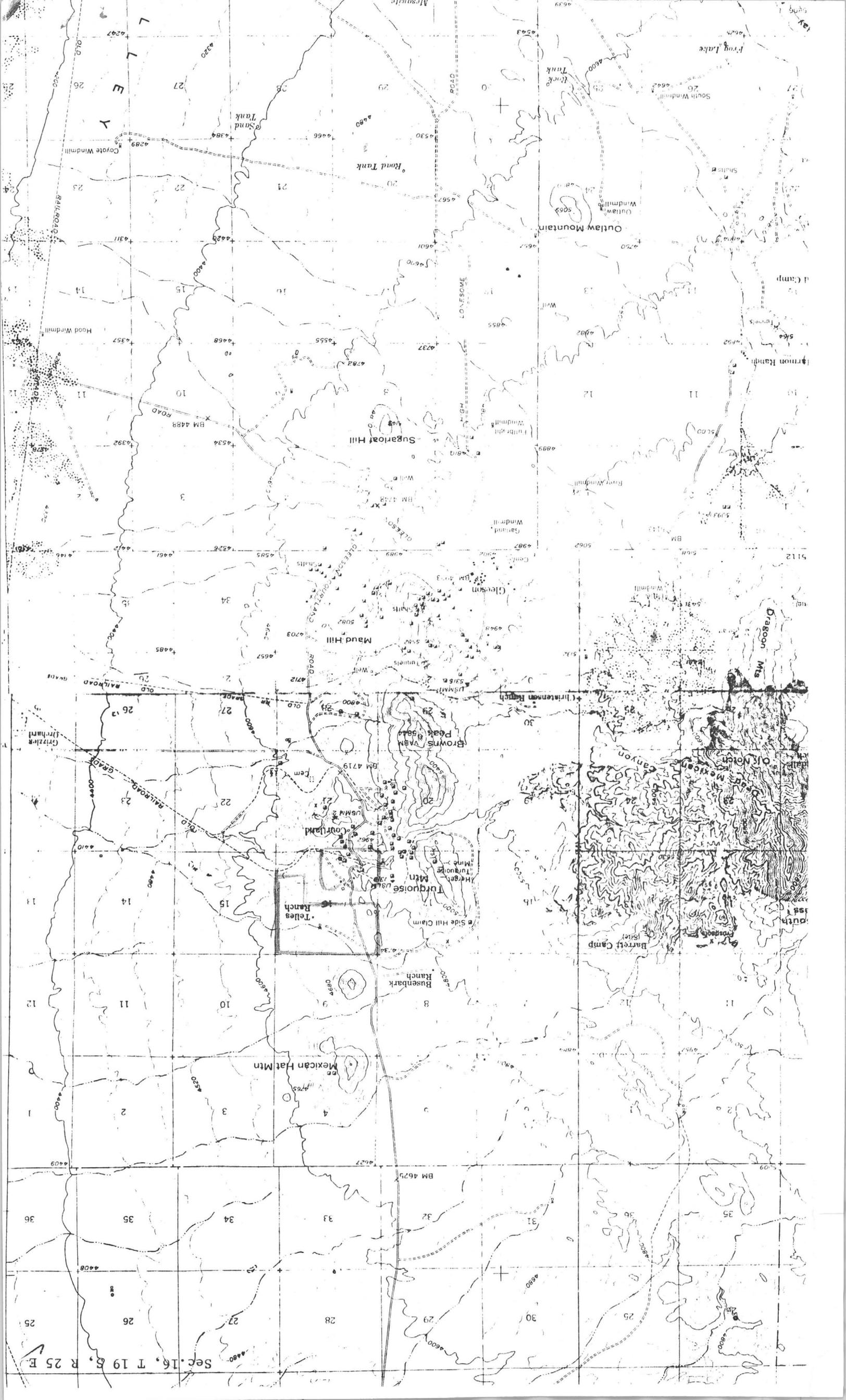
CERTIFICATION

I/~~XXX~~ hereby certify under penalty of perjury that the information contained and statements herein made are to the best of (my/~~our~~) knowledge and belief true, correct and complete.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_\_

M. S. HORNE, a married man,  
as my Sole and Separate Property  
Applicant

By: \_\_\_\_\_  
3033 N. Central Ave., Suite  
Phoenix, AZ 85012  
Address



Sec. 16, T 19 S, R 25 E

- 1. This application must be accompanied by \$25.00 filing fee.
- 2. Applications must not cover more than ONE section.
- 3. All questions must be answered.
- 4. Attach a scaled plat for answers to numbers 4, 5, 7, 8. (Preferably a U.S. G.S. Topo Map.)

STATE LAND DEPARTMENT  
1624 West Adams  
Phoenix, Arizona 85007

APPLICATION FOR MINERAL PROSPECTING PERMIT

~~XXXX~~ M. S. Horne, a married man, as my Sole and Separate Property  
(Name)  
of 3033 North Central Avenue, Suite 707, Phoenix, Arizona 85012 264-2181  
(Address) (Telephone Number)

I do hereby make application for a mineral exploration or prospecting permit on the State Lands hereinafter described, in accordance with the provisions of Title 27, Chapter 2, Article 4, Arizona Revised Statutes, such rules and regulations as the Commissioner may prescribe and the terms of the permit. Submit any additional information the Commissioner deems necessary, and to follow whatever steps that may be prescribed to protect the fresh water-bearing formations from contamination.

LEGAL DESCRIPTION:	SECTION	TOWNSHIP	RANGE	ACRES	COUNTY	GRANT
<u>Lots 3 and 4</u>	<u>4</u>	<u>20S</u>	<u>22E</u>	<u>319.54</u>	<u>Cochise</u>	

1. State whether individual, partnership or corporation: Individual
2. If an individual, are you a citizen of the United States? Yes Age \_\_\_\_\_ Married? Yes  
Single? \_\_\_\_\_
3. Are there valid mineral locations, claims or leases on this Section? \_\_\_\_\_  
None according to State records or to my knowledge.
4. Are there any abandoned workings on this Section? \_\_\_\_\_  
None found.
5. Will it be necessary to cross other State Lands to reach the land under application? \_\_\_\_\_  
Yes
6. Are there improvements or crops on the land under application? \_\_\_\_\_  
No crops. There may be fences for stock control purposes.
7. Indicate on plat the routes of ingress and egress to land under application.
8. Indicate primary type of mineral for which exploration is being conducted. \_\_\_\_\_  
Copper-Zinc Sulphides.
9. What is the anticipated depth to the top of the ore body? \_\_\_\_\_  
2,000' to 3,000'
10. Which type mining operation do you anticipate for the extraction and/or removal of ore and/or mineral? Open Pit \_\_\_\_\_ Underground Yes in situ leaching \_\_\_\_\_  
other \_\_\_\_\_
11. Indicate the type of exploratory method or methods to be employed:
  - a. EXCAVATIONS: Backhoe ( ) Bulldozer ( ) Other ( ) Specify \_\_\_\_\_
  - b. GEOPHYSICAL: (type) \_\_\_\_\_ Geological (XX) Geochemical ( )
  - c. DRILLING: ( ) Location: Show location(s) feet to nearest Section lines on plat. Indicate each location on plat, the elevation, hole size, and anticipated T/D. (No drilling shall be commenced without written approval from the Department; a scaled plat showing above information shall be filed with the request for such approval.)

CERTIFICATION

~~XXXX~~ hereby certify under penalty of perjury that the information contained and statements herein made are to the best of (my ~~XXXX~~) knowledge and belief true, correct and complete.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 19 \_\_\_\_\_

M. S. HORNE, a married man, as my Sole and Separate Property  
Applicant

By: \_\_\_\_\_

3033 N. Central Ave., Suite 707  
Phoenix, Arizona 85012  
Address



- . This application must be accompanied by \$25.00 filing fee.
- . Applications must not cover more than ONE section.
- . All questions must be answered.
- . Attach a scaled plat for answers to numbers 4, 5, 7, 8. (Preferably a U.S.G.S. Topo Map.)

STATE LAND DEPARTMENT  
1624 West Adams  
Phoenix, Arizona 85007

APPLICATION FOR MINERAL PROSPECTING PERMIT

~~/W/E~~ M. S. HORNE, a married man, as my sole and separate property

(Name)

of 3033 North Central Avenue, Suite 707, Phoenix, Arizona 85012

(Address)

264-2181

(Telephone Number)

do hereby make application for a mineral exploration or prospecting permit on the State Lands hereinafter described, in accordance with the provisions of Title 27, Chapter 2, Article 4, Arizona Revised Statutes, such rules and regulations as the Commissioner may prescribe and the terms of the permit. Submit any additional information the Commissioner deems necessary, and to follow whatever steps that may be prescribed to protect the fresh water-bearing formations from contamination.

LEGAL DESCRIPTION:	SECTION	TOWNSHIP	RANGE	ACRES	COUNTY	GRANT
<u>NE; E<sup>1</sup>/<sub>2</sub>NW</u>	<u>26</u>	<u>20.S</u>	<u>22 E.</u>	<u>240.00</u>	<u>Cochise</u>	

1. State whether individual, partnership or corporation: Individual

2. If an individual, are you a citizen of the United States? Yes Age      Married? Yes  
Single?     

3. Are there valid mineral locations, claims or leases on this Section?       
None according to State records or to my knowledge.

4. Are there any abandoned workings on this Section? None found

5. Will it be necessary to cross other State Lands to reach the land under application?       
Yes

6. Are there improvements or crops on the land under application?       
No Crops. There may be fences for stock control purposes.

7. Indicate on plat the routes of ingress and egress to land under application.

8. Indicate primary type of mineral for which exploration is being conducted.       
Copper-Zinc Sulphides

9. What is the anticipated depth to the top of the ore body?       
2,000' to 3,000'

10. Which type mining operation do you anticipate for the extraction and/or removal of ore and/or mineral? Open Pit      Underground yes in situ leaching       
other     

11. Indicate the type of exploratory method or methods to be employed:

a. EXCAVATIONS: Backhoe ( ) Bulldozer ( ) Other ( ) Specify     

b. GEOPHYSICAL: (type)      Geological (X) Geochemical ( )

c. DRILLING: ( ) Location: Show location(s) feet to nearest Section lines on plat. Indicate each location on plat, the elevation, hole size, and anticipated T/D. (No drilling shall be commenced without written approval from the Department; a scaled plat showing above information shall be filed with the request for such approval.)

CERTIFICATION

~~/W/E~~ hereby certify under penalty of perjury that the information contained and statements herein made are to the best of (my/our) knowledge and belief true, correct and complete.

Dated this      day of     , 19     

M. S. HORNE, a married man,  
as my sole and separate property  
Applicant

By:     

3033 N. Central Avenue  
Suite 707  
Address Phoenix, Arizona  
85012



- 1. Application must be accompanied by \$25.00 filing fee.
- 2. Applications must not cover more than ONE section.
- 3. All questions must be answered.
- 4. Attach a scaled plat for answers to numbers 4, 5, 7, 8. (Preferably a U.S.G.S. Topo Map.)

STATE LAND DEPARTMENT  
1624 West Adams  
Phoenix, Arizona 85007

APPLICATION FOR MINERAL PROSPECTING PERMIT

~~XXXX~~ M. S. Horne, a married man, as my Sole and Separate Property  
(Name)  
of 3033 North Central Avenue, Suite 707, Phoenix, Arizona 85012 264-2181  
(Address) (Telephone Number)

do hereby make application for a mineral exploration or prospecting permit on the State Lands hereinafter described, in accordance with the provisions of Title 27, Chapter 2, Article 4, Arizona Revised Statutes, such rules and regulations as the Commissioner may prescribe and the terms of the permit. Submit any additional information the Commissioner deems necessary, and to follow whatever steps that may be prescribed to protect the fresh water-bearing formations from contamination.

LEGAL DESCRIPTION:	SECTION	TOWNSHIP	RANGE	ACRES	COUNTY	GRANT
<u>N2NE; NENW; S2</u>	<u>36</u>	<u>20S</u>	<u>22E</u>	<u>440.00</u>	<u>Cochise</u>	

1. State whether individual, partnership or corporation: Individual
2. If an individual, are you a citizen of the United States? Yes Age \_\_\_\_\_ Married? Yes  
Single? \_\_\_\_\_
3. Are there valid mineral locations, claims or leases on this Section? \_\_\_\_\_  
None according to State records or to my knowledge.
4. Are there any abandoned workings on this Section? \_\_\_\_\_  
None found.
5. Will it be necessary to cross other State Lands to reach the land under application? Yes
6. Are there improvements or crops on the land under application? \_\_\_\_\_  
No crops. There may be fences for stock control purposes.
7. Indicate on plat the routes of ingress and egress to land under application.
8. Indicate primary type of mineral for which exploration is being conducted. \_\_\_\_\_  
Copper-Zinc Sulphides
9. What is the anticipated depth to the top of the ore body? 2,000' to 3,000'
10. Which type mining operation do you anticipate for the extraction and/or removal of ore and/or mineral? Open Pit \_\_\_\_\_ Underground Yes in situ leaching \_\_\_\_\_  
other \_\_\_\_\_
11. Indicate the type of exploratory method or methods to be employed:
  - a. EXCAVATIONS: Backhoe ( ) Bulldozer ( ) Other ( ) Specify \_\_\_\_\_
  - b. GEOPHYSICAL: (type) \_\_\_\_\_ Geological (~~XX~~) Geochemical ( )
  - c. DRILLING: ( ) Location: Show location(s) feet to nearest Section lines on plat. Indicate each location on plat, the elevation, hole size, and anticipated T/D. (No drilling shall be commenced without written approval from the Department; a scaled plat showing above information shall be filed with the request for such approval.)

CERTIFICATION

~~XXXX~~ hereby certify under penalty of perjury that the information contained and statements herein made are to the best of (my ~~XXXX~~) knowledge and belief true, correct and complete.

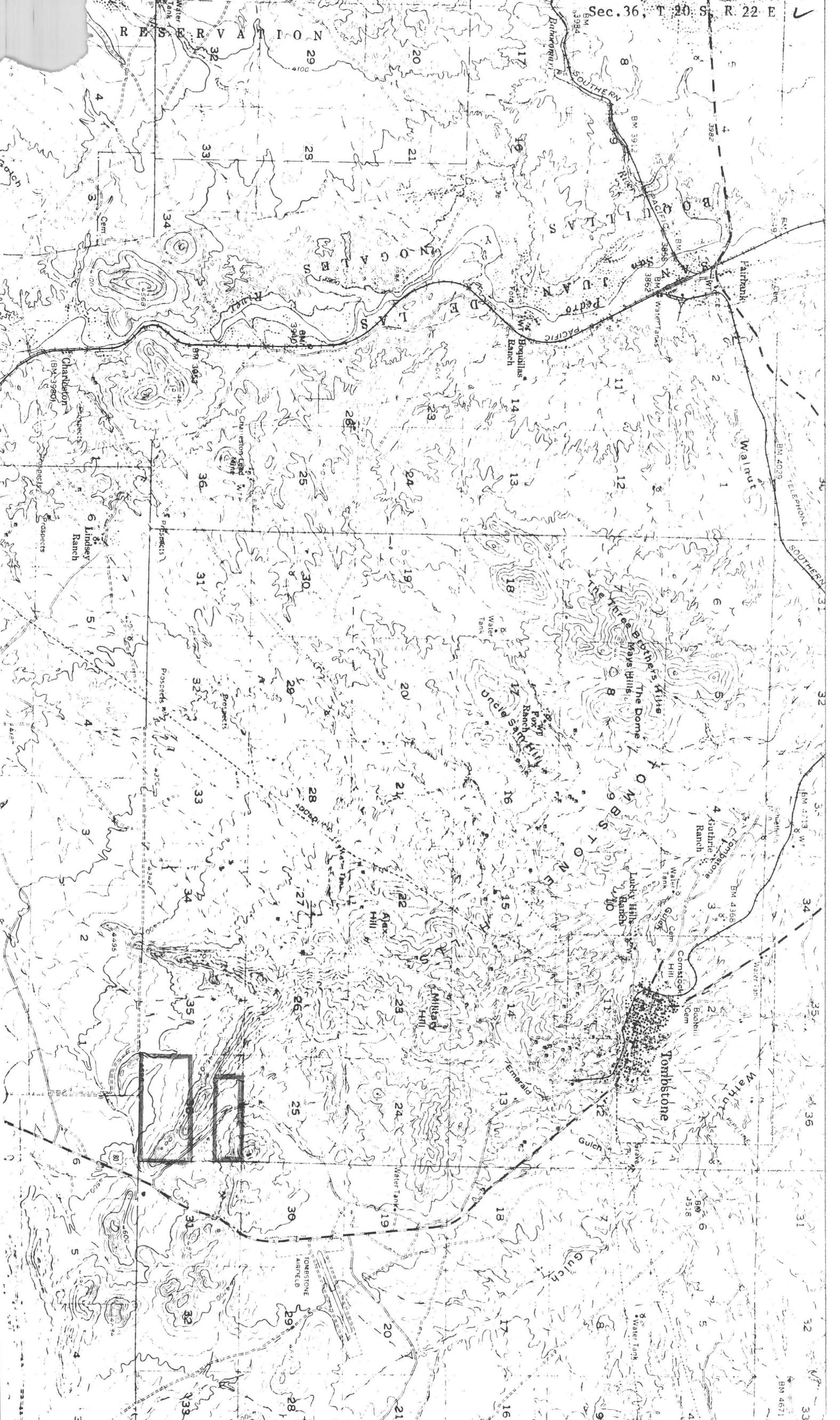
Dated this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_\_

**M. S. HORNE, a married man,  
as my Sole and Separate Property**  
Applicant

By: \_\_\_\_\_  
3033 N. Central Ave., Suite 707  
Phoenix, AZ 85012  
Address

Sec. 36, T 20 S, R 22 E

RESERVATION



Water Tank  
Tombstone  
Cem

Charleston  
BM 39801

Lindsey  
Ranch

Prospect

Prospect

Prospect

Prospect

Prospect

Prospect

Prospect

Water Tank  
Tombstone  
Cem

Charleston  
BM 39801

Lindsey  
Ranch

Prospect

Prospect

Prospect

Prospect

Prospect

Prospect

Prospect

Water Tank  
Tombstone  
Cem

Charleston  
BM 39801

Lindsey  
Ranch

Prospect

Prospect

Prospect

Prospect

Prospect

Prospect

Prospect

Water Tank  
Tombstone  
Cem

Charleston  
BM 39801

Lindsey  
Ranch

Prospect

Prospect

Prospect

Prospect

Prospect

Prospect

Prospect

Water Tank  
Tombstone  
Cem

Charleston  
BM 39801

Lindsey  
Ranch

Prospect

Prospect

Prospect

Prospect

Prospect

Prospect

Prospect

Water Tank  
Tombstone  
Cem

Charleston  
BM 39801

Lindsey  
Ranch

Prospect

Prospect

Prospect

Prospect

Prospect

Prospect

Prospect

Water Tank  
Tombstone  
Cem

Charleston  
BM 39801

Lindsey  
Ranch

Prospect

Prospect

Prospect

Prospect

Prospect

Prospect

Prospect

Water Tank  
Tombstone  
Cem

Charleston  
BM 39801

Lindsey  
Ranch

Prospect

Prospect

Prospect

Prospect

Prospect

Prospect

Prospect

Water Tank  
Tombstone  
Cem

Charleston  
BM 39801

Lindsey  
Ranch

Prospect

Prospect

Prospect

Prospect

Prospect

Prospect

Prospect

Water Tank  
Tombstone  
Cem

Charleston  
BM 39801

Lindsey  
Ranch

Prospect

Prospect

Prospect

Prospect

Prospect

Prospect

Prospect

1. This application must be accompanied by \$25.00 filing fee.
2. Applications must not cover more than ONE section.
3. All questions must be answered.
4. Attach a scaled plat for answers to numbers 4, 5, 7, 8. (Preferably a U.S.G.S. Topo Map.)

STATE LAND DEPARTMENT  
1624 West Adams  
Phoenix, Arizona 85007

APPLICATION FOR MINERAL PROSPECTING PERMIT

X/WE JAMES STEWART COMPANY, an Arizona Corporation  
(Name)  
of 3033 North Central Avenue, Suite 707, Phoenix, Arizona 85012 264-2181  
(Address) (Telephone Number)

do hereby make application for a mineral exploration or prospecting permit on the State Lands hereinafter described, in accordance with the provisions of Title 27, Chapter 2, Article 4 Arizona Revised Statutes, such rules and regulations as the Commissioner may prescribe and the terms of the permit. Submit any additional information the Commissioner deems necessary, and to follow whatever steps that may be prescribed to protect the fresh water-bearing formations from contamination.

LEGAL DESCRIPTION:	SECTION	TOWNSHIP	RANGE	ACRES	COUNTY	GRANT
All	32	8S	11E	640.00	Pima	

1. State whether individual, partnership or corporation: Corporation
2. If an individual, are you a citizen of the United States? Age Married?  
Single?
3. Are there valid mineral locations, claims or leases on this Section? No
4. Are there any abandoned workings on this Section? No
5. Will it be necessary to cross other State Lands to reach the land under application? Yes
6. Are there improvements or crops on the land under application? No (Grazing)
7. Indicate on plat the routes of ingress and egress to land under application.
8. Indicate primary type of mineral for which exploration is being conducted. Magnetite, Iron and Copper
9. What is the anticipated depth to the top of the ore body? 0 feet
10. Which type mining operation do you anticipate for the extraction and/or removal of ore and/or mineral? Open Pit XX Underground  in situ leaching   
other
11. Indicate the type of exploratory method or methods to be employed:
  - a. EXCAVATIONS: Backhoe ( ) Bulldozer ( ) Other ( ) Specify
  - b. GEOPHYSICAL: (type)  Geological (XX) Geochemical (XX)
  - c. DRILLING: ( ) Location: Show location(s) feet to nearest Section lines on plat. Indicate each location on plat, the elevation, hole size, and anticipated T/D. (No drilling shall be commenced without written approval from the Department; a scaled plat showing above information shall be filed with the request for such approval.)

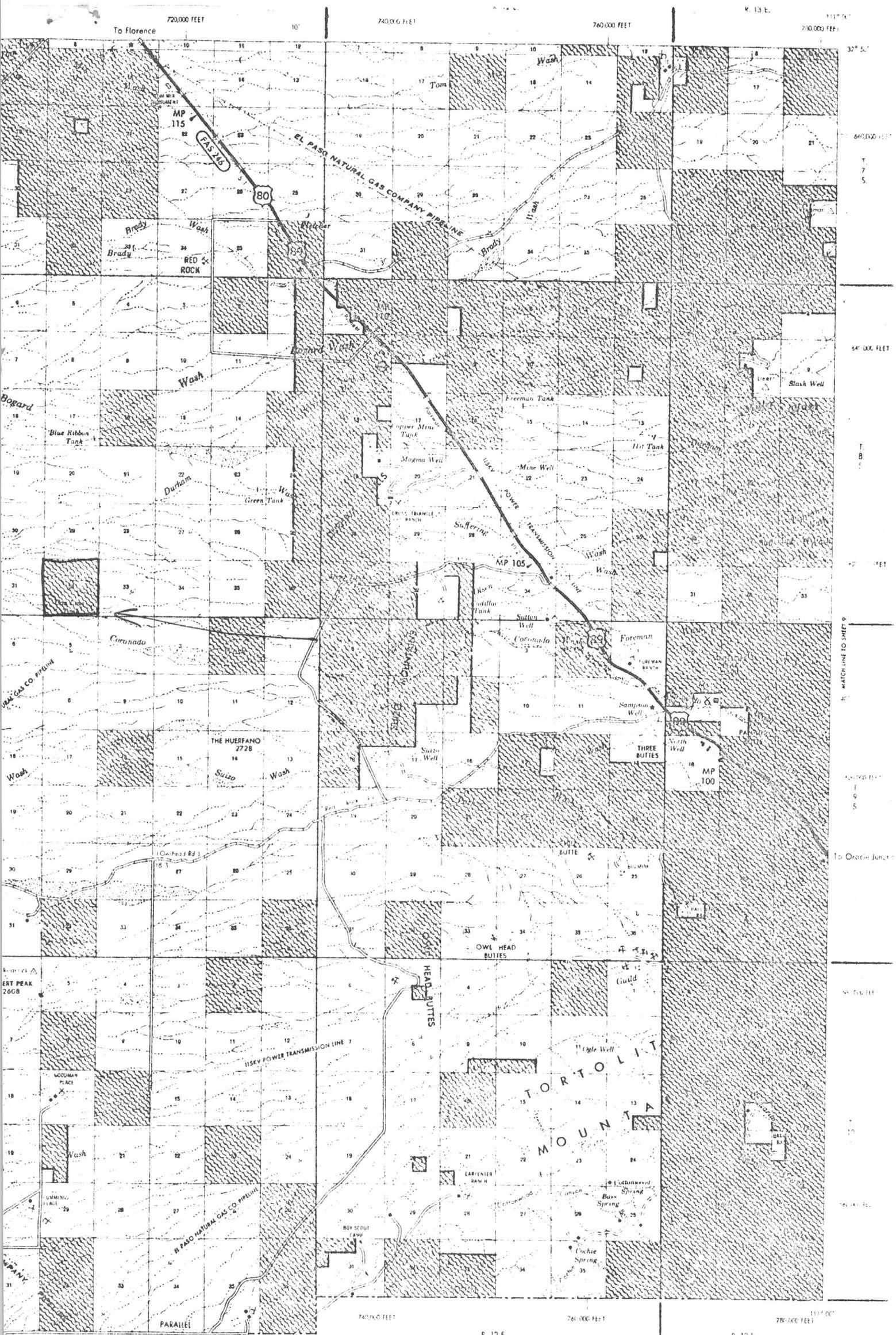
CERTIFICATION

X/WE hereby certify under penalty of perjury that the information contained and statement herein made are to the best of ~~our~~ (our) knowledge and belief true, correct and complete.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_\_

JAMES STEWART COMPANY, an  
Applicant Arizona corporation

By: \_\_\_\_\_  
M. S. Horne, President  
3033 N. Central Ave., Suite  
Address Phoenix, AZ 85012



To Florence

720,000 FEET

10'

740,000 FEET

760,000 FEET

R. 13 E.

780,000 FEET

32° 50'

600,000 FEET

T  
7  
S

540,000 FEET

T  
8  
S

420,000 FEET

300,000 FEET

T  
9  
S

To Oracle Junction

240,000 FEET

180,000 FEET

740,000 FEET

760,000 FEET

780,000 FEET

111° 00'

R 12 E

R 13 E

720,000 FEET

N  
T  
Y

Dec 32 85-11E ✓

DEPARTMENTAL USE ONLY			
ACCOUNTING	DATA MGMT	DISPOSITION/INITIAL	DATE
Fee: \$ 50.00	EXAM: _____	APPROVED _____	_____
_____	RE-ASSIGN: _____	DENIED _____	_____
\$ _____	RE-ASSIGN: _____	REJECTED _____	_____
_____	APP TYPE: <u>Renewal</u>	WITHDRAWN _____	_____
Date _____	NO. OF APPS: <u>1</u>		

PERMIT NUMBER 08 - 92276

**APPLICATION FOR RENEWAL OF PROSPECTING PERMIT**

ARIZONA STATE LAND DEPARTMENT  
1624 WEST ADAMS  
PHOENIX, ARIZONA 85007

The State Land Commissioner:

I/We James Stewart Company  
(Applicant Name)

3033 North Central, Suite 707 - Phoenix 25012 (602) 264-2181  
(Address) (Zip) (Phone Number)

hereby make application for the renewal of mineral exploration or prospecting permit on the lands described below, in accordance with the laws of the State of Arizona, provisions of Title 27, Chapter 2, Article 4, and the rules and regulations of the State Land Department.

**1. Check and Complete either A or B (Not both)**

A. RENEWAL OF ALL LAND described in Prospecting Permit Number 08-92276.

B. RENEWAL OF ONLY THAT PART OF THE LAND in Prospecting Permit Number 08-  
described below:

Section	Township	Range	Description	Acres	County	SLD USE Grant
<del>36</del>	<del>20N</del>	<del>21E</del>	See 36, lots 5-8 lots 10-15, N2SE, N2SW (LESS ME 786)	209.27	Cochise	

I hereby certify that this application is for renewal of only a part of the land previously under permit, I hereby relinquish all acreage presently held in the prospecting permit which has not been described in 1 B.

I hereby certify under the penalty of perjury that, to the best of my knowledge and belief, the information contained herein, together with all exhibits, attachments, and financial statements are true, correct, and complete.

Dated this 27<sup>th</sup> day of October A.D., 19 86.

James Stewart Company (agent)  
(APPLICANT)

AFFIDAVIT OF ANNUAL EXPLORATION EXPENDITURE

STATE OF ARIZONA )

County of PIMA )

I/We JAMES A. BRISCOE AGENT FOR James Stewart Company, being first duly sworn,  
(Permittee's Name or Authorized Agent)

deposes and says:

That he is the Permittee, or Permittee's authorized agent of record for State  
Prospecting Permit No. 08-92276;

That between the 22<sup>nd</sup> day of September 19 86, and the  
27<sup>th</sup> day of October, 19 86, at least \$ 3100.<sup>00</sup>  
was expended in exploration, as statutorily defined, for valuable mineral deposits on  
the State land covered by the above numbered Prospecting Permit;

That the documents attached is substantiation of this expenditure and reflects a true  
complete accounting of the sum so expended.

James A. Briscoe  
(Signature)

Subscribed and sworn to before me this 27 day of October 19 86.

Ellen + Kuermond  
Notary Public

(Seal)

My Commission Expires:

My Commission Expires Nov. 14, 1987

ATTACHMENT 1  
SUMMARY REPORT

October 27, 1986

This report is filed in compliance with the annual exploration expenditure, and is made a part thereof for Arizona Prospecting Permit number 08-92276, more particularly described as Lots 5 thru 8, 10 thru 15, N1/2SE1/4, NE1/4SW1/4 less MS 786, Section 36, Township 20S., Range 21E., G.&S.R.B.M., consisting of 309.27 acres. The cost of the geological, geochemical and geophysical studies directly applicable to the above described area exceeded \$3,100.00, and was paid for by the holder of subject permit (see substantiation of expenditure, Attachment 2).

Work was performed over the entire permit area to evaluate, delineate, and extend, by scientific principles, suspected areas of valuable mineral content contained therein. The work consisted of, but was not limited to:

1. Geochemical sampling of backhoe cuts through mine and prospect pit dumps.
2. Assaying of above geochemical samples.

This work was performed throughout the period from September 22, 1986 to October 27, 1986, by or for James A. Briscoe & Associates, Inc., 5701 E. Glenn St., #120, Tucson, Arizona 85712, telephone (602) 721-1375, under the direct supervision of James A. Briscoe, a Registered Professional Geologist for 16 years in the State of California (No. 518) and Arizona (No. 9424), with degrees from the University of Arizona (B.S. Geology, M.S. Geology, 1967). Other persons performing work upon said claim groups were:

Thomas E. Waldrip, Jr., Geologist/Landman, B.S. Geology, University of Arizona, 4426 E. Patricia St., Tucson, Arizona 85712  
Merdee A. Stewart, Business Manager, A.S. Hospital Management, Lasell Junior College, 5701 East Glenn St., Tucson, Arizona 85712  
Robert Smith, backhoe owner/operator, General Delivery, Tombstone Arizona 85638  
Newmont Exploration, Ltd., 200 W. Desert Sky Road, Tucson, Arizona 85704  
Copper State Analytical Labs, Inc., 710 E. Evans Blvd., Tucson, Arizona 85714

Explanation of work and basic findings to date on technical work performed during the current exploration period are:

1. A backhoe was used to trench old mine and prospect dumps throughout the prospect permit area in order to obtain fresh dump samples.
2. Fifty geochemical samples of approximately 20 pounds each were collected in a scientific manner by individuals familiar with proper collection techniques.
3. The above samples were then prepared for assaying at Newmont Exploration's sample prep facilities in Tucson.
4. Splits were/are being assayed by the Atomic Absorption method by a Registered Professional Assayer (Arizona). Results have yet to be returned. Samples are being run for copper, gold, silver, zinc, lead and molybdenum.

The basic findings to date, from the continuing technical studies performed are:

Charleston Area:

1. The terrain in the immediate permit area is composed of a Mesozoic to Cenozoic complex of northeasterly trending andesitic and rhyolitic intrusive dikes and small flow banded rhyolitic domes intruding or intercalated with a late-Mesozoic succession of volcanic flows and pyroclastic units (Bronco Hill volcanics and Uncle Sam Porphyry-tuff). A sedimentary section of Mesozoic aged shales, calcareous mudstones and quartzites (Bisbee Formation), and even older Paleozoic and Mesozoic succession of dominantly marine limestones are known to be present in the immediate area, but are not exposed within the permit boundaries. These outlying, scattered exposures of stratigraphically lower sedimentary rock units are shown through drilling to be subaerially continuous at shallow to moderate depths from their areas of surface outcrop, through and across the prospect area.
2. Paralleling the intrusive trend, and spacially related with it, are at least one, and possibly more, hydrothermal alteration centers exhibiting alteration zoning and oxidized capping similar to other porphyry copper deposits in Arizona. Alteration within the area includes, but is not limited to, silicification, hematization (after pyrite), alunization, sericitization and argillization. Rock outcrops within and near the permit area exhibit one or more of these alteration types with intensities ranging from weak to strong.
3. The overlapping or lineal nature of the proposed multiple alteration centers makes it difficult to interpret the exact horizontal zonation pattern exhibited. It appears to be suggestive of several semi-concentric but overlapping metal zoning patterns outwards from multiple alteration centers. Only one alteration center appears to exist within the permit area, however. This zonation is broken in one or more directions, from the permit area, with these directions yet to be filled in, due to their lack of outcrop. Results to date indicate a central zone anomalously high in copper and molybdenum plus or minus vanadium, surrounded by an irregular zone of higher lead and zinc

## Attachment 2, Continued

values, outwards to a highly manganiferous zone. This metal zoning pattern is indicative of porphyry copper mineralization centers, hypothetically proposed to exist within or near the permit area. In the intermediate and outer zones, base and precious metal vein type deposits are found zoned radially to, or outwards from, the proposed porphyry copper center.

4. Currently, results from the past core drilling, surface assaying, ground geophysics, and detailed ground magnetic surveys are inconclusive. Work remains to fully analyze and interpret results of these surveys in the forthcoming annual exploration expenditure period.
5. Initial interpretation of the ground magnetic surveys indicates anomalously higher magnetic values associated with intrusive rocks of granodioritic and andesitic composition as was exhibited on the aeromagnetic survey. Conversely, anomalously lower values are encountered in areas of rhyolitic plugs and domes, especially those spatially associated with hydrothermal alteration centers.
6. Previous, deep, vertical diamond drilling indicates a moderately shallow cover of alternating pyroclastics and flow related volcanic rocks. These particular rocks in theory have undergone brittle deformation (fracturing and faulting), creating a plumbing network to and into the subsurface, Mesozoic sedimentary section. Along these zones of weakness in the volcanic rocks, dikes or dike-like structures of acidic to intermediate composition have intruded. Subsequent to intrusion, hydrothermal solutions likewise have invaded along these same zones of weakness, selectively altering the rocks within the zone, to in some cases, almost pure sericite. These same hydrothermal fluids carried and deposited the base and precious metal mineralization found sparingly throughout the sericitized zone of weakness. Somewhat erradically distributed through this same zone are high grade pods, lenses, and zones of base metal mineralization. Work continues to define these higher grade zones, their continuity, grade and general nature.
7. Below the volcanic veneer is a thick section of Mesozoic sediments through which drilling in excess of 5,000 feet has penetrated. These drilled sediments have numerous dike-like intrusions of varying composition. Attendant to these zones of intrusion, the sediments have undergone various degrees of alteration and mineralization. Mineralization, herein, exists in three different modes of occurrence. Namely: 1. Tension veins and veinlets; 2. Disseminations in the host rocks and/or intrusive dikes; and 3. Cross cutting vein zones of the "sericitic" type found in the upper volcanic zones.
8. Surface geophysical studies are suggestive of large amounts and areas of rather weakly mineralized rock at intermediate to moderate depths, as verified by drilling. Several anomalous responsive zones have been located, but to date, remain untested.
9. Linears with a strike length greater than one-fourth mile have a predominate northeasterly trend. A sub-normal, northwesterly trending component is also present, but is less strongly exhibited. The effect of these bi-directional linears on mineralization, alteration and emplacement of intrusives is currently not well understood. They may reflect a pre-mineral signature of the paleo-structure exhibited in the sedimentary, pre-volcanic terrain. Currently, pervasive linears and zones of intersecting cross fractures delineate with reasonable accuracy, the areas of alteration and submarginal mineralization in the volcanic veneer. These zones are inferred to have been the surfaceward plumbing conduits for ore bearing hydrothermal solution, which undoubtedly passed through the conduits in the sedimentary section, theoretically leading to mineralization found there.

These results have hastened efforts to delineate, extend, and develop, by scientific principles, known and suspected areas of valuable mineral content, within the boundaries of subject permit area.

An exploration-development program consisting of drilling, sampling, geological, geochemical, and geophysical studies, is presently under consideration for this permit area. All technical work and results are in the possession of and are considered to be the exclusive property of James Stewart Company, the owner of subject mining claims with offices at 3033 N. Central Avenue, 707 Mayer Central Building, Phoenix, Arizona 85012, Attention: Mr. Steven H. Halbert, assistant to the President.

Respectfully submitted,

*James A. Briscoe*  
 James A. Briscoe (Agent)  
 Registered Professional Geologist  
 Arizona #9424  
 California #518



SUBSTANTIATION OF EXPENDITURE

Attachment 2

Consulting service provided by or for James A. Briscoe & Associates, Inc., throughout annual exploration year for James Stewart Company on Prospecting Permit #08-92276, as summarized:

FIELD WORK:

Consulting services provided at invoiced cost of \$500 per 8 hour field man day as follows:

1. Two Geologists - travel and sampling 1.5 days each or 3 man days	\$1,500.00	
Sub Total Field Work		\$1,500.00

OFFICE TECHNICAL WORK:

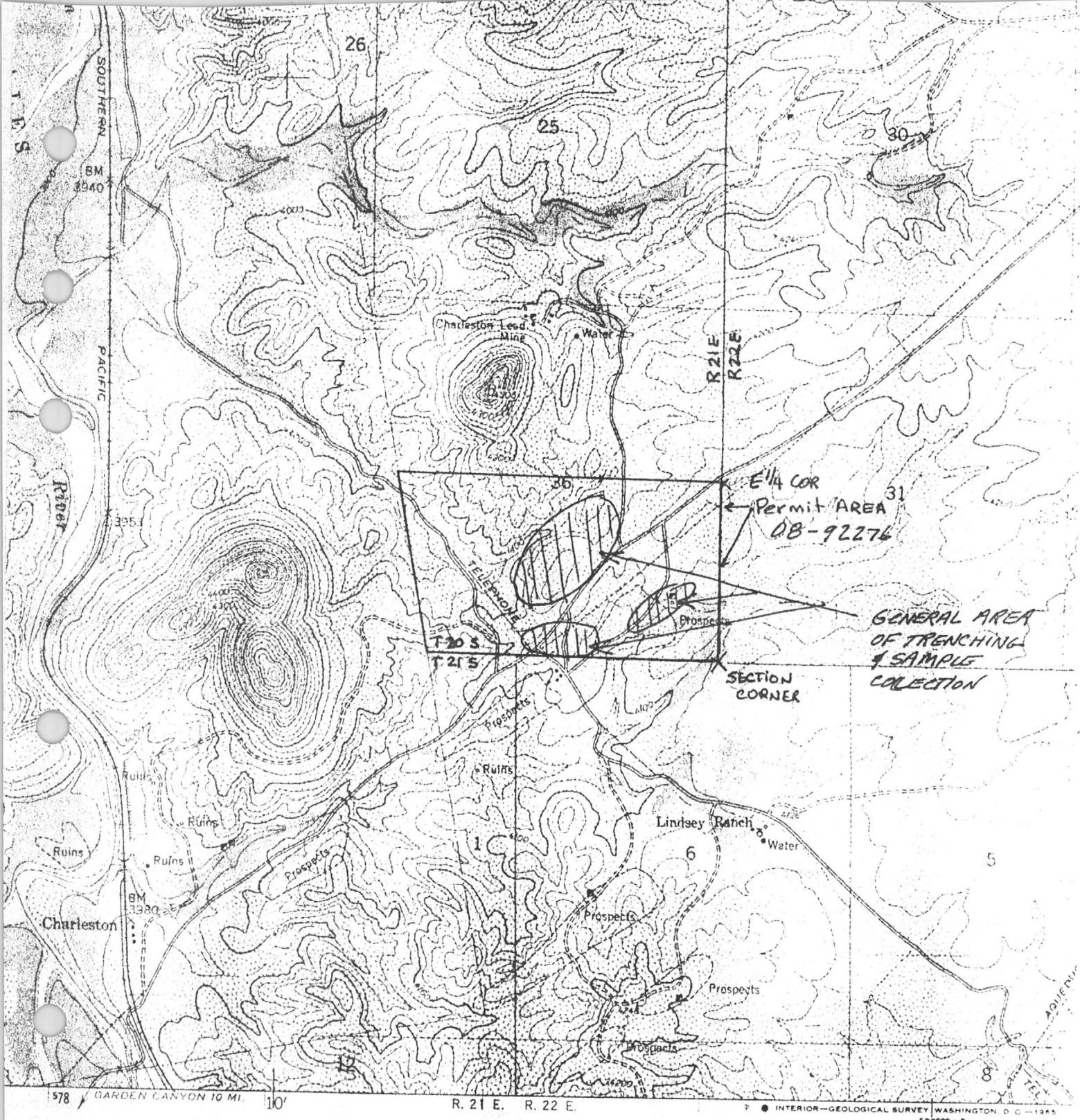
1. Geologist: Reporting & management .5 man days @ \$500/day	\$ 250.00	
2. Report typing @ \$15/hr. X 4 hours	60.00	
Sub Total Office Technical Work		\$ 310.00

RENTALS, PER DIEM, AND SUPPLIES:

1. Backhoe/operator 12 hours @ \$32/hour	\$ 384.00	
2. Food @ \$15/man day X 4 man days	60.00	
3. Field vehicles		
a. Rental @ \$10/day X 4 days	40.00	
b. Mileage @ \$.50/mile X 320 miles	160.00	
Sub Total Rentals, Expenses & Supplies		\$ 644.00

OUTSIDE PROFESSIONAL SERVICES:

1. Newmont Exploration Ltd., sample preparation 50 samples @ \$6.25/sample	\$ 312.50	
2. Copper State Analytical Labs, Inc. AA analysis of 50 samples for Cu, Mo, Au, Ag, Pb & <del>Zn</del> @ \$16/sample	800.00	
Sub Total Outside Professional Services		\$1,112.50 =====
Total Expenditure on Area PP		\$3,566.50



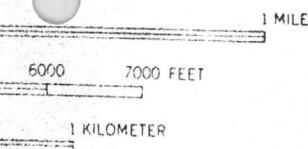
GENERAL AREA OF TRENCHING & SAMPLE COLLECTION

E 1/4 COR  
Permit AREA  
DB-92276

SECTION CORNER

R. 21 E. R. 22 E.

INTERIOR-GEOLOGICAL SURVEY WASHINGTON, D. C. - 1945  
582000m E



ROAD CLASSIFICATION

Heavy-duty		4 LANE, 6 LANE	Light-duty	
Medium-duty		4 LANE, 6 LANE	Unimproved dirt	

U. S. Route     
 State Route

SCALE 1" = 2000'  
1:24,000

FAIRBANK, I  
N3137.5-W11007

SEA Library Services

ANDARDS  
OR WASHINGTON, D. C. 20242  
ILABLE ON REQUEST

1952

AMS 3947 II NW--SERIE



BRUCE BABBITT  
GOVERNOR

Arizona  
State Land Department

1624 WEST ADAMS  
PHOENIX, ARIZONA 85007



OFFICE OF  
STATE LAND COMMISSIONER

*Murder - Standard  
Return letter to  
state -  
No work  
Currently anticipated*

Sept. 15, 1986

M.S. Horne  
3033 N. Central Ave. - Suite 707  
Phoenix, AZ 85012

RECEIVED

SEP 17 1986

JAMES STEWART CO.

*Answered  
9/24/86*

Re: 08-94126 thru 08-94128

Dear Mr. Horne:

In regard to the above referenced permit applications, please be advised of the below listed permit conditions. Because they are sometimes easily overlooked, they are brought to the attention of all new applicants.

- 1) A permit application does not confer any exploration right to the property. The right to do so commences upon permit issuance.
- 2) That prior to initiating any work on the property, the permit holder must also have an exploration plan approved by the Department.
- 3) Unless accompanied by or made subject to an approved assignment through the Department, the sale of the permit will be deemed an unauthorized conveyance. The permit in such instances will automatically be cancelled.
- 4) That written permission from the State Engineer and Land Commissioner is first required for exploration on acreage under permit or lease to the State Highway Department.

Sincerely,

Michael Rice  
Natural Resource Planner  
Nonrenewable Resources  
& Minerals  
(602) 255-4628

MJR/plp  
enc.

To avoid payment of penalty and interest this payment must be IN the OFFICE OF the State Land Department ON or BEFORE the DUE DATE. Date of POSTAL STAMP will not be accepted as time of payment.

# RECEIVED

AUG 1 1986

*Virginia*  
*Stue*

*26*

JAMES STEWART CO  
3033 N CENTRAL AVE  
SUITE 707  
PHOENIX AZ 85012

*COV*  
*255-4628*

JAMES STEWART CO

STATE OF ARIZONA  
STATE LAND DEPARTMENT  
1624 WEST ADAMS - 4TH FLOOR  
PHOENIX, ARIZONA 85007

08	9227600
KIND ENTRY	LEASE OR C. P. REFERENCE NO

07-0136 STATEMENT  
INCLUDE ABOVE  
NO'S WITH PAYMENT

SEC	TOWNSHIP	RANGE

ACCOUNT NO	GRANT FUND		BILLING DESCRIPTION	RATE	ACRES	\$	AMOUNT
	FUND	SUB					
10	300	35	APP FEE PROSPECTING PERMITS				50 00
<i>10-29-85-</i>							

OUR PERMIT TERMINATES ON THE DATE DUE NOTED BELOW. TO RENEW THIS PERMIT, THE ENCLOSED APPLICATION IS TO BE COMPLETED AND FILED WITH THIS DEPARTMENT PRIOR TO 5:00 PM ON THE DUE DATE, TOGETHER WITH REQUIRED MONIES. INSTRUCTIONS ON THE APPLICATION MUST BE STRICTLY ADHERED TO SO THAT ANY RIGHTS GRANTED BY THE PERMIT ARE PROTECTED.

CERTIFICATE OF PURCHASE
\$ UNPAID BALANCE

BILLING PERIOD					
FROM			TO		
MO	DAY	YR	MO	DAY	YR

DATE BILLED		
MO	DAY	YR
07	31	86

DATE DUE		
MO	DAY	YR
10	29	86

TOTAL ACRES
00

TOTAL AMOUNT
\$ 50 00

IF PAYMENT IS MADE ON OR BEFORE THIS DATE → PAY THIS AMOUNT

AMOUNT DELINQUENT SUBJECT TO PENALTY & INTEREST

5% PENALTY OF RENTAL.	\$		
TOTAL RENTAL AMOUNT PLUS PENALTY.	\$		
* INTEREST PER ANNUM ON RENTAL AMOUNT AND PENALTY - NUMBER OF DAYS DELINQUENT ( ) \$	\$		
TOTAL AMOUNT DUE INCLUDING PENALTY AND INTEREST	\$		
CASH RECEIVED	\$		
BALANCE DUE OR OVERPAYMENT	\$		
TOTAL PENALTY & INTEREST	\$		

\* INTEREST SET BY TREASURER UNDER ARS 37-288. ANY PROTEST OF THIS RENTAL AMOUNT MUST BE IN WRITING, RECEIVED BY THE STATE LAND DEPARTMENT WITHIN 30 DAYS FROM THE DATE BILLED.

TEW

# James A. Briscoe & Associates, Inc.

Exploration Consultants:

Base and Precious Metals/Geologic and Land Studies/Regional and Detail Projects

James A. Briscoe  
Registered Professional Geologist

Thomas E. Waldrip, Jr.  
Geologist/Landman

May 6, 1986

Steve Halbert, Esq.  
James Stewart Company  
3033 N. Central Avenue  
Phoenix, AZ

RE: State Prospecting Permit #89409

Dear Steve:

Please find attached the 1985 filing for Prospecting Permit #89049 (N1/4 Section 36, T.20S., R.21E., Charleston), per your request. I did not forward a copy to you last year.

A copy of the current year filing will be sent when completed on or shortly after the renewal date of June 5, 1986.

In regard to this current year's filing, the invoice from the State indicates that no rental is due for the upcoming year. My records indicate otherwise! The Permit will be entering the 3rd year according to my records. As such, rental of \$1.00 per acre should have been charged, for a total of \$143.00. I would suggest this amount be paid with renewal, no matter what the invoice states. I believe a clerical error was made, and as such, no matter who made the error, I believe you should pay, in order not to jeopardize the Permit.

Would you please see that a check is drawn on the James Stewart Company account for \$143.00, payable to the Arizona State Land Department, and forward it to us to cover the third year rental on this Permit.

Your timely response to my request will be appreciated. Thank you!

Best regards,

*Thomas E. Waldrip, Jr.*

Thomas E. Waldrip, Jr.

TEW/ms

Enclosures

INSTRUCTIONS

1. File one copy with the Department.
2. This application for renewal shall be accompanied by a filing fee of <sup>50.00</sup> ~~25.00~~ and advance rental of \$1.00 per acre. (No rental for first renewal).
3. Fill in either "A" or "B" below but not both.
4. Execute affidavit on reverse side before a Notary Public.
5. Attach data substantiating expenditure to reverse side. Include itemization or receipts, or both.
6. ~~IMPORTANT: This application will not be approved unless accompanied by either a Continuation Certificate extending the present bond through the renewal year, or a replacement bond.~~

ARIZONA STATE LAND DEPARTMENT  
 1624 West Adams  
 Phoenix, Arizona 85007

APPLICATION FOR RENEWAL OF PROSPECTING PERMIT

The State Land Commissioner:

I/We James Stewart Co. (Name)  
 of 3033 N. Central Suite 707, Phoenix, Az 85012 (Address)

having expended no less than \$ 1430.00 in exploration for valuable mineral deposits on the State land covered by Prospecting Permit No. 89049 as attested by the affidavit and evidence attached hereto, do hereby make application for renewal of:

A. Prospecting Permit No. 89049  
 (To be used when filing for renewal of all of Permit now held)

B. That part of Prospecting Permt No. \_\_\_\_\_ described below:

Subdivision	Sec.	Twp.	Rge.	Acres	County

(To be used when filing for renewal of part of permit now held)  
 I hereby relinquish all acreage presently held in this permit not above described.

1. Is this permit to be held in trust for anyone other than applicant? No
2. If yes - attach a certified copy of the Trust Agreement.

I hereby certify under the penalty of perjury, that the information contained and statements herein made are, to the best of my knowledge and belief, true, correct, and complete.

X Dated this 29th day of May A.D., 1985.

X James Stewart  
 (Applicant)  
 Agent For JAMES STEWART Co.  
 NOTICE

Your attention is drawn to Section 4 of your permit. This section provides for automatic cancellation of the permit if the required exploration expenditures as spelled out in Section 4 are not made and proof thereof submitted to the Commissioner on or before the anniversary date of the permit.

Please be advised that if the permit is to be renewed, the affidavit of expenditures must be accompanied by itemized expenses such as bills, receipts, rental, time expended, wages paid and wage scales, or any other supplemental information available which will substantiate the claimed expenditures together with a description of the work done. A map to scale of not less than 1" = 1 mile showing the location of the work done is also required so that the work can be checked. Road work will only be accepted for two non-consecutive years during the five years the permit is available.

Any deficiency in expenditures must be made up by a cash payment to the State Land Department at the same rate as required for expenditures in Section 4 or the permit will be cancelled.

AFFIDAVIT OF ANNUAL EXPLORATION EXPENDITURE

STATE OF ARIZONA )  
County of Pima ) SS:

Arizona State Prospecting  
Permit No. 89049

James A. Bruscoe  
(Name of Permittee or Agent) being first duly sworn,  
deposes and says:

That he is Permittee of, or Permittee's authorized agent of record for State  
Prospecting Permit No. 89049;

That between the 30th day of June, 1984,  
and the 1st day of May, 1985, at least  
\$ 1430.00 were expended in exploration, as statutorily defined,  
for valuable mineral deposits on the State land covered by the above numbered Pro-  
specting Permit;

That the documents attached in substantiation of this expenditure reflect a true  
and complete accounting of the sum so expended as reported next above.

James A. Bruscoe  
(Signature)

19 85 Subscribed and sworn to before me this 24 day of May;

Dale D. Davis  
Notary Public

My Commission Expires:  
My Commission Expires Apr. 14, 1986

THE FOLLOWING IS NOT TO BE FILLED IN BY APPLICANT

Advance Rental Received \_\_\_\_\_ Amount \_\_\_\_\_ Receipt No. \_\_\_\_\_  
Fee Received \_\_\_\_\_ Amount \_\_\_\_\_ Receipt No. \_\_\_\_\_  
Approved for the period of \_\_\_\_\_ Beginning \_\_\_\_\_ Expiring \_\_\_\_\_  
Recorded by \_\_\_\_\_ Approved or Denied by \_\_\_\_\_ Date \_\_\_\_\_  
If Denied, Cause: \_\_\_\_\_  
Special provisions to be added to permit \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

ATTACHMENT 4  
SUMMARY REPORT

May 15, 1985

This report is filed in compliance with the annual exploration expenditure, and is made a part thereof for Arizona Prospecting Permit number 08-89049, more particularly described as Meets and Bounds in the N1/2, Sect. 36, Twp. 20S., Rge. 27E., G.S.R.B.M., consisting of 142.5 acres. The cost of the geological, geochemical and geophysical studies directly applicable to the above described area exceeded \$1,430.00, and was paid for by the holder of subject permit (see substantiation of expenditure, Attachment 2).

Work was performed over the entire permit area to evaluate, delineate, and extend, by scientific principles, suspected areas of valuable mineral content contained therein. The work consisted of, but was not limited to:

The work consisted of:

1. Geochemical sampling of bedrock/soil samples.
2. Reduction to standard scale of previously acquired residual gravity and aeromagnetic data.
3. Reduction of geological data to standard scale geologic map coverage of the area.
4. Analysis and computer logging of old production reports, geological geophysical and geochemical maps from previous mining activities.
5. Annotation to geological base map of geological data acquired during previous underground mining areas with more recent information acquired by other companies and governmental agencies.
6. Initial and continued geologic and alteration mapping from both aerial photography and ground truth reconnaissance.
7. District-wide lineation analysis using reproduced black & white aerial photography.
8. Reproduction, organization, analysis, and interpretation of pre-existing drilling, geochemical, geophysical and geological data.
9. Relogging and examining newly organized core.

This work was performed throughout the period from June 30, 1984 to May 1, 1985, by or for James A. Briscoe & Associates, Inc., 5701 E. Glenn St., #120, Tucson, Arizona 85712, Telephone (602) 721-1375, under the direct supervision of James A. Briscoe, a Registered Professional Geologist for 15 years in the State of California (No. 518) and Arizona (No. 9424), with degrees from the University of Arizona (B.S. Geology, M.S. Geology, 1967). Other persons performing work upon said prospecting permit area were:

Thomas E. Waldrip, Jr., Geologist/Landman, B.S. Geology, University of Arizona, 4426 E. Patricia St., Tucson, Arizona 85712  
Merdee A. Stewart, Business Manager, A.S. Hospital Management, Lesell Junior College, 5701 East Glenn St., Tucson, Arizona 85712  
James A. Briscoe, Jr., and various other staff members of James A. Briscoe & Associates, Inc.  
Professional and other services provided by:  
Tucson Blueprint, P. O. Box 27266, Tucson, Arizona 85726  
Reproduction, Inc., 234 E. 6th St., Tucson, Arizona  
Chrome Copy, 3959 E. Speedway Blvd., Tucson, Arizona  
Daniel B. Adams, 2504 Sandler NE., Albuquerque, New Mexico

The basic findings to date, from the continuing technical studies performed are:

Charleston Prospect Area:

1. The terrain in the immediate permit area is composed of a Mesozoic to Cenozoic complex of northeasterly trending andesitic and rhyolitic intrusive dikes and small flow banded rhyolitic domes intruding or intercalated with a late-Mesozoic succession of volcanic flows and pyroclastic units (Bronco Hill volcanics and Uncle Sam Porphyry-tuff). A sedimentary section of Mesozoic aged shales, calcareous mudstones and quartzites (Bisbee Formation), and even older Paleozoic and Mesozoic succession of dominately marine limestones are known to be present in the immediate area, but are not exposed within the permit boundaries. These outlying, scattered exposures of stratigraphically lower sedimentary rock units are shown through drilling to be subaerially continuous at shallow to moderate depths from their areas of surface outcrop, through and across the prospect area.
2. Paralleling the intrusive trend, and specially related with it, are at least one, and possibly more, hydrothermal alteration centers exhibiting alteration zoning and oxidized capping similar to other porphyry copper deposits in Arizona. Alteration within the area includes, but is not limited to, silicification, hematization (after pyrite), alunization, sericitization and argillization. Rock outcrops within and near the permit area exhibit one or more of these alteration types with intensities ranging from weak to strong.

## Attachment 2, Cont.....

3. The overlapping or lineal nature of the proposed multiple alteration centers makes it difficult to interpret the exact horizontal zonation pattern exhibited. It appears to be suggestive of several semi-concentric but overlapping metal zoning patterns outwards from multiple alteration centers. Only one alteration center appears to exist within the permit area, however. This zonation is broken in one or more directions, from the permit area, with these directions yet to be filled in, due to their lack of outcrop. Results to date indicate a central zone anomalously high in copper and molybdenum plus or minus vanadium, surrounded by an irregular zone of higher lead and zinc values, outwards to a highly manganiferous zone. This metal zoning pattern is indicative of porphyry copper mineralization centers, hypothetically proposed to exist within or near the permit area. In the intermediate and outer zones, base and precious metal vein type deposits are found zoned radially to, or outwards from, the proposed porphyry copper center.
4. Currently, results from the past core drilling, surface assaying, ground geophysics, and detailed ground magnetic surveys are inconclusive. Work remains to fully analyze and interpret results of these surveys in the forthcoming annual exploration expenditure period.
5. Initial interpretation of the ground magnetic surveys indicates anomalously higher magnetic values associated with intrusive rocks of granodioritic and andesitic composition as was exhibited on the aeromagnetic survey. Conversely, anomalously lower values are encountered in areas of rhyolitic plugs and domes, especially those spacially associated with hydrothermal alteration centers.
6. Previous, deep, vertical diamond drilling indicates a moderately shallow cover of alternating pyroclastics and flow related volcanic rocks. These particular rocks in theory have undergone brittle deformation (fracturing and faulting), creating a plumbing network to and into the subsurface, Mesozoic sedimentary section. Along these zones of weakness in the volcanic rocks, dikes or dike-like structures of acidic to intermediate composition have intruded. Subsequent to intrusion, hydrothermal solutions likewise have invaded along these same zones of weakness, selectively altering the rocks within the zone, to in some cases, almost pure sericite. These same hydrothermal fluids carried and deposited the base and precious metal mineralization found sparingly throughout the sericitized zone of weakness. Somewhat erratically distributed through this same zone are high grade pods, lenses, and zones of base metal mineralization. Work continues to define these higher grade zones, their continuity, grade and general nature.
7. Below the volcanic veneer is a thick section of Mesozoic sediments through which drilling in excess of 5,000 feet has penetrated. These drilled sediments have numerous dike-like intrusions of varying composition. Attendant to these zones of intrusion, the sediments have undergone various degrees of alteration and mineralization. Mineralization, herein, exists in three different modes of occurrence. Namely: 1. Tension veins and veinlets; 2. Disseminations in the host rocks and/or intrusive dikes; and 3. Cross cutting vein zones of the "sericitic" type found in the upper volcanic zones.
8. Surface geophysical studies are suggestive of large amounts and areas of rather weakly mineralized rock at intermediate to moderate depths, as verified by drilling. Several anomalous responsive zones have been located, but to date, remain untested.
9. Linears with a strike length greater than one-fourth mile have a predominate northeasterly trend. A sub-normal, northwesterly trending component is also present, but is less strongly exhibited. The effect of these bi-directional linears on mineralization, alteration and emplacement of intrusives is currently not well understood. They may reflect a pre-mineral signature of the paleo-structure exhibited in the sedimentary, pre-volcanic terrain. Currently, pervasive linears and zones of intersecting cross fractures delineate with reasonable accuracy, the areas of alteration and submarginal mineralization in the volcanic veneer. These zones are inferred to have been the surfaceward plumbing conduits for ore bearing hydrothermal solution, which undoubtedly passed through the conduits in the sedimentary section, theoretically leading to mineralization found there.

These results have hastened efforts to delineate, extend, and develop, by scientific principles, known and suspected areas of valuable mineral content, within the boundaries of subject permit area.

An exploration-development program consisting of drilling, sampling, geological, geochemical, and geophysical studies, is presently under consideration for this permit area. All technical work and results are in the possession of and are considered to be the exclusive property of James Stewart Company, the owner of subject mining claims with offices at 3033 N. Central Avenue, 707 Mayer Central Building, Phoenix, Arizona 85012, Attention: Mr. Steven H. Halbert, assistant to the President.

Respectfully submitted,

*James A. Briscoe*

James A. Briscoe (Agent)  
Registered Professional Geologist  
Arizona #9424  
California #518

SUBSTANTIATION OF EXPENDITURE

Attachment # 2

Consulting service provided by James A. Briscoe & Associates, Inc., throughout annual exploration year for James Stewart Company on Prospecting Permit #08-89049, as summarized:

FIELD WORK:

Consulting services provided at invoiced cost of \$500 per 8 hour field man day as follows:

1. Geologist - geological mapping and assaying approx. 1/4 sq.mi. 1 man day	\$ 500.00
2. Geologist - alteration mapping approx. 1/4 sq.mi. - .025 man days	125.00
3. Field technicians - organizing, cleaning and reboxing core - 6 man days - provided at invoice cost of \$56/field man day	336.00
Sub Total Field Work	\$ 961.00

OFFICE TECHNICAL WORK:

1. Geologist: Interpretation, reporting & management .25 man days @ \$500/day	\$ 125.00
2. Report typing @ \$15/hr. X 4 hours	60.00
Sub Total Office Technical Work	\$ 185.00

RENTALS, PER DIEM, AND SUPPLIES:

1. Company trailer house @ \$25/day X 4 day	\$ 100.00
2. Food @ \$15/man day X 7 man day	105.00
3. Field vehicles a. Rental @ \$10/day X 4 day b. Mileage @ \$.50/mile X 120 miles	40.00 60.00
4. Electric Generator @ \$25/day (includes fuel) X 4 day	100.00
5. Supplies Coreboxes, tape, marking pens, wood supplies for storage shelves	96.00
Sub Total Rentals, Expenses & Supplies	\$ 501.00

OUTSIDE SERVICES:

1. Contract assaying rental, mobilization-demobilization and personal expenses for Silver Map Unit	\$ 560.00
Sub Total Outside Services	\$ 560.00
Total Expenditure on Area PP	\$2,207.00

Final invoiced amount equal to the yearly expenditure on Prospecting Permit #08-89049 for \$2,207.00 was paid by the James Stewart Company to James A. Briscoe & Associates, Inc., on or by May 10, 1965.



BRUCE BABBITT  
GOVERNOR

*Alge*

Arizona  
State Land Department

1624 WEST ADAMS  
PHOENIX, ARIZONA 85007



OFFICE OF  
STATE LAND COMMISSIONER

March 6, 1986

M.S. Horne  
3033 N. Central Ave. - Suite 707  
Phoenix, Arizona 85012

RECEIVED  
MAR 10 1986

JAMES STEWART CO.

Re: 08-93202 thru 08-93208

Dear Mr. Horne:

Enclosed is a Plan of Operation form which must be submitted to, and approved by the Department prior to initiating an exploration program. As also concerns the referenced permit application(s), please be advised of the below listed permit conditions. Because they are sometimes easily overlooked, they are being brought to the attention of all new applicants.

- 1) A permit application does not confer any exploration right to the property. Approval of the enclosed plan and permit issuance are first required.
- 2) Unless accompanied by or made subject to an approved assignment through the Department, the sale of the permit will be deemed an unauthorized conveyance. The permit in such instances will automatically be cancelled.
- 3) Exploration and/or sample removal on that part of the permitted acreage encompassed by permits granted to the State Highway Department first requires written permission from the State Engineer and Land Commissioner.

Sincerely,

Michael Rice  
Natural Resource Planner  
Nonrenewable Resources  
and Minerals  
255-4628

MJR/plp  
Encl.



BRUCE BABBITT  
GOVERNOR

*John*

Arizona  
**State Land Department**

1624 WEST ADAMS  
PHOENIX, ARIZONA 85007



OFFICE OF  
STATE LAND COMMISSIONER

March 6, 1986

James Stewart Company  
3033 N. Central Avenue - Suite 707  
Phoenix, Arizona 85012

RECEIVED

MAR 10 1986

JAMES STEWART CO.

Re: 08-93191

Gentlemen:

Enclosed is a Plan of Operation form which must be submitted to, and approved by the Department prior to initiating an exploration program. As also concerns the referenced permit application(s), please be advised of the below listed permit conditions. Because they are sometimes easily overlooked, they are being brought to the attention of all new applicants.

- 1) A permit application does not confer any exploration right to the property. Approval of the enclosed plan and permit issuance are first required.
- 2) Unless accompanied by or made subject to an approved assignment through the Department, the sale of the permit will be deemed an unauthorized conveyance. The permit in such instances will automatically be cancelled.
- 3) Exploration and/or sample removal on that part of the permitted acreage encompassed by permits granted to the State Highway Department first requires written permission from the State Engineer and Land Commissioner.

Sincerely,

Michael Rice  
Natural Resource Planner  
Nonrenewable Resources  
and Minerals  
255-4628

MJR/plp  
Encl.

# JAMES STEWART COMPANY

REAL ESTATE INVESTMENTS AND DEVELOPMENT

707 MAYER CENTRAL BUILDING

3033 NORTH CENTRAL AVENUE • PHOENIX, ARIZONA 85012

602-264-2181

January 2, 1986

Mr. James A. Briscoe  
James A. Briscoe & Associates, Inc.  
5701 East Glenn Street - #120  
Tucson, Arizona 85712

Dear Jim:

Enclosed please find the following which need your prompt attention:

1. PLANS OF OPERATION for permits numbered 08-92525 through 08-92531, and 08-92532.
2. CANCELLATION NOTICE re #08-77664. As we discussed on the phone, the State Land Department (Michael Rice) wants us to send the information with instructions to them that the info is NOT to be released until we relinquish the site entirely. The info should be kept in File #08-92276. Through a bonding snafu, there was a technical lapse in ownership which prompted the letter from Rice.

If you have any questions, please call.

Cordially,



Steven M. Halbert  
Asst. to M. S. Horne

SMH:ef  
Encls.



BRUCE BABBITT  
GOVERNOR

Arizona  
State Land Department

1624 WEST ADAMS  
PHOENIX, ARIZONA 85007



OFFICE OF  
STATE LAND COMMISSIONER

December 13, 1985

RECEIVED  
DEC 16 1985

JAMES STEWART CO.

M.S. Horne  
3033 North Central Ave.  
Suite 707  
Phoenix, Arizona 85012

Re: 08-92525 thru 08-92531

Dear Mr. Horne:

In regard to the above referenced permit application(s), please find enclosed a Plan of Operation form. The form must be submitted to, and approved by the Department prior to initiating an exploration program.

Be advised also of the below listed permit conditions. They are being brought to the attention of all new applicants.

- 1) A permit application does not convey any exploration right to the property. Approval of the enclosed plan and permit issuance are first required.
- 2) Unless accompanied by or subject to an approved assignment through the Department, the sale of the permit will be deemed an unauthorized conveyance. The permit in such instances will automatically be cancelled.
- 3) Sample removal from an area coincident with permits or leases issued to the Department of Transportation will result in the automatic cancellation of the permit unless removal is first approved by the Department. The fair market value of the material removed will also be recovered from the permit holder.

Sincerely,

Michael Rice  
Natural Resource Planner  
Nonrenewable Resources  
and Minerals  
255-4628

MJR/plp  
Encl.



BRUCE BABBITT  
GOVERNOR

Arizona  
State Land Department

1624 WEST ADAMS  
PHOENIX, ARIZONA 85007



OFFICE OF  
STATE LAND COMMISSIONER

December 13, 1985

James Stewart Company  
3033 North Central Avenue  
Suite 707  
Phoenix, Arizona 85012

RECEIVED  
DEC 16 1985

JAMES STEWART CO.

Re: 08-92532

Gentlemen:

In regard to the above referenced permit application(s), please find enclosed a Plan of Operation form. The form must be submitted to, and approved by the Department prior to initiating an exploration program.

Be advised also of the below listed permit conditions. They are being brought to the attention of all new applicants.

- 1) A permit application does not convey any exploration right to the property. Approval of the enclosed plan and permit issuance are first required.
- 2) Unless accompanied by or subject to an approved assignment through the Department, the sale of the permit will be deemed an unauthorized conveyance. The permit in such instances will automatically be cancelled.
- 3) Sample removal from an area coincident with permits or leases issued to the Department of Transportation will result in the automatic cancellation of the permit unless removal is first approved by the Department. The fair market value of the material removed will also be recovered from the permit holder.

Sincerely,

Michael Rice  
Natural Resource Planner  
Nonrenewable Resources  
and Minerals  
255-4628

MJR/plp  
Encl.



BRUCE BABBITT  
GOVERNOR

Arizona  
State Land Department

1624 WEST ADAMS  
PHOENIX, ARIZONA 85007



OFFICE OF  
STATE LAND COMMISSIONER

*Steve*

RECEIVED

DEC 2 1985

JAMES STEWART CO.

November 27, 1985

James Stewart Company  
3033 N. Central - #707  
Phoenix, Arizona 85012

Re: Cancellation 08-77664

Gentlemen:

In order that we may complete the cancellation of the referenced permit and also position the bond for release, would you please forward the following information:

- 1) Drill hole location, identification, diameter, and total depth.
- 2) A legible copy of all lithologic, gamma, and electric logs.
- 3) The location of any other disturbed areas including constructed access or trenches.

As provided by statute, drill hole information will be kept confidential for a period of one year. If you so desire, you may request that it remain confidential for one additional year.

Sincerely,

*Michael Rice*

Michael Rice  
Natural Resource Planner  
Nonrenewable Resources  
and Minerals  
255-4628

MJR/plp

*12/17/85 Talked w/ Coralie  
MacDonald  
255-4628*

*- Mike Rice*

*Said to remind him  
to keep info in file #*

*pp #08-92276. full relinquished*

*letter stating  
| Even tho. work done previously*

*enter by*

James Stewart Company, ms H et al  
 History of Federal & State  
 Mining Claims

COLUMN WRITE	Description	Mine	Owner	LOCATION WORK						ASSESSMENT	WORK		
				Date Located	Date of Loc. Work	Date Relocated	Date of Loc. Work	Date Relocated	Date of Loc. Work		9/1/70 9/1/71	9/1/71 9/1/72	9/1/72 9/1/73
1	Derald 1-10		EFH, Trustee	11/27/70	NOT DONE					NR	NO	NO	
2	(formerly 13-14		EFH, Trustee	11/27/70	✓	✓				NR	✓	NO	
3	Apache) 17-31	} ①	EFH, Trustee	11/27/70	✓	✓				NR	✓	NO	
4	36-39		-	-	12/28/70	✓	✓				NR	✓	NO
5	45-49		-	-	12/28/70	✓	✓				NR	✓	NO
6	54-58		-	-	12/28/70	✓	✓				NR	✓	NO
7	63-67		-	-	12/28/70	✓	✓				NR	✓	NO
11	Maxine 1-34		MSH, Trustee	12/4/70	✓	✓				NR	✓	NO	

① Per Cac 8/29/72, if activity again picks up in this area, suggests we do location work

Prepared By	Initials	Date
Approved By	EFH	7/16/70

James Stewart Company, MSH et al  
History of Federal and State  
Mining Claims

COLUMN WRITE	Description	Mine	OWNER	LOCATION WORK						ASSESSMENT WORK						
				DATE LOCATED	DATE OF LOC. WORK	DATE RELOCATED	DATE OF LOC. WORK	DATE RELOCATED	DATE OF LOC. WORK	9/1/67	9/1/68	9/1/69	9/1/70	9/1/71	9/1/72	
1	ORIGINAL-12 (SUITER)	CHARLESTON	JAMES STEWART G.	1943	UNK						YES	YES	YES	YES	YES	YES
2	STATE CLAIMS-8 (SUITER)	CHARLESTON	JSC, MSH (S+G)	1943	UNK						YES	YES	YES	YES	YES	YES
3	STEWART 1-7	✓	JSC	7/14-22/67	OCT-NOV, 1967						YES	YES	YES	YES	YES	YES
4	STEWART 8+9	✓	JSC	6/16/70	?			11/27/70			NR	NR	NR	YES	YES	YES
6	HORNE 1-32	NEW CHARLESTON	MSH, TRUSTEE	JULY-OCT, 1967	OCT-NOV, 1967						YES	YES	YES	YES	YES	YES
7	HORNE 43-51	✓ ✓	MSH, TRUSTEE	8/14/67	✓						YES	YES	YES	YES	YES	YES
8	HORNE 61-69	✓ ✓	MSH (ORIGINALLY AS TRUSTEE)	10/3/67	✓			9/13/69	NOT DONE		NR	NO	YES	YES	YES	YES
9	HORNE 156-158	✓ ✓	MSH, TRUSTEE	10/17/67	✓						NR	YES	YES	YES	YES	YES
10	HORNE 164-172	✓ ✓	MSH (ORIGINALLY AS TRUSTEE)	10/3/67	✓			9/13/69	✓ ✓		NR	NO	YES	YES	YES	YES
11	HORNE 155	✓ ✓	MSH, TRUSTEE	10/17/67	?			11/27/70			NR	YES	NO	YES	YES	YES
16	HORNE 33-37	LIMESTONE	MSH (ORIGINALLY AS TRUSTEE)	AVG-OCT, 1967	OCT-NOV, 1967			11/8/69	NOT DONE		NR	YES	NO	NO	NO	NO
17	HORNE 52-56	✓	✓	✓	✓			11/8/69	✓ ✓		NR	YES	NO	NO	NO	NO
18	HORNE 38-42	✓	✓	✓	✓			11/15/69	✓ ✓		NR	YES	NO	NO	NO	NO
19	HORNE 57-60	✓	✓	✓	✓			11/15/69	✓ ✓		NR	YES	NO	NO	NO	NO
20	HORNE 118-150	✓	✓	✓	✓			NOV-DEC/69	✓ ✓		NO	NO	NO	NO	NO	NO
21	HORNE 70-74	✓	✓	✓	✓			1/31/70	✓ ✓		NR	YES	NO	NO	NO	YES
22	HORNE 100	✓	✓	✓	✓			1/31/70	✓ ✓		NO	NO	NO	NO	NO	NO
23	HORNE 151-154	✓	✓	✓	✓			1/17/70	✓ ✓		NO	NO	NO	NO	NO	NO
24	HORNE 159-163	✓	✓	✓	✓			NO	✓ ✓		NO	YES	YES	YES	YES	YES
25	HORNE 173-177	✓	✓	✓	✓			OCT-NOV, 1967	1/17-1/31/70		NO	NO	NO	NO	NO	NO
26	HORNE 178-181	✓	✓	✓	✓			1/31/70	✓ ✓		NO	NO	NO	NO	NO	NO
27	HORNE 80-99	✓	MSH, TRUSTEE	✓	✓			✓	✓		NO	YES	NO	NO	NO	NO
28	HORNE 101-109A	✓	MSH, TRUSTEE	✓	✓			✓	✓		NO	YES	YES	YES	YES	YES
29	HORNE 75-79	NORTH 7	MSH (ORIGINALLY AS TRUSTEE)	8/3/67	✓			1/17/70	✓ ✓		NO	NO	NO	NO	NO	NO
30	NORTH 7A-7E	✓	MSH, TRUSTEE	2/23/68	NO						NR	NO	NO	NO	NO	NO
31	AIRPORT 1-50	AIRPORT	MSH, TRUSTEE	2/17-2/24/68	NO						NR	NO	NO	NO	NO	NO
33	BERTHA 1-126	BERTHA	MSH, TRUSTEE	FEB-MAR, 1968	NO						NR	NO	NO	NO	NO	NO
36	HORNE 110-117	?	MSH, TRUSTEE	9/20/67	OCT-NOV, 1967 (only group not contiguous)						NR	YES	YES	YES	YES	YES
39	APACHE 1-14, 17		EFH, TRUSTEE	MAY-OCT, 1969	8/18/69			4/4/70	NOT DONE		NR	NR	NR	NR	NR	YES
40	15, 16, 18-26		✓	✓	8/18/69			4/25/70	NOT DONE		NR	NR	NR	NR	NR	YES
41	29-44		✓	✓	NOT DONE			4/25/70	NOT DONE		NR	NR	NR	NR	NR	NO
42	45-71		✓	✓	NOT DONE				NOT DONE		NR	NR	NR	NR	NR	NO
45	APACHE SCOUT		EFH, TRUSTEE	6/16/70	NOT DONE			11/27/70	NOT DONE		NR	NR	NR	NR	NR	NO