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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

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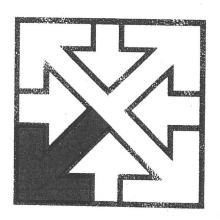
Volume 7 ; Book 12

# TOMBSTONE

Mining District

Cochise County ARIZONA

Stewart Mines Claims - #5 Patent Claim Applications



Southwestern Exploration Associates

Mineral Exploration & Natural Resource Consultants

Tucson Arizona





## State Cand Department

STATE OF ARIZONA
1624 WEST ADAMS - 4TH FLOOR
Phoenix, Arizona 85007

OFFICE OF STATE LAND COMMISSIONER

February 1, 1979

RECEIVED

FEB 5 1979

JAMES STEWART COMPANY

Mr. Roger M. Horne V

James Stewart Company
707 Mayer Central Building
3033 N. Central Ave.

Phoenix, Arizona 85012

Re: Application for Renewal - Mineral Lease #11-786
Arizona State Land Dept. Order to Show Cause
Findings and Recommendation of Hearing Officer

Dear Mr. Horne:

Your letter of January 12, 1979 to Governor Babbitt with respect to the above referenced application has been reviewed by the Mineral Staff of the State Land Department. The staff report is enclosed for your information.

As you know, the Department's Order of August 4, 1978, postponed until February 1, 1979 final disposition on this application. As requested in your letter of January 29, 1979, we are extending the final disposition of this application until March 2, 1979. You will receive the appropriate notice in a few days.

Sincerely,

John M. Little

Acting Commissioner

JML:cm

Enc.

Mr. John W. Little Acting State Land Commissioner Arizona State Land Department 1624 West Adams Phoenix, Arizona 85907

Dear Mr. Little:

Re: Mineral Lease M-786
Application for Renewal

In the matter of the application for reneval of Mineral Lease M-786, an Order To Show Cause hearing was held and evidence was presented in support of renewal. Thereafter the Commissioner ordered that on February 1, 1979 that a further order be made to be based on findings and evidence presented since the hearing.

This is to request an extension of time and postponement of the February 1 order to facilitate further submission of evidence and meetings with your staff both on and off the subject property.

This request is made in light of the following circumstances:

- Additional exploration drilling has been done on the subject property since the hearing.
- (2) There is a continuing conflict and question as to the nature and sufficiency of evidence and data presented and further consultation between your staff and our technical experts would serve both the interests of the state and our interest in the property.
- (3) Our engineering and geological personnel live out of state and additional time is needed to arrange and coordinate their visits with your staff both on and off the property.
- (4) An additional field trip to the property by our technical experts and your geologists is essential to the proper resolution of the question of reneval.

Therefore it is respectfully requested that no order be made on February 1 and that additional time be allowed for determination of questions regarding the renewal of M-786.

Thank you for your consideration in this matter.

Very truly yours,

Roger M. Horne

RM:vs

## STATE LAND DEPARTMENT

### MEMORANDUM

T0:

John M. Little

Acting Commissioner

DATE: January 25, 1979

FROM:

A. K. Doss

SUBJECT: Letter to Governor Babbitt from M.S. Horne of 1-12-79

This memorandum is addressed to the complaints in a letter dated January 12, 1979 to Governor Babbitt by M. S. Horne, president of James Stewart Company,

To begin with, the second paragraph of the State Land Department lease contract states in part, "leased for the purpose of extracting and shipping ores and mineral substances." The Department has 795 active mineral leases of record and only 30+ are paying royalty to the State. Consequently, the Mineral and Energy Division has been taking a hard look at all old leases as they come up for renewal to assure that the leases meet the criteria for issuance of a mineral lease. Having (or "showing") discovery of a valuable mineral deposit is the primary consideration for issuance of a mineral lease, and in reviewing old mineral lease renewal applications, we have found that most were issued without adequate proof of discovery or with none at all.

The order (dated 8-4-78) alluded to in the letter of complaint was a result of a hearing held July 6, 1978. The findings and order suggested additional exploration for discovery and the State Land Commissioner's order granted a six months' extension for this purpose. A copy of the order is attached.

It is interesting to note that the letter of complaint was not written immediately following the order but immediately before the end of the extension of time granted for additional exploration. It is also interesting to note that Mr. Horne and the James Stewart Co.'s connection with this matter did not emerge until 3 months after the expiration of the lease. Up until that time, the Department was dealing with the lessee of record, Mr. Charles Suiter, president of Charleston Mines, Inc.

The data submitted to the Governor with the complaint letter is exactly the same data submitted to the Department at the July 6, 1978 hearing. In rebuttal to the allegations of the complainant, please find attached a detailed and comprehensive 5 page report by John P. Kellogg analyzing the subject data submitted at the hearing. This report by Kellogg is very clinical, unbiased, and objective, and completely refutes the various allegations by Mr. Horne as to (1) "unsupported findings and recommendations," (2) "extensive data and evidence summarily disregarded by staff," (3) "casual statements of dismissal," (4) "complete lack of tech-

nical competence and professional good faith," (5) "staff did not examine or study the evidence presented," (6) "our strong suspicions that they (the Department staff) had a predetermined policy and intention to cancel the lease regardless of anything to be presented supporting the renewal."

Mr. Horne, in paragraph 2 of his letter, states he and others have spent over \$1,500,000.00 in exploration on this and adjacent properties, obviously without discovery of valuable mineral deposit on M-786. This is indeed unfortunate, but however unfortunate, it still does not constitute discovery. During the six month extension, Roger Horne indicated to the Department by phone that a drilling rig was being moved on M-786 for the purpose of establishing discovery. The Department has never been apprised of the location or results of this drill hole, but even in casual consideration, I think that it is safe to assume that if the hole were drilled with successful results of discovery that the Department would have been immediately notified in compliance with the order of the State Land Commissioner.

It has been suggested to the applicant, as it has to many others, that as long as a continuing search for discovery is being conducted, a prospecting permit would be the more appropriate vehicle. In my opinion, this should suffice to answer Mr. Horne's letter, but attached is additional support in the form of quotes from publications and excerpts from case citations pertinent to the subject problem of discovery of valuable mineral deposit.

AKD/1j

Attachments

Honorable Bruce Babbitt Governor of The State of Arizona State Capital Phoenix, Arizona 35007

Dear Governor Rabbitt:

Re: Application for Renewal -- Mineral Lease #11-786
Arizona State Land Dept. Order To Show Cause
Findings and Recommendations of Hearing Officer

This is to voice our complaint and to call your attention to a case of inexcusable and unjustifiable error in the unjust and completely unsupported findings and recommendations of the staff of the Arizona State Land Department in the above designated matter. Our aggravation and appeal to the assistance of your office is not based solely on the adverse findings, but primarily on the fact that the extensive data and evidence we presented at the Order To Show Cause hearing was completely ignored and summarily disregarded by the staff of the State Land Pepartment.

Over 200 pages of highly pertinent, relevant and very valuable geological and technical data was submitted in support of the Mineral Lease Renewal. Over the past twenty (20) years we and others under contract with us have expended on the exploration and development of this and adjacent properties over \$1,500,000. This exploration work clearly determines that the State Claims are part of a valuable mining district. The Hearing OfficerAscasual statements of dismissal and the Geologist's denial that there was data supporting renewal, indicate a complete lack of technical competence and professional good faith and show that the staff did not examine or study the evidence presented. Their inappropriate handling of this matter also tends to support our strong suspicions that they had a predetermined policy and intention to cancel the lease regardless of anything to be presented supporting the renewal, notwithstanding the fact that hearings such as the one here in question are supposed to be fair and impartial and the resulting decisions based on an unbiased and objective analysis of the evidence and facts.

We have furnished you herewith the following materials pertinent to this case:

- 1. Copy of the Order to Show Cause and Letter setting the time.
- 2. A complete set of the evidence and data presented at the hearing.
- 3. The Findings of the hearing officer and Order.
- Copy of a letter to us from our engineer and technical consultant, Mr. C. A. Cosgrova. (Mr. Cosgrove's comments and reactions are self-evident from his letter).

We respectfully request that your office assist us in obtaining a proper and professional consideration and analysis of the esological and other data presented in support of the renewal of the minica lease. Thank you for your consideration of and your support in this retter.

Very truly yours,

M. S. Horns Prenident

MSH:vs Enclosures

## SETH HORNE FAMILY LIMITED PARTNERSHIP

4084 UNIVERSITY DR #106X FAIRFAX, VIRGINIA 22030

PHONE (703) 591-5074

10560 Main Street, #413

22 September 1978

RECEIVED

OCT 5 1978

JAMES STEWART COMPANY
PHOENIX, ARIZONA

James Stewart Company 707 Mayer Central Building 3033 North Central Avenue Phoenix, Arizona 85012

ATTENTION:

Mr. M. Seth Horne

REFERENCE:

Charleston Mine - State Claims 1-8 - Section 36,

T20 5, R21E

Dear Mr. Horne:

I was amazed to receive a copy of the "Findings and Recommendations of Hearing Officer and Order of the Commissioner" in the matter to review Mineral Lease No. M-786. It is quite obvious that the presentation we made and the data furnished was only cursorily reviewed, and the decision to deny the lease application was firmly made prior to the meeting of July 10, 1978. The following comments pertain to items in their letter.

- 1. A surface geology map was submitted and does show surface volcanics. It also shows area trends and faulting; information important to any mining development, and as important to the eight State claims as to any other portion of the overall property.
- 2. Data prepared by Lloyd A. Hewitt, Geophysicist, dated August 10, 1970. (Note this report has been amended and updated after this date as new information and data became available)
  "General Information of the Charleston Basin"
  This is dismissed as nothing; but is, in fact, a comprehensive array of drill hole logs, assay reports, geophysical data, and other pertinent data, very costly to obtain. These all tend to show a valuable mineral property in the Charleston Basin.
  "Nothing Specific Relating to State Lands"
  This is clearly ignoring one of the major components of this report. This data is the Deep Induced Polarization Probes (I. P.) and the Isopac Maps prepared from data from these probes. These Isopacs of

James Stewart Company Mr. M. Seth Horne 22 September 1978

Page 2.

metalic sulphide contents in the meta-sediments show very strong anomalies of the Charleston mineral District at elevations below surface of 1,000 feet, 2,000 feet, and 3,200 feet. anomalies do cover the specific land in question, i.e., State Claims 1-8, as well as the total basin. These I. P. Probes show a vast mineral impregnation of the sediments, the top of which, lies about 1,000 feet below the surface and are covered by volcanics. Because of the depth of these volcanics, there is very little surface indications of the mineral deposit. can be noted here that our drilling--diamond drill holes ranging from 2,100 feet to over 5,000 feet--has verified the findings of the geophysical probe anomalies, both as to lateral extent and as to mineral content. They further showed that this mineral basin extends far below the 3,200 foot depth, our level of the deepest Isopac.

It is puzzling to me that a geologist and Hearing Officer would pass over, without consideration, this very vital information.

Further, they state "Nothing specific relating to State lands, except Hole #4 shows a log with possibility as discovery of copper on State land." The log shows a definite discovery of copper, disseminated mineral in sedimentary beddings. Any review of the assays of this hole, which were also furnished, would also show that there are substantial values in lead, zinc, and silver, but, of course, the dominate value is the copper. Ore grade is evident in several locations, but particularly at 1,790 to 1,802 foot depths.

Items 3, 4, 5, 6, 7, and 8 were submitted to show that this property was a large, mineralized district and that this district is covered by 1,000 feet barren, young volcanics. To consider the eight State claims in question as isolated and apart from the mineral district would be to negate any possibility of mine development. I know of no geologist, mining engineer, or mining company who would undertake to develop a mining property, at the depths demanded by this property of 1,500 feet to 5,000 feet plus, with only eight claims. Certainly, no prudent man would consider it. We have not considered the eight State claims in question as a separate entity in our development program, but as a part of the whole property.

Our continued development of this property (eight claims under lease) in conjunction with the overall development of the Charleston Mine could do nothing but benefit the State of Arizona. The surface does not supply enough grass on the 160 acres to feed one small cow. Certainly, no other use is evident in the forseeable future; so, for these reasons, one wonders what is back of this action by the State.

Page 3.

After approximately nineteen consecutive years of leasing these eight claims under the Department's Regulations, and expending a vast sum of money on these, as well as the balance of the property, their cancellation action does not appear either equitable or reasonable. In fact, it appears to me as a breach of faith or implied contract by the State of Arizona, as we have continued to expend funds over the years in development of this property on the strength of our leases and Federal Mining Claims. If the validity of continuity of State leases does not exist, we have been mislead.

No one will expend the sums of money necessary to drill to the three and four thousand feet depths (approximately \$80,000 to \$100,000 per hole) without assurances of overall control of the property. As for putting in a surface adit or shaft until the total property is completely drilled, this would be most impractical and a ridiculous expectation.

Our efforts, spread over a period of years, have been to develop a property which would be an asset to our Country and the State of Arizona, as well as to provide our Company a future profit. However, it appears that our public officials feel that this Country no longer needs or wants development of any nature. Heretofore, being a native Arizonan, I have been proud that Arizona was not following the path of impediment to development which is so prevalent in some other states and most definitely here in Washington's maze of bureaucracy. Apparently, I have been wrong in this attitude.

Actions similar to this have contributed greatly to the many problems the mining industry faces in this Country (and in Arizona) and certainly help to retard what was once an important and viable factor in the development of this Country. I feel that their decision is unjust and unfair.

Yours very truly,

C. A. Cosgrove

CAC/pa

Roger 1 E

## STATE LAND DEPARTMENT OF THE STATE OF ARIZONA BEFORE THE STATE LAND COMMISSIONER

IN THE MATTER OF APPLICATION TO RENEW MINERAL LEASE NO. M-786 FOR THE STATE LAND DESCRIBED AS FOLLOWS:

M&B IN·N½, SECTION 36, TOWNSHIP 20 SOUTH, RANGE 21 EAST, ALSO KNOWN AS STATE MINERAL CLAIMS NOS. 1 THRU 8, 142.50 ACRES, GILA AND SALT RIVER BASE AND MERIDIAN.

LESSEE: CHARLES H. SUITER

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ORDER TO EXTEND TIME FOR LESSEE TO COMPLY WITH ORDER OF THE STATE LAND COMMIS-SIONER DATED AUGUST 4, 1978

Pursuant to letter request of January 29, 1979 from

Roger M. Horne for the James Stewart Company to extend
the time for compliance with the Order of the State Land

Commissioner dated August 4, 1978, the Acting State Land Commissioner
acknowledges receipt of the request and allows the extension.

NOW, THEREFORE, IT IS HEREBY ORDERED that the time be and hereby is extended from February 1, 1979 to March 2, 1979 for the lessee to comply with the State Land Commissioner's Order of August 4, 1978.

DATED, this 5th day of February, 1979.

STATE LAND DEPARTMENT SEAL

ACTING STATE LAND COMMISSIONER

Certified #570049 - Charles H. Suiter #570050 M. S. Horne, President, James Stewart Co.

RECEIVED

FEB 6 1979

JAMES STEWARI CUMPANY

80 81 82

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IN THE MATTER OF APPLICATION TO RENEW MINERAL LEASE NO. M-786 FOR THE STATE LAND DESCRIBED AS FOLLOWS:

M&B IN N½, SECTION 36, TOWNSHIP 20 SOUTH, RANGE 21 EAST, ALSO KNOWN AS STATE MINERAL CLAIMS NOS. 1 THRU 8, 142.50 ACRES, GILA AND SALT RIVER BASE AND MERIDIAN.

TIONS OF HEARING OFFICER AND ORDER OF THE COMMISSIONER

FINDINGS & RECOMMENDA

LESSEE: CHARLES H. SUITER

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Pursuant to an Order to Show Cause dated June 5, 1978 the hearing thereof was held July 10, 1978 as ordered. Mr. Charles Suiter, President of Charleston Mines, Inc., lessee, was not present, M. S. Horne, Roger Horne and Clarence Cosgrove representing the James Stewart Company, who has been assigned power of attorney June 27, 1978, and John P. Kellogg representing the State Land Department were present. Evidence was presented and argument was made by all parties present and from the files of the Department the following findings and recommendations are made to the Commissioner:

That on June 27, 1977, Charles H. Suiter for Charleston Mines, Inc.filed application to renew Mineral Lease No. M-786, within the time provided by law so to do.

That Charles H. Suiter, lease renewal applicant, submitted his justification through letter dated June 5, 1978, attached hereto and hereof made a part.

At the hearing Messrs. Horne, Horne and Cosgrove submitted the following exhibits:

- 1. A surface geology map, scale 1.-24,000, by J. R. King, only surface volcanics shown on state lands.
- 2. Data prepared by Lloyd A. Hewitt, geophysicist, dated August 10, 1970. General information of Charleston Basin. Nothing specific relating to state lands, except hole #4 shows a log with possibly a discovery of copper on state land. From the presentation it is difficult to determine the value of the copper showings.
- 3. Title "Fairbank" prepared by J. R. King shows no clear relationship to state land area.
- 4. Prepared by Hewitt Enterprises of Sandy, Utah, contains induced polarization and resistivity data taken along two traverses, one of which crosses state lease No. M-786. There is one weak anomaly, at best, shown.
- 5 & 6. Prepared by Gallagher Vanadium and Rare Minerals Corporation with no relationship shown to state mineral lease No. M-786.
- 7. More "Gallagher" information, but no legal land locations shown.
- 8. Geophysical profiles traverses by Heinrichs Geoexploration Company relating to "Charleston Area".

-1

CC Clorence Cosanne

9/12/28

From the above exhibits, John P. Kellogg, geologist and engineer, Arizona State Land Department found: "There is no commercial orebody delineated, developed, or discovered. All that has been shown is that the favorability may be there to encourage further exploration."

That on May 1, 1978 John P. Kellogg of State Land Department went to the site and found no surface openings on state land. Assays and samples presented were not taken from the State Land but from 1000 or more feet from the State land.

That following the hearing related hereto, M. S. Horne for James Stewart Company, sent to State Land Department a copy of an agreement between Charleston Mines, Inc. and James Stewart Company to be filed. The agreement had been entered into June 1, 1957, but never filed with State Land Department; an amendment added to the agreement September 21, 1962 includes working relationship between Charleston Mines, Inc. and James Stewart Company relating to the 8 claims on State land.

Upon the testimony had and received, it is the finding of the Hearing Officer that during the twenty years of the prior lease no mineral production was had from the State land described hereinabove. That the market for copper and other related minerals is not promising, at this time, however some evidence was shown toward an area where showings of copper are present even though lessee and applicant to renew has not fully complied with the law by showing a discovery of a valuable mineral deposit on each of the eight claims on State land. Some showings appear and are more favorable by the same ownership on adjoining nonstate lands, which would lead a reasonable prudent person to wish to explore further into the mineral possibilities on the State land.

IT IS THEREFORE recommended from this hearing that the application to renew mineral lease No. M-786 be denied and that applicant be allowed to file for a prospecting permit in order to control and complete the further exploration for mineral in the general area of the state claims related hereto.

Dated, this 1st day of August, 1978.

Jouis C. Duncan Louis C. Duncan Hearing Officer

#### ORDER

The Arizona State Land Commissioner having read the foregoing findings and recommendations, and it appearing that a substantial question, namely whether valuable minerals exist on the premises, has arisen between lessee and the Commissioner, and the Commissioner being advised of the fact that lessee has maintained his lease in the subject property for over twenty (20) years, and further being cognizant that the laws of Arizona provide for lessee possession until such questions are resolved:

"A.R.S. 27-237. Review by commissioner All questions arising between a locator or lessee and the commissioner under this article shall be subject to review as in other cases involving state lands, and the locator's or lessee's right to possess and operate his claim shall continue until the question is finally determined."

approval or denial of the renewal application be withheld until
February 1, 1979, within which time the renewal applicant may
present proof of valuable mineral, and the Mineral Division of
the Arizona State Land Department is directed to visit the premises
with lessee at lessee's request to be shown the existence and
locations of such deposit, and

IT IS FURTHER ORDERED that on February 1, 1979 the Department will enter its further order consistent with the findings and showings made during said period of time.

Sparted, this 4th day of August, 1978.

LAND DEPARTMENT SEAL

G. 1. Bettury STATE LAND COMMISSIONER

Cert. #570278 - Charles H. Suiter
5008 W. Weldon
Phoenix, Az. 85031

#570279 M. S. Horne, President
James Stewart Co.
3033 N. Central Ave.
Phoenix, Az. 85012

- 3 -

TO:

A. K. Doss, Director

FROM:

John P. Kellogg, Geologist

DATE:

July 19, 1978

SUBJECT:

Findings from data submitted to SLD on July 6 in

support of renewal of Mineral Lease No. 786.

A hearing was held at 10 A.M., July 6, with M. S. Horne, Roger Horne, and Clarence Cosgrove representing the James Stewart Company, and John P. Kellogg representing the SLD. Mr. Louis C. Duncan presided as hearing officer. Mr. Cosgrove is geologist for the James Stewart Company. Mr. Charles H. Suiter, president of Charleston Mines, Inc., the lessee of record, was not present. On June 27, 1978, over thirteen months after Mr. Suiter was advised of the lease expiration of M-786, he assigned Power of Attorney to the James Stewart Company on matters relating to aforesaid lease. During that past year Mr. Suiter was unable tofurnish the SLD any information, including maps, reports, drill logs or assays pertaining to his lease, despite repeated requests from this Division. At the hearing, the reason for this deficiency was revealed: he had not been given these data, and, presumably, had never seen them.

On May 10 the writer made a field examination of subject property, with completely negative results.

At the hearing, Messrs. Horne, Horne and Cosgrove submitted a large bulk of material (after a year's delay) to the State Land Department in support of renewal of Mineral Lease No. 786. The eight included exhibits have been reviewed, and are reported on, below, in their order of presentation.

- 1. Surface geology map, scale 1.-24,000, by J. R. King, September 1975. Ten sections of land covered, including State lands in Section 36. Only surface volcanics shown on State section. No veins, no minerals, no outcrops, no evidence.
  - 2. A large number of unassembled, confusing, largely unnumbered sheets in a plastic bag. Difficult to correlate. "Charleston Mine, Charleston, Arizona" indexed, with #1 a report by Lloyd A. Hewitt, Geophysicist (Hewitt Enterprises, Draper, Utah); "Data Completion Report" August 10, 1970. Mineralized zone not proven, with influence based upon deep induced polarization prospecting. Three drill holes in ore (?) noted "in immediate vicinity of old Charleston Lead Mine," with a 4th hole "drilled off the mineralized zone, with very little mineralization." These holes not located. Airborne magnetics over entire tombstone district, including Charleston Basin; also induced polarization in Charleston Basin. Note: geophysical prospecting not acceptable as proof of valuable mineral deposit.

Hewitt concludes, "It is difficult to relate ore in one hole to the next, because of the wide-spaced drilling." He recommends "drilling on shorter hole spacings and general exploration drilling." Note: still no reference to work done on State lease.

Following are 2 page-size maps, blurred xerox copies, of 1:24,000 quad map, with no data added. One of these is incomplete and unreadable.

Following are 2 page-size maps, reduced scale, showing drill hole overlay covering area. Two holes, DDH #4, 3310 ft. T.D., and DDH #7, 3595 ft., T.D. fall within periphery of State lease. No further information.

Following 7 page-size sheets are of geophysical contour maps at scales too small for meaningful interpretation. One induced potential closed contour anomaly at Charleston Mine only, not on State lease. Again, these data not acceptable as proof of valuable mineral.

Following are nine depth-profile resistivity and induced-potential graphs. No correlation to plan, geographically or otherwise. Of no supportive value whatever.

Next sheet is a vertical section illustrating DDH #1, #2, and #4, with very generalized geology. No mineralized intervals, and no assay information. Of no supportive value.

Next are ASARCO's Geologic Logs for holes Chs-1, 2, & 3. No locations, elevatons, coordinates, or assays given. Under Mineralization column, only infrequent "traces" of chalcopyrite noted. These data constitute a totally negative argument to the existence of underground valuable mineral.

Next is a seven-page stapled report titled "Generalized Descriptive Log," sub-titled Charleston Lead Mine Cochise County James Stewart Construction Co., for Horne (Stewart) #5 Drill Hole. Hand-typed; no standard form. Geological description for footage intervals. "Traces" and "specks" and "stringers" of lead, zinc or copper infrequently noted. Where copper occurs over broad zone (1672-1700) total amount estimated only. No meaningful assay intervals. A poor presentation of a log to a hole not located on State lease.

Following are three more drill logs for holes 1, 2, and 4 on log forms with the following data not completed: collar elevation, coordinates, bearing, depth, scale, started, completed, and logged by whom. Hole No. 1 virtually non-mineral, except for pyrite. Hole No. 2 shows small intervals with estimated percentages of total sulfides, including pyrite. No assays, no apparent commercial mineral. Holes 1 and 2 are not located on state

lease. The last log, for Hole No. 4, is the first appearance, through all this empty morass, of any information directly connected to state lease M-786. Briefly, there are three zones or "beds" of recorded mineralization that might, under certain favorable conditions, be termed "commercial grade" copper, lead and zinc. These depth intervals are 1478-1431, 1791-1802, and 1812-1822. There follows, at widely-spaced intervals, several thin zones of mineralization with percentages of "total sulfides," which could mean primarily worthless iron pyrite, to the bottom of the hole, shown as 3303 feet on this log.

The next item, an "Assay Summary" for DDH #4, is the <a href="last">last</a>
appearance, in all this wasteland of paper, of anything concerned with the State lease. In the column under "Footage" (meaning "interval") there is disagreement with the other log, above. Furthermore, the intervals are duplicated, with different assays, or out of sequence with each other.

It is not possible to calculate a weighted average grade for any metal value for any overall width with any sense.

The remaining material in Exhibit No. 2 is irrelevant and immaterial to the support for valuable mineral discovery on State Lease M-786: three log sheets for hole Chs-1, none showing ore grade for any of the metals; a sheet-page stapled log report for Drill Hole #2, with the now familiar duplicate, mixed-up footage intervals, with two possible ore-grade sections that do not appear on the first log for this hole; a certificate of assay from Rochin Engineering and Assay Office in Douglas for "D.D.H. Stewart No. 5" showing narrow, scattered intervals of low grade values of primarily low-grade zinc; 28 Certificates of Analyses from Skyline Labs, Inc. for Drill Holes Chs-1 and Chs-2; of the 220 separate assay determinations, only 2 are of commercial grade copper, with all other metals nil; a sheet labeled "Sample Sites Geochemical Overlay," with the closest site to State Lease M-786 over 1 1/2 miles distant; two sheets of assays unidentified but presumably for the geochemical site samples; lastly, 6 pages of "Thin Section Report from Charleston Mine," 2 pages of "Polished Section Report on Charleston Mine," and a totally obliterated xerox copy of something unrecognizable.

3. Exhibit No. 3 is titled "Fairbank," and consists of one pagesize xerox sheet of the Fairbank 7 1/2' quad with cryptic numbers, arrows, circles, letters and lines inked on it, with no explanation whatever.

Following the above are five stapled pages, of four drilling reports for ASARCO by C.X.M. Drilling Co., Bailey, Colorado, covered by a map titled "Drilling Progress Map for the month December '74 Charleston Project," by J. R. King. There are 3 ASARCO holes, and four "previous holes;" at a scale of 1"= 1 mile, each drill hole "dot" covers over 400 feet, and cannot be accurately plotted. Furthermore, the "Daily Drilling Reports" are the drillers' work-and-time sheets, containing no pertinent information whatever.

- 4. This exhibit from Hewitt Enterprises, of Sandy, Utah, contains induced polarization and resistivity data taken along two traverses, one of which crosses State Lease M-786. There is one weak anomaly at best, which may signify nothing. No proof of valuable mineral.
- "Gallagher Property" Gallagher Vanadium and Rare Minerals Corporation, started in area in 1923. Undated report A. B. Frenzel, Denver, Colorado of 17 unnumbered pages, and undated report by A. L. Flagg, of 19 unnumbered pages. general mass of material, consisting of histories, production records, smelter settlement sheets, assays, with no identified locations of anything, including mine workings, claims, geology, or samples, with no coherent logic to the readable portions of maps. The claims are in Section 5 to the south of State Sec. 36, except for a small overlap "conflict" area on claims State #6 and State #7. The general vein trend (wherever it is) is NE-SW, at about the same bearing as the Charleston Lead vein trend one mile plus to the north, with the State Lease 11-786 about midway between. Hence, there is nothing in this entire "Gallagher" exhibit to argue mineral occurrence on the state leases.
- 7. More "Gallagher" information: "Areal Geology and Assay Map."
  Virtually undecipherable, with no legal land location reference.
- 8. Geophysical profiles-traverses by Heinrichs Geoexploration Company. No identity as to geographical location except the title "Charleston Area." Apparently these were run-over the Gallagher claims to the south.

Conclusions: for the central purpose and aim of this "evidence," and the ostensible intent in presenting it - to convince by factual data that M-786 should be renewed for another 20 years due to commercial orebodies having been discovered and developed, about 99% of the total package can be winnowed away. Either this muddle of amateurish, disconnected, largely unrelated, poorly conceived material was presented with (a) no conception of what is required, or (b) to impress a non-technical mind with the very size of its bulk.

Of the 1% that does apply (logs for DDH #4), this is so poorly presented, with no real professional attempt at clarity, coherence or consistency, that it is suspect. Besides, one drill hole does not an orebody make. But, even were this hole offset by several nearby holes (say, 200 to 500 feet), and essentially the same mineralized horizons were penetrated so that vertical sections would prove continuity for the three separate, thin mineralized zones, at depths from 1478 through 1822 feet; it is the writer's opinion, as an experienced engineer, that this "ore" would not be economically recoverable. Two two-compartment shafts, to 1900 feet, including sump and skip-pocket, would probably cost \$350/ft. today's prices, or \$1,260,000. Timbered, double-track drifts and crosscuts would probably cost a minimum of \$120/ft. in good ground conditions. In broken, heavy ground, requiring steel sets, horizontal development workings could cost \$500/foot (I have engineered

such workings that cost \$1500/foot.) Add the cost of a surface plant, including hoists and headframes, all the numerous support facilities and a processing plant, since the grade of "ore" is too low for shipping as crude, and there may be an expenditure of \$20 to \$30 million before any mining begins. And mining costs would be extremely high; the stoping (presumably nearly horizontal) of two ten-foot"ore" zones, separated by ten feet of waste, would mean mining this ten-foot interval of waste also, and either disposing of it as "back-fill," or including it to dilute the "ore" grade. Support design for this thirty-foot high "room" would be a major problem. Any technique would be costly. There will be a major water problem, with the San Pedro River Valley only one mile distant (note Mr. Suiter's letter of June 9, 1977, in which he says "Your lease 786 has the only source of adequate water for future mining operations.")

According to the "evidence" submitted on July 6, there is no commercial orebody delineated, developed, or discovered. All that has been shown is that the favorability may be there to encourage further exploration.

John P. Kellogg

June 30, 1978

Mr. Louis C. Duncan, Administrator Contract Audit and Review Arizona State Land Department 415 State Office Building 1632 West Adams Phoenix, Arizona 85007

bear Mr. Duncan:

RE: Order to Show Cause Nineral lease No. 11-786

An Order to Show Cause hearing has been set up at 10 a.m. on July 10 pertaining to N&B in the North 1/2 of Section 36, f 20 g, E 21 V, also known as State Fineral Claims Nos. 1 thru 8, G & SEBOM. These claims are in the name of Charles H. Suiter. These claims were actually taken but by us in the name of Charles H. Suiter in accordance with a contract that we had with Mr. Suiter pertaining to federal claims in the same area. We have a Power of Attorney from Mr. Suiter giving us the right to handle this matter, a copy of which is attached.

Our chief engineer who has handled most of the work in this area, Mr. C. A. Cosgrove, is now working for us in Virginia. However, he is, at the present time, in California. We have arranged for him to be in Thoenix on Wednesday, July 5. We are therefore requesting that the hearing be moved up to July 6 so that Er. Cosgrove might be in attendance.

Contrary to the findings of Mr. John P. Kellogg, we have done extensive drilling on the State Claims and on adjacent properties, and have logs by our geologist, Clyde Lavis; we have a large number of assays; and we have preserved the core samples.

We entered into a contract with American Smelting & Refining a few years ago pertaining to this and other properties in the area. They spent a great deal of money in drilling and mineral exploration, and gave up at the time because of the energy crisis. They have indicated that sometime in the near future they would like to reactivate this contract.

There is no question whatsoever of there being high mineralization in these State Claims generally below 1000 feet in depth.

We understand that you are on vacation. We will telephone you on Wednesday morning, July 5, to see whether it is possible for you to move the hearing date ahead to the morning of July 6. Your cooperation and services are very much appreciated.

Very truly yours,

JAMES STEWART COMPANY

MSH:ef Encl

M. S. Horne President



## United States Department of the EnCeledit E

A-14697 (JLJ) Rest. (943)

BUREAU OF LAND MANAGEMENT

ARIZONA STATE OFFICE

MAR 29 1983

2400 VALLEY BANK CENTER PHOENIX, ARIZONA 85073 (602) 261–4774

JAMES STEWART COMPANY
PHOENIX, ARIZONA

MAR 2 0 1983

CERTIFIED-MAIL RETURN RECEIPT REQUSTED

DECISION

James Stewart Company

Restoration Application A-14697

## Petition to Restore Lands to Mineral Entry Denied

On August 8, 1980, the above-named applicant filed Restoration Application A-14697, pursuant to the Act of April 23, 1932 (43 U.S.C. 154), to restore to mineral entry the following described land:

T. 21 S., R. 22 E., GSR Mer., Arizona Section 6,  $W_2^1$ .

The subject lands are included within a withdrawal for the Bureau of Reclamation. Public Land Order 5269, dated October 11, 1972, withdrew the above—described lands for the Charleston Dam and Reservoir Site.

The Bureau of Reclamation opposes the opening of the above-described land because of the intense local interest in the development of the Charleston Dam and Reservoir.

It has been concluded that mining operations on the land would interfere with development of the Charleston Dam and Reservoir. Therefore, petition for restoration A-14697 is hereby denied.

A period of 30 days from receipt of this decision is allowed within which to appeal to the Board of Land Appeals, Office of the Secretary, in accordance with the regulations in 43 CFR Part 4, Subparts A, B, and E. However, if an appeal is to be taken, the notice of appeal must be filed in this office (not the Board) so that the case file can be transmitted to the Board. A copy of the notice of appeal and of any statement of reasons, written arguments, or briefs must be served on the Field Solicitor, U. S. Department of the Interior, 2080 Valley Bank Center, Phoenix, Arizona 85073, not later than 15 days after filing the document. To avoid summary dismissal of the appeal, there must be strict compliance with the regulations.

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If no action is taken within the time allowed, the case will be closed without further notice.

- 477 S

Mario L. Lopez

Chief, Branch of Lands and Minerals Operations

Enclosures

Encl. 1 - Form 1842-1

Encl. 2 - Appeal Regulations

Aprél 27, 1982

Mr. Mario L. Lopez Chief, Branch of Lands and Minerals Operations United States Department of the Interior Bureau of Land Management 2400 Valley Bank Center Phoenix, Arizona 85073

Dear Mr. Lopez:

In reply to your letter of April 20 concerning our application A-14697, the West 1/2 of Section 6, T 21 S, R 22 E, is close to claims we already have in this area.

James Stewart Company is drilling every year on claims we have in the Charleston District, and we would like to do this on Claim A-14697 as there is good mineralization in the area.

Sincerely yours,

Harvey L. Hayes Property Manager

HLH :ef

## United States Department of the loter of ED

Herre

Rest. (943)

BUREAU OF LAND MANAGEMENT

ARIZONA STATE OFFICE

APR 26 1982

2400 VALLEY BANK CENTER

PHOENIX, ARIZONA 85073 (602) 261–4774 JAMES STEWARI CUMPANY PHOENIX, ARIZONA

April 20, 1982

Mr. M. S. Horne President James Stewart Company 707 Mayer Central Building 3033 North Central Avenue Phoenix, Arizona 85012

Dear Mr. Horne:

This will refer to your application A-14697 for restoration to mineral entry, affecting the lands described as follows:

T. 21 S., R. 22 E., GSR Mer., Arizona Section 6, W/2.

These lands are included in the Bureau of Reclamation's withdrawal for the Charleston Dam and Reservoir (PLO 5269 of October 11, 1972). The Bureau of Reclamation has requested additional information as to the type and extent of development you plan on these lands.

Please furnish the information to this office. We will then forward the material to the Bureau of Reclamation. If you have any questions, please do not hesitate to call.

Sincerely,

Mario L. Lopez

Chief, Branch of Lands and

Minerals Operations



United States Department of the

BUREAU OF LAND MANAGE ARIZONA STATE OFFICE 2400 VALLEY BANK CENTER

PHOENIX, ARIZONA 85073

(602) 261-4774

DEC 3 0 1980

JAMES STEWART CO.

December 22, 1980

Mr. M. S. Horne President James Stewart Company 707 Mayer Central Building 3033 North Central Building Phoenix, Arizona 85012

Dear Mr. Horne:

This will refer to your application A-14697 for restoration to mineral entry, affecting the following described land:

> T. 21 S., R. 22 E., GSR Mer., Arizona sec. 6, Who

The subject land is withdrawn from entry for the Charleston Dam and Reservoir (PLO 5269 of October 11, 1972) by the Water and Power Resources Service (formerly Bureau of Reclamation).

The Water and Power Resources Service reports that, although the President recommended that the Charleston Dam and Reservoir be deleted from the Central Arizona Project, the Secretary is considering a proposal to extend the terminus of the Tucson Aqueduct. The status of the Charleston Dam and Reservoir is being reexamined pending a determination if the portion of the authorized cost ceiling allocated to the Charleston Dam and Reservoir can be used to offset the cost of the Tucson Aqueduct. It is expected that a decision will be made in late 1981. Water and Power Resources Service recommends that the land not be opened to mineral location and entry pending that determination.

We will, therefore, hold your application in abeyance pending the Secretary's decision on this proposal.

Sincerely,

Mario L. Lopez

Chief, Branch of Lands and

Minerals Operations

FORM 1370-41 (March 1978)

## UNITED STATES **DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT**

No. 121834

RECEIPT AND ACCOUNTING ADVICE

A LAGAR APEN. PERCURATION SUBJECT TO MINERAL ENTRY

APPLICANT:

JOHLE STEWART CO. 3033 M. CENTRAL AVE. , STE 707 PHOENIX, AZ 65013

LKEUREMET LATE IN G MENT 2400 Valley Cank Center Phoenix, Arizona 85073

REMITTER IF DIFFERENT THAN APPLICANT:

**ASSIGNOR:** 

SERIAL NUMBER	*	ASG	TYPE	STATE	ACRES/UNITS	RATE	CTY	FUND SYMBOL	AMOUNT
						-		:	
								·	

REFER TO THE ABOVE CASE SERIAL NUMBER IN ALL CORRESPONDENCE.

## PLEASE INFORM THIS OFFICE OF ANY CHANGE IN ADDRESS

NOTE: This notice is a receipt for monies paid the United States. If these monies are for required fees in connection with your application to lease, purchase, enter, or otherwise acquire an interest in public lands or resources, this receipt is not an authorization to utilize the land applied for and it does not convey any right, title, or interest in the land for which application is made.

RECEIVED

AUG 1 5 1980

JAMES STEWARI CUMPANY PHOENIX, ARIZONA

MAKE FICE SECTION 6, 215
TOWNSHIP 22 E

RECEIPT

## JAMES STEWART COMPANY



October 21, 1980

### MEMO TO FILE:

Re: Application for Lode Claims in the West 1/2 of Section 6, T 21S, R 22 E---this land is now set aside for the Charleston Reservoir or Dam Project.

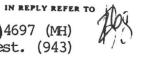
The attached is a letter to the BLM wherenin we made application for lode claims which area is now set aside for the Charleston Reservoir or Dam Project. Inasmuch as we have made a request to this particular parcel or piece of said section, we will have first right to file for lode claims in the event this land is made available to the public, and taken out of the Charleston Dam Allotment.

It is our feeling that the land mentioned above will never be developed into a reservoir or dam. We therefore have done the necessary filing required to get first rights to this property. We believe that said land has rich silver deposits on it.

Roger P. Smith

RPS:rps Letter Attached Receipt Attached





ARIZONA STATE OFFICE 2400 VALLEY BANK CENTER PHOENIX, ARIZONA 85073 (602) 261–4774

SEP 22 1980

JAMES STEWART CUMPAINT PHOENIX, ARIZONA

September 17, 1980

Mr. M. S. Horne President James Stewart Company 707 Mayer Central Building 3033 North Central Avenue Phoenix, Arizona 85012

Dear Mr. Horne:

This will acknowledge receipt of your application, filed on August 9, 1980, for restoration to mineral entry, affecting the following described lands:

> T. 21 S., R. 22 E., GSR Mer., Arizona sec. 6, Ws.

We have assigned serial number A-14697 to this application and would appreciate your referencing this number in future correspondence regarding the case.

These lands are within an existing withdrawal: Water and Power Resources Service (formerly Bureau of Reclamation) withdrawal for the Charleston Dam and Reservoir (PLO 5269 of October 11, 1972). We have requested comments from Water and Power Resources Service regarding your application for restoration to mineral entry.

Upon receipt of the requested report, we will let you know. any question, please do not hesitate to contact this office.

Sincerely,

Mildred C. Kozlaw Mildred C. Kozlow

Acting Chief, Branch of Lands and Minerals Operations

## JAMES STEWART COMPANY

REAL ESTATE INVESTMENTS AND DEVELOPMENT

707 MAYER CENTRAL BUILDING
3033 NORTH CENTRAL AVENUE • PHOENIX, ARIZONA 85012
602-264-2181

August 6, 1980

Bureau of Land Management
U. S. Department of The Interior
Arizona State Office
2400 Valley Bank Center
Phoenix, Arizona 85073

AUC 8 2 12 PM '00

#### Gentlemen:

This company is the owner of several mining claims and properties in the area of Charleston, Arizona. We wanted to file claims on the West 1/2 of Section 6, T 21 S, R 22 E, as well as the area outside of the Boquillas Land Grant in Section 36, T 21 S, R 21 E. We were advised that all of this area was under withdrawal in connection with the Charleston Dam Project.

There are several old mining prospects on these properties, including some patented claims. All of this property is adjacent to properties that we control adjacent thereto to the north.

It is requested that the above described area be open for mineral entry and we be allowed to locate claims in accordance with established law and practices.

Enclosed is our check in the amount of \$10 as a non-refundable service charge. Also, in accordance with Chapter 11 of the Bureau of Land Management Regulations, this application is submitted in duplicate.

This company over the past twenty years has done very extensive mineral exploration work in the immediate area, including extensive geological work on the properties enumerated above. We have drilled several exploration holes in Section 36 adjacent to the north, some of which went to a depth of over 3,000 feet. We have extensive data and reports showing that this area is a highly mineralized area. As a matter of fact, active mines were operated on the property in question as well as on Section 36 (called the Charleston Lead Mine) many years ago.

Very truly yours,

Molone

M. S. Horne President

MSH:vs

Enclosures

Form 1370–42 UNITED STATES
(October 1978) DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECORD OF REMITTANCE RECEIVED

DO NOT ACCEPT AS RECEIPT
UNLESS MACHINE VALIDATED

Land Stewart (Captrol Restoution to Minual Enty

RECEIPT

DEPARTMENT OF THE INTERIOR

OFFICE OF THE SOLICITOR WASHINGTON, D.C. 20240

JUL 2 1 1980

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To: Assistant Secretary, Land and Water Resources

From: Associate Solicitor, Energy and Resources

Subject: Central Arizona Project: Tucson Aqueduct

By memorandum of May 27, 1980, you requested our opinion on the Secretary's authority, under Title III of the Colorado River Basin Project Act of September 30, 1968, Pub. L. 90-537, 82 Stat. 687, 43 U.S.C. § 1521 et seq. (the Act), to specify the terminus and capacity of the Tucson Aqueduct /Colorado River source (Colorado Aqueduct) and, in the event Charleston Dam and Reservoir and the Tucson Aqueduct/San Pedro source (San Pedro Aqueduct) were deleted from the Tucson Division, whether the Central Arizona Project (CAP) costs allocated to the construction of Charleston Dam and Reservoir and the San Pedro Aqueduct can be used to offset the increased costs of an enlarged and longer Colorado Aqueduct.

The Act directs the Secretary to:

RECEIVED AUG 4 1980

Menorandum

construct, operate, and maintain the Central Arizona Project consisting of the following principal works:

. . . (5) Charleston Dam and Reservoir; (6) Tucson aqueducts and pumping plants; . . . . 43 U.S.C.
§ 1521(a).

The Act itself does not specify the terminus and capacity of the Tucson aqueducts, nor does it incorporate by reference any reports which do so. In such cases, the Solicitor has concluded

that Congress meant to accord the Secretary substantial discretion to modify the project features to fit changing needs so long as the basic facilities Congress described were built to carry out the project purposes. 85 I.D. at 337, 339.

The legislative history of the Act reveals that one of the primary project purposes was construction and operation of the Colorado Aqueduct to deliver a supplemental water supply to the Tucson metropolitan area. See. e.g. S. Rep. No. 408 (Committee on Interior and Insular Affairs) 90th Cong., 1st Sess. 30 (1967) and H.R. Rep. No. 1312 (House Committee on Interior and Insular Affairs) 90th Cong., 2d Sess. 60 (1968). Accordingly, we conclude that the Secretary may size and terminate this feature at a capacity and at a location within the Tucson metropolitan area, which, in the reasonable exercise of his discretion, he determines are best suited to meet the overall purposes of the Act and his responsibility thereunder to convey Colorado River water to meet the needs of the water users of the Tucson metropolitan area.

The question of deletion of Charleston Dam and Reservoir and the San Pedro Aqueduct is governed by the rule that where Congress specifically designates in authorizing legislation the features to be a part of the total project, the Secretary may not substantially deviate from those general requirements without Congressional approval. 85 I.D. 337. The Act specifically lists "Charleston Dam and Reservoir" and the "Tucson aqueducts" as "principal works." 43 U.S.C. § 1521(a) (emphasis added). Congress use of the plural form in the statutory designation of the Tucson "aqueducts" and the references in the legislative history to the San Pedro Aqueduct as a "major project feature," see S. Rep. No. 408, pp. 12 and 29; H.R. Rep. No. 1312, p. 59, make it clear that this facility, like Charleston Dam and Reservoir, is a project component that cannot be deleted without Congressional approval. Accordingly, any administrative decision not to construct Charleston Dam and the San Pedro Aqueduct should receive confirmation by Congress before it can be considered to be fully effective.

As to the issue of transfer of project ceiling, it is our view that the portion, of the overall authorized project cost ceiling allocated to construction of Charleston Dem and Reservoir and the San Pedro Aqueduct may not be used to offset the cost of the Colorado Aqueduct, unless it can be determined that a portion of the cost of those features will serve the same project purposes as the revised Colorado Aqueduct, i.e, delivery of a supplemental water supply to the Tucson metropolitan area. The applicable legislative history suggests that such a determination would be legally permissible. While that history indicates that the primary purposes of Charleston Dam and Reservoir are water conservation, recreation, fish and wildlife uses, sediment detention and flood control, it also supports the proposition that Congress intended that feature to serve the additional purpose of providing a source of water for the Tucson metropolitan service area via the San Pedro Aqueduct. Thus, that portion of the authorized project cost ceiling allocated to providing supplemental and industrial water to the Tucson metropolitan area out of Charleston Dam and Reservoir through the San Pedro Aqueduct could be used to offset the costs of the Colorado Aqueduct since the funds would be applied to meet the same Congressional purpose. While we believe that the transfer of project cost ceiling we have suggested is legally permissible we would also recommend that the Secretary should, at a minimum, specifically notify Congress of this cost ceiling adjustment. Alternatively, in order to resolve any doubts that might exist

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as to the Secretary's authority to transfer this portion of the overall cost ceiling, this might be made part of a legislative proposal to deauthorize Charleston Dam and the San Pedro Aqueduct.

If we can be of further assistance, please advise.

John R. Little, Jr. Associate Solicitor

Division of Energy and Resources

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tock or to the hel § 3815.8 Notation required in application for patent; conditions required in patent.

(a) Every application for patent for any minerals located subject to this act must bear on its face, before being executed by the applicant and presented for filing, the following notation:

Subject to the provisions of section 10 of the act of December 29, 1916 (39 Stat. 862), as amended by the act of January 29, 1929 (45 Stat. 1144).

Like notation will be made by the manager on the final certificates issued on such a mineral application.

(b) Patents issued on such applications will contain the added condition:

That this patent is issued subject to the provisions of the act of December 29, 1916 (39 Stat. 862), as amended by the act of January 29, 1929 (45 Stat. 1144), with reference to the disposition, occupancy and use of the land as permitted to an entryman under said act.

## Subpart 3816—Mineral Locations in Reclamation Withdrawals

SOURCE: 35 FR 9744, June 13, 1970, unless otherwise noted.

#### § 3816.1 Mineral locations.

The act of April 23, 1932 (47 Stat. 136; 43 U.S.C. 154), authorizes the Secretary of the Interior in his discretion to open to location, entry and patent under the general mining laws with reservation of rights, ways and easements, public lands of the United States which are known or believed to contain valuable deposits of minerals and which are withdrawn from development and acquisition because they are included within the limits of withdrawals made pursuant to section 3 of the reclamation act of June 17, 1902 (32 Stat. 388; 43 U.S.C. 416).

## § 3816.2 Application to open lands to location.

Application to open lands to location under the act may be filed by a person, association or corporation qualified to locate and purchase claims under the general mining laws. The application must be executed in duplicate and filed in the proper office, must describe the land the applicant

desires to locate, by legal subdivision if surveyed, or by metes and bounds if unsurveyed, and must set out the facts upon which is based the knowledge or belief that the lands contain valuable mineral deposits, giving such detail as the applicant may be able to furnish as to the nature of the formation, kind and character of the mineral deposits. Each application shall be accompanied by a \$10 nonrefundable service charge.

## § 3816.3 Recommendations of Bureau of Reclamation to open lands.

When the application is received in the Bureau of Land Management, if found satisfactory, the duplicate will be transmitted to the Bureau of Reclamation with request for report and recommendation. In case the Bureau of Reclamation makes an adverse report on the application, it will be rejected subject to right of appeal.

### § 3816.4 Recommendations as to reservations and contract form.

If in the opinion of the Bureau of Reclamation the lands may be opened under the act without prejudice to the rights of the United States, the report will recommend the reservation of such ways, rights and easements considered necessary or appropriate, and/or the form of contract to be executed by the intending locator or entryman as a condition precedent to the vesting of any rights in him, which may be necessary for the protection of the irrigation interests.

## PART 3820—AREAS SUBJECT TO SPECIAL MINING LAWS

### Subpart 3821—O and C Lands

Sec.

3821.1 General provisions.

3821.2 Requirements for filing notices of locations of claims; descriptions.

3821.3 Requirement for filing statements of assessment work. 3821.4 Restriction on use of timber; appli-

3821.4 Restriction on use of timber; application for such use.

3821.5 Application for final certificates and

#### Subpart 3822—Lands Patented Under the Alaska Public Sales Act

3822.1 Subject to mining location.

Suiter AT. App

March .9, 1981

Mr. William Brooke 2139 East Salano Drive Phoenix, Arizona 85016

Dear Mr. Brooke:

With regard to our telephone conversation of March 3, 1981 about a patent for the Charleston Suiter 12 claims, a patent has been started; but at this time, we have not received any word as to what is being done. All assessments have been performed for the purpose of complying with the laws of the United States and the State of Arizona on unpatented mines for the values of mineral contained therein.

On April 15, 1981 there is to be a meeting between BLM and the State Land Mining Department in regard to situations like ours. We would like to have the patent from BLM as soon as possible.

Thank you for your cooperation in this matter.

Sincerely yours,

Harvey L. Hayes Property Manager

HLH: vs



# UNITED STATES DEPARTMENT OF THE INTERIOR

IN REPLY REFER
LO
AR 032442

#### BUREAU OF LAND MANAGEMENT

Land Office 3022 Federal Building Phoenix, Arizona 85025

October 2, 1963

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

Dear Mr. Suiter:

Reference is made to your Mineral Patent Application, AR 032442, embracing the Brother George, Mary Jo, Pass Over, Chief Justice, Father Lode, Rare Metals, Mother Lode, L. P. W. No. 2, Connecting Links, Mary and George, Sweet-Heart, and Woolery lode mining claims, situate in the Tombstone Mining District, in secs. 25 and 36, T. 20 S., R. 21 E., GSR Mer., Arizona, filed April 1, 1963.

On October 2, 1963, you filed a withdrawal of Mineral Patent Application AR-032442, in its entirety. The withdrawal is hereby accepted without prejudice for you, or your successor-in-interest, to refile at a future date; and the case is closed.

The survey plats and field notes under M. S. No. 4599, the certified copy of the Articles of Incorporation, Certificate of Good Standing, Certificate of Title and supplement, certified copies of twelve location notices, maps and miscellaneous pertinent papers are herewith returned for your files, and use if and when you refile for patent.

Sincerely yours,

D. F. Whitenton

Acting Manager

## CHARLESTON MINES-TOMBSTONE, ARIZONA

KAOLIN

ZINC

GROUND MUSCOVITE

LEAD

COPPER

CHARLES H. SUITER, PRESIDENT

5008 West Weldon Avenue, Phoenix, Ariz. 85031 October 1 1963

Mr Fred J. Weiler, State Director United States Land Office 3022 Federal Building Phoenix, Arizona, 85025

> Re: Patent Application AR 032442; MS 4599. Secs. 25 & 26, T20S, R21E., G&SRM., Cochise County.

Dear Mr Weiler:

Reference is made to our letter to you of June 12, 1963 and your reply of June 14, 1963, regarding suspension of proceedings in connection with our Patent Application AR 032442, MS 4599, until October 1, 1963, pending negotiations to Consolidate the several interest involved, into one ownership.

While negotiations are still in the works and have been some what stimulated by reason of recent increases in the prices of zinc and lead, the date and time for the possible consumnation of such a deal remains quite unpredictable at this time. In the light of existing circumstances it is our judgement that patent procedure in connection with our mining claims cannot be resumed until such time as the subject claims are owned and in possession of one entity and conditions do not justify our asking your office for an indefinite extension. We assume however, that a new application for patent, based on Survey MS 1599, might be filed later by a single qualified owner of the possessory title.

We respectfully request that your office consent to the withdrawal of the Charleston Mines' application for patent No. AR 032442 - MS 4599, subject to such rules as are applicable to the matter. Please advise me of your pleasure.

Very truly yours,

CHARLESTON MINES

President

LO AR 032442



## UNITED STATES DEPARTMENT OF THE INTERIOR

#### BUREAU OF LAND MANAGEMENT

Land Office 3022 Federal Building Phoenix 25, Arizona

June 14, 1963

Charleston Mines Att: Charles H. Suiter, President 5008 West Weldon Avenue Phoenix 31, Arizona

Centlemen:

Reference is made to your Mineral Patent Application, AR 032442, embracing twelve lode mining claims in Mineral Survey No. 4599, situate in secs. 25 and 36, T. 20 S., R. 21 E., GSR Mer., Arizona.

We appreciate your cooperation in negotiating to consolidate all interests and all interested parties into the one Charleston Mines corporation so the Certificate of Title can be approved to show full possessory right and title vested in the applicant. Your request for additional time within which to clear the title has been given favorable consideration.

We will withhold further action on the above-mentioned application until October 1, 1963, in accordance with your request of June 12. As soon as your proposed consolidation of interests has been completed, please file a supplemental Certificate of Title to reflect the action taken, so we can immediately submit the title for review and recommendation by our legal counsel.

Sincerely yours,

Manager

## CHARLESTON MINES-TOMBSTONE, ARIZONA

KAOLIN

ZINC

GROUND MUSCOVITE

LEAD

COPPER

CHARLES H. SUITER, PRESIDENT

5008 West Weldon Avenue, Phoenix 31, Arizona
June 12, 1963

Mr Fred J. Weiler, State Director United States Land Office 3022 Federal Building Phoenix 25, Arizona

> Re: Request for temporary suspension Patent Application AR 032442; MS No. 4599. Secs. 25 & 36, T 20 S, R 21 E., G.&S.R.M. Cochise Co.

Dear Mr Weiler:

With regard to the above patent application filed in your office about April 1, 1963, I understand that the contract of sale, covering subject mining claims, dated June 1, 1957, between the Charleston Mines and the James Stewart Company, is causing some concern and may be a road-block in your consideration and processing of our patent application. To me this is not an unexpected development and I have been wondering how it would be handled when you came to it. In ordinary real-estate deals title can be passed subject to existing encumbrances — I am quite certain that this is not the case with regard to federal patents.

Attached to our patent application AR 032142, is a certified copy of the Stewart contract on which is endorsed cash payments of approximately \$66,000. — in addition the Stewart Company have expended considerable money on the claims, so they definitely have a very substantial equity interest in the property. Further than this, the Stewart Company has given a sub-contract to the Heron Mining Company, a Colorado Corporation, which contract is not of record, for the exploration and development of the mining claims — they too have expended in the past year a considerable sum of money in geological, geo-physical and magnetometer surveys and are now planning the construction of a small mill and the sinking of a shaft.

I wish to point out that my corporation, the Charleston Mines, was in effect forced into the survey of our claims by the State of Arizona filing application for patent (AR-031495) to school Section 36, T2OS, R2lE, in which section part of our mining claims are located. We appeared to have no choice but to cause a segregation survey to be made - it was definitely the responsibility of the Charleston Mines and not the Stewart Company's. The survey, being the major cost, then led to my decision to apply for patent.

Negotiations are now underway whereby it is hoped to consolidate all interests and all interested parties into the one Charleston Mines corporation - coming at the vacation season of the year, this is going to take some time - therefore in the lightof this and the above information, I respectfully request that patent application No.032442, MS No. 4599, of the Charleston Mines be tabled for the present and that consideration and action on the application be suspended until October 1, 1963. I will await your advice.

Respectfully,

CHARLESTON MINES

That the President

STATE PAT. S.36. T. 205., R.21E

L.S. Sect. 6

#### MEMORANDUM TO FILE

January 27, 1981

RE: Gallagher Claims - Section 36, T 20 S, R 21 E

The attached is the complete BLM file on the record of BLM holdings in Section 36. Section 36 was given to the State of Arizona for public school lands. Before this actual transfer took place, there was a period of time wherein all current holders of mining claims on said section had to file notice regarding this. This file clearly illustrates that Suiter was the only one who answered this request from the BLM, and thereby is the only one having valid mining claims in this section.

Therefore, all recorded claims by the Gallagher group in Section 36 have no foundation.

These documents should clarify this stand.

Roger P. Smith

RPS:ef Attachments



## United States Department of the Interior

A MC 71973 thru A MC 71996 (952)

#### BUREAU OF LAND MANAGEMENT

ARIZONA STATE OFFICE 2400 VALLEY BANK CENTER PHOENIX, ARIZONA 85073

January 9, 1980

Alanco Ltd. Box 5843 Tucson, AZ 85703

Gentlemen:

This letter is to identify the serial numbers we have assigned to your mining claim location notices filed in this office on October 16, 1979.

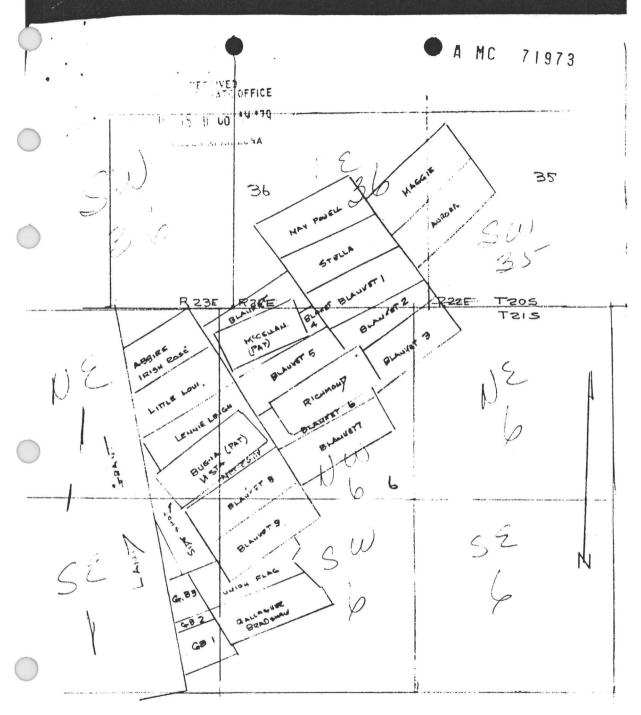
Serial Number	Name of Claim
A MC 71973	Abie's Irish Rose  - 15-59
A MC 71974	Lennie Leigh
A MC 71975	Little Loui
A MC 71976	Gallagher-Bradshaw
A MC 71977 thru A MC 71979	Callahger-Bradshaw #1 - #3
A MC 71980	Side Shot
A MC 71981	Blanket
A MC 71982 thru A MC 71984	
A MC 71985	Stella 2-2/-23
A MC 71986	Blanket #1 - #3 Stella 3-2/-23 Maggie 3 -22-27
A MC 71987	Union Flag
A MC 71988 thru A MC 71989	Blanket #8 - #9
A MC 71990	
A MC 71991	May Powell 10-27-25
A MC 71992	Blanket #5 May Powell 10-27-23 Aurora 3-(9-23
A MC 71993	
A MC 71994	Blanket No. 4 12-3-58
A MC 71995	Blanket No. 6 Annex
A MC 71996	Blanket No. 7

Please refer to the claim names and the serial numbers in any future correspondence.  $% \left( 1\right) =\left( 1\right) \left( 1\right) \left($ 

This will also acknowledge receipt of your Affidavit of Labor Performed and Improvements Made for the above claims for the year 1978-1979.

3-18-19

(EXHIBIT B)



GALLAGHER - BRAY SHAW CLAIMS

Scale 1'=1000'

GALLAGHER - VALITIUM COED

KHON-ARIZON COLD

TOMBSTONE MINING DISTRICT

ALANKO LY

# 00 15 10 00 AM .79

	EXHIBIT "A"	PHULAIA, ANILUNA
NAME OF CLAIM	DOCKET	PAGE
Gallagher-Bradshaw	69	54
Gallagher-Bradshaw -1-	69	55
Gallagher-Bradshaw -2-	69	. 56
Gallagher-Bradshaw -3-	69	57
Blanket	69	36
Blanket -1-	. 69	37
Blanket -2-	69	38
Blanket -3-	63	523
Blanket -4-	203	388
Blanket -5-	63	525
Blanket -6-	203	389
Blanket -7-	203	387
Blanket -8-	69	9
Blanket -9-	69	1979 OCT 16
Stella	69	BCT BEEF
' May Powell	62	PHOENIX. ACCESS 140 522 41
Maggie	69	h 골 를
Side Shot	69	PH 3: 34
· Necessity	67	570
Union Flag	69	8
Aurora	62	225
Abbies Irish Rose	207	386
Lennie Leigh Amended	954	143
Little Loui Amended	954	144



STATE OF ARIZONA

WITHOUS MY HAND AND OFFICIAL SEAL AT REQUEST OF:

I HEREBY CERTIFY THAT THE WITHIN

HALOS MY HAND AND DEFICIAL SEAL FEE \$ 13.00 Box

DET 1369 PAGE 237

#### LEASE AND OPTION TO PURCHASE

#### WITNESSETH:

That the said LESSOR, for and in consideration of the sum of One Dollar (\$1.00), lawful money of the United States of America, and other valuable considerations, the receipt of which is hereby acknowledged, and in further consideration of the royalties, covenants and agreements hereinafter reserved and by said LESSEE to be kept, paid and performed, have granted, demised and let, and by these presents do grant, demise and let unto said LESSEE, all of its right, title and interest in and to the following described patented and unpatented lode mining claims located in the Tombstone Mining District, Cochise County, State of Arizona, described herein, and a part hereof as set forth in an original accepted and certified proposal, hereinafter referred to as the "mining property":

#### PATENTED CLAIMS

Buena Vista Richmond McClellen

U. S. Mineral Survey No. 260 - 1881

U. S. Mineral Survey No. 261 - 1881

U. S. Mineral Survey No. 262 - 1981

RECEIVED OFFICE DC: 16 10 00 AM .79 AV

UNPATENTED MINING CLAIMS

UNPATENTED MINING CLAIMS

Recorded in the office of the County Recorder, Cochise County, Pichee, Arizona

Gallagher-Bradshaw	Book	69		Page	254T
Gallagher-Bradshaw -1-		69	× .	-	55
Gallagher-Bradshaw -2-		69			56
Gallagher-Bradshaw -3-		69			57
Blanket		69			36
Blanket -1-		69			37
Blanket -2-		69			38
Blanket -3-		63			523
Blanket -4-		203			388
Blanket -5-		63			525
Blanket -6-		203			389
Blanket -7-		203			387
Blanket -8-		69			9
Blanket -9.		69			10
Stella		69			40
May Powell		62			522
Maggie		69			41
Side Shot		69			58
Necessity		67			570
Union Flag		69			8
Aurora		62			225

#### SECTION 1 - LESSEE'S RIGHT TO CONDUCT MINING OPERATIONS

The LESSOR does hereby lease and demise to the LESSEE, with option to purchase, the aforesaid mining property, as described, for the term of Twenty (20) years from and after the date hereof, and subject to the terms of purchase and option; giving and granting to LESSEE, during the full term of LESSEE'S possession hereunder, the full and exclusive right to explore, develop, control, and mine said property; to mine, extract, remove, ship or further process ores and values from said mining property; to perform, without restrictions, such other activities on said mining property as may be necessary or desirable in the carrying out of the aforementioned activities, to determine the methods to be utilized in concentrating, purifying and processing the mining

products; and to market and sell the same to such purchaser or purchasers and at such prices LESSEE shall determine to be advantageous. PROVIDED, FURTHER, that all construction, mining and other work done by LESSEE upon or within the mining property shall be performed in a good workmanlike manner, and in full requirements of United States and State of Arizona mining regulations as presently exist and as may be later adopted.

#### SECTION 2 - ROYALTIES

In the event that LESSEE shall mine, mill and/or further concentrate ores or values including specimens and other benefits, then LESSEE shall pay LESSOR as mining royalties therefor, a sum of money equal to Five (5) per cent of the value when sold at the mine head, or of the net smelter returns, for all said ores, minerals, metals and by-products sold by the LESSEE. The smelter returns, as provided above shall be less smelter, truck and transportation expenses incurred by LESSEE. Any United States Government subsidies which may hereafter be granted, increasing the value of the ores or metals mined hereunder, shall be shared by the LESSOR and LESSEE upon the same percentage basis as the royalty payments due the LESSOR.

As a minimum mining royalty, the LESSEE shall pay to the LESSOR on August 1, 1974 and each year thereafter, the sum of Five Thousand Dollars (\$5,000.00) either in cash, stock or royalty whichever is the greatest for each year; all cash, stock or royalties paid shall apply toward the payment of the total price of Five Hundred Thousand Dollars (\$500,000.00) to be Faid.

within the Twenty (20) year period. All payments are to be of the total payments are to be of the total within the Twenty (20) year period. All payments are to be of the total payments are to be of the total within the Twenty (20) year period.

directed to the account of GALLAGHER VANADIUM AND RARE MINERALS CORPORATION, American National Bank, Austin, Texas. Ore purchasers will deduct and make direct settlement as specified to LESSOR.

It is understood and agreed that the five (5) per cent net smelter return above mentioned will be applied against the purchase price.

## SECTION 3 - LESSOR'S RICHT TO INSPECT PROPERTY

LESSOR shall have the right to enter upon said mining property for the purpose of examining LESSEE'S mining operations and explorations and shall have the right to use all passageways, ladders, hoists and other means of ingress and egress for such purposes, PROVIDED, HOWEVER, that they do not interfere with the operations of the LESSEE, and FURTHER PROVIDED that such entry and examination shall be at LESSOR'S risk and hazard.

#### SECTION 4 - COVENANT OF TITLE

The LESSOR for itself, its heirs, administrators, executors, successors and assigns, does hereby covenant and agree that it is the owner and holder of all of the patented and unpatented mining claims and of all of the mineral content therein, as described, and free and clear of any adverse claims; that, as of the time such claims were located, the land upon which said locations were made was situated on the public domain and was subject to location under the mining laws of the State of Arizona and of the United States of America, and that such locations were properly made and that location notices were duly filed in the office of the County Recorder for Cochise County, Frigman,

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and, at all times since, location assessment work required to be made by the State of Arizona and the United States of America has been so made, and the affidavits of such assessment work has been properly executed and filed for record. The LESSOR does hereby covenant and agree that it is the owner in fee simple of the patented mining claims, and of all minerals, ores, sands and mining products thereon and therein.

#### SECTION 5 - COMPLIANCE WITH LAWS

LESSEE agrees that, at all times during the term of this Agreement and when it is conducting mining operations upon the above described mining property, it will comply with all Federal, State and County laws pertaining to safety, public liability and property damage. "NO LIEN" notices will be kept posted upon the mining property.

#### SECTION 6 - LIENS, ENCUMBRANCES, ETC.

LESSOR covenants that there are, as of this date of Agreement, except as expressly provided for herein, no liens or encumbrances on the above described mining property and that there are no debts or obligations which may be or hereafter become a lien or encumbrance upon said mining property, or upon the minerals or mineral rights in connection therewith, including real property taxes.

LESSEE agrees to pay all real property taxes levied and assessed against said mining property during the term of this Agreement, and to pay all property taxes levied and assessed upon the machinery, equipment, buildings, and other property owned by

LLM. RECEIVED CT 16 10 00 AM 179 PHOENIX, ANIZONA the LESSEE and utilized in connection with the above described mining property. LESSEE, further, agrees to pay all licenses, severance taxes or use taxes which may be levied, during the term of this Agreement either by the United States Government or by the State of Arizona, upon the mineral products produced from said mining property. In the event that the validity of such tax or taxes shall be contested, the failure of the LESSEE to pay such tax at the time the same shall become due, prior to the determination of the validity of such contest, shall not constitute a violation of the terms and conditions of this Agreement. It is understood, however, that LESSEE shall not be liable for the payment of that portion of the net proceeds tax assessed to the LESSOR as royalty holder.

All charges and expenses incurred by LESSEE, or those in privity with it, shall be promptly paid by LESSEE, and if any valid lien shall be filed against said premises by reason of any such charges and expenses, LESSEE agrees to promptly pay and discharge such lien or liens, or to make any required bond, upon any contest thereof and hold LESSOR harmless, including all costs or charges incurred or allowed in connection therewith, and further agrees to hold LESSOR harmless on account of any lien or liens or claim for costs or expenses. LESSEE will, subject to the provisions aforesaid, save and keep harmless, LESSOR from all costs, loss or damage which may arise by reason of or on account of injury to or death of any persons employed by LESSEE in or upon said mining claims, or any part thereof, or which may arise of or on account of injury to or death of any other person or to livestock, or damage to any personal or real property as a

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result of any work or operations of LESSEE. LESSEE shall maintain adequate public liability insurance coverage and Workmens Compensation coverage in amounts required by law.

#### SECTION 7 - IMPROVEMENTS ON CLAIMS

At its sole discretion and expense, LESSEE shall have
the right to erect upon the mining property such buildings and
structures and install thereon such machinery, mills or other
mining plant equipment or property as it shall deem necessary or
advisable to carry on its mining operations, and LESSEE shall have
the full right to possession and use of water flowing upon such
mining property for mining purposes, and shall have the right to
drill such wells and use the water therefrom, to construct ditches,
roads, power and pipe lines, dikes, drains or diversion works and
all other facilities upon or across any portion of said mining
property, and to make such alterations as it may desire in connection with mining operations thereon and therein and in compliance with the established regulations pertaining unpatented
mining claims as now permitted and adopted.

It is agreed that title to all machinery, equipment, mining plants, buildings, power and pipe lines, and all other structures placed upon the above described mining property by LESSEE shall be and remain the sole and exclusive property of LESSEE at all times, and LESSEE shall have the right and privilege to remove all or any part of the same at any time and, in the event of forfeiture, cancellation, or termination of this Agreement, any and all such mining plants, machinery, equipment, buildings, structures, power and pipe lines, etc., may be removed.

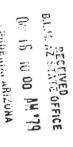
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by LESSEE within a period of One Hundred Twenty (120) days from the date of such termination. PROVIDED, HOWEVER, that such ownership and right of removal by LESSEE shall notinclude underground timbers, structures or improvements supporting any portions of any mine or mines still workable and accessible for any underground mineral extraction, nor the timbers and ladders of the workable and serviceable shafts, nor the rails, air and water pipes installed therein, nor the head frames thereon.

LESSEE shall perform, at its own expense, all assessment work necessary to keep the unpatented claims within the mining property in good standing and such work shall be completed and proof thereof furnished to LESSOR at least ninety (90) days prior to the expiration of the applicable annual period for such work. PROVIDED, HOWEVER, that if either party should terminate this Agreement and the effective date of such termination is at least One Hundred Eighty (180) days prior to the end of the current annual period for the completion of the assessment work, LESSEE, upon delivery to LESSOR of a verified summary of all applicable work performed by or on behalf of the then current annual period, shall be relieved of its obligation to perform the assessment work for that annual period. If the effective date of the termination is less than One Hundred Eighty (180) days prior to the end of such annual period, LESSEE will remain obligated to perform the assessment work for that annual period.

LESSEE shall record affidavits of annual labor for each year that it performs the assessment work under this Lease, and certified copies thereof furnished the LESSOR.



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maps, geological sections, aerial photographs and such other data or information obtained by or loaned to LESSEE in its mining or exploration work.

year from date hereof, should LESSEE relinquish such property or properties, or should this Agreement be voluntarily terminated by LESSEE, or forfeited by the failure of LESSEE to perform, or its failure to make any of the minimum or royalty payments herein provided, then the sole and only remedy of LESSOR shall be the retention as liquidated damages of the monies not paid to LESSEE for ore, minerals, metals and/or by-products extracted from claims and sold, and/or stock piled, and the recovery of full possession of the mining property.

Upon such termination of this Agreement, and the relinquishment of right of possession of said property, LESSEE agrees that all underground ore pockets or chutes will be left intact; PROVIDED, HOWEVER, that in any year in which LESSEE shall cancel or terminate this Lease, it will pay all ad valorum taxes for the year in which the cancellation becomes effective.

#### SECTION 10 - FORFEITURE

In the event that LESSEE fails to make any of the payments as herein provided, or fails to perform any of the covenants hereof, then and in that event, LESSOR shall have the option of declaring this Agreement forfeited by giving written notice to LESSEE, by registered or certified mail, postage prepaid, return receipt requested, which notice shall specify the particulars wherein the Agreement is not being carried out and providing that,

#### SECTION 8 - CLAIM CORRECTIONS ,

LESSEE shall maintain all location notices and claim monuments and take such other measures as may be required to keep the unpatented claims in good standing. LESSEE shall have the exclusive right, at its own expense, to amend in good faith the locations of any unpatented mining claim within the mining property, to relocate any of such claims and to locate any fractions discovered within or contiguous to the exterior boundaries of the mining property. All such amendments, relocations and new locations shall be in the name of the LESSOR and the rights of the parties under this Lease shall extend to any of these amended locations, relocated mining claims or newly located mining claims.

#### SECTION 9 - RELEASE AND RELINQUISHMENT

It is understood and agreed that LESSEE may, at any time, relinquish to LESSOR any or all of the aforementioned mining claims upon giving thirty (30) days written notice of intention to terminate this Agreement as to such property or properties, PROVIDED, HOWEVER, that this Lease shall not be terminated until one (1) year from date hereof. Upon termination of this Lease, LESSEE will furnish a Quit Claim Deed in proper form or a release of Lease as required by LESSOR; also within ninety (90) days after termination or expiration date, LESSEE shall furnish LESSOR with the drilling logs, drill cores (except those portions used for assay or metallurgical test purpose), property maps, surveys, claims survey maps showing the location of drill holes and the lines of any geophysical surveys, assays of sampling, mineral

unless the delinquent payment is made or the failure to perform corrected within sixty (60) days from the date of notice, said Agreement shall be immediately forfeited and terminated and, upon such forfeiture and termination, LESSEE shall be without right, title or interest in and to the above described mining claims, but the buildings, structures, or other plant machinery and equipment, etc., placed by LESSEE on said mining property may be removed

#### SECTION 11 - FORCE MAJEURE

by it as herein before provided.

It is agreed that LESSEE shall be excuse and shall not be responsible hereunder for delays, failures, or omissions in performance of any of the terms, provisions and conditions of this Agreement incumbent upon it to be kept and performed, where such is due to or the result of inclement or winter weather conditions which would make performance of mining operations undesirable or impracticle, or where the performance of mining operations would be unprofitable to LESSEE, or where such failure is due to or the result of a cause of any kind beyond the control of LESSEE including, but not limited to, fire, war, governmental action or orders, strikes, lockouts, injunctions, inability to obtain power, failure of transportation facilities, or breakage of machinery or equipment. In no event will LESSEE'S obligation to pay the minimum royalty, taxes, and to perform the required assessment work as hereinbefore provided, be excused except as a result of governmental or court action, order or injunction.

BLUG ST STATE OFFICE

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PHOFFICE ARGONA

#### SECTION 12 - ASSIGNMENT

The parties hereto may assign their rights under this Lease to any financially responsible person or corporation so long as the other party hereto consents to such assignment in writing, which consent shall not unreasonably withheld.

#### SECTION 13 - NOTICES

All notices to be given hereunder to either party by the other shall be sent by registered or certified mail, postage prepaid, return receipt requested.

TO LESSOR

GALLAGHER VANADIUM AND RARE
MINERALS CORPORATION
Suite 1024 - Commodore Perry Building
Austin, Texas 78701

TO LESSEE

KNOX-ARIZONA CORPORATION 8967 Ladue Road St. Louis, Missouri 63124 BLIN RECEIVED OFFICE

Or 16 10 0 AM 77

Either party may change such place of notice at any time by giving written notice thereof to the other party in the manner provided hereinabove.

IN WITNESS WHEREOF, the parties have caused these presents to be executed the day and year first above written.

GALLAGHER VANADIUM AND RARE

MINERALS CORPORATION

LESSOR

(SEAL)

STATE OF TEXAS

6-1-75

a corporation.

KNOX-ARIZONA CORPORATION LESSEE SS. The foregoing instrument was acknowledged before me of GALLAGHER VANADIUM AND RARE MINERALS CORPORATION, a corporation. Notary Public My commission expires: STATE OF Missimi) COUNTY OF ST. Louis } The foregoing instrument was acknowledged before me this 30 B day of Tisky, 1974, by William A. Kusk as FASSIDENT of KNOX-ARIZONA CORPORATION, My commission expires:

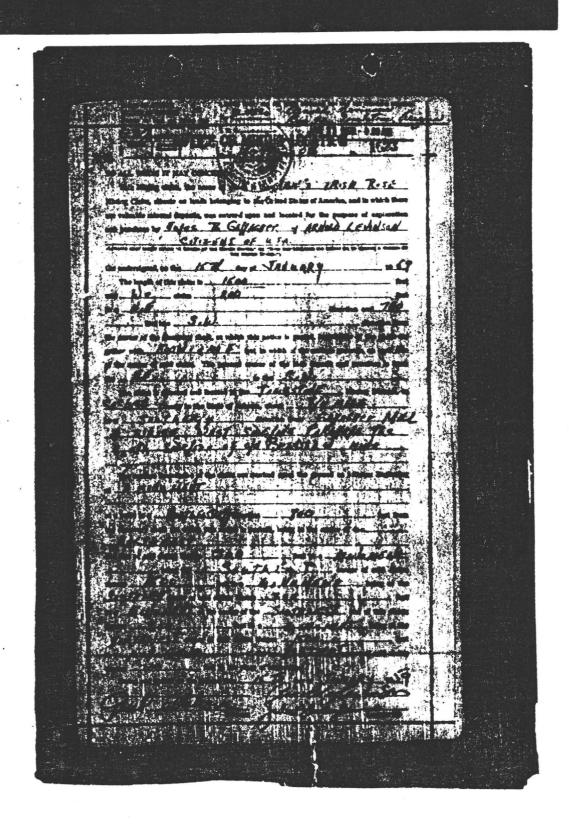
# Quitclaim Aeed Phoenia. AMZONA

THIS INDENTURE, Made the, 1975,
between Charles Hatcher, Tombstone, Ariz.
C. Neil Vogel Tucson, Ariz.
Grantors and Knox Arizona Corporation , An Arizona Corporation.
Grantee,
WITNESSETH: That the said grantor_s_, for and in consideration of the sum of
3 10,00 and other consideration DOLLARS
toin hand paid by the said grantee, the receipt whereof is hereby confessed
and acknowledged, ha.s., released and quit-claimed, and by these presents do
release and quitclaim unto the said grantee, and toits heirs and assigns forever,
all the right, title, interest, claim and demand which the said grantors have in and to
the following described property situated in the County of, and, and
State of Arizona, to-wit: The unpatended Mining Claims listed below
Abbies Irish Rose 207 386
Lennie Leigh July 3, 1958 193 588
Amended August 28 , 1974 954 143 Adjoins and paralells Beuna Vista Pat. 260
Little Loui July 3 , 1958 193 589
Amended August 28, 1974 954 144 Adjoins and parallels side line Lennie Leigh
Recorded Quit Claim August 17, 1970 719 80-81
TO HAVE AND TO HOLD the same together with all the appurtenances thereunto belonging,
to the grantee heirs and assigns forever.
IN WITNESS WHEREOF, the said grantors has have hereunto set their
hand Ant the day and year first above written.
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Josephine Teich	hman		, the undersigned No	otary Public, pe	sonally appeared
C. Neil Vogel		1		77	1
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# PUBLISHER'S AFFIDAVIT

STATE OF ARIZONA County of Cochise

Clayton A. Smith heir

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		MBSTONE EPITAPH, a newspaper pub- ochise County, State of Arizona, and the
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has for	filed in this office Application Patent, Arizona 031495, for lots	
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	Received 2	its issue dated the2 day of
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Notary Public





## UNITED STATES DEPARTMENT OF THE INTERIOR

LO:R&W
Appln. to Pat.
AR-031495

BUREAU OF LAND MANAGEMENT Land Office 3022 Federal Building Phoenix, Arizona 85025

I HEREBY CERTIFY that I have this date received Patent No. 02-64-0052, issued on State Application to Patent, Arizona 031495, for delivery to the State Land Commissioner.

DATE

11-4



# UNITED STATES DEPARTMENT OF THE INTERIOR

BUREAU OF LAND MANAGEMENT

Land Office 3022 Federal Building Phoenix 25, Arizona IN REPLY REFER TO: LO AR 0321142

June 14. 1963

Charleston Pines Att: Charles H. Suiter, President 5008 West Woldon Avenue Proenix 31, Arizona

Centlemen:

Reference is made to your Mineral Fatent Application, AR 0321112, emuracing twelve lode mining claims in Mineral Survey o. 1599, situate in secs. 25 and 36, T. 20 5., H. 21 E., USR ker., Arizona.

We appreciate your cooperation in he ottation to consolidate all interests and all interested parties into the one Charleston in a corporation so the pertificate of Title can be approved to show full cossessory right and title vested in the applicant. Four request for additional time within which to clear the title has been given favorable consideration.

We will withhold further action on the above-mentioned application that I october 1, 1961, in accordance with your request of June 12. As soon as your proposed consolidation of interests has a en completed, please file a supplemental Certainete of Title to reflect the action taken, so we can immediately substitute title for review and recommedation by our legal counsel.

Sincerely yours,

Maña er

### CHARLESTON MINES-TOMBSTONE, ARIZONA

KAOLIN

ZINC

GROUND MUSCOVITE

LEAD

COPPER

CHARLES H. SUITER, PRESIDENT

5008 West Weldon Avenue, Phoenix 31, Arizona
June 12, 1963

Mr Fred J. Weiler, State Director United States Land Office 3022 Federal Building Phoenix 25, Arizona

> Re: Request for temporary suspension Patent Application AR 032442; MS No. 4599. Secs. 25 & 36, T 20 S, R 21 E., G.&S.R.M. Cochise Co.

Dear Mr Weiler:

With regard to the above patent application filed in your office about April 1, 1963, I understand that the contract of sale, covering subject mining claims, dated June 1, 1957, between the Charleston Mines and the James Stewart Company, is causing some concern and may be a road-block in your consideration and processing of our patent application. To me this is not an unexpected development and I have been wondering how it would be handled when you came to it. In ordinary real-estate deals title can be passed subject to existing encumbrances - I am quite certain that this is not the case with regard to federal patents.

Attached to our patent application AR 032442, is a certified copy of the Stewart contract on which is endorsed cash payments of approximately \$66,000. - in addition the Stewart Company have expended considerable money on the claims, so they definitely have a very substantial equity interest in the property. Further than this, the Stewart Company has given a sub-contract to the Heron Mining Company, a Colorado Corporation, which contract is not of record, for the exploration and development of the mining claims - they too have expended in the past year a considerable sum of money in geological, geo-physical and magnetometer surveys and are now planning the construction of a small mill and the sinking of a shaft.

I wish to point out that my corporation, the Charleston Mines, was in effect forced into the survey of our claims by the State of Arizona filing application for patent (AR-031495) to school Section 36, T20S, R21E, in which section part of our mining claims are located. We appeared to have no choice but to cause a segregation survey to be made - it was definitely the responsibility of the Charleston Mines and not the Stewart Company's. The survey, being the major cost, then led to my decision to apply for patent.

Negotiations are now underway whereby it is hoped to consolidate all interests and all interested parties into the one Charleston Mines corporation - coming at the vacation season of the year, this is going to take some time - therefore in the lightof this and the above information, I respectfully request that patent application No.032142, MS No. 4599, of the Charleston Mines be tabled for the present and that consideration and action on the application be suspended until October 1, 1963. I will await your advice.

Respectfully,

CHARLESTON MINES

The State President

LO:R&W Appln. to Patent AR - 031495

RAT

Land Office 3022 Federal Building Phoenix, Arizona 85025

November 1, 1963

Obed M. Lassen State Land Commissioner State Office Building Phoenix, Arizona 85007

Dear Mr. Lassen:

I am enclosing Patent No. 02-64-0052, confirming the title of the State of Arizona to the following described land:

Gila and Salt River Meridian, Arizona.

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

Sec. 36, Lots 5, 6, 7, 8, 10, 11, 12, 13, 14, and 15, WE\SW\,
H\SE\.

Total - 451.77 acres.

The title to the lands vested in the State of Arisons under the Act of June 20, 1910, upon the acceptance of the Plat of Survey by the Bureau of Land Management on May 17, 1945.

Sincerely yours,

Roy T. Helmandollar Manager

Enclosure

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Arizona 031495

4-1040 (October 1955)

## The United States of America,

To all to whom these presents shall come, Greeting:

WHEREAS, There are now deposited in the Bureau of Land Management of the United States, an application by the State of Arisons, and a decision of the Land Office at Phoenix, Arisons, directing that a patent issue to the State of Arisons under the provisions of the Act of Congress approved June 21, 1934 (&8 Stat. 1185), entitled "An Act Authorizing the Secretary of the Interior to issue patents to the numbered school sections in place, granted to the States by the Act approved February 22, 1889, by the Act approved January 25, 1927 (44 Stat. 1026), and by any other Act of Congress," for the following numbered school section lands in place granted for the support of common schools and the title to which vested in the State of Arisons under the Act of June 20, 1910 (36 Stat. 557), upon the acceptance of the Plat of Survey by the Bureau of Land Management on May 17, 1945:

Gils and Salt River Meridian, Arizons.
T. 20 S., R. 21 E.,
Sec. 36, Lots 5, 6, 7, 8, 10, 11,
12, 13, 14, and 15, NE\SW\\,
N\SE\\.

The area described contains 451.77 acres, according to the Official Plat of the Survey of the said Land, on file in the Bureau of Land Management:

NOW, THEREFORE, KNOW YE, That the UNITED STATES OF AMERICA, in consideration of the premises, and in conformity with the said Act of Congress of June 21, 1934, and as evidence of the title which was granted to and vested in the State of Arizons to the above described land on May 17, 1945, for the support of common schools, as aforesaid and in confirmation of such title for such purpose, HAS GIVEN AND GRANTED, and by these presents DOES GIVE AND GRANT, unto the said State of Arizons, and to its assigns, the land above described; TO HAVE AND TO HOLD the same, together with all the rights, privileges, immunities, and appurtenances, of whatsoever nature, thereunto belonging, unto the said State of Arizona, and to its assigns forever; subject to any vested and accrued water rights for mining, agricultural, manufacturing, or other purposes, and rights to ditches and reservoirs used in connection with such water rights, as may be recognized and acknowledged by the local customs, laws, and decisions of courts; and there is reserved from the land hereby granted, a right-of-way thereon for ditches or canals constructed by the authority of the United States.

IN TESTIMONY WHEREOF, the undersigned authorized officer of the Bureau of Land Management, in accordance with the provisions of the Act of June 17, 1948 (62 Stat., 476), has, in the name of the United States, caused these letters to be made Patent, and the Seal of the Bureau to be hereunto affixed.

Phoenix, Arisons,
GIVEN under my hand, in the Instruct of Commons, the

GIVEN under my hand, in the District of Commons, the FIRST day of NOVEMBER in the year of our Lord one thousand nine hundred and SIXTY-THREE and of the Independence of the United States the one hundred and EIGHTY-EIGHTH.

[SEAL]

For the Director, Bureau of Land Management.

Manager, Arizona Land Uffice

11-1-1963

16-21079-8 U. S. GOVERNMENT PRINTING OFFICE

Patent Number 02-64-0052

Patent Number

1

ALO-50 (3) 12-7-61 UNITED STATES
DEPARTMENT OF THE INTERIOR
Bureau of Land Management

Land Office 3022 Federal Building 3022 Federal Building 5022 Federal Building Fhoonix, Ariz. 85025 In . soly refer to: Apln. for Patent Arizona 031495 MA

DECISION

October 31, 1963

State of Arizona

:

Application for Patent Arizona 031495

#### Approved for Patent

The State of Arizona has filed application, Arizona 031495, under the Act of June 21, 1934 (48 Stat. 1185; 43 U.S.C. 871a), for the issuance of patent, as evidence of title, to certain described lands granted to the State by the Act of June 20, 1910 (36 Stat. 557), for the support of common schools.

Plats of surveys of the lands were accepted by this office subsequent to February 14, 1912, the date the State was admitted into the Union. Evidence of publication in the manner prescribed by 43 CFR, 270.32, has been furnished and no protest has been filed. There are no adverse claims of record and the lands do not appear to be affected by any prior conditions, limitations, easements, or rights acquired from or with the consent of the United States, nor are they affected by any withdrawals or reservations before the State's rights attached. A report from the Geological Survey indicates that the lands were not known to be valuable for any minerals on the date title to the lands vested in the State. The lands have not been used as base in support of an approved indemnity selection.

Since it appears that title to the lands vested in the State of Arizona, under the Act of June 20, 1910, <u>supra</u>, upon the date of acceptance of plats of survey as hereinafter indicated, and pursuant to order no. 684 (26 F.R. 8216), August 28, 1961, as amended, the application is hereby approved for patenting, as to the following described lands, patent to contain a reservation according to proviso to the Act of August 30, 1890 (26 Stat. 391):

Gila and Salt River Meridian, Arizona

Acres

Lots 5, 6, 7, 8, 10, 11, 12, 13, 14, 15, NE\SW\, N\SE\ sec. 36, T. 20 S., R. 21 E.

451.77

Plat accepted May 17, 1945.

Roy T. Helmandollar Manager

mki

177

W. 1 W 02-64-0052

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STATE NO.	00065	
STATE NO.	00005	

2:0-

AR-	031495	
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#### PHOENIX, ARIZONA

AMENDED

APPLICATION FOR PATENT TO THE NUMBERED SCHOOL SECTIONS IN PLACE, GRANTED TO THE STATE OF ARIZONA, UNDER ACT OF CONGRESS APPROVED JUNE 20, 1910 (36 Stat. 557).

THE STATE OF ARIZONA, hereby makes application under the provisions of the Act of June 21, 1934 (48 Stat. 1185) for patent to the following numbered school sections in place granted to the State under the terms of the Enabling Act approved June 20, 1910 (36 Stat. 557) and the Act of January 25, 1927 (44 Stat. 1026)

GILA AND SALT RIVER BASE AND MERIDIAN - ARIZONA

TOWNSHIP 20 SOUTH , RANGE 21 EAST

SECTION 36 - LOTS 5 to 8; 10 to 15 & NE4SW4 & N2SE4 - 451.77 ACRES

TOWNSHIP , RANGE

and excepting from said patent such areas as have heretofore been reconveyed to the UNITED STATES for reclamation purposes.

Dated at Phoenix, Arizona this 7 TH day of \_\_\_\_\_\_, 19 63

GOVERNOR OF THE STATE OF ARIZONA

SEAL OF THE STATE OF ARIZONA STATE LAND COMMISSIONER OF ARIZONA

ATTORNEY GENERAL OF ARIZONA

Acting as a Selection Board

ATTEST:

SECRETARY OF STATE

WHITED STATES
BEFARMENT OF THE INTERIOR
Bureau of Land Management
Land Office
3022 Federal Building
Phoenix 25, Arisona

June 6. 1962

#### TO WHOM IT MAY CONCERN:

Motice is hereby given that the State of Arisona under the provisions of the Act of June 21, 1934, has filed in this effice Application for Patent, Arisona 031495, for lots 1, 2, 3, 4, 5, 6, 7, 8, 9, SIMEK, ELMMK, MEKSWK, and MASSK sec. 36, T. 20 S., R. 21 E., GSR mer., Arisona.

During the five-weeks period of publication of this notice, or any time thereafter and before final approval, this office will receive protests and contests as to the land embraced in the application.

B. F. Whitenton Acting Manager

To be published once each week for five consecutive weeks in the Epitaph, Tombstone, Arizona, First publication July 5, 1962.

LO SAL Apln. for Pat.

Atisons 031495

Land Office 3022 Federal Building Phoenix 25, Arizona

June 6, 1962

#### DECISION

State of Arizona

Application for Patent Arizona 031495

#### Publication Directed

On April 18, 1962, the above applicant filed application Arizona 031495 under the provisions of the Act of June 21, 1934 (48 Stat. 1185), for patent on lots 1, 2, 3, 4, 5, 6, 7, 8, 9, SiNE, Eink, NELSWi, and the Nisel sec. 36, T. 20 S., R. 21 E., GSR mer., Arizona

The plat of survey was accepted on May 17, 1945 and the State's title attached on that date.

If a patent issues, it is to contain a reservation according to proviso of the Act of August 30, 1890 (26 Stat. 391; 43 U.S.C. section 945).

Publication notice has issued in accordance with 43 CFR 270.30, and publication will be in the Epitaph, Tombstone, Arizona.

In accordance with 43 CFR 270.32, the State of Arizona must file proof of publication in this office within 30 days after the last publication. Failure to take this action will result in the case being closed without further notice.

D. F. Whitenton Acting Manager

Enclosure

LO: EWKirsch: nkc 6-6-62

\*

4-095 (May 1944)

# UNITED STATES DEPARTMENT OF THE INTERIOR GENERAL LAND OFFICE

(Place)

State of arizona (Involving 55.

vs. (ap. Par.

Ariz. 631495

#### PERSONAL SERVICE OF NOTICE

Notice.—The local officers will accept this acknowledgment of service from only those persons who, in compliance with the regulations, 43 CFR, Part I (8 F.R. 7023, 7283), are authorized to represent parties in proceedings before the Department of the Interior, or from a party in interest acting solely for himself.

### (TATE LAND DEPARTME "IT

OBED M. LASSEN
STATE LAND COMMISSIONER
PHONE 271-4621

1.12 MTR 18 MM 11:21

1......

STATE OF ARIZONA
STATE OFFICE BUILDING
PHOENIX 7, ARIZONA
Aprill 7, 1962

ORIGINA

LOUIS C. DUNCAN MANAGER PHONE 271-4621

ACCOUNTING DIVISION PHONE 271-4622

> LEASING DIVISION PHONE 271-4634

LEGAL DIVISION PHONE 271-4626

MINERAL, OIL & GAS PRODUCTION DIVISION PHONE 271-4628

> SALES DIVISION PHONE 271-4631

SERVICE DIVISION PHONE 271-4637

SOIL CONSERVATION DIVISION PHONE 271-4625

WATER DIVISION PHONE 271-4629

WATERSHED NAGEMENT DIVISION PHONE 271-4633 AR- 031495

Mr. Roy T. Helmandollar Manager, Land Office Bureau of Land Management P. O. Box 148 Phoenix 1, Arizona

Subject: Section 36, Township 20 S, Range 21 E.

Dear Mr. Helmandollar:

Attached is Application for Patent to the above numbered School Section in Place. It is presumed that title to this section vested to the State upon approval of survey, namely May 17, 1945.

An examination of the records in the Cochise County Recorder's Office revealed that ten mining claims were located in the North half of this section at varying times during the year 1928, as per the attached resume.

Your preferred attention to the above request will be appreciated.

Yours very truly,

John A. Haefner, Supervisor Service Division

JAH:gd

attach. - 4

STATE	NO	00065	
SIMIL	NO.	00005	

AR- 031495

#### PHOENIX, ARIZONA

APPLICATION FOR PATENT TO THE NUMBERED SCHOOL SECTIONS IN PLACE, GRANTED TO THE STATE OF ARIZONA, UNDER ACT OF CONGRESS APPROVED JUNE 20, 1910 (36 Stat. 557).

THE STATE OF ARIZONA, hereby makes application under the provisions of the Act of June 21, 1934 (48 Stat. 1185) for patent to the following numbered school sections in place granted to the State under the terms of the Enabling Act approved June 20, 1910 (36 Stat. 557) and the Act of January 25, 1927 (44 Stat. 1026)

#### GILA AND SALT RIVER BASE AND MERIDIAN - ARIZONA

TOWNSHIP 20 South , RANGE 21 East

Section 36 - Lots 1 to 9;  $S_2^2NE_4^2$ ;  $E_2^2NN_4^2$ ;  $NE_4^2SN_4^2$ ;  $N_2^2SE_4^2$ ;

584.15 Acres

,	RANGE
	,

and excepting from said patent such areas as have heretofore been reconveyed to the UNITED STATES for reclamation purposes.

Dated at Phoenix, Arizona this \_\_\_\_\_17 \_\_day of \_\_\_\_\_\_, 19 \_62 \_\_\_\_\_



GOVERNOR OF THE STATE OF ARIZONA

STATE LAND COMMISSIONER OF ARIZONA

ATTORNEY GENERAL OF ARIZONA

Acting as a Selection Board

STATE NO. 00065	AR-	AR- 031495					
	NITY ADIZONA						
	PATENT TO THE NUMBERED	RECEIVED LAND OFFICE BUREAU OF LAND MANAGEMENT					
SCHOOL SECTIONS STATE OF ARIZON	IN PLACE, GRANTED TO THE A, UNDER ACT OF CONGRESS 20, 1910 (36 Stat. 557).	PHOENIX, ARIZONA					
THE STATE OF ARIZONA, herel	by makes application unde	er the provisions of					
the Act of June 21, 1934 (48 Stat. 1185) for patent to the following numbered							
school sections in place granted to the State under the terms of the Enabling Act							
approved June 20, 1910 (36 Stat. 557) and the Act of January 25, 1927 (44 Stat. 1026)							
		DIZONA					
	BASE AND MERIDIAN - A	RIZONA					
TOWNSHIP 20 South ,		1					
Section 36 - Lots 1 to	9; S½NE¼; E½NW¼; NE½SW¼; N½S	SE <b></b> 4;					
	584.15 Acres						
TOWNSHIP ,	TOWNSHIP , RANGE						
10 Wilding ,							
and excepting from said patent s	uch areas as have heretof	ore been reconveyed					
and excepting from said patent such areas as have heretofore been reconveyed to the UNITED STATES for reclamation purposes.							
Dated at Phoenix, Arizona this 1		, 19_62					
Dated at Phoenix, Arribona tino		,					
	Daulg. Far	min					
	GOVERNOR OF THE STATE OF ARIZONA						
1/2/	STATE LAND COMMISSI	ONER OF ARIZONA					
I DEA							
102	ATTORNEY GENERAL O	F ARIZONA					
IEI CO							
Acting as a Selection Board							
4 7919 V							

## EXTRACTS FROM BOOK OF MINES NO. 67, COCHISE COUNTY RECORDER

AR- 031495

#### Page 236

Brother George Located: Lee O. Woolery 1-28-28 \frac{1}{4}\text{ mile Southwest of Rad Crow patent} Recorded 3-29-28

#### Page 237

Mary Jo Located: L.O.W. 1-28-28 1/8 mile Southwest from Rad Crow patent Recorded 3-29-28

#### Page 238

Pass Over Located: L.O.W. 2-11-28 \(\frac{1}{4}\) mile westerly Rad Crow Recorded 3-29-28

#### Page 286

Chief Justice Located by L.O.W. 2-11-28 1/8 mile westerly from Rad Crow Recorded 4-27-28

#### Page 287

Father Lode
By L.O.W. 2-14-28

4 mile southerly from Rad Crow
Recorded 4-27-28

#### Page 288

Rare Metals
By L.O.W. 2-11-28
\$\frac{1}{4}\$ mile Southwesterly from Rad Crow Patent
Recorded 4-27-28

#### Page 559

Connecting Lengths By L.O.W. 9-1-28 Joins Rad Crow and Bald Eagle Recorded 11-26-28

AR- 031495

EXTRACTS (Continued)
Page Two

#### Page 560

Mary and George
By George O. Woolery 9-1-28
". . . about 1800' in a Westerly direction from Howell
Springs on the Rad Crow patented mine and bounded on
the Easterly side by the Pass Over and on the Southerly
side by the Brother George and Woolery mining claims."
Recorded 11-26-28

#### Page 561

Sweet-Heart
By George A. Woolery 9-1-28
". . . 1200' in a southeasterly direction from Howell
Spring on the Rad Crow patented mine and bounded on
the northside by the Bald Eagle and on the west by
Mary Jo and Father Lode mining claims."
Recorded 11-26-28

#### Page 562

Woolery
By Gloria M. Woolery 9-1-28
"about ½ mile southwesterly from Rad Crow patented mine."
Recorded 11-26-28

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# UNITED STATES DEPARTMENT OF THE INTERIOR OFFICE OF THE SECRETARY

WASHINGTON 25, D. C.

MAY -3 1954

My dear Mr. Suiter:

Secretary McKay has asked that I reply to your letter of April 2 in which you have requested certain information as to the policies and procedures of the Department in the administration of the United States mining laws.

The delay in the processing of applications for mineral patents, which you mention as having been noted by the mining fraternity during the past several years, is a matter which we have had under investigation and to which we have given special attention in the interests of better serving the individual miners and mining companies who are desirous of developing the mineral deposits on the public domain. As a result of this investigation the mining functions of the Bureau of Land Management are now in the process of decentralisation to offices of that Bureau in the respective States, and it is expected that the new procedures now being effected will expedite the handling of these applications.

Tou have further inquired as to the status of valid mining claims located on unsurveyed lands which, following survey, are found to be in numbered school sections granted to the State under its Enabling Act. With respect to this question it can be said, in general, that the owners of such prior claims would not be affected by the subsequent operation of the Enabling Act or by virtue of the act of January 25, 1927 (44 Stat. 1026), which extended these grants to include school sections known to be mineral in character.

In cases involving grants of lands to a State under its Enabling Act the presumption is that the school sections passed to the State either under the original grant or by operation of the 1927 act referred to above. However, this presumption can be overcome by the mineral claimant on his showing that the mining claim was valid and subsisting on the effective date of the school-land grant. Since it would be necessary for the mineral claimant to establish the validity of his claim under the mining laws, the burden would fall upon him to prove the necessary facts in connection therewith. If the rights of the mineral claimant are established, it would be impossible for the State to abrogate those rights by any action on its part. An interest in a valid mining claim is "property" in the highest sense of the term and is protected by the constitutional quaranties in the same manner as are other forms of property.

You have correctly pointed out that the mining laws do not require that mining locations on the public domain be recorded with any agency of this Department. While legislation has been enacted requiring such recordation of mining claims for certain limited areas, Congress has not thus far extended that legislation to general application. However, mining claims may be validly located on public lands which are included in Taylor Grazing Act leases, and the leases do in fact contain provisions which adequately protect the rights of entry of mineral prospectors and locators.

In accordance with your request I am enclosing a copy of the Taylor Grazing Act of June 28, 1934, with amendments to October 1, 1949.

I trust that the above information will be of assistance to you and to the members of your association.

Sincerely yours,

(sgd) Ormē Lewie

Assistant Secretary of the Interior

Mr. Charles H. Suiter
Assistant Secretary, Tombstone Council
Arizona Small Mine Operators Association
P. 9. Box 246
Tombstone, Arizona

Enclosure

ROGER ERNST

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State Land Department state of Arizona Phoenix, Arizona February 25, 1954

Mr. Charles H. Suiter Charleston Lead Wines Company Ecx 3M7 Techstone, Arizona

Dear Mr. Suiter:

We have your letter of Tehruary If in which you set out several questions to be answered. We have found the following information.

- Date of Severiment Survey of said tract? Survey was confleted February 24, 1941. Flat approved February 10, 1945.
- 2. Date that plat of survey was filed and accepted? Filed December 2h, 1947, accepted May 17, 1945.
- 3. Date that the State's title to Sections 2 and 36 in said tract, attached? Date of filing of rlat December 24, 1917, date of acceptance May 17, 1916. In this case the State took title May 17, 1916.

is trust that the facts or lined above to the information you were socking, and that the answers full satisfy your recent inquiry. It is a pleasure to be of service to

Yours were train.

SLAFING THAT HE

Jane Ware er

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CHARLESTON LEAD MINES COMPANY UNINCORPORATED BOX 347

TOMBSTONE, ARIZONA

CHARLES H. SUITER GENERAL MANAGER

February 18 1954

Bureau of Land Management New Post Office Building Phoenix, Arizona

Gentlemen:

I desire some factual information with regard to:

that portion of Twp 20 S, Range 21 E that lies east of and adjoining the Boquillas Mogales Land Grant.

Kindly advise me as to what the records of your office show in regard to the following:

> Feb. 1941 1. Date of Government survey of said tract?

2. Date that plat of survey was filed and accepted? May 17, 1945 Officially filed in the Land Office Dec. 24, 1947.

Thank you....

Land and Survey Office Room Sel, Main Post Office Phoenix, Arizona mta.

Very truly yours,



STATE OF ARIZONA

OFFICE OF
HOWARD J. SMITH
STATE LAND COMMISSIONER

Nov. 30th, 1934.

Messrs. Lee O. & Geo. A. Woolery, Bisbee, Arizona.

Gentlemen: -

Replying to your letter of November 21st, Sections 25, 26, 35 and 36, Township 20 South, Range 21 East, are not state land and according to our records, are unsurveyed.

Yours very truly,

HOWARD J. SHITH, Commissioner,

wm. Alberts, Deputy Commissioner.

LF

ADDRESS ALL COMMUNICATIONS TO STATE LAND COMMISSIONE

VERNON VAUGHN STATE LAND COMMISSIONER

DON C. BABBITT
DEPUTY COMMISSIONER

ADDRESS ALL COMMUNICATIONS TO THE COMMISSIONER

OUR RECORD NO.

## State Land Department

STATE OF ARIZONA

OFFICE OF THE

#### State Cand Commissioner

PHOENIX, ARIZONA

August 3, 1928.

Mr. Geo. A. Woolery, Tombstone, Arizona.

Dear Sir:

Answering your letter of the Slat, have to advise that while land remains unsurveyed it is a part of the public domain. The State cannot take jurisdiction.

After survey the State takes the land subject to whatever burdens may have attached to it while a part of the public domain.

Respectfully yours,

Vernon Vaughn, Consissioner,

Deput; co. Lissioner

DCR:ET

GÉO, A. MACDONALD CHIEF ACCOUNTANT

FIELD DIVISION

R. A. WALTERS '
R. J. COLEMAN
R. R. FREEMAN

\_\_\_\_

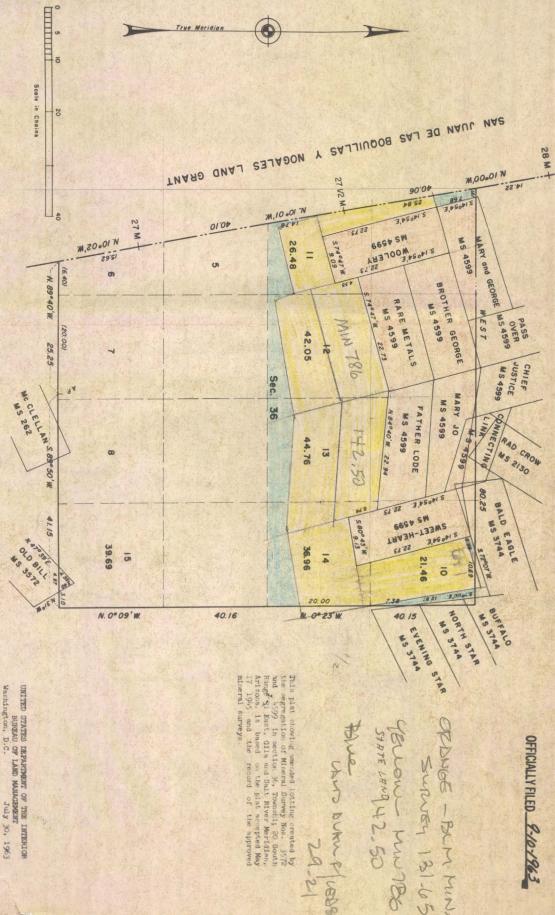
LEGAL REFERENCE AND KIND OF TRANSACTION File Code Apin. to Patent 03 445 6/21/1934 0.8 NAME AND MAILING ADDRESS State of Arizona State Land Department Phoenix, Arizona DESCRIPTION OF LAND T:-20-5-,- R:-21-E:-Sec. 36: - Lots - 1 to -9; SZNE+; EZNW+, NE+SW+; NZSE+,\_\_ - Exclusive of Brother-Geroge, Mary-Jo,- Pass Over, -584-15-A. - Chief Justice; - Father - Lode; - Rate-Metals; - Connecting-- Links,- Mary and George, Sweet-Heart and Woolery mining-- claims which are unpatented and not yet surveyed. 0 S., R. 21 E., Sec. 36, Lot's 5 to 8; 10 to 15,  $NE_{\pm}^{1}SW_{\pm}^{1}$ ,  $N_{\overline{z}}^{1}SE_{\pm}^{1}$ 451.77acres DATE ACTION TAKEN Apr. 18, 1962 Application filed. Apr. 18, 1962 LSM and USGS reports requested. May 21, 1962 G.S. Report received. 6, 1962 Acting Manager directs publication in the Epitaph, Tombstone, Arizona. Aug. 3, 1962 Proof of Publication filed. Aug. 6, 1962 Protest filed by Charleston Mines, 5008 West Weldon Avenue, Phoenix 31, Arizona. Aug. 21, 1962 Amended application filed for the above lands, exclusive of the Brother George, Mary Jo, Pass Over, Chief Justice, Father Lode, Rate Metals, Connecting Links, Mary and George, Sweet-Heart and Woolery mining claims. ug. 23, 1962 Memo. to Office Cadastral Engineer requesting that if mineral application filed for the above claims, to prepare a segregation, supplemental plat at the same time the mineral survey plats are made, since we have this amplication pending 23, 1962 Letter to State advising application must be suspended until application for mineral patent filed, and supplemental plat prepared for lands outside the claims. Oct. 16, 1963 Oct. 31,1963 Amended application filed. Manager's Decision approves for patent. Nov. 1, 1963 Patent No. 02-64-0052 issued. FRC DENVER

Acc. # 66-A-89

ORIGINAL

2389 D

TOWNSHIP 20 SOUTH, RANGE 21 EAST, OF THE GILA AND SALT RIVER MERIDIAN, ARIZONA SUPPLEMENTAL PLAT OF SEC. 36



OFFICIALLY FILED 9-10-1963

Conson Trailes 05.24 BNAT 31445 CAND BURN P WAR

Suprey 13/165

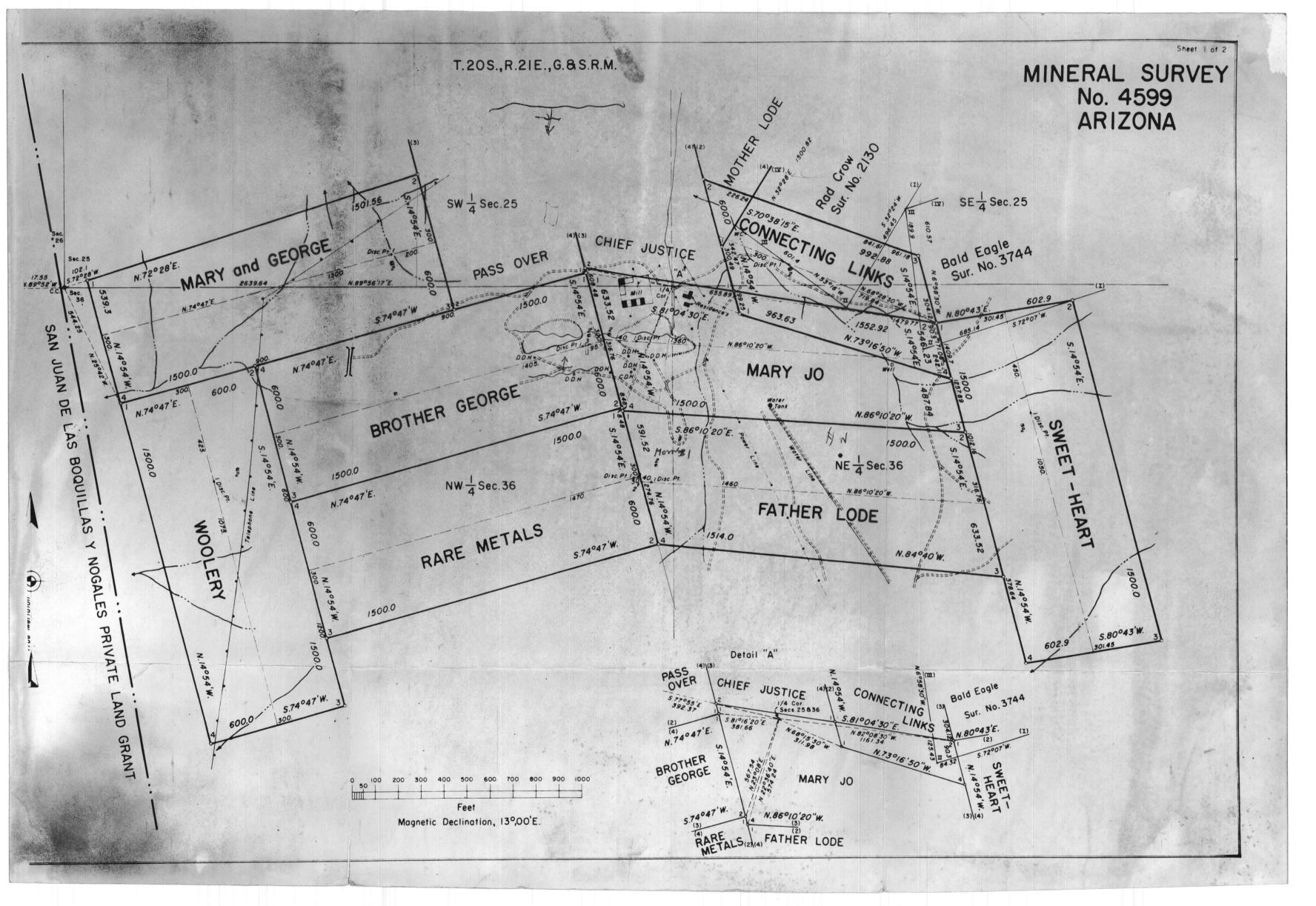
This plat showing userated by the segregation of Mineral Survey Nos. 3572 and 4599 in section 36, Township 20 South Range Si East, Gila and Salt River Meridian, Arizons, is based on the plat accepted May 17, 1945 and the remord of the approved mineral surveys.

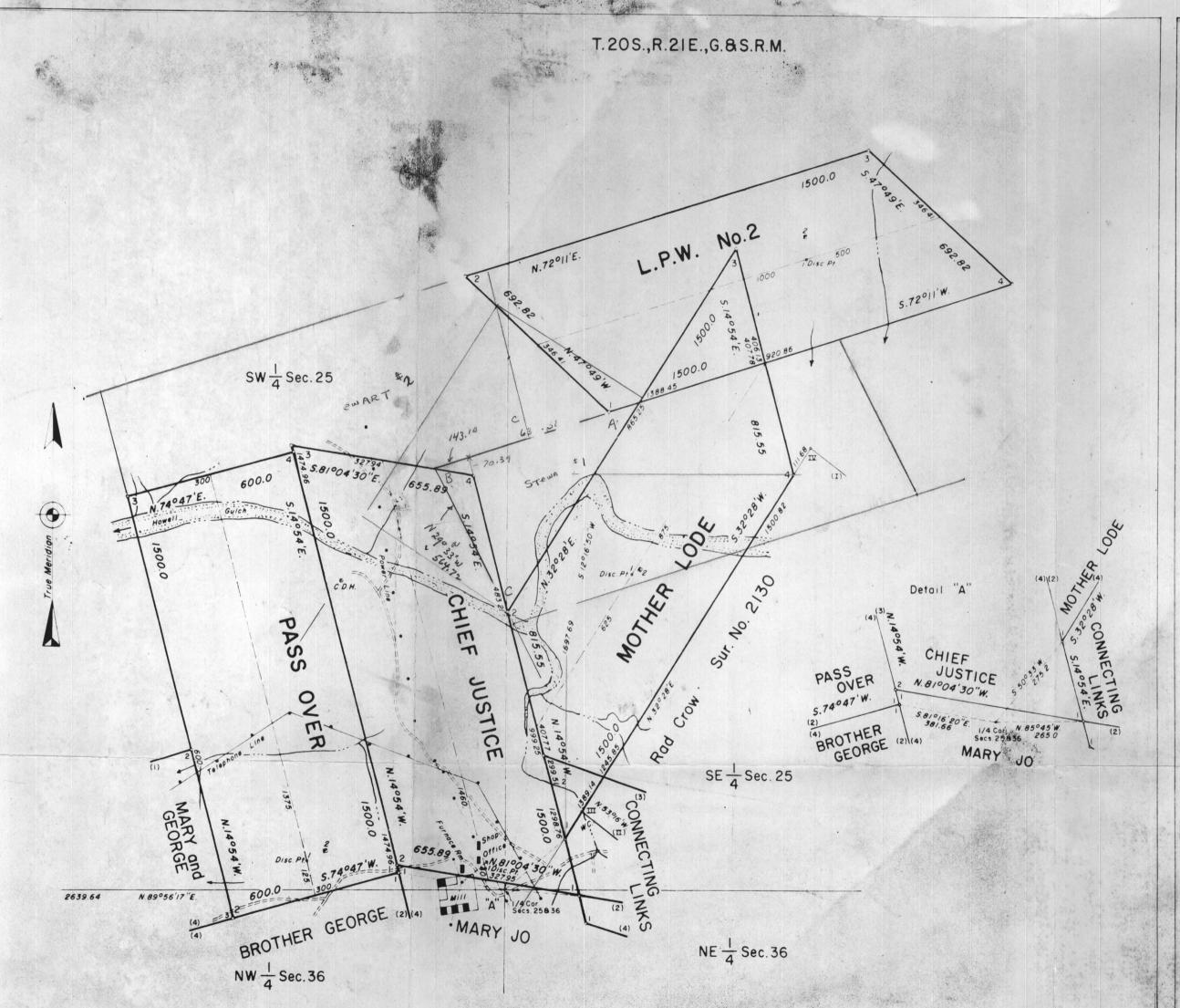
UNITED STATES DEPARTMENT OF THE INTEKIOR BURGAU OF LAND MANAGEMENT Washington, D.C. July 30, 1963

This plat, showing amended lottings, is based upon the official records, and having been correctly prepared in accordance with the regulations, is hereby accepted.

For the Direct

8-4:30 OLD SHARTS & CHANGE A. P.S. Tod. Protrip LAB in Tucson Chrisin Analysis for Silver Cupper. of God Bre in pts/1,001 sis/pomple Bis Place A # of Domples in This area Poglssy Pl Just u. of Francy are com who US \$5 Lucy St. Charles Charles Charles Charles Share Assmo Jon thon Ohip 16 5 med blue stand also in they sens Jolen this surplus & show posit. Cell MilmMusin Chanican ANDYSis write a report of map showing unot has been deve have parples ANALIZ & ATTACH ROUT writh by me - goo. Traine





# MINERAL SURVEY No. 4599 ARIZONA

CHARLESTON MINES

KNOWN AS THE

BROTHER GEORGE, CHIEF JUSTICE, CONNECTING LINKS, FATHER LODE, L.P.W. No.2, MARY and GEORGE, MARY JO, MOTHER LODE, PASS OVER, RARE METALS, SWEET-HEART & WOOLERY

COMPRISING 12 LODES

SITUATE IN

Secs. 25 & 36,T.20S.,R.21E.,G.&S.R.M.
COCHISE COUNTY
Tombstone Mining District
Arizona Land District
Lat. 31°39′30″N.,Long. 110°09′30″W., at Cor. No.1,
Brother George

Feet

Magnetic Declination, 13°00'E.

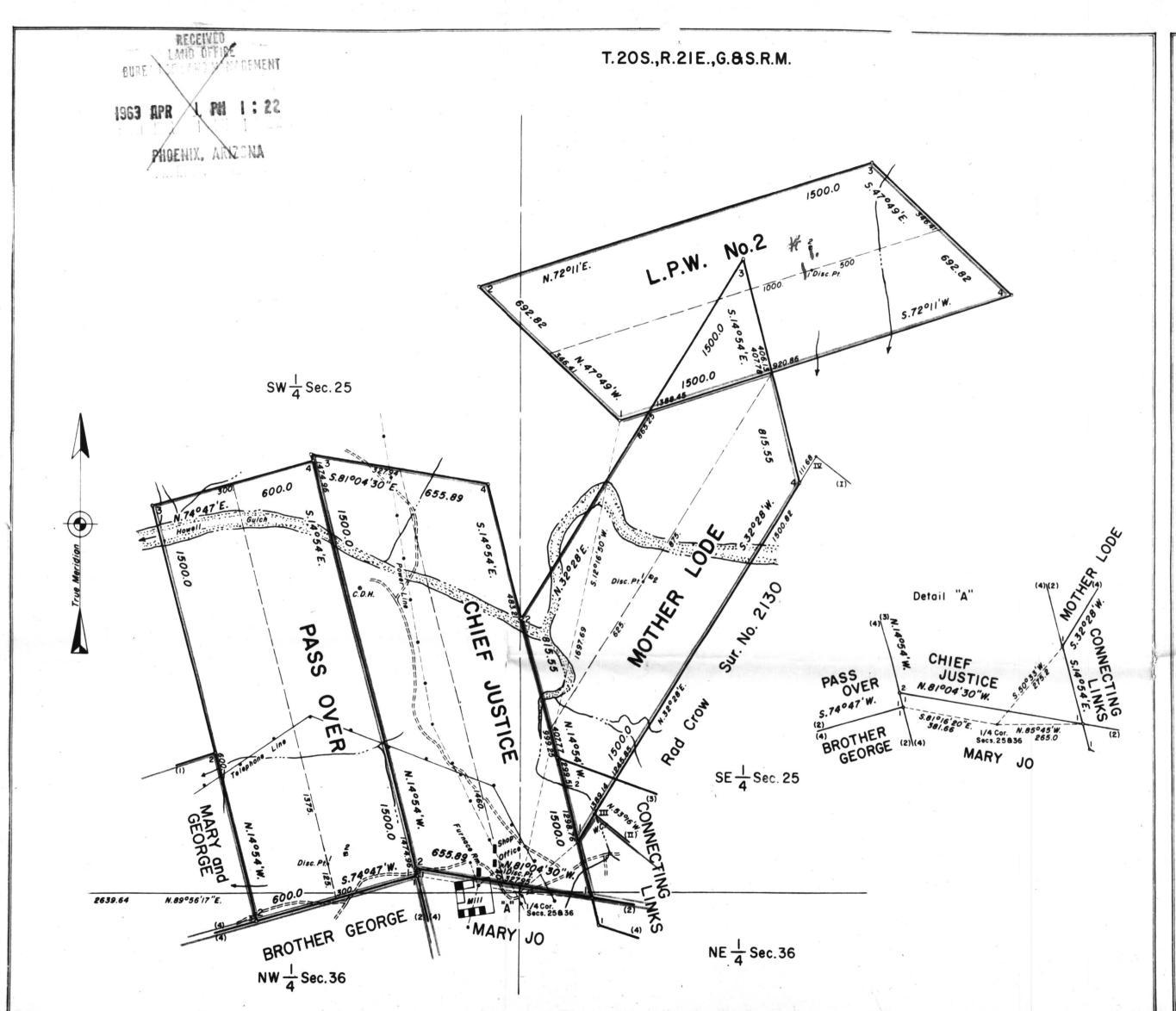
Surveyed Oct. 12 to Dec. 8,1962 By Robert Lenon, Mineral Surveyor

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

Phoenix, Arizona, March 5,1963

I hereby certify that this plat of Mineral Survey
No. 4599, Arizona, is strictly conformable to the field notes
of said survey which have been examined and approved.

I red Weiler State Director



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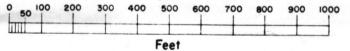
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WECT.

W ECX.

19. W end ct.

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10. 5 Ect.

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w end cet. 13.

wend ant. 14.

Wend cent 15.

Wend cert. 16.

M. Nenect.

18. W end et

Possible LPW#2

21. Wendet.

