



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

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

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Volume 7, Book 35

Tombstone  
Mining District

Cochise County  
Arizona

Zebra Prospect

AZ State Land  
Prospecting Permits  
(1981, 1987-1993)

Copy 1 of 2

0117



0117

1981

ENERGY RESERVES GROUP  
Minerals Exploration Department  
PROJECT DATA

Date Submitted AUG, 5, 1981

Location Sec. 27, 28, 29, 33 & 34, T20S, R23E  
Cochise County, Arizona

Latest Update \_\_\_\_\_

Project ZEBRA

Commodity Gold/Silver

Exploration AFE # Pending

Acquisition AFE# Pending

Current AFE or Budget \$ 11,000\* Exp. AFE \$ 6,000\* Acq. AFE \$ 5,000\*\*

Current Expenditures \$ 2,125 Expl. \$ 2,000 Acq. \$ 125

Previous Proj. Expenditures \$ -0- Expl. \$ -0- Acq. \$ -0-

Total Project Costs \$ \_\_\_\_\_ Expl. \$ \_\_\_\_\_ Acq. \$ \_\_\_\_\_

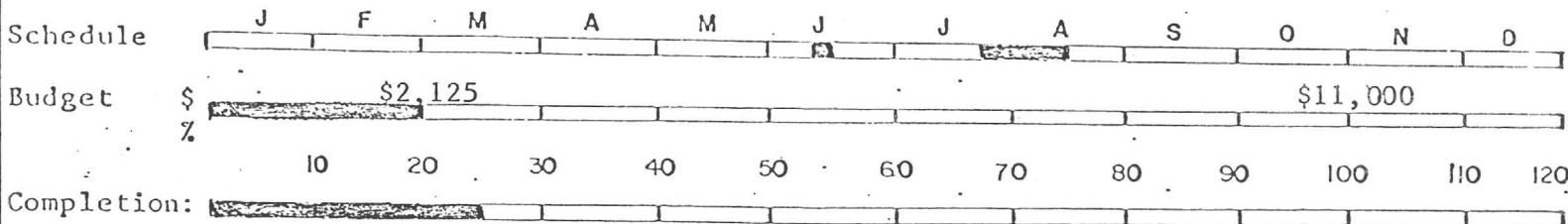
Acreage: Fee/State Net MAX 2,355 Gross MAX 2,355 Claims -0-

Annual Rentals: 1st Year \$ \*\*\* -0- 2nd Year \$ -0- 3rd Year \$ -0-

Work Commitments: 1st Year \$ MAX 23,550 2nd Year \$ MAX 23,550 3rd Year \$ MAX 47,100

Assessment: Claims X \$100 = \$ \_\_\_\_\_ per year Due Date \_\_\_\_\_

Project Description: These funds will be used for geological salaries, expenses, assays, filing fees and advance rentals on the Zebra Prospect. Anomalous to ore grade gold has been discovered within jasperoids developed within altered Paleozoic limestones and shales.



Comments: \* Pending  
 \*\* Some or all of these funds will be spent pending results of the state of Arizona's drawing for successful applicant.  
 \*\*\* The first two years of rental payments (\$1/acre) are paid in advance when the permit is granted. These funds are covered in the acquisition AFE.

Submitted by: [Signature] Approved \_\_\_\_\_ Expl. Mgr.

Approved by: [Signature] Dist. Geologist 000001



R 23 E



T 20 S



Energy Reserves Group

SOUTHWEST DISTRICT OFFICE

ZEBRA PROSPECT

SCALE:

BY: SELKE

DATE: 8/5/81

000003

1987



EVAN MECHAM  
GOVERNOR

Arizona  
State Land Department

1624 WEST ADAMS  
PHOENIX, ARIZONA 85007



OFFICE OF  
STATE LAND COMMISSIONER

September 9, 1987

Mr. Lee Halterman  
Minsearch, Inc.  
11930 Menaul NE; Suite 112  
Albuquerque, NM 87112

Re: Renewal of Prospecting Permit #08-90382  
T20S, R23E, Section 28

Dear Mr. Halterman:

With regard to your proposed Plan of Operation for the referenced permit, I have reviewed your file and determined that a field inspection is necessary prior to granting approval for the work to proceed.

If you have any questions, please contact me at the above letterhead address, or by phone at (602) 255-4628.

*542-4628*

Sincerely,

*Dale M. Fournier - Brian Kenny*  
*Nat Resource Manager*  
*State Land Dept*  
*1616 West Adams*  
*Phoenix*  
*85007*

Dale M. Fournier  
Natural Resource Manager  
Nonrenewable Resources & Mineral Section

DMF:rs

cc:File

000004

1988  
8861

Starting Dates for General Permits - Oct. 1987 to Present:

The Amerind Foundation, Inc. 87-49  
 Attn: Dr. Anne Woosley, Dir.  
 P.O. Box 248 10/9/87  
 Dragoon, AZ 85609  
 (602) 586-3666

University of Nevada 87-51  
 Attn: Dr. Kevin Rafferty  
 Div. of Anthro Studies 10/23/87  
 Environmental Research Ctr.  
 4505 S. Maryland Parkway  
 Las Vegas, NV 89154  
 (702) 739-3743

X Cultural & Environmental Systems, Inc. 87-52  
 Attn: Laurie V. Slawson  
 P.O. Box 2324 11/10/87  
 Tucson, AZ 85702-2324  
 (602) 622-2782

Deborah Hendorf Johnson (Individual) 87-53  
 10211 S. 43rd Place 11/18/87  
 Phoenix, AZ 85044  
 (602) 893-0334

Gutierrez-Palmenberg, Inc. 87-54  
 Attn: James M. Smithwick  
 2958 W. Clarendon Ave. 12/1/87  
 Phoenix, AZ 85017  
 (602) 234-0696

=====

\$ 8.50/hr  
 gas + exp

Arizona State Museum (CRMD) 88-1  
 Attn: Ms. Lynn S. Teague  
 University of Arizona  
 Tucson, AZ 85721  
 (602) 621-4795

\*Dr. John Olsen  
 Dr. Michael Shiffer  
 U. of A  
 602-621-2585

1/1/88  
 Paul  
 621-6296  
 364-8458

Museum of Northern Arizona 88-2  
 Attn: Daniel Howard  
 Rt. 4, Box 720  
 Flagstaff, AZ 86001  
 (602) 774-5211  
 1/1/88

Dames & Moore (WIRTH Environmental) 88-5  
 Attn: A.E. (Gene) Rogge  
 7500 N. Dreamy Draw Dr., #145  
 Phoenix, AZ 85020  
 (602) 371-1110  
 1/5/88

Paul Horkman 602-702-  
 Central  
 Douglas AZ  
 State Museum - info

000005



Soil Systems, Inc. 88-6  
 Attn: Cory Dale Breternitz, Pres. 1/26/88  
 1029 North 1st St.  
 Phoenix, AZ 85004  
 (602) 253-4938

X Institute for American Research 88-7  
 Attn: William H. Doelle, Director 1/22/88  
 245 S. Plumer - Suite 14  
 Tucson, AZ 85719  
 (602) 622-6663

Plateau Mountain Desert Research 88-10  
 Attn: Dr. Donald E. Weaver, Jr. 2/2/88  
 P.O. Box 3463  
 Flagstaff, AZ 86003  
 (602) 779-3274

Bureau of Reclamation, AZ Projects 88-11  
 Attn: Thomas R. Lincoln 2/5/88  
 P.O. Box 9980  
 Phoenix, AZ 85068  
 (602) 870-6762

Archaeological Consulting Services 88-12  
 Attn: Dr. Richard W. Effland, Jr., Pres. 2/5/88  
 4216 S. 36th Place  
 Phoenix, AZ 85040  
 (602) 838-0665

\* 6-8 X Anthropological Resource Center *Diane Langsten* 88-13  
 Attn: John E. Douglas, Instructor 2/8/88  
 Cochise College  
 Douglas, AZ 85607  
 (602) 364-7943

Dept. of Geology 88-14  
 Attn: Dr. Michael Morales, Curator 2/11/88  
 Museum of Northern Arizona  
 Rt. 4, Box 720  
 Flagstaff, AZ 86001  
 (602) 774-5211

Arizona Western College 88-15  
 Attn: John Dewey, Prof. Anthropology 2/29/88  
 P.O. Box 929  
 Yuma, AZ 85364  
 (602) 726-1000, EX 676

000006

John R. Dewey, M.A. Prof. of Anthropology 2027 Magnolia Ave. Yuma, AZ 85364 (602) 783-2021	88-16 2/29/88
X SWCA, Inc. Attn: Steven Carothers, Pres. 5620 N. Kolb, #100 Tucson, AZ 85715 (602) 577-8400	88-17 3/4/88
RECON Attn: Dr. Susan M. Hector, Director, Cultural Resources 1276 Morena Blvd. San Diego, CA 92110 (619) 275-3732	88-18 1/5/88
Carolyn K. Dennis (Individual) P.O. Box 2400 Camp Verde, AZ 86322 (602) 567-2121	88-19 3/8/88
BRW, Inc. Attn: G. Joseph Hudak 2700 N. Central Ave., Suite 1000 Phoenix, AZ 85004 (602) .....	88-20 3/18/88
Northern Ariz. Archaeological Services Attn: Anne R. Baldwin/J. Bremer 2902 N. Schevene Blvd. Flagstaff, AZ 86004 (602) 526-5379	88-21 3/24/88
J.F. Sato and Associates, Inc. Attn: William Killam/Ben Phillips 1667 Cole Blvd., Suite 285 Golden, CO 80401 (303) 231-7416	88-22 3/24/88
Southwestern Environmental Consultants, Inc. Attn: W. Noel Logan P.O. Box 1471 Sedona, AZ 86336 (602) 282-7787 or 634-8568	88-23 4/6/88
Archaeological Research, Inc. Attn: James A. Neely, Ph.D. P.O. Box 50258 Austin, TX 78763 (512) 471-4206	88-24 4/7/88

000007

Bureau of Land Management - Safford Attn: Darrell Sanders 425 E. 4th St. Safford, AZ 85546 (602) 428-4040	88-25 4/21/88
SHPO, Arizona State Parks Attn: Shereen Lerner, Ph.D. 800 W. Washington, Suite 415 Phoenix, AZ 85007 (602) 255-4009	88-26 4/27/88
Pima College Archaeology Center Attn: David V.M. Stephen 2202 W. Anklam Rd. Tucson, AZ 85709 (602) 884-6022	88-30 5/6/88
Linda M. Gregonis (Individual) 3426 E. Glenn, #7 Tucson, AZ 85716 (602) 323-9338	88-31 5/17/88
Arizona State University Attn: Glenn E. Rice OCRM, Anthropology Tempe, AZ 85287 602) 965-7174	88-32 6/1/88
Archaeological & Historical Research Attn: John P. Wilson 1109 Skyway Las Cruces, NM 88001 (505) 523-7761	88-34 7/17/88
Northland Research, Inc. Attn: William S. Marmaduke, Ph.D. P.O. Box 1401 Flagstaff, AZ 86002 (602) 774-5057	88-37 7/25/88
USDA Forest Service - Coronado Attn: Dr. Patricia Spoerl 300 W. Congress Tucson, AZ 85701 (602) 629-6416	88-38 8/12/88
Abajo Archaeology Attn: William E. Davis, Director P.O. Box 100 Bluff, UT 84512 (801) 672-2272	88-40 8/24/88

000008

Starting Dates for General Permits - 1-year period to present

5

Statistical Research Attn: Dr. Jeff Altschul, Pres. P.O. Box 31865 Tucson, AZ 85751	88-41 9/19/88
Con and Dawn Bergland P.O. Box 173 Bouse. AZ 85325	88-44 10/4/88
P.A.S.T. Attn: David V.M. Stephen 5036 Golder Ranch Rd. Tucson, AZ 85737 (602) 882-0297	88-45 10/5/88
Cultural & Environmental Systems, Inc. Attn: Laurie V. Slawson P.O. Box 2324 Tucson, AZ 85702-2324 (602) 622-2782	88-47 11/14/88
Gutierrez-Palmenberg, Inc. Attn: Mr. Roger E. Palmenberg 2922 W. Clarendon Ave. Phoenix, AZ 85017 (602) 234-0696	88-48 11/14/88
Arizona State Land Dept. Attn: Robert Larkin/Brian Kenny Nonrenewable Resources 1624 W. Adams Phoenix, AZ 85007 (602)542-4628	88-49 11/14/88

000009

ARIZONA STATE MUSEUM -- ARIZONA ANTIQUITIES ACT PERMIT LIST -- 1989

Inclusion on this list in no way implies any endorsement or approval of the work of any organization by the Arizona State Museum. Any organization that is not listed will be added upon application for and issuance of a permit. Address correspondence to: Kenneth L. Kvamme, Associate Curator of Archaeology, Arizona State Museum, University of Arizona, Tucson, AZ 85721.

Contracting Services Presently Holding a Permit for 1989

Ms. Lynn S. Teague, Head CRMD - Arizona State Museum University of Arizona Tucson, AZ 85721	89-1   (602)621-4794
Dr. Lyle M. Stone, Director Archaeological Research Services, Inc. 2124 S. Mill Avenue Tempe, AZ 85282	89-2   (602)966-3508
James M. Bayman, Arch. Spec. I Arizona State Museum University of Arizona Tucson, AZ 85721	89-3 - *PROJ-SPEC*   (602)621-4011
Dr. Donald E. Weaver, Jr. Plateau Mountain Desert Research P.O. Box 3463 Flagstaff, AZ 86003	89-4 - *PROJ-SPEC*   (602)779-3274
James B. Rodgers Scientific Archeological Svcs. 2542 W. Monterey Way Phoenix, AZ 85017	89-5   (602)257-8398

Mailed  
12/26/88  
Contract

Plan of Operation

The following information must be submitted to, and approved by the Department prior to initiating exploration or mining activities on State land. The plan is approved for a period of one year beginning on the date approved. Any change in the below described operations must first be approved by the Department.

Plan evaluation and approval may require 30 days.

PROSPECTING PERMIT OR MINERAL LEASE NUMBER(S) AzPP #95857, 95856, and 95362

NAME IN WHICH ISSUED Tempo Resources Inc./Ltd

NAME OF OPERATOR MinSearch, Inc. TELEPHONE (505) 298-8235

ADDRESS OF OPERATOR 11930 Menaul NE, Suite 112, Albuquerque, NM 87112

NAME OF FIELD REPRESENTATIVE Mary Barraco or Lee Halterman  
(If different than operator include address and telephone)

1) LAND DESCRIPTION AND MAP

Attach as Exhibit A to this Plan a topographic map of the referenced property.

County Cochise Township 20 South Range 23 East Section(s) 28 and 34

2) PERIOD OF OPERATION

The operation is proposed to begin on Oct. 15/88 and end on Jan 31/89.  
If operations are proposed to exceed one year, an addendum to this plan must be filed prior to the plan expiration date.

3) ACCESS

Show on Exhibit A existing and proposed routes. Describe in detail the extent of all improved or newly constructed access. Note any locked gates.

Please see Exhibit A. Note new roads are colored red existing ones blue  
Note the proposed road in Section 28 has been flagged in, also some work  
to fill-in wash outs on the existing roads are necessary

4) VEHICLES AND EQUIPMENT

List by type and size all vehicles and equipment which will be used in connection with the operation. Include the capacity of concentrators for placer operations.

One 1500 capacity drilling unit, one water truck, one pickup truck and  
one Bronco 4X4

5) SCOPE AND TYPE OF OPERATION

Describe the type and extent of the operation to be performed. Include the estimated area of disturbance and provide detailed information for any earth moving or site clearance operations. For placer type exploration include the amount of material to be processed from each test site, and the dimension of test sites.

Estimated area of disturbance: New Roads apx. 1.3 acres, Drill Sites apx. .5 acres

It is anticipated that very little cutting with the blade will be necessary  
mostly just clearing or running over the brush will be necessary

Tempo Resources anticipates drilling up to eleven drill holes not to exceed  
400 feet with an average depth of less than 200 feet

000011

6) AFFECTED LAND

Indicate to the nearest 300 feet the location of all proposed prospecting sites (Exhibit A). If necessary complete Exhibit B or provide coordinate description (topographic grid or distance from section corner). For placer type exploration include the location of concentrators.

Coordinate description: Submit as an attachment.

7) DRILLING

For all drilling operations indicate the type of drilling operation, drilling medium (air, water e.g.), hole diameter, and proposed total depth. Air/Water with the three deepest hole possibly t.d. with mud, 5 1/4" hole

is anticipated

* Hole I.D.	Total Depth	Hole I.D.	Total Depth	Hole I.D.	Total Depth
88-1	150 feet	88-7	300 feet		
88-2	200 feet	88-8	100 feet		
88-3	100 feet	88-9	100 feet		
88-4	100 feet	88-10	400 feet		
88-5	100 feet	88-11	400 feet		
88-6	100 feet				

If drilling is anticipated indicate the method of plugging and abandonment. Indicate the marsh funnel viscosity if applicable.

Cutting will be shoveled back into the hole and a three foot cement plug will be placed at the surface

8) WATER USE

If the use of water is required, describe the location and quantity to be used.

9) RECLAMATION

Describe actions taken to minimize environmental impacts and state plans for reclamation of disturbed areas. If applicable include measures for erosion control, recontouring, seed bed preparation, method of seeding, seed species, etc. Unless otherwise approved reclamation is to be completed within the approved plan period of one year.

All locations will be leveled, water bars will be placed where appropriate. However, the majority of the road construction is on level ground so little erosion problems is anticipated. Roads and drill sites will be reseeded with species and in an amount recommended by the state.

10) ANTIQUITIES AND NATIVE PLANTS

If required, the applicant agrees to obtain archaeological clearance prior to the following surface disturbance:

- A. Prospecting Permit: All land surface affected by exploration activities including access roads.
- B. Mineral Lease: All acreage under application. The applicant will be directly contacted by the Arizona State Museum.

Archaeological clearance must be obtained through the Arizona State Museum.

\* Hole I.D. - Identification number

10) ANTIQUITIES AND NATIVE PLANTS (cont.)

If the destruction or removal of protected plants is necessary to enjoy the privileges of a permit or lease, the applicant agrees to obtain written permission from the Arizona Commission of Agriculture and Horticulture. The applicant also agrees to purchase said plants from the Arizona State Land Department. Native plants are as described under the Arizona Native Plant Law.

APPLICANT: \_\_\_\_\_  
Signature and Date

Applicant must be the permit holder or duly authorized representative.

Following the Department's evaluation of this plan, two copies will be sent to the applicant noting any conditions which may be required by the Department. The applicant shall sign and return one copy which will attach to, and become a part of, the permit or lease.

CONDITIONS OF APPROVAL: \_\_\_\_\_  
\_\_\_\_\_

Applicant agrees to abide by the methods and extent of the operations described herein. Applicant also agrees to abide by the above listed CONDITIONS OF APPROVAL.

APPLICANT: \_\_\_\_\_  
Signature and Date

FOR DEPARTMENT USE ONLY

PLAN NUMBER \_\_\_\_\_

BOND AMOUNT \_\_\_\_\_

APPROVED FOR THE PERIOD: BEGINNING \_\_\_\_\_ EXPIRING \_\_\_\_\_

APPROVED BY: \_\_\_\_\_

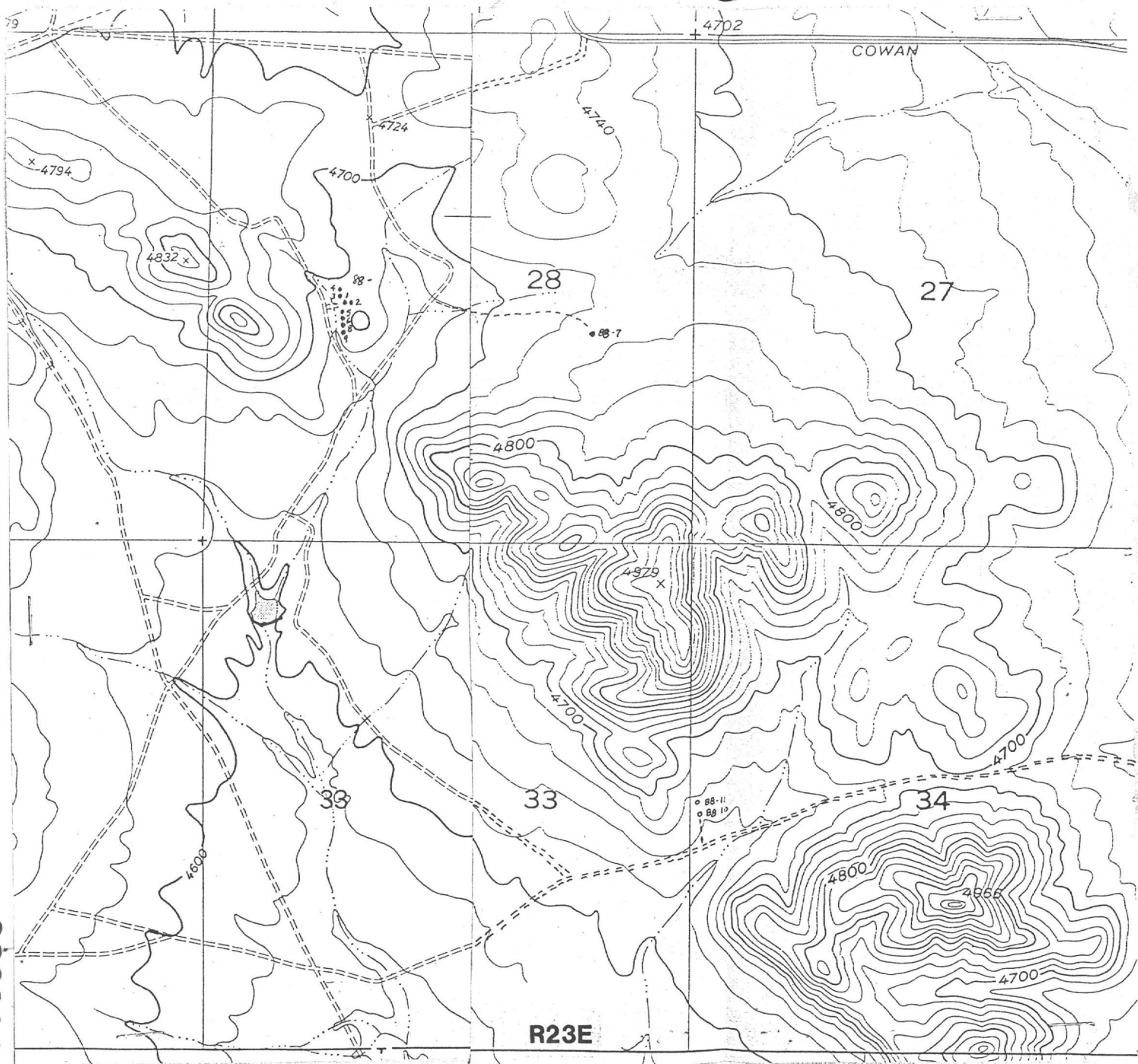
REASONS FOR DENIAL: \_\_\_\_\_

DATE OF PERMIT OR LEASE ISSUE: \_\_\_\_\_

DATE LAST PLAN SUBMITTED: \_\_\_\_\_ PLAN NUMBER \_\_\_\_\_

REMARKS: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_





**TEMPO RESOURCES**  
**ZEBRA PROSPECT**

Cochise County, Arizona

Scale 1"=1000'

**T20S**

- Existing Road
- - - New Road
- Drill Site

000014

**R23E**

110° 00'

AZ PP 95899

AZ PP 95926

AZ PP 95855

29

28

27

AZ PP 95857

AZ PP 95899

AZ PP 95856

AZ PP 95925

AZ PP 95854

T20S

32

AZ PP 95898

33

34

AZ PP 95362

31° 39'

31° 39'

R23E

TEMPO RESOURCES LTD.

ZEBRA PROSPECT

LAND STATUS

FIGURE 2

110° 00'



0 2000



FEET

000015

FILING FEE \$10.00

Section 45-596, Arizona Revised Statutes and Rule R12-15-817 provide: Prior to drilling one or more exploration wells, the well owner, lessee or exploration firm shall file a Notice of Intention to Drill on a form provided by the Department.

WELL/LAND LOCATION

1. Township 20 S N/S  
Range 23 E E/W  
Section 28

7. Number of wells 9  
(See Condition 3 on reverse)

11. Drilling firm:

In the case of a single well,  
list 10-acre subdivision

1/4, 1/4, 1/4

2. County Cochise

8. Owner of land:  
Arizona State Land Dept.  
Name

1616 West Adams

Address

Phoenix, Arizona 85007

City State Zip

Drilling Services  
Name

12030 E. Riggs Rd.  
Address

Chandler, Az. 85249

City State Zip

3. Applicant:

Tempo, Inc.

Name

11930 Menaul Blvd. NE #112

Address

Albuquerque, NM 87112

City State Zip

9. DESCRIPTION OF WELL:

Diameter 5.25 inches

Depth see back feet

Type of casing surface  
(If none, so state)

12. Period well will remain  
in use 1 months.

13. Proposed method of  
abandonment of well(s)  
after project is  
completed:

4. Mary Barraco

NAME OF CONTACT PERSON

Phone 505-298-8235

10. Construction will start:

1 4 88  
Month Day Year

52  
DWR License Number

5. Owner of well:

Tempo, Inc.

Name

same as above

Address

City State Zip

6. Purpose of well(s) drilled  
pursuant to this Notice:

Mineral Exploration X

Geotechnical     

Cathodic Protection     

Grounding     

DO NOT WRITE IN THIS SPACE  
OFFICE RECORD

File No. \_\_\_\_\_

Filed \_\_\_\_\_ By \_\_\_\_\_

Input \_\_\_\_\_ By \_\_\_\_\_

Duplicate \_\_\_\_\_

Mailed \_\_\_\_\_ By \_\_\_\_\_

Registration \_\_\_\_\_

AMA/INA \_\_\_\_\_

W/S \_\_\_\_\_ S/B \_\_\_\_\_

In accordance with  
DWR rules R-12-15-811

and R-12-15-816

AW R12-15-816

14. Is the proposed wellsite within 100 feet of a septic tank system, sewage disposal area, landfill, hazardous waste facility or storage area of hazardous materials? Yes      No X  
If yes, a request for a variance must accompany this application pursuant to R12-15-820.

GENERAL INSTRUCTIONS

- Fill out this form in duplicate and mail to Department of Water Resources, 15 South 15th Ave. Phoenix, Arizona 85007
- Proper filing fee of \$10.00 must accompany Notice.

I state that this Notice is filed in compliance with Rule R12-15-809 and is complete and correct to the best of my knowledge and belief and that I understand the conditions set forth on the reverse side of this form.

000016

DATE December 20, 1988

FILING FEE \$10.00

NOTICE OF INTENTION TO DRILL EXPLORATION WELL(S)

Section 45-596, Arizona Revised Statutes and Rule R12-15-817 provide: Prior to drilling one or more exploration wells, the well owner, lessee or exploration firm shall file a Notice of Intention to Drill on a form provided by the Department.

WELL/LAND LOCATION

1. Township 20 S N/S Range 23 E E/W Section 34

7. Number of wells 2 (See Condition 3 on reverse)

11. Drilling firm:

In the case of a single well, list 10-acre subdivision

1/4, 1/4, 1/4

8. Owner of land: Arizona State Land Dept. Name 1616 West Adams Address

Drilling Services Name

12030 E. Riggs Rd. Address

2. County Cochise

Phoenix, Arizona 85007

Chandler, Az. 85249

3. Applicant: Tempo, Inc. Name

9. DESCRIPTION OF WELL:

52 DWR License Number

11930 Menaul Blvd. NE #112

Diameter 5.25 inches

12. Period well will remain in use 1 months.

Address

Depth see back feet

Albuquerque, NM 87112

Type of casing surface (If none, so state)

13. Proposed method of abandonment of well(s) after project is completed:

City State Zip

4. Mary Barraco NAME OF CONTACT PERSON

10. Construction will start: 1 4 88 Month Day Year

In accordance with

5. Owner of well: Tempo, Inc. Name

DWR rules R-12-15-811

same as above

and R-12-15-816

Address

City State Zip

DO NOT WRITE IN THIS SPACE OFFICE RECORD File No. Filed By Input By Duplicate Mailed By Registration AMA/INA W/S S/B

6. Purpose of well(s) drilled pursuant to this Notice:

- Mineral Exploration X Geotechnical Cathodic Protection Grounding

14. Is the proposed wellsite within 100 feet of a septic tank system, sewage disposal area, landfill, hazardous waste facility or storage area of hazardous materials? Yes No

If yes, a request for a variance must accompany this application pursuant to R12-15-820.

GENERAL INSTRUCTIONS

- 1. Fill out this form in duplicate and mail to Department of Water Resources, 15 South 15th Ave. Phoenix, Arizona 85007 2. Proper filing fee of \$10.00 must accompany Notice.

I state that this Notice is filed in compliance with Rule R12-15-809 and is complete and correct to the best of my knowledge and belief and that I understand the conditions set forth on the reverse side of this form.

000017

DATE December 20, 1988

Signature of Applicant

Section 45-596, Arizona Revised Statutes and Rule R12-15-817 provide: Prior to drilling one or more exploration wells, the well owner, lessee or exploration firm shall file a Notice of Intention to Drill on a form provided by the Department.

WELL/LAND LOCATION

1. Township 20 S N/S  
Range 23 E E/W  
Section 34

In the case of a single well,  
list 10-acre subdivision

1/4, 1/4, 1/4  
2. County Cochise

3. Applicant:  
Tempo, Inc.  
Name

11930 Menaul Blvd. NE #112  
Address  
Albuquerque, NM 87112  
City State Zip

4. Mary Barraco  
NAME OF CONTACT PERSON  
Phone 505-298-8235

5. Owner of well:  
Tempo, Inc.  
Name  
same as above  
Address  
City State Zip

6. Purpose of well(s) drilled pursuant to this Notice:  
Mineral Exploration X  
Geotechnical \_\_\_\_\_  
Cathodic Protection \_\_\_\_\_  
Grounding \_\_\_\_\_

7. Number of wells 2  
(See Condition 3 on reverse)

8. Owner of land:  
Arizona State Land Dept.  
Name  
1616 West Adams  
Address  
Phoenix, Arizona 85007  
City State Zip

9. DESCRIPTION OF WELL:  
Diameter 5.25 inches  
Depth see back feet  
Type of casing surface  
(If none, so state)

10. Construction will start:  
1 4 88  
Month Day Year

11. Drilling firm:

Drilling Services  
Name  
12030 E. Riags Rd.  
Address  
Chandler, Az. 85249  
City State Zip  
52  
DWR License Number

12. Period well will remain in use 1 months.

13. Proposed method of abandonment of well(s) after project is completed:

In accordance with  
DWR rules R-12-15-811  
and R-12-15-816

DO NOT WRITE IN THIS SPACE  
OFFICE RECORD  
File No. \_\_\_\_\_  
Filed \_\_\_\_\_ By \_\_\_\_\_  
Input \_\_\_\_\_ By \_\_\_\_\_  
Duplicate  
Mailed \_\_\_\_\_ By \_\_\_\_\_  
Registration \_\_\_\_\_  
AMA/INA \_\_\_\_\_  
W/S \_\_\_\_\_ S/B \_\_\_\_\_

14. Is the proposed wellsite within 100 feet of a septic tank system, sewage disposal area, landfill, hazardous waste facility or storage area of hazardous materials? Yes \_\_\_ No X  
If yes, a request for a variance must accompany this application pursuant to R12-15-820.

GENERAL INSTRUCTIONS

- 1. Fill out this form in duplicate and mail to Department of Water Resources, 15 South 15th Ave. Phoenix, Arizona 85007
- 2. Proper filing fee of \$10.00 must accompany Notice.

I state that this Notice is filed in compliance with Rule R12-15-809 and is complete and correct to the best of my knowledge and belief and that I understand the conditions set forth on the reverse side of this form.

DATE December 20, 1988

Signature of Applicant

000018

CONDITIONS

1. Construction and abandonment standards for all wells shall be in accordance with DWR Rules R12-15-811 and R12-15-816.
  2. Drilling of the well(s) shall be completed within one (1) year after the date of Notice.
  3. Mineral exploration, geotechnical, cathodic protection or grounding holes of 100 feet of depth or less do not apply to these provisions and do not require filing. However, if water is encountered during the drilling of these wells, then the well(s) must be properly abandoned in accordance with Condition 1 above.
  4. More than one well may be drilled under a single notice for mineral exploration, geotechnical, cathodic protection and grounding purposes, so long as they are located within a single section.
  5. A Project Completion Report, DWR-55-42-10/83, for each hole is required within 30 days of completion of the project.
  6. Pump equipment may not be installed on wells drilled for mineral exploration, geotechnical, cathodic protection or grounding purposes.
  7. Special construction standards required pursuant to R12-15-821: \_\_\_\_\_
- 
- 

Hole #	Proposed Depth in Feet
88-1	150
88-2	200
88-3	100
88-4	100
88-5	100
88-6	100
88-7	300
88-8	100
88-9	100

EXPLORATION WELL(S)

FILING FEE \$10.00

DEPARTMENT OF WATER RESOURCES  
NOTICE OF INTENTION TO DRILL  
EXPLORATION WELL(S)



Section 45-596, Arizona Revised Statutes and Rule R12-15-317 provide: Prior to drilling one or more exploration wells, the well owner, lessee or exploration firm shall file a Notice of Intention to Drill on a form provided by the Department.

WELL/LAND LOCATION

1. Township 20 S N/S  
Range 23 E E/W  
Section 28

7. Number of wells 9  
(See Condition 3 on reverse)

11. Drilling firm:

In the case of a single well, list 10-acre subdivision

1/4, 1/4, 1/4

2. County Cochise

3. Applicant:  
Tempo, Inc.

Name  
11930 Menaul Blvd. NE #112  
Address  
Albuquerque, NM 87112  
City State Zip

4. Mary Barraco  
NAME OF CONTACT PERSON  
Phone 505-298-8235

5. Owner of well:  
Tempo, Inc.  
Name  
same as above  
Address  
City State Zip

6. Purpose of well(s) drilled pursuant to this Notice:  
Mineral Exploration X  
Geotechnical \_\_\_\_\_  
Cathodic Protection \_\_\_\_\_  
Grounding \_\_\_\_\_

8. Owner of land:  
Arizona State Land Dept.  
Name  
1616 West Adams  
Address  
Phoenix, Arizona 85007  
City State Zip

9. DESCRIPTION OF WELL:  
Diameter 5.25 inches  
Depth see back feet  
Type of casing surface  
(If none, so state)

10. Construction will start:  
1 4 88  
Month Day Year

Drilling Services  
Name  
12030 E. Riggs Rd.  
Address  
Chandler, Az. 85249  
City State Zip

52  
DWR License Number  
12. Period well will remain in use 1 months.

13. Proposed method of abandonment of well(s) after project is completed:

In accordance with  
DWR rules R-12-15-311  
and R-12-15-316

DO NOT WRITE IN THIS SPACE  
OFFICE RECORD  
File No. D(20-23)28  
Filed 12-23-88 By sv  
Input \_\_\_\_\_ By \_\_\_\_\_  
Duplicate  
Mailed 1-5-88 By sv  
Registration 55-523203  
AMA/INA \_\_\_\_\_  
W/S 12 S/B \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
RLP

14. Is the proposed wellsite within 100 feet of a septic tank system, sewage disposal area, landfill, hazardous waste facility or storage area of hazardous materials? Yes No  
If yes, a request for a variance must accompany this application pursuant to R12-15-320.

GENERAL INSTRUCTIONS

- 1. Fill out this form in duplicate and mail to Department of Water Resources, 15 South 15th Ave. Phoenix, Arizona 85007
- 2. Proper filing fee of \$10.00 must accompany Notice.

I state that this Notice is filed in compliance with Rule R12-15-309 and is complete and correct to the best of my knowledge and belief and that I understand the conditions set forth on the reverse side of this form.

DATE December 20, 1988

Mary Barraco  
Signature of Applicant

000020



CONDITIONS

1. Construction and abandonment standards for all wells shall be in accordance with DWR Rules R12-15-811 and R12-15-816.
2. Drilling of the well(s) shall be completed within one (1) year after the date of Notice.
3. Mineral exploration, geotechnical, cathodic protection or grounding holes of 100 feet of depth or less do not apply to these provisions and do not require filing. However, if water is encountered during the drilling of these wells, then the well(s) must be properly abandoned in accordance with Condition 1 above.
4. More than one well may be drilled under a single notice for mineral exploration, geotechnical, cathodic protection and grounding purposes, so long as they are located within a single section.
5. A Project Completion Report, DWR-55-42-10/83, for each hole is required within 30 days of completion of the project.
6. Pump equipment may not be installed on wells drilled for mineral exploration, geotechnical, cathodic protection or grounding purposes.
7. Special construction standards required pursuant to R12-15-821: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Hole #	Proposed Depth in Feet
88-1	150
88-2	200
88-3	100
88-4	100
88-5	100
88-6	100
88-7	300
88-8	100
88-9	100



ARIZONA DEPARTMENT OF WATER RESOURCES  
Operations Division  
15 South 15th Avenue  
Phoenix, Arizona 85007

CHANGE OF WELL INFORMATION

Well Reg. No. \_\_\_\_\_

File (location) No. \_\_\_\_\_

I/We request the following well information be changed:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Date: \_\_\_\_\_, 19\_\_\_\_

\_\_\_\_\_  
Signature of current Well Owner

(DO NOT CUT THIS FORM IN HALF)

STATEMENT OF CHANGE OF WELL OWNERSHIP

I, \_\_\_\_\_, state that I am (no longer) the (new)  
(please print)  
owner of the well described below:

Township \_\_\_\_\_ Range \_\_\_\_\_ Section \_\_\_\_\_; \_\_\_\_\_  $\frac{1}{4}$  \_\_\_\_\_  $\frac{1}{4}$  \_\_\_\_\_  $\frac{1}{4}$

Well Registration No. \_\_\_\_\_ File (location) No. \_\_\_\_\_

\_\_\_\_\_  
Previous Owner

\_\_\_\_\_  
PRINT New Owner's Name

\_\_\_\_\_  
Address

\_\_\_\_\_  
Signature of New Owner

\_\_\_\_\_  
City State Zip

\_\_\_\_\_  
Address

\_\_\_\_\_  
DATED:

\_\_\_\_\_  
City State Zip

NOTE: A.R.S. §45-593.C. requires that the Department be notified of change of well ownership and that the well owner is required to keep the Department's Well Registration records current and accurate. Well data and ownership changes must be submitted within thirty (30) days after changes take place.

SAVE THIS FORM TO REPORT FUTURE CHANGES IN OWNERSHIP, CHANGES IN ADDRESS, OR CHANGE IN WELL DATA SUCH AS PUMP CAPACITY, CORRECTION OF LEGAL DESCRIPTION, CHANGE OF WELL DRILLER, PRIOR TO DRILLING THE WELL, IN ADDITION TO AMENDING INFORMATION PREVIOUSLY FILED.

\* \* \* \* \*

000022



ROSE MOFFORD  
GOVERNOR

Arizona  
State Land Department

1616 WEST ADAMS  
PHOENIX, ARIZONA 85007



M.J. HASSELL  
STATE LAND COMMISSIONER

December 30, 1988

Mary Borraco  
Tempo Resources, Inc.  
11930 Menaul NE - Suite 112  
Albuquerque, New Mexico 87112

RE: Plan of Operation - Prospecting Permits #08-95857, 08-95896 and 08-95362

Dear Mrs. Borraco:

Thank you for submitting a Plan of Operation for the permits referenced above. I examined the proposed drill locations on December 28, 1988. Drill sites #88-2 through 88-9 are situated on archaeological sites that are protected under federal and state law.

Potential impacts to the archaeological resource must be considered and mitigated before you will be allowed to conduct operations in your permit area. In this case, mitigation can be accomplished by your hiring of a professional cultural resource management consultant to monitor drillings and direct impacts away from the resources. You may hire anyone holding a valid research permit in the State of Arizona. An archaeologist should be present in the field during all drilling operations and should prepare a brief letter report to this office stating that work was performed in a satisfactory manner and that no cultural resources were impacted during operations.

Your consultant should contact this office prior to operations to obtain pertinent site information. I have enclosed a list of consultants to assist you in your selection.

Please contact me at (602) 542-4625 if you have any questions.

Sincerely,

Brian Kenny  
Natural Resource Manager  
Nonrenewable Resources & Minerals

BK/st

enclosure

000023

1989



ARIZONA DEPARTMENT OF WATER RESOURCES

99 E. Virginia Avenue, Phoenix, Arizona 85004



JANUARY 5, 1989

TEMPO, INC.  
11930 MENAUL BLVD. NE #112  
Albuquerque, NM 87112

Registration No. 55-523202 D(20-23)34  
File No. 55-523203 D(20-23)28

Dear Well Owner:

Enclosed for your records is an annotated copy of the Notice of Intention to Drill an exploration well which was recently filed with this Department. This is returned to you as evidence of compliance with A.R.S. §45-596. Your designated driller has been mailed separately a Well Drilling Card which he is required to have in his possession before commencing to drill the well.

Since this well is being drilled as a monitor well, or for cathodic protection, grounding, geotechnical or piezometer purposes, our standard driller report form is also being furnished to the driller which he is required to complete and return to the Department within 30 days after the completion of drilling. A Completion Report form is being furnished for monitor wells where pump equipment is authorized to be installed as part of this packet so that you may submit the report within 30 days after the installation of pumping equipment on a monitor well as required by A.R.S. §45-600.

This well is authorized to be drilled for mineral exploration purposes. Because of this, no pump equipment may be installed. A Project Completion Report is being furnished your designated driller for each hole to be drilled. Your driller is required to submit this Project Completion Report within 30 days after completion of drilling. You should insist that this is done.

For monitor, geotechnical, cathodic protection, grounding and piezometer wells, you should obtain the written permission of the Department of Water Resources before proceeding with the drilling in the event that you determine it necessary to change the location of the proposed well. A properly signed amended Drilling Card must be in the possession of the driller before drilling commences at a different location than originally authorized.

For your future use, a Change of Well Information form is enclosed should it become needed. Per A.R.S. §45-593, the person to whom a well is registered shall notify this Department of a change of ownership of the well and/or information pertaining to the physical characteristics of the well, including abandonment, in order to keep the well registration file current and accurate.

Sincerely,

*R.A. Gessner*  
R. A. Gessner

Chief, Operations Division

RAG:  
Enclosures  
DWR-55-8-8/84

000025

EXPLORATION WELL(S)

DEPARTMENT OF WATER RESOURCES (DWR)  
NOTICE OF INTENTION TO DRILL  
EXPLORATION WELL(S)

EXPLORATION WELL(S)

FILING FEE \$10.00



Section 45-596, Arizona Revised Statutes and Rule R12-15-317 provide: Prior to drilling one or more exploration wells, the well owner, lessee or exploration firm shall file a Notice of Intention to Drill on a form provided by the Department.

WELL/LAND LOCATION

1. Township 20 S N/S  
Range 23 E E/W  
Section 28

7. Number of wells 9  
(See Condition 3 on reverse)

11. Drilling firm:

In the case of a single well,  
list 10-acre subdivision

1/4, 1/4, 1/4

8. Owner of land:  
Arizona State Land Dept.  
Name

1616 West Adams  
Address

Phoenix, Arizona 85007  
City State Zip

Drilling Services  
Name

12030 E. Riggs Rd.  
Address

Chandler, Az. 85249  
City State Zip

2. County Cochise

3. Applicant:  
Tempo, Inc.  
Name

11930 Menaul Blvd. NE #112  
Address  
Albuquerque, NM 87112  
City State Zip

9. DESCRIPTION OF WELL:

Diameter 5.25 inches

Depth see back feet

Type of casing surface  
(If none, so state)

52  
DWR License Number

12. Period well will remain  
in use 1 months.

4. Mary Barraco  
NAME OF CONTACT PERSON  
Phone 505-298-8235

10. Construction will start:  
1 4 88  
Month Day Year

13. Proposed method of  
abandonment of well(s)  
after project is  
completed:

5. Owner of well:  
Tempo, Inc.  
Name

same as above  
Address  
City State Zip

In accordance with  
DWR rules R-12-15-311  
and R-12-15-316

6. Purpose of well(s) drilled  
pursuant to this Notice:

Mineral Exploration X  
Geotechnical \_\_\_\_\_  
Cathodic Protection \_\_\_\_\_  
Grounding \_\_\_\_\_

DO NOT WRITE IN THIS SPACE  
OFFICE RECORD  
File No. D(20-23)28  
Filed 12-23-88 By sv  
Input \_\_\_\_\_ By \_\_\_\_\_  
Duplicate  
Mailed 1-5-88 By sv  
Registration 55-523203  
AMA/INA \_\_\_\_\_  
W/S 12 S/B \_\_\_\_\_

RLF

14. Is the proposed wellsite within 100 feet of a septic tank system, sewage disposal area, landfill, hazardous waste facility or storage area of hazardous materials? Yes No  
If yes, a request for a variance must accompany this application pursuant to R12-15-320.

GENERAL INSTRUCTIONS

- 1. Fill out this form in duplicate and mail to Department of Water Resources, 15 South 15th Ave. Phoenix, Arizona 85007
- 2. Proper filing fee of \$10.00 must accompany Notice.

I state that this Notice is filed in compliance with Rule R12-15-809 and is complete and correct to the best of my knowledge and belief and that I understand the conditions set forth on the reverse side of this form.

DATE December 20, 1988

Mary Barraco  
Signature of Applicant

CONDITIONS

1. Construction and abandonment standards for all wells shall be in accordance with DWR Rules R12-15-811 and R12-15-816.
2. Drilling of the well(s) shall be completed within one (1) year after the date of Notice.
3. Mineral exploration, geotechnical, cathodic protection or grounding holes of 100 feet of depth or less do not apply to these provisions and do not require filing. However, if water is encountered during the drilling of these wells, then the well(s) must be properly abandoned in accordance with Condition 1 above.
4. More than one well may be drilled under a single notice for mineral exploration, geotechnical, cathodic protection and grounding purposes, so long as they are located within a single section.
5. A Project Completion Report, DWR-55-42-10/83, for each hole is required within 30 days of completion of the project.
6. Pump equipment may not be installed on wells drilled for mineral exploration, geotechnical, cathodic protection or grounding purposes.
7. Special construction standards required pursuant to R12-15-821: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Hole #	Proposed Depth in Feet
88-1	150
88-2	200
88-3	100
88-4	100
88-5	100
88-6	100
88-7	300
88-8	100
88-9	100



EXPLORATION WELL(S)

DEPARTMENT OF WATER RESOURCES (DWR)

EXPLORATION WELL(S)

FILING FEE \$10.00

NOTICE OF INTENTION TO DRILL  
EXPLORATION WELL(S)



Section 45-596, Arizona Revised Statutes and Rule R12-15-809 provide: Prior to drilling one or more exploration wells, the well owner, lessee or explorer shall file a Notice of Intention to Drill on a form provided by the Department.

WELL/LAND LOCATION

1. Township 20 S N/S  
Range 23 E E/W  
Section 34

7. Number of wells 2  
(See Condition 3 on reverse)

11. Drilling firm:

In the case of a single well,  
list 10-acre subdivision

1/2, 1/2, 1/2

2. County Cochise

3. Applicant:  
Tempo, Inc.  
Name

11930 Menaul Blvd. NE #112  
Address  
Albuquerque, NM 87112  
City State Zip

4. Mary Barraco  
NAME OF CONTACT PERSON  
Phone 505-298-8235

5. Owner of well:  
Tempo, Inc.  
Name  
same as above  
Address  
City State Zip

6. Purpose of well(s) drilled pursuant to this Notice:  
Mineral Exploration X  
Geotechnical \_\_\_\_\_  
Cathodic Protection \_\_\_\_\_  
Grounding \_\_\_\_\_

8. Owner of land:  
Arizona State Land Dept.  
Name  
1616 West Adams  
Address  
Phoenix, Arizona 85007  
City State Zip

9. DESCRIPTION OF WELL:  
Diameter 5.25 inches  
Depth see back feet  
Type of casing surface  
(If none, so state)

10. Construction will start:  
1 4 88  
Month Day Year

Drilling Services  
Name  
12030 E. Riggs Rd.  
Address  
Chandler, Az. 85249  
City State Zip  
52  
DWR License Number

12. Period well will remain in use 1 months.

13. Proposed method of abandonment of well(s) after project is completed:

In accordance with  
DWR rules R-12-15-811  
and R-12-15-816  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
RFH

DO NOT WRITE IN THIS SPACE  
OFFICE RECORD  
File No. D(20-23)34  
Filed 12-23-88 By SV  
Input \_\_\_\_\_ By \_\_\_\_\_  
Duplicate  
Mailed 1-5-89 By SV  
Registration 55-523202  
AMA/INA \_\_\_\_\_  
W/S \_\_\_\_\_ S/B \_\_\_\_\_

14. Is the proposed wellsite within 100 feet of a septic tank system, sewage disposal area, landfill, hazardous waste facility or storage area of hazardous materials? Yes No  
If yes, a request for a variance must accompany this application pursuant to R12-15-820.

GENERAL INSTRUCTIONS

- 1. Fill out this form in duplicate and mail to Department of Water Resources, 15 South 15th Ave. Phoenix, Arizona 85007
- 2. Proper filing fee of \$10.00 must accompany Notice.

I state that this Notice is filed in compliance with Rule R12-15-809 and is complete and correct to the best of my knowledge and belief and that I understand the conditions set forth on the reverse side of this form.

DATE December 20, 1988

Mary Barraco  
Signature of Applicant

000028



CONDITIONS

1. Construction and abandonment standards for all wells shall be in accordance with DWR Rules R12-15-811 and R12-15-816.
  2. Drilling of the well(s) shall be completed within one (1) year after the date of Notice.
  3. Mineral exploration, geotechnical, cathodic protection or grounding holes of 100 feet of depth or less do not apply to these provisions and do not require filing. However, if water is encountered during the drilling of these wells, then the well(s) must be properly abandoned in accordance with Condition 1 above.
  4. More than one well may be drilled under a single notice for mineral exploration, geotechnical, cathodic protection and grounding purposes, so long as they are located within a single section.
  5. A Project Completion Report, DWR-55-42-10/83, for each hole is required within 30 days of completion of the project.
  6. Pump equipment may not be installed on wells drilled for mineral exploration, geotechnical, cathodic protection or grounding purposes.
  7. Special construction standards required pursuant to R12-15-821: \_\_\_\_\_
- 
- 

Hole #	Proposed Depth in Feet
88-10	400
88-11	400

11900...  
 11900...  
 ALL...

STATE OF ARIZONA  
 DEPARTMENT OF WATER RESOURCES  
 WATER RIGHTS ADMINISTRATION  
 99 EAST VIRGINIA  
 PHOENIX, ARIZONA 85004

RECEIPT

KIND ENTRY	FILE REFERENCE NO.
55	523202
	THRU
55	523203

FROM: ...  
 ATT: ...

FUND SOURCE	ACCOUNT NO.			INT. ACCT.	ITEM DESCRIPTION	RATE	\$ AMOUNT
	AGENCY	CHAPTER	DIV.				
					...	10.00	...
					...		
					...		
					...		
					...		
					...		

PAID  
 JAN 5 1989  
 PAID

TOTAL \$ 20.00

4702

# TEMPO RESOURCES LTD. ZEBRA PROJECT

## GEOLOGY & SAMPLE LOCATIONS

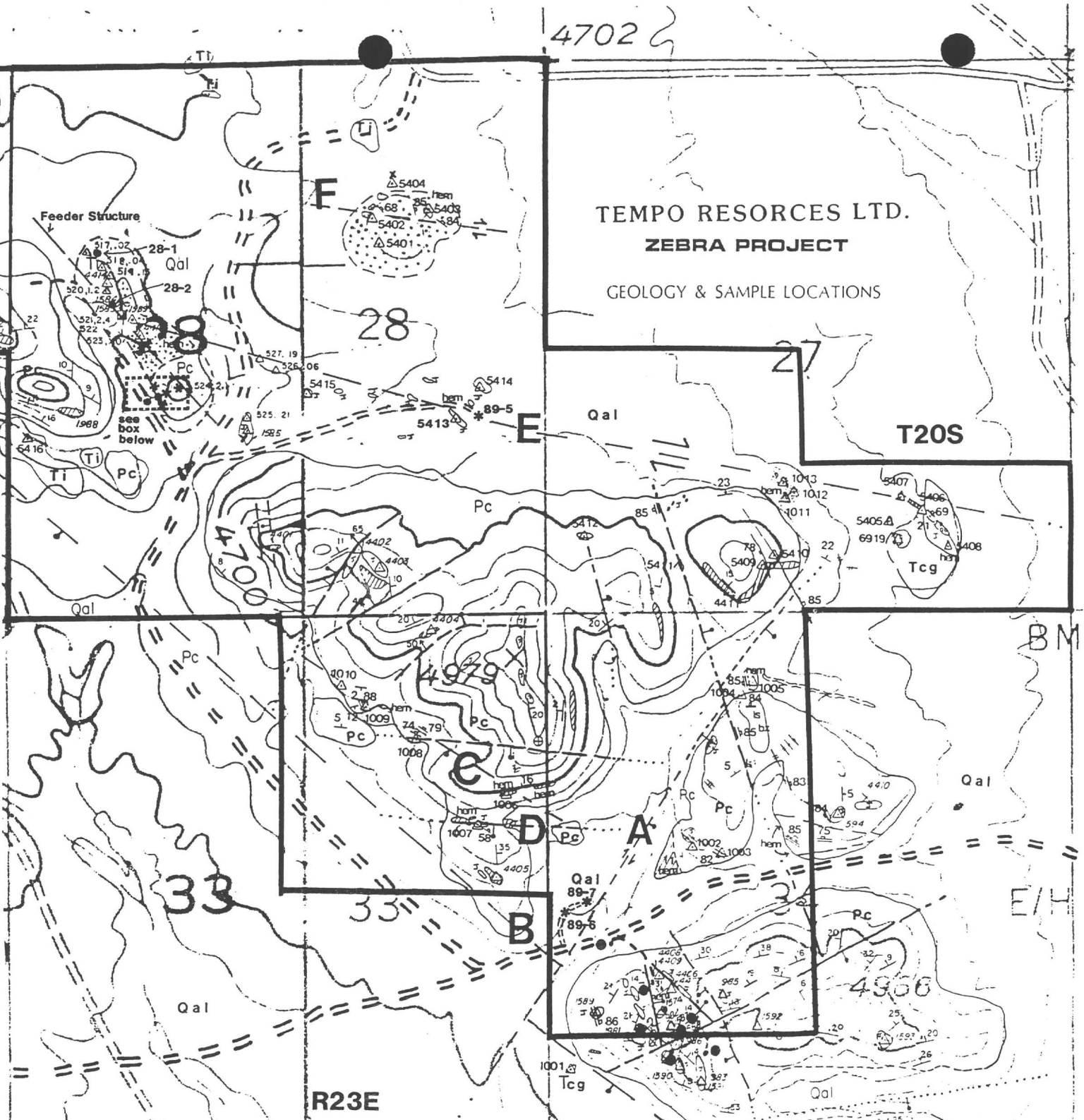
- Qal QUATERNARY ALLUVIUM
  - Tertiary JASPEROID
  - Ti TERTIARY INTRUSIVE-RHYOLITE
  - Pc PERMIAN COLIMA LIMESTONE
  - Pe PERMIAN EARP FORMATION
  - SLIGHTLY ARGILLIZED COLIMA LIMESTONE - MINOR LIMONITE AND HEMATITE
  - BRECCIATED AND SILICIFIED COLIMA LIMESTONE
  - FAULT (BAR ON DOWN SIDE)
  - CONTACT
  - SAMPLE LOCATION
- \* 89-3      \* 89-1      \*

28-3      \* 89-2

28-4      \* 89-4
- \* 89-5 1989 DRILL LOCATION
  - 1983 DRILL HOLE
  - 5 STRIKE AND DIP OF LIMESTONE
  - 84 STRIKE AND DIP OF SILICIFIED LIMESTONE
  - Tcg TERTIARY CONGLOMERATE
  - hem AREA OF HEMATITIC ALTERATION
  - br LIMESTONE BRECCIA
  - band CHALCEDONY CALCITE AND JASPEROID
  - ROAD
  - SHEAR. ARROWS INDICATE DIRECTION OF MOVEMENT

FIGURE 3

A  
LETTERS EXPLAINED IN TEXT  
PROJECT UNIT  
TC00031



R23E

BM

E/H

ARIZONA DEPARTMENT OF WATER RESOURCES  
Operations Division  
15 South 15th Avenue  
Phoenix, Arizona 85007

CHANGE OF WELL INFORMATION

Well Reg. No.

File (location) No.

I/We request the following well information be changed:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Date: \_\_\_\_\_, 19\_\_\_\_

\_\_\_\_\_  
Signature of current Well Owner

(DO NOT CUT THIS FORM IN HALF)

STATEMENT OF CHANGE OF WELL OWNERSHIP

I, \_\_\_\_\_, state that I am (no longer) the (new)  
(please print)  
owner of the well described below:

Township \_\_\_\_\_ Range \_\_\_\_\_ Section \_\_\_\_\_; \_\_\_\_\_  $\frac{1}{4}$  \_\_\_\_\_  $\frac{1}{4}$  \_\_\_\_\_  $\frac{1}{4}$

Well Registration No. \_\_\_\_\_ File (location) No. \_\_\_\_\_

\_\_\_\_\_  
Previous Owner

\_\_\_\_\_  
PRINT New Owner's Name

\_\_\_\_\_  
Address

\_\_\_\_\_  
Signature of New Owner

\_\_\_\_\_  
City State Zip

\_\_\_\_\_  
Address

DATED: \_\_\_\_\_

\_\_\_\_\_  
City State Zip

NOTE: A.R.S. §45-593.C. requires that the Department be notified of change of well ownership and that the well owner is required to keep the Department's Well Registration records current and accurate. Well data and ownership changes must be submitted within thirty (30) days after changes take place.

SAVE THIS FORM TO REPORT FUTURE CHANGES IN OWNERSHIP, CHANGES IN ADDRESS, OR CHANGE IN WELL DATA SUCH AS PUMP CAPACITY, CORRECTION OF LEGAL DESCRIPTION, CHANGE OF WELL DRILLER, PRIOR TO DRILLING THE WELL, IN ADDITION TO AMENDING INFORMATION PREVIOUSLY FILED.

\* \* \* \* \*

000032

ARIZONA DEPARTMENT OF WATER RESOURCES  
Operations Division  
15 South 15th Avenue  
Phoenix, Arizona 85007

CHANGE OF WELL INFORMATION

Well Reg. No. \_\_\_\_\_

File (location) No. \_\_\_\_\_

I/We request the following well information be changed:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Date: \_\_\_\_\_, 19 \_\_\_\_\_

\_\_\_\_\_  
Signature of current Well Owner

(DO NOT CUT THIS FORM IN HALF)

STATEMENT OF CHANGE OF WELL OWNERSHIP

I, \_\_\_\_\_, state that I am (no longer) the (new)  
(please print)  
owner of the well described below:

Township \_\_\_\_\_ Range \_\_\_\_\_ Section \_\_\_\_\_; \_\_\_\_\_  $\frac{1}{4}$  \_\_\_\_\_  $\frac{1}{4}$  \_\_\_\_\_  $\frac{1}{4}$

Well Registration No. \_\_\_\_\_ File (location) No. \_\_\_\_\_

\_\_\_\_\_  
Previous Owner

\_\_\_\_\_  
PRINT New Owner's Name

\_\_\_\_\_  
Address

\_\_\_\_\_  
Signature of New Owner

\_\_\_\_\_  
City State Zip

\_\_\_\_\_  
Address

DATED: \_\_\_\_\_

\_\_\_\_\_  
City State Zip

NOTE: A.R.S. §45-593.C. requires that the Department be notified of change of well ownership and that the well owner is required to keep the Department's Well Registration records current and accurate. Well data and ownership changes must be submitted within thirty (30) days after changes take place.

SAVE THIS FORM TO REPORT FUTURE CHANGES IN OWNERSHIP, CHANGES IN ADDRESS, OR CHANGE IN WELL DATA SUCH AS PUMP CAPACITY, CORRECTION OF LEGAL DESCRIPTION, CHANGE OF WELL DRILLER, PRIOR TO DRILLING THE WELL, IN ADDITION TO AMENDING INFORMATION PREVIOUSLY FILED.

\* \* \* \* \*

000033

Rt. #1 Box 59B  
McNeal, AZ 85617  
January 18, 1989

Mary Borraco  
MinSearch, Inc.  
11930 Manual NE, Suite 112  
Albuquerque, NM 87112

Re: Tempo Resources, Zebra Project, Cochise County, AZ.

Dear Mrs. Borraco:

The proposed drill sites (Prospecting Permits #08-95857, 08-95896 and 08 95362) were surveyed before drilling. The only artifacts were located in Section 28 and consisted of three potsherds and several lithics. No archeological sites of any significance were observed. The existing artifacts were left in place and were not disturbed during the exploration or drilling.

The following is a request for payment to Paul Herberman fro archeological services rendered.

January 14, 16 and 17--16 hours @ 8.50	\$136.00
Travel--3 round trips of 80 miles each @ .22 per mi.	<u>52.80</u>
Total due	\$188.80

Sincerely,



Paul Herberman

000034

February 8, 1989

Mr. Richard A. Gessner  
Arizona Department of Water Resources  
15 South, 15th Avenue  
Phoenix, Arizona 85007

Re: WR 523203

Dear Mr. Gessner:

The well referenced above was never drilled. The drill project was cancelled for that year. The well will not be drilled in the future. If you have any questions, please contact me at the Albuquerque address located at the bottom of this letter.

Sincerely,



Mary Barraco  
MinSearch, Inc.  
Agent for Tempo, Inc.

000035





PROJECT COMPLETION REPORT FOR EXPLORATION DRILLING

This report should be prepared by the driller in all detail and filed with the Department within 30 days following completion of the well drilling project.

1. Owner \_\_\_\_\_  
Name

\_\_\_\_\_  
Address

2. Lessee or Operator \_\_\_\_\_  
Name

\_\_\_\_\_  
Address

3. Driller \_\_\_\_\_  
Name

\_\_\_\_\_  
Address

4. Location: \_\_\_\_\_ WELL REGISTRATION NO. 55-  
Township Range Section  $\frac{1}{4}$   $\frac{1}{4}$   $\frac{1}{4}$  (a requirement)

DESCRIPTION OF WELL

5. Type of casing (if installed) \_\_\_\_\_

6. Abandonment method and materials used if abandoned: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

7. Construction details if completed for monitoring purposes, re-entry or conversion to water wells: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

8. Date or period drilled \_\_\_\_\_

LOG OF WELL

Unconsolidated Formation

Consolidated Formation

Depth to water in feet below land surface: \_\_\_\_\_  
(if encountered or detected)

I state that this report is filed in compliance with ARS§45-600 and is complete and correct to the best of my knowledge and belief.

Driller's Signature \_\_\_\_\_ Date

DO NOT WRITE IN THIS SPACE OFFICE RECORD	
Registration No. _____	
Received _____	By _____
Entered _____	By _____
File No. _____	

November 8, 1989

Mr. Ken Cabianna  
c/o Wellington Financial  
2470-609 Granville Street  
Vancouver, B.C., Canada V7Y 1G5

Dear Ken:

Enclosed please find an outline of the proposed 1990 Exploration Program for the Zebra Property. Phase I of the program is estimated to cost between \$4,700 - \$8,000. This phase includes detailed mapping, sampling and possible trenching. The \$8,000 figure is a high estimate and it may be possible to do a fairly thorough job for around \$5,000. It would really help to have Ron Perttu's information as it would cut down on the amount of samples we would have to collect. This initial phase of the program is very important as the results will determine drill site locations which could make or break the prospect.

Phase II of the Exploration Program consists of 1,400 feet of reverse circulation angle drilling. As I mentioned on the phone, the cost per foot for drilling has decreased this year so that will save some money. I also called around and found a new assay lab in Tucson that will process the samples for \$9.26 each. Using a 4-wheel drive vehicle, I will be able to transport the samples to the lab myself, thereby saving on the cost of shipping. The total cost for Phase II is approximately \$20,000. This is a reliable figure and I don't think any costs can be cut from this unless the drilling footage is reduced. Just for your information, the 1989 Drilling Program cost approximately \$23,000 for 1,311 feet of drilling. To keep your assessment current on the most vital of the leases, you must expend at least \$13,000 this next year.

There is another alternative to the two phase approach to the 1990 Exploration Program. If costs must be kept to the bare minimum, we can do what we did last year, which was spend one or two days locating the holes and then proceed with the drilling. However, with the information that is currently available, we could possibly hit some good holes but maybe not good enough to really sell the property. The location of these last holes is vitally important and the more information we have to position them, the better our chances are of intercepting one grade mineralization of sufficient thickness to sell the property.

I have not heard from Dr. Marco as yet concerning the leasing of his property, but it usually takes him a week or more to get back to me. The driller is preparing a written bid for me, so if anything changes in his quoted price, I will let you know. I will keep you informed as to any new developments and I recommend that we proceed with a filing of a Plan Of Operations with the state of Arizona, as it takes them awhile to process these things. If you have any questions, please feel free to give me or Lee a call.

Sincerely,

000038

PROPOSED 1990 EXPLORATION PROGRAM FOR THE ZEBRA PROPERTY  
COCHISE COUNTY, ARIZONA

Prior exploration efforts conducted on the Zebra property have suggested that a number of possible hidden ore deposits could exist on this prospect. In order to further delineate the most promising of these targets, it is recommended that detailed alteration and structure maps be constructed for the two areas of the property which currently exhibit the most potential. In doing so, it may become necessary to excavate some trenches. Trenching is a relatively inexpensive but effective exploration tool in situations where a possible major structure is obscured by alluvium. By utilizing detailed mapping, trenching and sampling, four to six drill sites will be located which will test the property for disseminated mineralization.

The first area requiring more detailed mapping consists of portions of approximately half a square mile located in the center of section 28. This tract may require some trenching. The second area that will be mapped consists of portions of the southwest quarter of section 34. Detailed mapping of these areas at a scale of 1" = 50' would delineate subtle faults, folds, fractures and veins that would aid in the identification of drill targets.

While mapping, the jasperoids in these sections would be classified according to their mode of occurrence as being either along structures or along simple bedding planes. Both types of jasperoids occur on the property and it is important to note the structural difference between the two replacements as it gives an idea of the overall dissemination potential of the host rock. Detailed mapping of the strike and dip of the jasperoids and the calcite and jasperoid fracture fillings and veins will help to identify the source area(s) of the mineralizing hydrothermal fluids. Careful mapping of thrust faults, normal faults and fold axis will possibly identify subsurface areas where mineralizing fluids were trapped or likely to accumulate due to local structural intensity.

Selective rock samples will be collected of the altered limestone and silicic and calcic fault and fracture fillings and analyzed for gold only. If trenching is performed, samples will be collected at 10 foot intervals along the trench and the trench will be mapped. The majority of the samples previously collected in the two areas of interest consisted of jasperoids with only limited testing of the other alteration types for mineralization. Additional detailed sampling of the hematitically altered limestone and fracture fillings is necessary in order to establish potential disseminated mineralized gradients associated with the feeder structure(s) and therefore aid in the location of drill sites. It is anticipated that 40 to 50 samples will be collected during the detailed mapping portion of the field work. The number of trench samples collected will depend upon the length of the trenches.

A cost breakdown of this first phase of the 1990 Exploration Program appears below. Two programs are outlined, one which encompasses only detailed mapping and sampling and one which involves trenching. It is difficult to precisely determine at this time how much trenching will be necessary, or if it is needed at all. The \$8,000 figure is a high estimate and it may be possible to map, sample and trench for several thousand dollars less if relatively minor dirtwork is needed. As you know, we can work within any budgetary limit, but since this is a very important program we would like to make sure that it is sufficiently thorough and well planned in order to collect the maximum amount of information to determine the best possible placement of the drill holes.

PHASE I  
 ZEBRA PROPERTY 1990 EXPLORATION PROGRAM  
 DETAILED MAPPING AND SAMPLING

ITEM	BUDGETED COSTS
Field work for 2 Geologists, 7 days @ \$200/day	\$ 2,800.00
4 Wheel Drive Vehicle	600.00
Expenses @ \$50/day	700.00
Assay Samples: 50 samples @ \$9.26/ea.	463.00
Miscellaneous Field Expenses	100.00
4 Days Report Preparation and Drafting	N/C
<b>TOTAL COSTS</b>	<b>\$ 4,663.00</b>

PHASE I  
 ZEBRA PROPERTY 1990 EXPLORATION PROGRAM  
 DETAILED MAPPING, SAMPLING AND TRENCHING

ITEM	BUDGETED COSTS
Field work for 2 Geologists, 4 days @ \$200/day Mapping and Sampling	\$ 1,600.00
Field work for 1 Geologist, 6 days @ \$200/day Mapping, Trenching and Sampling	1,200.00
Backhoe, 4 days @ \$50/hr. 1,500' of trenching and backfilling	2,000.00
Assays, 190 @ 9.26/ea.	1,760.00
4 Wheel Drive Vehicle	700.00
Expenses @ \$50/day	750.00
Assay Samples: 50 samples @ \$9.26/ea.	463.00
Miscellaneous Field Expenses	100.00
4 Days Report Preparation and Drafting	N/C
<b>TOTAL COSTS</b>	<b>\$ 8,110.00</b>

000040

The detailed mapping, sampling and possible trenching conducted in Phase I of the Zebra Property 1990 Exploration Program will result in the location of 4 to 6 drill sites. Phase II of the Exploration Program will consist of approximately 1,400 feet of reverse circulation rotary angle drilling. It is recommended that one 350 foot angle hole be drilled on the west side and into the Basin and Range fault located in section 34. This hole will test the structure to determine if it is the source for the Zebra jasperoid that runs .07 ounces per ton gold.

Three angle holes, each drilled to a depth of 350 feet are proposed for section 28. If any of the 4 holes is cut short due to drilling problems, then previously determined alternate sites will be drilled. A sample will be collected for every 5 foot interval during the drilling. A cost breakdown of the second phase of the 1990 Exploration Program appears below.

PHASE II  
ZEBRA PROPERTY 1990 EXPLORATION PROGRAM  
DRILLING

ITEM	BUDGETED COSTS
Geologist, 4 days @ 200/day Preparing Plan of Operations, Budget and Rental Agreement	\$ 800.00
Geologist, 9 days @ \$200/day Supervising Drill Project	1,800.00
Cost of Drilling 1,400' at \$8.50/ft.	12,000.00
Assays, 280 @ \$9.26/ea.	2,600.00
Expenses	450.00
4 Wheel Drive Vehicle	800.00
Rental Fee for Private Land	240.00
Dozer Work and Sample Storage	600.00
Sample bags	150.00
Miscellaneous Expenses	200.00
<b>TOTAL COSTS</b>	<b>\$19,640.00</b>

000041

The detailed mapping, sampling and possible trenching conducted in Phase I of the Zebra Property 1990 Exploration Program will result in the location of 4 to 6 drill sites. Phase II of the Exploration Program will consist of approximately 1,400 feet of reverse circulation rotary angle drilling. It is recommended that one 350 foot angle hole be drilled on the west side and into the Basin and Range fault located in section 34. This hole will test the structure to determine if it is the source for the Zebra Jasperoid that runs .07 ounces per ton gold.

Three angle holes, each drilled to a depth of 350 feet are proposed for section 28. If any of the 4 holes is cut short due to drilling problems, then previously determined alternate sites will be drilled. A sample will be collected for every 5 foot interval during the drilling. A cost breakdown of the second phase of the 1990 Exploration Program appears below.

PHASE ~~II~~ <sup>I</sup>  
 ZEBRA PROPERTY 1990 EXPLORATION PROGRAM  
 DRILLING

ITEM	US	BUDGETED COSTS	÷ .84¢ CAN.
Geologist, 4 days @ 200/day + Preparing Plan of Operations, Budget and Rental Agreement	800	\$ 800.00	952
Geologist, <sup>20</sup> days @ \$200/day Supervising Drill Project	4,000	<del>4,000.00</del> 1,800.00	4762
Cost of Drilling <sup>5400</sup> <del>1,400</del> at <sup>9.00</sup> <del>\$8.50</del> /ft.	48,600	12,000.00	57857
Assays, <sup>1080</sup> <del>280</del> @ \$9.26/ea.	10,000	<del>2,600.00</del>	11905
Expenses	1,100	450.00	1310
4 Wheel Drive Vehicle	1050	800.00	1250
<del>Rental Fee for Private Land</del>		<del>240.00</del>	
Dozer Work and Sample Storage	1200	600.00	1429
Sample bags	270	<del>150.00</del>	321
Miscellaneous Expenses	500	200.00	595
TOTAL COSTS	67,520	\$19,640.00	80381
Soil program -	3037		3615
	70,557		83,996

000042

Phase ~~II~~ I Sal Sample Program

125 samples x 9.26 =	1200	1428.57 =	1429
bags + tags 50¢/ea	62	73.80 =	74
5 day exp x 200 =	1000	1190.48 =	1190
Vehicle	400	476.19 =	476
exp	275	327.38 =	327
MISC	<u>100</u>	119.04 =	119
	3037	<u>3615.46</u>	3615

4 days office for Plan of Operations - \$800

Phase I No Trenching

2 Geol 7 days mapping + sampling \$200/day \$2800  
 Vehicle \$600  
 Expenses \$50/day \$700  
 Assays 50 samples @ \$9.26/ea \$463  
 Misc. \$100

\$4,663.00 + 19,000 = \$23,660

Phase II Trenching

2 Geol 4 days map + sample \$200/day \$1600 ✓  
 Airfare \$50 ✓  
 1 Geol 8 days trench, map + sample \$1200 ✓  
 Backhoe - 4 days, 1500', \$50/hr \$2000 ✓  
 Assays - 40 + 150 \$1760 ✓  
 bags \$100 ✓  
 Vehicle \$400 ✓  
 Exp \$700 ✓

8,010.00

1989 Program 0. \*  
 0. \*  
 Geol 5467.17 +  
 Arch 188.80 +  
 Marco 675.00 +  
 Drillers 13579.32 +  
 samples 3132.00 +  
23042.29

Phase III

1 Geol 9 days drilling \$1800 ✓  
 Marco rental land \$240 ✓  
 Marco cat + storage fee \$600 ✓  
 Exp \$450 ✓  
 Veh \$800 ✓  
 Drilling \$5/ft \$12,000 ✓  
 Assays 280 \$2600.00 ✓  
 bags \$150.00

5 days drilling  
 2 driving samples  
 2 plan ops + this

2 days <sup>plan of op + budget</sup> ~~drilling~~

misc

\$800.00 ✓

= \$19,640

\$27,000

000044



Phoenix  
602-233-  
4171

S.V. Az - 85635 ↗ 20 lbs costs  
Spokane Wash - 99202 ↘ \$3.12 3-4 working days

Truck

Truck

samples

280 x 7.50 = 2100.00

taper boxes 100.00

2800 lb ÷ 20 = 140 x \$3.12 = \$436.80 \$1.56/sample

\$2636.80

\*10.50 = \$294.00

pickup = \$420 \$1.50 per sample

\$3360.00

American Assay

5 day turn around

FA/AA Au \$7.25 + <sup>dry</sup> 2.50 (sample prep) (80¢/sample for drying) = \$9.75

5% off for bulk \$9.26

1400' = 280 samples =

50 boxes x 1.25 = 62.50

6 samples per box = 60 lbs

Phone calls - Ken

11/3 Dr. Marco 1-602-795-4925

Drilling Services 1-602-895-9336

x UPS - Phoenix - 1-602-233-4171

x Treclen Lab - 1-509-535-5501

American Assay Lab - 1-602-294-8078

~~Tony \$8.25 included~~

Fire Assay / AA Finish Ar

\$ 2.50 prep

5.00

\$ 7.50

Bus Faster -

UPS -

1400' of drilling @ \$6.95/ft → \$9,730

Mob/demob charge \$510

Daily travel time - 1<sup>st</sup> hr free, \$45/hr thereafter, for travel to site +  
for fuel

Drilling Cost - \$6.95/ft., 1 hr. free to move + set up between holes

Hourly rate for ~~standby~~<sup>work</sup> etc. \$190/hr

Must drill at least 316.5'/day, if rate drops below that for  
3 consecutive days, drilling will then be by hourly rate

standby - \$150/hr

drill bits etc → cost + 15%

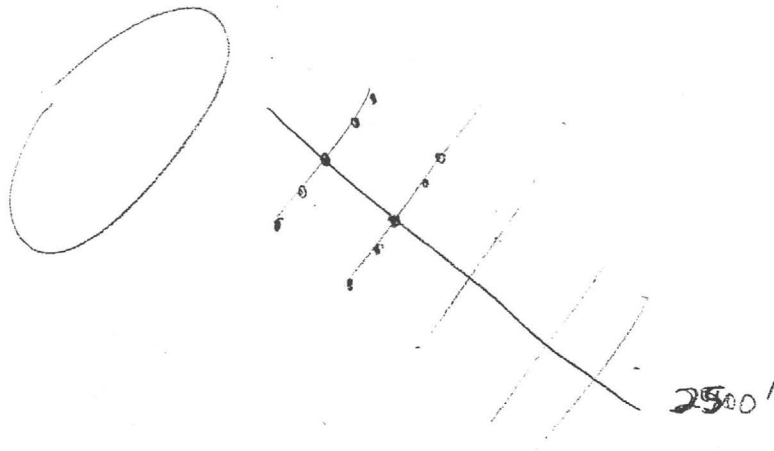
650  
650

5400' \$6.95 2-3000' on hammer

+ \$2.00

\$8.50

USE #9



000047

<u>Phase II</u>	US	Card
Geol 2 days <sup>200/day</sup> preparing plan of op + budget	400	476
Geol - Sup. Drilling 22 days / 200	4400	5238
Cost of Drilling 6000 9 ft	54,000	64,286
Exp 22 days / 55	1210	1440
4 wheel Drive	1050	1250
Assays	11,112	13,229
Sample bags 25 mic	300	357
Power work + Sample Storage	1200	1429
Misc	<u>500</u>	<u>595</u>
	74,172	88,300

000048



# Arizona State Land Department

1616 WEST ADAMS  
PHOENIX, ARIZONA 85007



M. J. HASSELL  
STATE LAND COMMISSIONER

SE MOFFORD  
GOVERNOR

## NOTICE OF PROSPECTING PERMIT ISSUANCE

DATE November 13, 1989

( Tempo Resources, Inc.  
( c/o MinSearch, Inc.  
( 11930 Menaul Blvd NE #112  
Albuquerque, NM 87112

Phelps Dodge Mining Co.  
P.O. Box 50427  
Tucson, Az. 85703

RE: LEASE NO. 08-95926  
08-95898 PERMIT NO. 08-96992 & 08-96996

Dear Lessee:

You are hereby notified that the State Land Department is issuing the subject prospecting permit(s) embracing lands within your surface lease.

You have surface rights on this land under your lease. It is the policy of the Department to notify all surface leaseholders that this office has issued a prospecting permit. The permittee (name and address above) has the right to enter upon the land and explore for a valuable mineral deposit as required by the Department in order that the permittee may apply for a mineral lease.

In accordance with the provisions of the laws of the State of Arizona, the permittee is liable for compensation to the owner and lessee of the surface of the land covered by his permit for any loss caused from, damage or destruction caused by the permittee to grasses, forage, crops or improvements upon such state land.

Any claim for damages you might have against the permittee during the term of this prospecting permit can be brought to the attention of the Department by contacting the Department's Mineral Section at (602) 542-4528

The terms of your lease written in accordance with the laws of the State of Arizona, provide that the Department may issue a lease of mineral claim located within the area covered by your lease. At such time the mineral lessee would acquire certain additional rights, including a limited surface use.

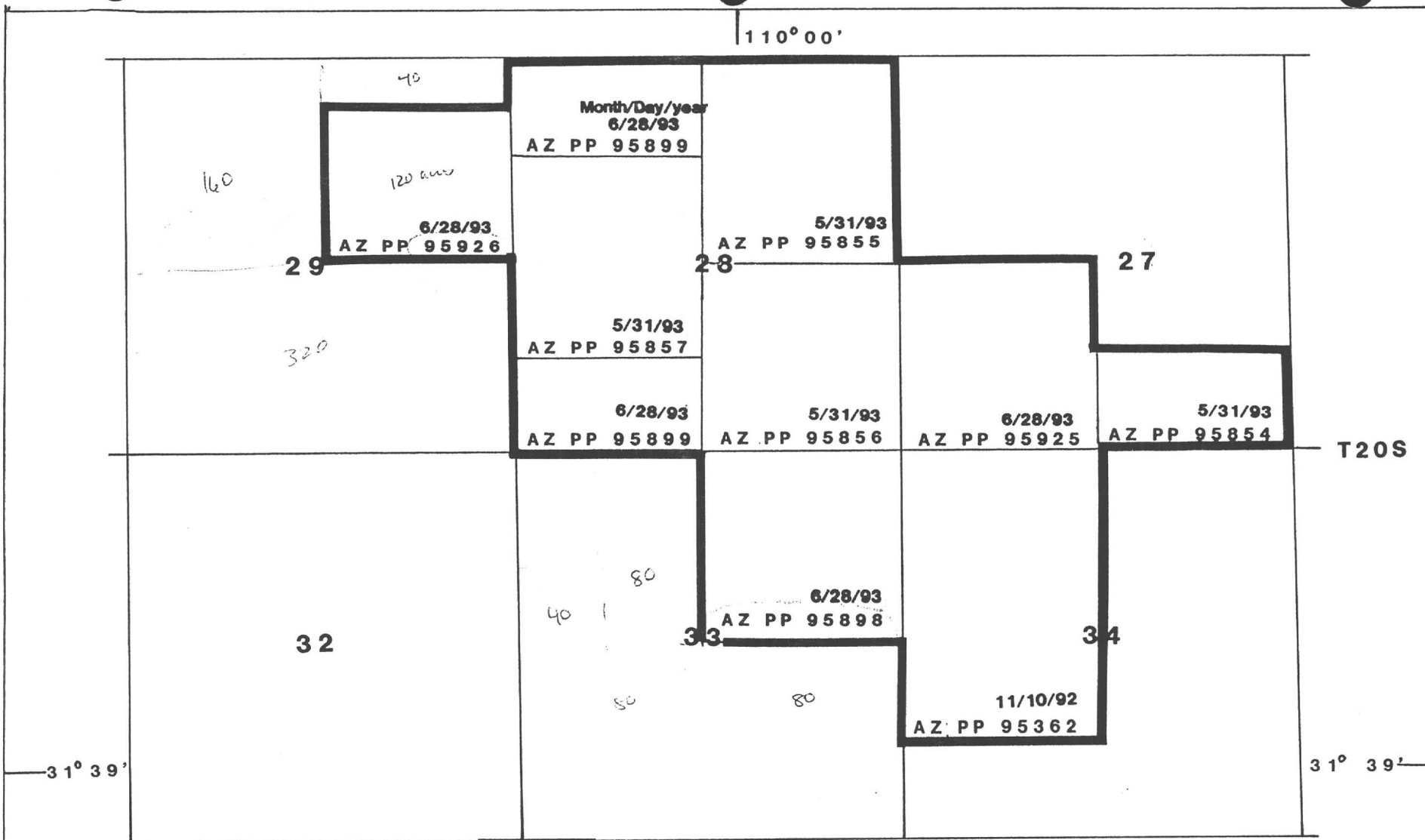
LEGAL DESCRIPTION OF PERMIT: 08-96992: T20S;R23E;Sec 29;S2;M&B in N2;474.56 acres

08-96996: T20S;R23E;Sec 33;E2NW;SWNW;N2S2;280.00 acres

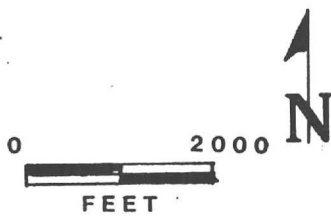
STATE LAND DEPARTMENT

*Karen*  
*10 applications*  
*last week*  
*call - Wednesday*

000049



000050



R23E

110° 00'

TEMPO RESOURCES LTD.  
 ZEBRA PROSPECT  
 LAND STATUS  
 FIGURE 2

1990

PROPOSED 1990 EXPLORATION PROGRAM FOR THE ZEBRA PROPERTY  
COCHISE COUNTY, ARIZONA

Prior exploration efforts conducted on the Zebra property have suggested that a number of possible hidden ore deposits could exist on this prospect. In order to further delineate the most promising of these targets, it is recommended that detailed alteration and structure maps be constructed for the two areas of the property which currently exhibit the most potential. In doing so, it may become necessary to excavate some trenches. Trenching is a relatively inexpensive but effective exploration tool in situations where a possible major structure is obscured by alluvium. By utilizing detailed mapping, trenching and sampling, four to six drill sites will be located which will test the property for disseminated mineralization.

The first area requiring more detailed mapping consists of portions of approximately half a square mile located in the center of section 28. This tract may require some trenching. The second area that will be mapped consists of portions of the southwest quarter of section 34. Detailed mapping of these areas at a scale of 1" = 50' would delineate subtle faults, folds, fractures and veins that would aid in the identification of drill targets.

While mapping, the jasperoids in these sections would be classified according to their mode of occurrence as being either along structures or along simple bedding planes. Both types of jasperoids occur on the property and it is important to note the structural difference between the two replacements as it gives an idea of the overall dissemination potential of the host rock. Detailed mapping of the strike and dip of the jasperoids and the calcite and jasperoid fracture fillings and veins will help to identify the source area(s) of the mineralizing hydrothermal fluids. Careful mapping of thrust faults, normal faults and fold axis will possibly identify subsurface areas where mineralizing fluids were trapped or likely to accumulate due to local structural intensity.

Selective rock samples will be collected of the altered limestone and silicic and calcic fault and fracture fillings and analyzed for gold only. If trenching is performed, samples will be collected at 10 foot intervals along the trench and the trench will be mapped. The majority of the samples previously collected in the two areas of interest consisted of jasperoids with only limited testing of the other alteration types for mineralization. Additional detailed sampling of the hematitically altered limestone and fracture fillings is necessary in order to establish potential disseminated mineralized gradients associated with the feeder structure(s) and therefore aid in the location of drill sites. It is anticipated that 40 to 50 samples will be collected during the detailed mapping portion of the field work. The number of trench samples collected will depend upon the length of the trenches.

000051



A cost breakdown of this first phase of the 1990 Exploration Program appears below. Two programs are outlined, one which encompasses only detailed mapping and sampling and one which involves trenching. It is difficult to precisely determine at this time how much trenching will be necessary, or if it is needed at all. The \$8,000 figure is a high estimate and it may be possible to map, sample and trench for several thousand dollars less if relatively minor dirtwork is needed. As you know, we can work within any budgetary limit, but since this is a very important program we would like to make sure that it is sufficiently thorough and well planned in order to collect the maximum amount of information to determine the best possible placement of the drill holes.

PHASE I  
 ZEBRA PROPERTY 1990 EXPLORATION PROGRAM  
 DETAILED MAPPING AND SAMPLING

ITEM	BUDGETED COSTS
Field work for 2 Geologists, 7 days @ \$200/day	\$ 2,800.00
4 Wheel Drive Vehicle	600.00
Expenses @ \$50/day	700.00
Assay Samples: 50 samples @ \$9.26/ea.	463.00
Miscellaneous Field Expenses	100.00
4 Days Report Preparation and Drafting	N/C
<b>TOTAL COSTS</b>	<b>\$ 4,663.00</b>

PHASE I  
 ZEBRA PROPERTY 1990 EXPLORATION PROGRAM  
 DETAILED MAPPING, SAMPLING AND TRENCHING

ITEM	BUDGETED COSTS
Field work for 2 Geologists, 4 days @ \$200/day Mapping and Sampling	\$ 1,600.00
Field work for 1 Geologist, 6 days @ \$200/day Mapping, Trenching and Sampling	1,200.00
Backhoe, 4 days @ \$50/hr. 1,500' of trenching and backfilling	2,000.00
Assays, 190 @ 9.26/ea.	1,760.00
4 Wheel Drive Vehicle	700.00
Expenses @ \$50/day	750.00
Assay Samples: 50 samples @ \$9.26/ea.	463.00
Miscellaneous Field Expenses	100.00
7 Days Report Preparation and Drafting	N/C
<b>TOTAL COSTS</b>	<b>\$ 8,110.00</b>

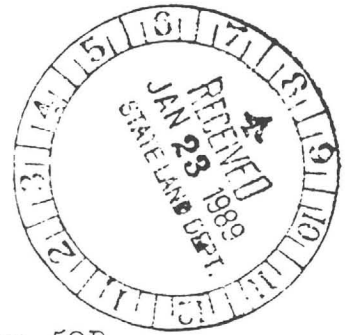
000052

The detailed mapping, sampling and possible trenching conducted in Phase I of the Zebra Property 1990 Exploration Program will result in the location of 4 to 6 drill sites. Phase II of the Exploration Program will consist of approximately 1,400 feet of reverse circulation rotary angle drilling. It is recommended that one 350 foot angle hole be drilled on the west side and into the Basin and Range fault located in section 34. This hole will test the structure to determine if it is the source for the Zebra jasperoid that runs .07 ounces per ton gold.

Three angle holes, each drilled to a depth of 350 feet are proposed for section 28. If any of the 4 holes is cut short due to drilling problems, then previously determined alternate sites will be drilled. A sample will be collected for every 5 foot interval during the drilling. A cost breakdown of the second phase of the 1990 Exploration Program appears below.

PHASE II  
ZEBRA PROPERTY 1990 EXPLORATION PROGRAM  
DRILLING

ITEM	BUDGETED COSTS
Geologist, 4 days @ 200/day Preparing Plan of Operations, Budget and Rental Agreement	\$ 800.00
Geologist, 9 days @ \$200/day Supervising Drill Project	1,800.00
Cost of Drilling 1,400' at \$8.50/ft.	12,000.00
Assays, 280 @ \$9.26/ea.	2,600.00
Expenses	450.00
4 Wheel Drive Vehicle	800.00
Rental Fee for Private Land	240.00
Dozer Work and Sample Storage	600.00
Sample bags	150.00
Miscellaneous Expenses	200.00
<b>TOTAL COSTS</b>	<b>\$19,640.00</b>



Rt. #1 Box 59B  
McNeal, AZ 85617  
17 January, 1989

Brian Kenny  
Arizona State Land Department  
1616 West Adams  
Phoenix, Arizona 85007

Dear Mr. Kenny:

The proposed drill sites ( Prospecting Permits #08-95857, 08-958~~5~~6 and 08-95362, issued to Tempo Resources, Albuquerque, New Mexico) were surveyed before drilling. The only artifacts were located in Section 28 and consisted of three potsherds and several lithics. No archeological sites of any significance were observed before or after the drilling. The existing artifacts were left in place and were not disturbed during the exploration or drilling. The work was completed in a satisfactory manner.

Sincerely,

Paul Herberman

000054



ROSE MOFFORD  
GOVERNOR

Arizona  
State Land Department

1616 WEST ADAMS  
PHOENIX, ARIZONA 85007



M J HASSELL  
STATE LAND COMMISSIONER

DATE February 6, 1990

( Tempo Resources, Inc., Ltd.  
( MinSearch, Inc.  
( 11930 Menaul Blvd. NE, Ste. 112  
( Albuquerque, N.M. 87112

Re: Prospecting Permit(s) 08-95854, 08-95855, 08-95856, 08-95857,  
08-95898, 08-95899, 08-95925, 08-95926, 08-953

Dear Permittee:

Enclosed are copies of your approved Plan of Operation. You are authorized to conduct only the exploration activities described in your approved Plan. Deviation from the Plan without prior written approval of the Department may be grounds for revocation of your prospecting permit(s). This authorization expires on February 1, 1991, at which time you must renew your prospecting permit(s) and submit a new Plan of Operation for approval.

If you have any questions, please contact me or Mr. Ramon Fierro at (602) 542-4628 during business hours.

Sincerely,

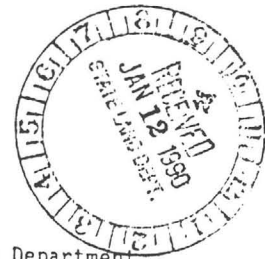
Stephen J. Powers, Geologist  
Nonrenewable Resources & Minerals  
Natural Resources Division

SJP/lf

Enclosure

000055

ARIZONA STATE LAND DEPARTMENT  
Nonrenewable Resources & Minerals



Plan of Operation

The following information must be submitted to, and approved by the Department prior to initiating exploration or mining activities on State land. The plan is approved for a period of one year beginning on the date approved. Any change in the below described operations must first be approved by the Department.

Plan evaluation and approval may require 30 days.

PROSPECTING PERMIT OR ~~MINERAL LEASE~~ NUMBER(S) 95854, 95898, 95362, 95926, 95899  
95855, 95857, 95856, 95925

NAME IN WHICH ISSUED Tempo Resources Inc./Ltd.

NAME OF OPERATOR MinSearch, Inc. TELEPHONE (505) 298-8235

ADDRESS OF OPERATOR 11930 Menaul Blvd. NE, Suite 112, Albuquerque, New Mexico 87112

NAME OF FIELD REPRESENTATIVE Mary Barraco or Leroy Halterman  
(If different than operator include address and telephone)  
same as above

1) LAND DESCRIPTION AND MAP

Attach as Exhibit A to this Plan a topographic map of the referenced property.

County Cochise Township 20 South Range 23 East Section(s) 28 & 34

2) PERIOD OF OPERATION

The operation is proposed to begin on 3/5/90 and end on 3/24/90.  
If operations are proposed to exceed one year, an addendum to this plan must be filed prior to the plan expiration date.

3) ACCESS

Show on Exhibit A existing and proposed routes. Describe in detail the extent of all improved or newly constructed access. Note any locked gates.

Please see Exhibit A. New roads are colored green, existing roads are colored blue. Minor work may be needed on existing roads to fill in wash outs.

4) VEHICLES AND EQUIPMENT

List by type and size all vehicles and equipment which will be used in connection with the operation. Include the capacity of concentrators for placer operations.

1 Cyclone Model TH-100 drilling unit mounted on a diesel powered carrier.

1 combination pipe, service and water truck

1 pick-up truck and 1 Bronco 4X4 truck

5) SCOPE AND TYPE OF OPERATION

Describe the type and extent of the operation to be performed. Include the estimated area of disturbance and provide detailed information for any earth moving or site clearance operations. For placer type exploration include the amount of material to be processed from each test site, and the dimension of test sites.

Estimated area of disturbance: .25 acres for trenches, .25 acres for new roads and 2 acres for drill sites. Four holes (labeled 90-1 through 90-4 on Exhibit A)

are proposed to be drilled to a depth of 350' each. Minimum blading to construct new roads and drill sites is anticipated, mostly just running over the brush will be necessary. Trench #1 (TR-1) will be 200' long, TR-2 will be 600' long,

TR-3 will be 300' long and TR-4 will be 400' long. The trenches will be 5' wide. The trenches will be backfilled after they have been mapped and sampled and will

be used as roadways to drill sites 90-1 and 90-2. Trenching may not be necessary, in which case roads will be bladed to the drill locations. It should be noted that drill site 90-4 is on private land.

000056

6) AFFECTED LAND

Indicate to the nearest 300 feet the location of all proposed prospecting sites (Exhibit A). If necessary complete Exhibit B or provide coordinate description (topographic grid or distance from section corner). For placer type exploration include the location of concentrators.

Coordinate description: Submit as an attachment.

7) DRILLING

For all drilling operations indicate the type of drilling operation, drilling medium (air, water e.g.), hole diameter, and proposed total depth.  
Air/water drilling, hole diameter will be 5 1/4"

* Hole I.D.	Total Depth	Hole I.D.	Total Depth	Hole I.D.	Total Depth
90-1	350'				
90-2	350'				
90-3	350'				
90-4	350'				

If drilling is anticipated indicate the method of plugging and abandonment. Indicate the marsh funnel viscosity if applicable.

Cuttings will be shoveled back into the hole and the hole will be plugged with 3' of cement to the surface in accordance with the regulations of the State of Arizona.

8) WATER USE

If the use of water is required, describe the location and quantity to be used. Less than 500 gallons will be used to drill and the water will be bought from the town of Tombstone.

9) RECLAMATION

Describe actions taken to minimize environmental impacts and state plans for reclamation of disturbed areas. If applicable include measures for erosion control, recontouring, seed bed preparation, method of seeding, seed species, etc. Unless otherwise approved reclamation is to be completed within the approved plan period of one year.

All drill locations will be cleaned up, leveled and raked. New roads and drill sites will be reseeded with a mixture of grasses specified by the State in an amount recommended by the State. The trenches will be backfilled and reseeded in the same manner. The area is very flat and erosion should pose no problem.

10) ANTIQUITIES AND NATIVE PLANTS

If required, the applicant agrees to obtain archaeological clearance prior to the following surface disturbance:

- A. Prospecting Permit: All land surface affected by exploration activities including access roads.
- B. Mineral Lease: All acreage under application. The applicant will be directly contacted by the Arizona State Museum.

Archaeological clearance must be obtained through the Arizona State Museum.

NOTE: An archeological clearance has already been granted for the entire prospect area. The study was conducted in January of 1989.

\* Hole I.D. - Identification number

10) ANTIQUITIES AND NATIVE PLANTS (cont.)

If the destruction or removal of protected plants is necessary to enjoy the privileges of a permit or lease, the applicant agrees to obtain written permission from the Arizona Commission of Agriculture and Horticulture. The applicant also agrees to purchase said plants from the Arizona State Land Department. Native plants are as described under the Arizona Native Plant Law.

APPLICANT: [Signature]  
Signature and Date

*Min Search, Agent for Tempo Resource Inc.*

Applicant must be the permit holder or duly authorized representative.

Following the Department's evaluation of this plan, two copies will be sent to the applicant noting any conditions which may be required by the Department. The applicant shall sign and return one copy which will attach to, and become a part of, the permit or lease.

CONDITIONS OF APPROVAL: None

Applicant agrees to abide by the methods and extent of the operations described herein. Applicant also agrees to abide by the above listed CONDITIONS OF APPROVAL.

APPLICANT: \_\_\_\_\_  
Signature and Date

FOR DEPARTMENT USE ONLY

PLAN NUMBER \_\_\_\_\_

BOND AMOUNT \_\_\_\_\_

APPROVED FOR THE PERIOD: BEGINNING \_\_\_\_\_ EXPIRING \_\_\_\_\_

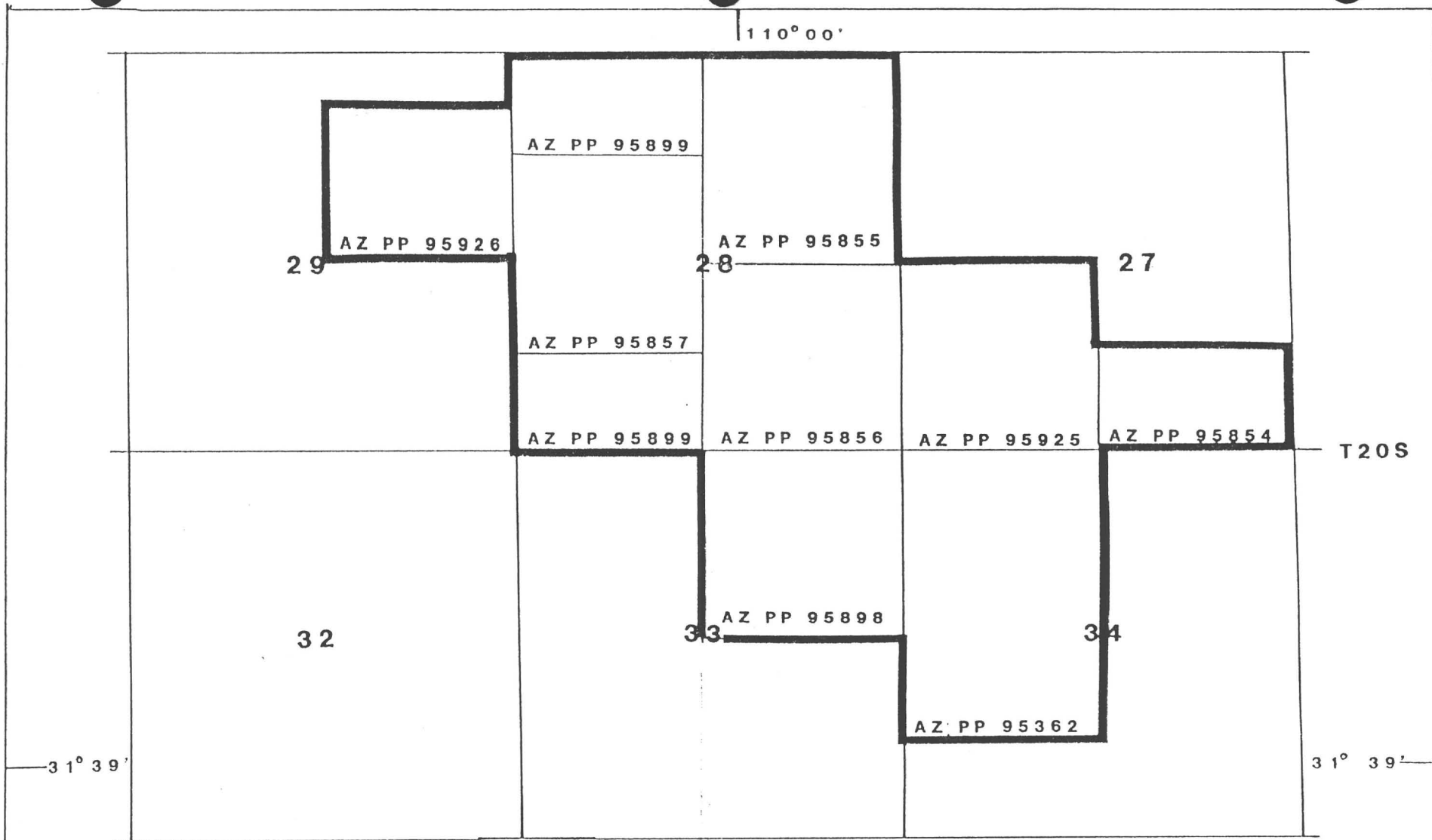
APPROVED BY: \_\_\_\_\_

REASONS FOR DENIAL: \_\_\_\_\_

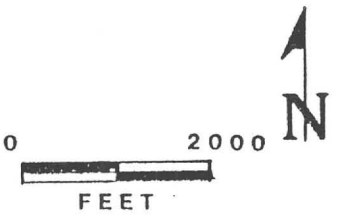
DATE OF PERMIT OR LEASE ISSUE: \_\_\_\_\_

DATE LAST PLAN SUBMITTED: \_\_\_\_\_ PLAN NUMBER \_\_\_\_\_

REMARKS: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_



000059

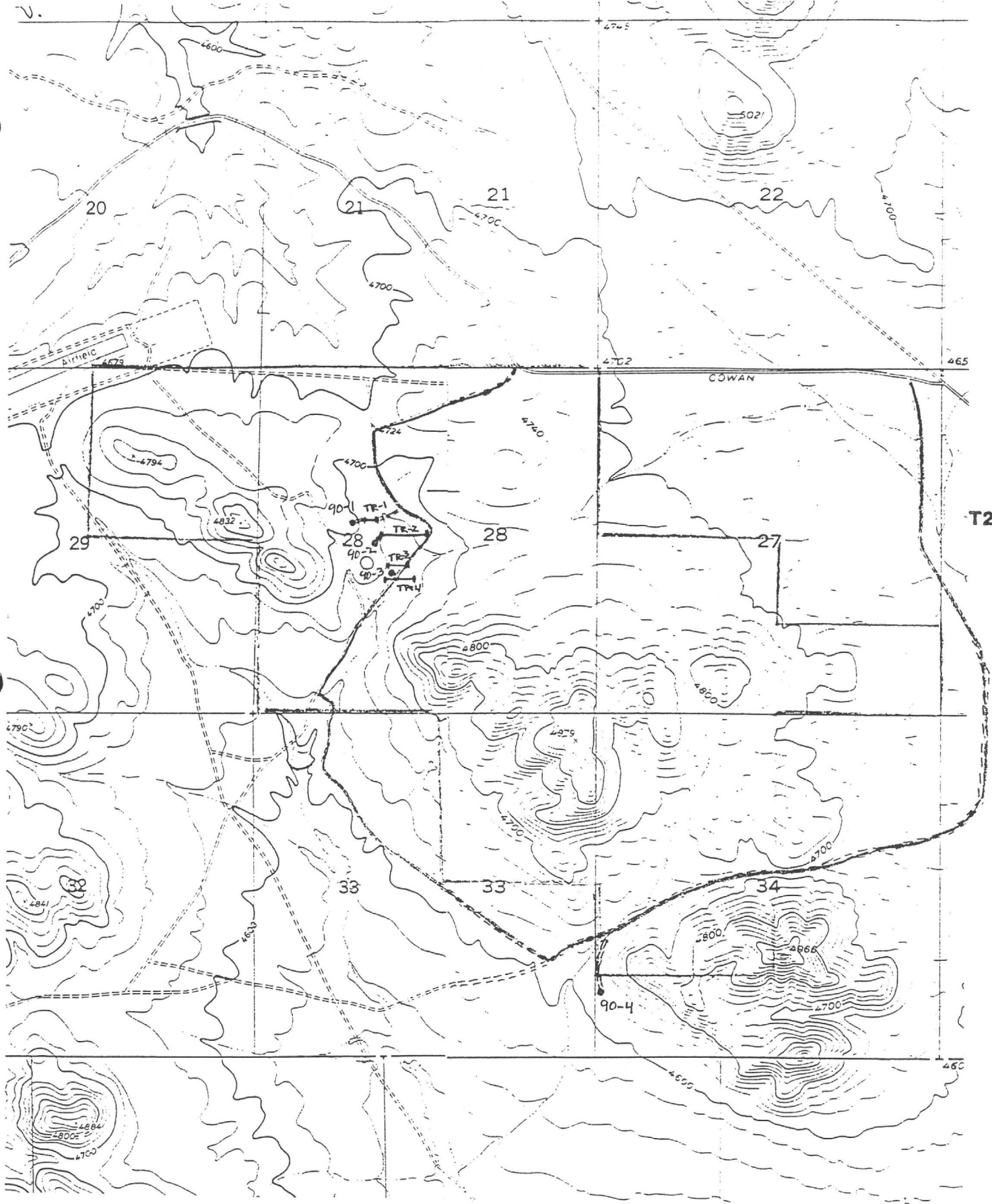







R23E

110° 00'

TEMPO RESOURCES LTD.  
 ZEBRA PROSPECT  
 LAND STATUS  
 FIGURE 2





-  Property boundary
-  Proposed drill location
-  Existing road
-  Proposed road
-  Proposed trench location

Scale 1"=2000'

EXHIBIT A

N  
000060

ARIZONA STATE LAND DEPARTMENT  
Nonrenewable Resources & Minerals

Plan of Operation

The following information must be submitted to, and approved by the Department prior to initiating exploration or mining activities on State land. The plan is approved for a period of one year beginning on the date approved. Any change in the below described operations must first be approved by the Department.

Plan evaluation and approval may require 30 days.

PROSPECTING PERMIT OR MINERAL LEASE NUMBER(S) 08-95854, 95855, 95856 & 95857 (later, 95926, 95899, 95362, 95925, 95898)

NAME IN WHICH ISSUED Tempo Resources, Inc./Ltd

NAME OF OPERATOR MinSearch, Inc. TELEPHONE (505) 298-8235

ADDRESS OF OPERATOR 11930 Menaul NE, Suite 112, Albuquerque, NM 87112

NAME OF FIELD REPRESENTATIVE Leroy Halterman  
(If different than operator include address and telephone)

1) LAND DESCRIPTION AND MAP

Attach as Exhibit A to this Plan a topographic map of the referenced property.

County Cochise Township 20South Range 23 East Section(s) 28

2) PERIOD OF OPERATION

The operation is proposed to begin on 1/6/90 and end on 1/5/91.  
If operations are proposed to exceed one year, an addendum to this plan must be filed prior to the plan expiration date.

3) ACCESS

Show on Exhibit A existing and proposed routes. Describe in detail the extent of all improved or newly constructed access. Note any locked gates.

Please see Exhibit A. New Roads are colored green, existing roads are colored blue. No additional work is anticipated on old roads.

4) VEHICLES AND EQUIPMENT

List by type and size all vehicles and equipment which will be used in connection with the operation. Include the capacity of concentrators for placer operations.

1 Cyclone Model TH-100 Drilling unit mounted on a diesel carrier.

1 combination pipe, service and water truck

1 pick-up truck and 1 Bronco 4X4 truck

5) SCOPE AND TYPE OF OPERATION

Describe the type and extent of the operation to be performed. Include the estimated area of disturbance and provide detailed information for any earth moving or site clearance operations. For placer type exploration include the amount of material to be processed from each test site, and the dimension of test sites.

Estimated area of disturbance: A grid soil sampling program is planned for an area approximately 600X2000 feet in size, no significant impact is anticipated with this portion of the program. This program will take place in the SE/4 of sec 28. Five drill holes are planned to be drilled to a depth of 600 feet. NW/4  
Estimated surface disturbance for the holes will be .5 acres for roads and 2.5 acres for the drill sites. No significant blading of the terrain is believe to be necessary, most will be just running over the brush to clear it.

000061

6) AFFECTED LAND

Indicate to the nearest 300 feet the location of all proposed prospecting sites (Exhibit A). If necessary complete Exhibit B or provide coordinate description (topographic grid or distance from section corner). For placer type exploration include the location of concentrators.

Coordinate description: Submit as an attachment.

7) DRILLING

For all drilling operations indicate the type of drilling operation, drilling medium (air, water e.g.), hole diameter, and proposed total depth. Air/water drilling, hole diameter will be 5 1/4"

* Hole I.D.	Total Depth	Hole I.D.	Total Depth	Hole I.D.	Total Depth
90-1	600'				
90-2	600'				
90-3	600'				
90-4	600'				
90-5	600'				

If drilling is anticipated indicate the method of plugging and abandonment. Indicate the marsh funnel viscosity if applicable.

Cutting will be shoveled back into the hole and the hole will be plugged with 3' of cement to the surface in accordance with the regulations of the State of Arizona.

8) WATER USE

If the use of water is required, describe the location and quantity to be used. Less than 1000 gallons will be used to drill and the water will be bought from the city of Tombstone

9) RECLAMATION

Describe actions taken to minimize environmental impacts and state plans for reclamation of disturbed areas. If applicable include measures for erosion control, recontouring, seed bed preparation, method of seeding, seed species, etc. Unless otherwise approved reclamation is to be completed within the approved plan period of one year.

All drill locations will be cleaned up, leveled and raked. New roads and drill sites will be reseeded with a mixture of grasses specified by the State in an amount recommended by the State. The area is very flat and erosion should not pose any problem.

10) ANTIQUITIES AND NATIVE PLANTS

If required, the applicant agrees to obtain archaeological clearance prior to the following surface disturbance:

- A. Prospecting Permit: All land surface affected by exploration activities including access roads.
- B. Mineral Lease: All acreage under application. The applicant will be directly contacted by the Arizona State Museum.

Archaeological clearance must be obtained through the Arizona State Museum.

\* Hole I.D. - Identification number

10) ANTIQUITIES AND NATIVE PLANTS (cont.)

If the destruction or removal of protected plants is necessary to enjoy the privileges of a permit or lease, the applicant agrees to obtain written permission from the Arizona Commission of Agriculture and Horticulture. The applicant also agrees to purchase said plants from the Arizona State Land Department. Native plants are as described under the Arizona Native Plant Law.

APPLICANT: [Signature] May 9, 1990  
Signature and Date  
Agent for Tempo Resources Ltd

Applicant must be the permit holder or duly authorized representative.

Following the Department's evaluation of this plan, two copies will be sent to the applicant noting any conditions which may be required by the Department. The applicant shall sign and return one copy which will attach to, and become a part of, the permit or lease.

CONDITIONS OF APPROVAL: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Applicant agrees to abide by the methods and extent of the operations described herein. Applicant also agrees to abide by the above listed CONDITIONS OF APPROVAL.

APPLICANT: \_\_\_\_\_  
Signature and Date

FOR DEPARTMENT USE ONLY

PLAN NUMBER \_\_\_\_\_

BOND AMOUNT \_\_\_\_\_

APPROVED FOR THE PERIOD: BEGINNING \_\_\_\_\_ EXPIRING \_\_\_\_\_

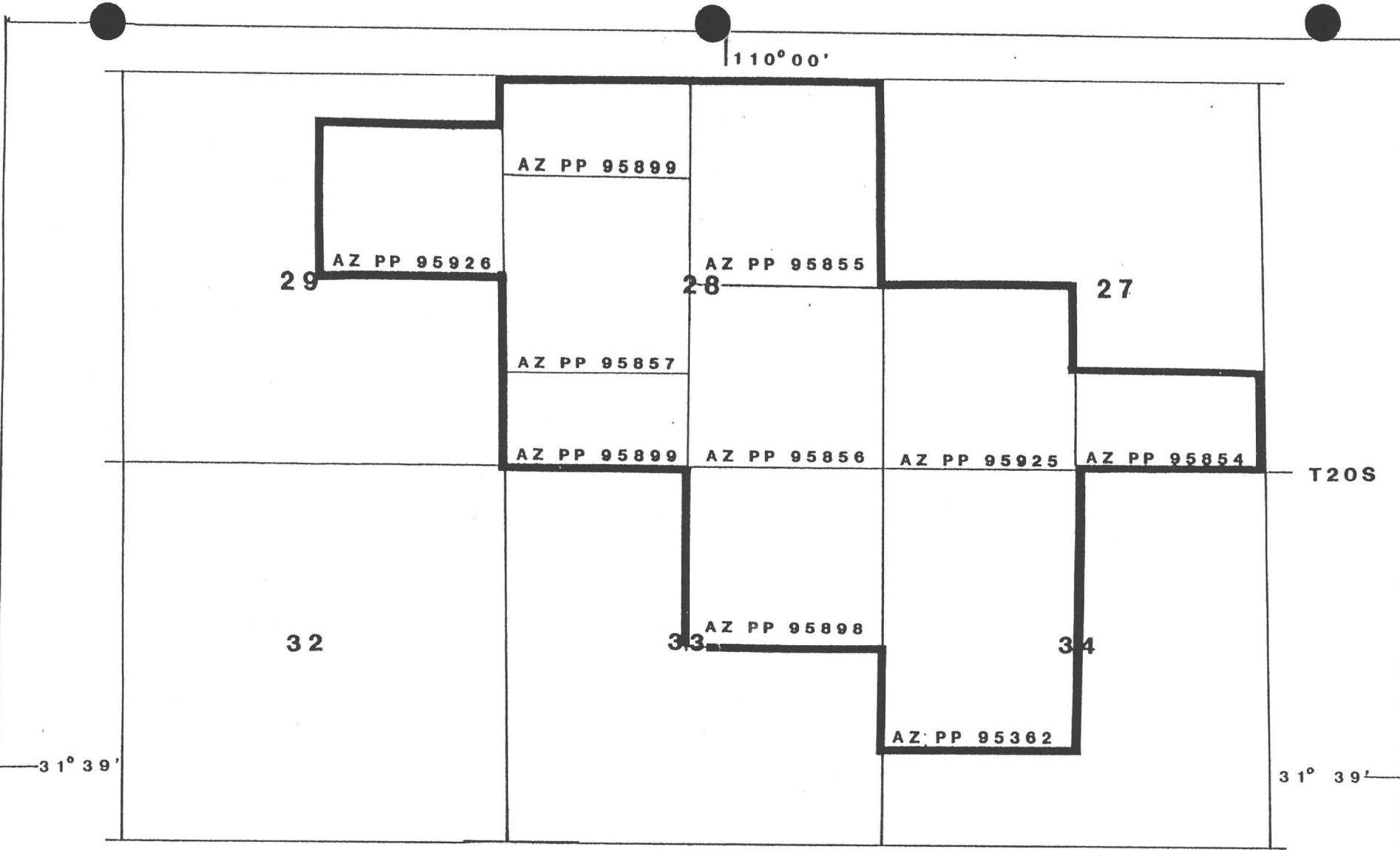
APPROVED BY: \_\_\_\_\_

REASONS FOR DENIAL: \_\_\_\_\_

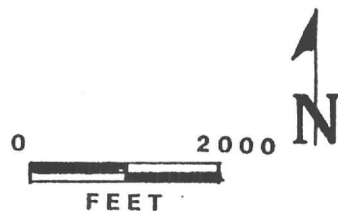
DATE OF PERMIT OR LEASE ISSUE: \_\_\_\_\_

DATE LAST PLAN SUBMITTED: \_\_\_\_\_ PLAN NUMBER \_\_\_\_\_

REMARKS: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_



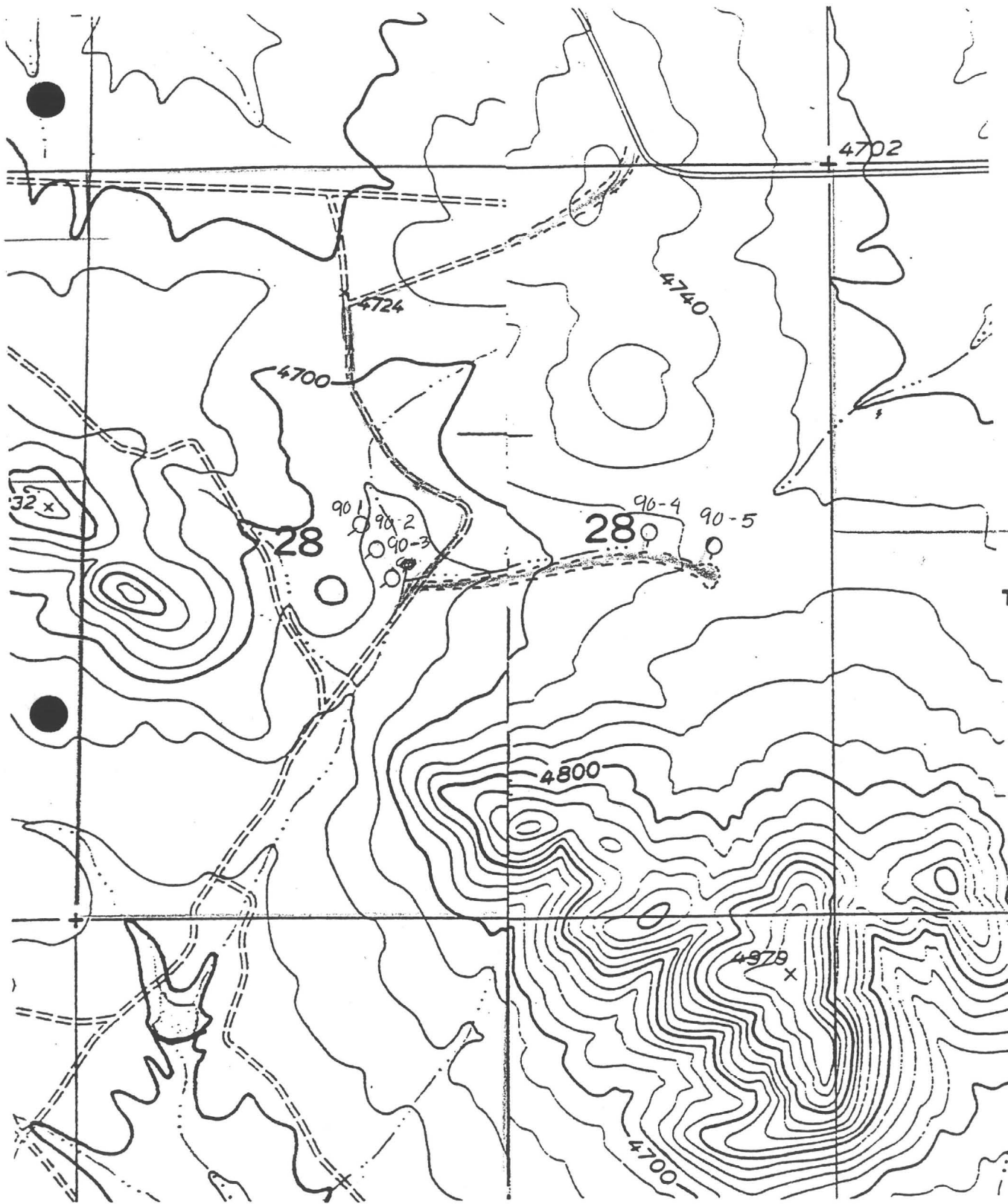
TEMPO RESOURCES LTD.  
 ZEBRA PROSPECT  
 LAND STATUS  
 FIGURE 2



0000064

110°00'

R23E



T20S





-  Property Boundary
-  Proposed drill Location
-  Existing Road
-  Proposed Road

EXHIBIT A

Scale 1"=1000'



000065

ARIZONA STATE LAND DEPARTMENT  
Nonrenewable Resources & Minerals



Plan of Operation

The following information must be submitted to, and approved by the Department prior to initiating exploration or mining activities on State land. The plan is approved for a period of one year beginning on the date approved. Any change in the below described operations must first be approved by the Department.

Plan evaluation and approval may require 30 days.

PROSPECTING PERMIT OR MINERAL LEASE NUMBER(S) 08-95854, 95855, 95856 & 95857 (later, 95926, 95899, 95362, 95925, 95898)

NAME IN WHICH ISSUED Tempo Resources, Inc./Ltd

NAME OF OPERATOR MinSearch, Inc. TELEPHONE (505) 298-8235

ADDRESS OF OPERATOR 11930 Menaul NE, Suite 112, Albuquerque, NM 87112

NAME OF FIELD REPRESENTATIVE Leroy Halterman  
(If different than operator include address and telephone)

1) LAND DESCRIPTION AND MAP

Attach as Exhibit A to this Plan a topographic map of the referenced property.

County Cochise Township 20South Range 23 East Section(s) 28

2) PERIOD OF OPERATION

The operation is proposed to begin on 1/6/90 and end on 1/5/91.  
If operations are proposed to exceed one year, an addendum to this plan must be filed prior to the plan expiration date.

3) ACCESS

Show on Exhibit A existing and proposed routes. Describe in detail the extent of all improved or newly constructed access. Note any locked gates.

Please see Exhibit A. New Roads are colored green, existing roads are colored blue. No additional work is anticipated on old roads.

4) VEHICLES AND EQUIPMENT

List by type and size all vehicles and equipment which will be used in connection with the operation. Include the capacity of concentrators for placer operations.

1 Cyclone Model TH-100 Drilling unit mounted on a diesel carrier.

1 combination pipe, service and water truck

1 pick-up truck and 1 Bronco 4x4 truck

5) SCOPE AND TYPE OF OPERATION

Describe the type and extent of the operation to be performed. Include the estimated area of disturbance and provide detailed information for any earth moving or site clearance operations. For placer type exploration include the amount of material to be processed from each test site, and the dimension of test sites.

Estimated area of disturbance: A grid soil sampling program is planned for an area approximately 600X2000 feet in size, no significant impact is anticipated with this portion of the program. This program will take place in the SE/4 of sec 28. Five drill holes are planned to be drilled to a depth of 600 feet. & NW/4  
Estimated surface disturbance for the holes will be .5 acres for roads and 2.5 acres for the drill sites. No significant blading of the terrain is believe to be necessary, most will be just running over the brush to clear it.

000066



6) AFFECTED LAND

Indicate to the nearest 300 feet the location of all proposed prospecting sites (Exhibit A). If necessary complete Exhibit B or provide coordinate description (topographic grid or distance from section corner). For placer type exploration include the location of concentrators.

Coordinate description: Submit as an attachment.

7) DRILLING

For all drilling operations indicate the type of drilling operation, drilling medium (air, water e.g.), hole diameter, and proposed total depth.

Air/water drilling, hole diameter will be 5 1/2"

* Hole I.D.	Total Depth	Hole I.D.	Total Depth	Hole I.D.	Total Depth
90-1	600'				
90-2	600'				
90-3	600'				
90-4	600'				
90-5	600'				

If drilling is anticipated indicate the method of plugging and abandonment. Indicate the marsh funnel viscosity if applicable.

Curring will be shoveled back into the hole and the hole will be plugged with 3' of cement to the surface in accordance with the regulations of the State of Arizona.

8) WATER USE

If the use of water is required, describe the location and quantity to be used. Less than 1000 gallons will be used to drill and the water will be bought from the city of Tombstone

9) RECLAMATION

Describe actions taken to minimize environmental impacts and state plans for reclamation of disturbed areas. If applicable include measures for erosion control, recontouring, seed bed preparation, method of seeding, seed species, etc. Unless otherwise approved reclamation is to be completed within the approved plan period of one year.

All drill locations will be cleaned up, leveled and raked. New roads and drill sites will be reseeded with a mixture of grasses specified by the State in an amount recommended by the State. The area is very flat and erosion should not pose any problem.

10) ANTIQUITIES AND NATIVE PLANTS

If required, the applicant agrees to obtain archaeological clearance prior to the following surface disturbance:

A. Prospecting Permit: All land surface affected by exploration activities including access roads.

B. Mineral Lease: All acreage under application. The applicant will be directly contacted by the Arizona State Museum.

Archaeological clearance must be obtained through the Arizona State Museum.

\* Hole I.D. - Identification number



10) ANTIQUITIES AND NATIVE PLANTS (cont.)

If the destruction or removal of protected plants is necessary to enjoy the privileges of a permit or lease, the applicant agrees to obtain written permission from the Arizona Commission of Agriculture and Horticulture. The applicant also agrees to purchase said plants from the Arizona State Land Department. Native plants are as described under the Arizona Native Plant Law.

APPLICANT: Ray Hale May 9, 1990  
Signature and Date  
Agent for Tempo Resources Ltd

Applicant must be the permit holder or duly authorized representative.

Following the Department's evaluation of this plan, two copies will be sent to the applicant noting any conditions which may be required by the Department. The applicant shall sign and return one copy which will attach to, and become a part of, the permit or lease.

CONDITIONS OF APPROVAL: 1) Obtain native plant clearance from Dept. of Agriculture and Horticulture. 2) Obtain archaeological clearance for proposed new roads and drill sites

Applicant agrees to abide by the methods and extent of the operations described herein. Applicant also agrees to abide by the above listed CONDITIONS OF APPROVAL.

✓ APPLICANT: \_\_\_\_\_  
Signature and Date

FOR DEPARTMENT USE ONLY

PLAN NUMBER 08-~~95856~~-3  
95855

BOND AMOUNT \$2,000<sup>00</sup>

APPROVED FOR THE PERIOD: BEGINNING 6/15/90 EXPIRING 5/31/91

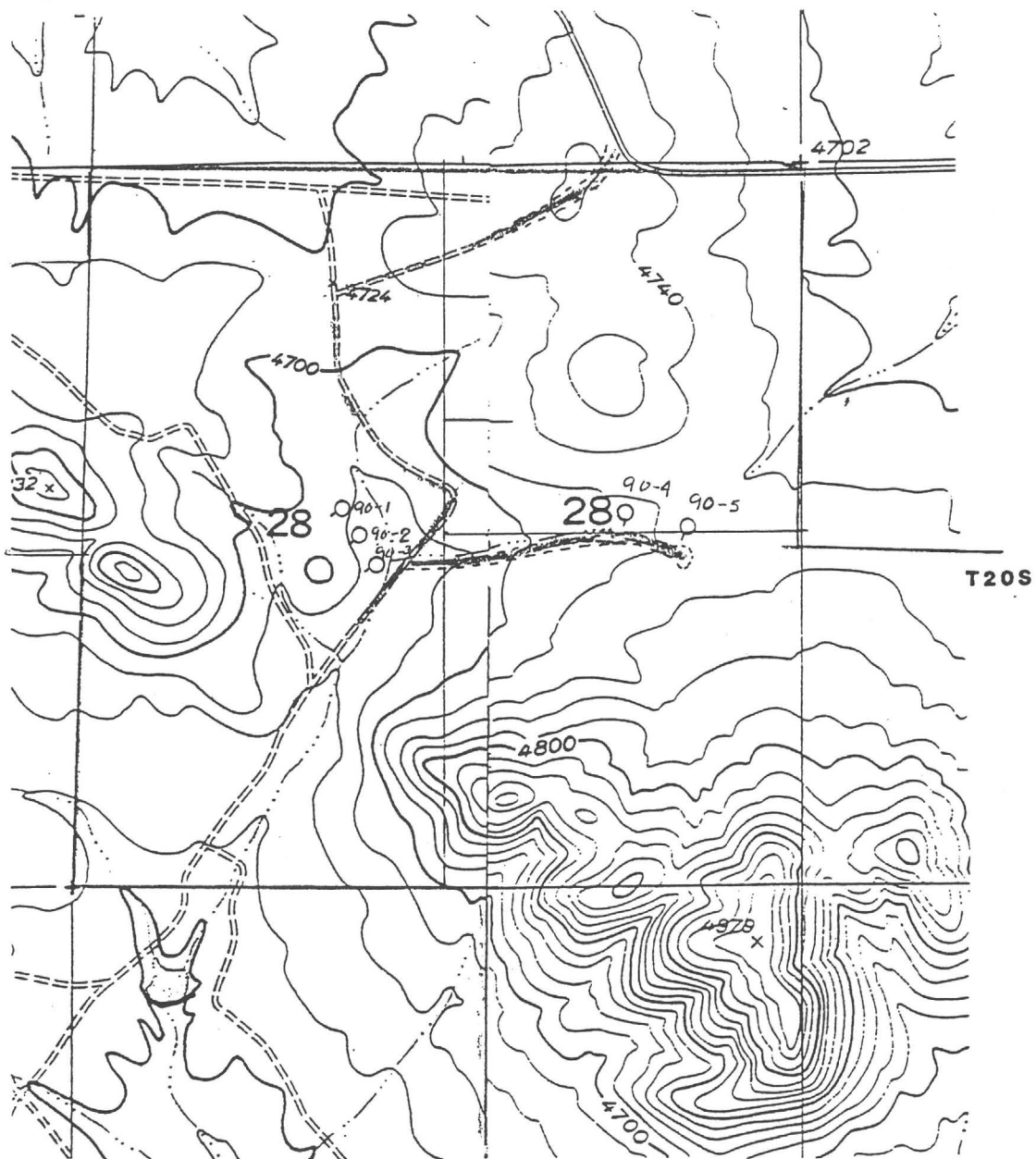
APPROVED BY: Stephen J. Power 6/6/90





REASONS FOR DENIAL: \_\_\_\_\_

DATE OF PERMIT OR LEASE ISSUE: 6/1/88

DATE LAST PLAN SUBMITTED: \_\_\_\_\_ PLAN NUMBER: \_\_\_\_\_

REMARKS: \_\_\_\_\_  
\_\_\_\_\_  
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\_\_\_\_\_



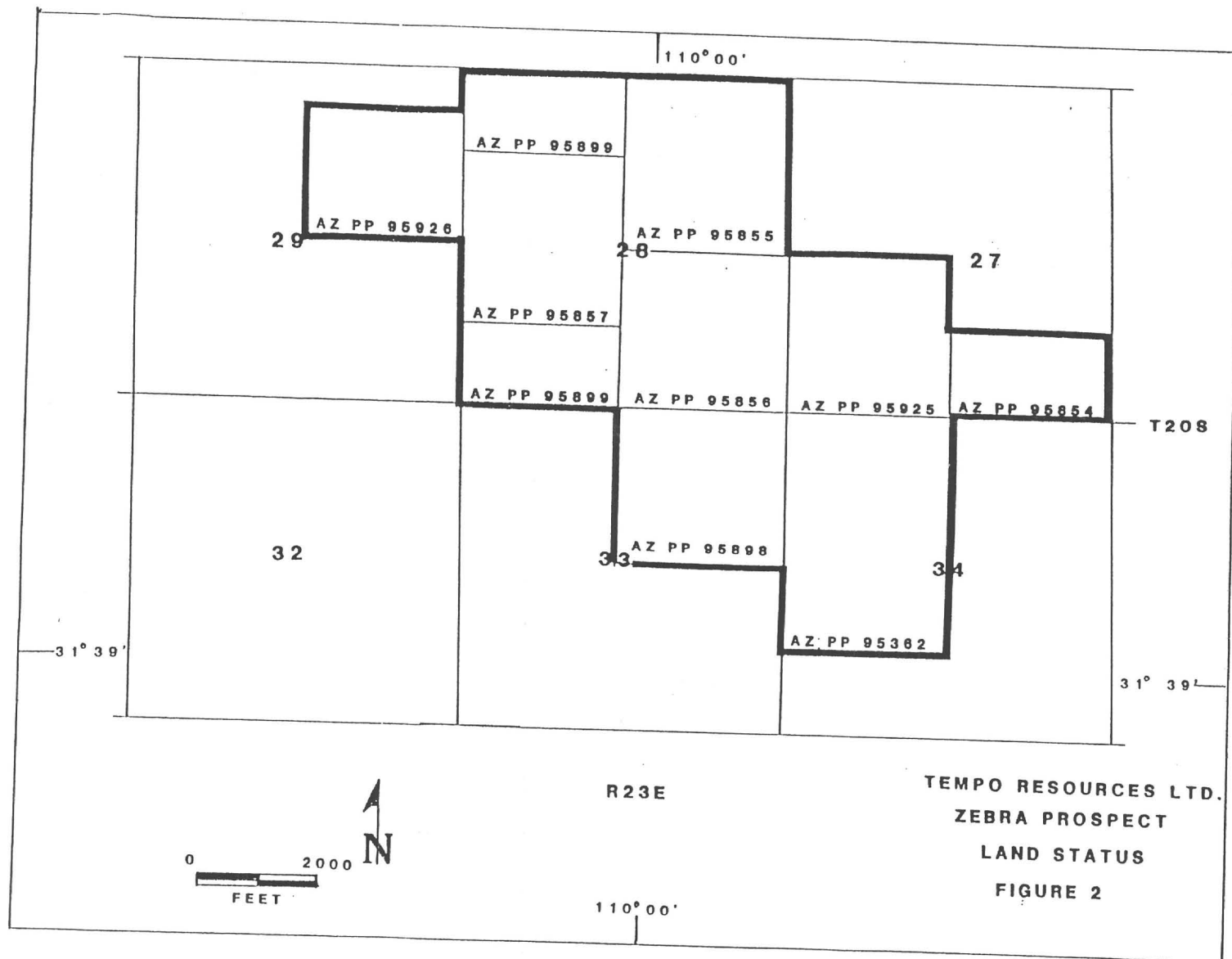
-  Property Boundary
-  Proposed drill Location
-  Existing Road
-  Proposed Road

Scale 1"=1000'

EXHIBIT A



000070





ROSE MOFFORD  
GOVERNOR

Arizona  
State Land Department

1616 WEST ADAMS  
PHOENIX, ARIZONA 85007



M J HASSELL  
STATE LAND COMMISSIONER

May 31, 1990

Minsearch, Inc.  
11930 Menaul NE, Suite 112  
Albuquerque, NM 87112

Attn: Mr. Leroy Halterman

Re: Plan of Operation, Prospecting Permits 08-95854, 08-95855,  
08-95856, 08-95857, 08-95362, 08-95898, 08-95899, 08-95925,  
& 08-95926

Dear Mr. Halterman:

It is not clear from the attached letter whether Mr. Herberman surveyed only the area impacted by the drilling proposed in the Plan you submitted to us on September 2, 1988, or all of Section 28. Please have Mr. Herberman confirm the extent of the survey work he has done on this area in a letter to me.

It is my understanding that your company retained an archaeologist to assist you in avoiding any potential archaeological sites in the project area. Was the archaeologist Mr. Herberman? Please direct the consulting archaeologist you retained to forward copies of his reports on the project area to:

Mr. John Madsen  
Arizona State Museum  
University of Arizona  
Tucson, AZ 85721.

It is our belief that if the mineralization is as extensive and diverse in the project area as you indicated, it will require an equally extensive exploration program to confirm. An extensive exploration program may require large areas of surface disturbance involving potential disturbance of archaeological sites, if any exist in the area. Mr. Madsen has requested that you contact him in order that he might assist you in complying with archaeological survey requirements and avoidance of sites. He can be reached by telephone at (602) 621-2096.

Brian Kinoy

000071

Minsearch, Inc.  
Attn: Leroy Halterman  
May 31, 1990

Page 2

If I can be of assistance in the future, please contact me at the above letterhead address or telephone (602) 542-4628.

Thank you very much for your cooperation.

Sincerely,



Stephen J. Powers, Geologist  
Nonrenewable Resources & Minerals  
Natural Resources Division

SJP/lf

Attachment

cc: John Madsen, ASM

000072



ROSE MOFFORD  
GOVERNOR

Arizona  
State Land Department

1616 WEST ADAMS  
PHOENIX, ARIZONA 85007



M J HASSELL  
STATE LAND COMMISSIONER

DATE June 1, 1990

( Tempo Resources, Ltd.  
( c/o MinSearch, Inc.  
( 11930 Menaul NE #112  
( Albuquerque, NM 87112

Re: 08-95854, 08-95855, 08-95856 & 08-95857

Dear Lessee/Permittee:

NOTICE OF LEASE OR PERMIT DOCUMENT(S) ENCLOSED

- 1. Enclosed is your original lease or permit which has been executed and finalized by the State Land Department. It is recommended that you store this document in a safe place.
- XXX   2. Enclosed is your original prospecting permit renewal endorsement which has been executed and finalized by the State Land Department. It is recommended that you affix this document to your original prospecting permit.
- 3. Enclosed is your original amended computer supplement legal description sheet which has been executed and finalized by the State Land Department. It is recommended that you affix this document to your original lease and store it in a safe place.
- 4. Enclosed is your lease which has been approved and executed by the State Land Department. It is recommended that you store this document in a safe place.

If you have any questions, please contact the State Land Department at (602) 542-4628.

Thank you.

/lf

Enclosure

000073

STATE LAND DEPARTMENT  
STATE OF ARIZONA

RENEWAL OF

PROSPECTING PERMIT NO. 08-95854

PERMIT IS HEREBY RENEWED FOR THE PERIOD OF:

EFFECTIVE DATE

June 1, 1990

EXPIRATION DATE

May 31, 1991

APPROVED DATE

June 1, 1990

BY Ramon D Fierro  
FOR THE STATE LAND COMMISSIONER

THIS FORM MUST BE ATTACHED TO PERMIT

000074

STATE LAND DEPARTMENT  
STATE OF ARIZONA

RENEWAL OF

PROSPECTING PERMIT NO. 08-95855

PERMIT IS HEREBY RENEWED FOR THE PERIOD OF:

EFFECTIVE DATE

June 1, 1990

EXPIRATION DATE

May 31, 1991

APPROVED DATE

June 1, 1990

BY Ramon D Fierro  
FOR THE STATE LAND COMMISSIONER

THIS FORM MUST BE ATTACHED TO PERMIT

000075



STATE LAND DEPARTMENT  
STATE OF ARIZONA

RENEWAL OF

PROSPECTING PERMIT NO. 08-95856

PERMIT IS HEREBY RENEWED FOR THE PERIOD OF:

EFFECTIVE DATE

June 1, 1990

EXPIRATION DATE

May 31, 1991

APPROVED DATE

June 1, 1990

BY Ramon D Fierro  
FOR THE STATE LAND COMMISSIONER

THIS FORM MUST BE ATTACHED TO PERMIT

000076

STATE LAND DEPARTMENT  
STATE OF ARIZONA

RENEWAL OF

PROSPECTING PERMIT NO. 08-95857

PERMIT IS HEREBY RENEWED FOR THE PERIOD OF:

EFFECTIVE DATE

June 1, 1990

EXPIRATION DATE

May 31, 1991

APPROVED DATE

June 1, 1990

BY Ramon D Fierro  
FOR THE STATE LAND COMMISSIONER

THIS FORM MUST BE ATTACHED TO PERMIT

000077



ROSE MOFFORD  
GOVERNOR

Arizona  
State Land Department

1616 WEST ADAMS  
PHOENIX, ARIZONA 85007



M J HASSELL  
STATE LAND COMMISSIONER

DATE June 7, 1990

( Tempo Resources, Inc./Ltd  
( 11930 Menaul NE, Ste. #112  
( Albuquerque, NM 87112  
(

Re: Prospecting Permit(s) 08-95854, 08-95855, 08-95856 & 08-95857

Dear Permittee:

Your Plan of Operation for the referenced permit(s) has been approved.

We are returning the original document, along with a copy, for your signature. After signing, please return the original to our office promptly and retain the copy for your records.

Please note that you are authorized to conduct only the exploration activities described in your approved Plan. Deviation from the Plan without prior written approval of the Department may be grounds for revocation of your prospecting permit(s). This authorization expires on May 31, 1991, at which time you must renew your prospecting permit(s) and submit a new Plan of Operation for approval.

If you have any questions, please contact me or Mr. Ramon Fierro at (602) 542-4628 during business hours.

Sincerely,

*Stephen J. Powers (lf)*

Stephen J. Powers, Geologist  
Nonrenewable Resources & Minerals  
Natural Resources Division

SJP/lf

Enclosure

Enclosure

000078

ARIZONA STATE LAND DEPARTMENT  
Nonrenewable Resources & Minerals

Plan of Operation

The following information must be submitted to, and approved by the Department prior to initiating exploration or mining activities on State land. The plan is approved for a period of one year beginning on the date approved. Any change in the below described operations must first be approved by the Department.

Plan evaluation and approval may require 30 days.

PROSPECTING PERMIT OR MINERAL LEASE NUMBER(S) 08-95854, 95855, 95857, 95899, 95362, 95925, 95898

NAME IN WHICH ISSUED Tempo Resources, Inc./Ltd.

NAME OF OPERATOR MinSearch, Inc. TELEPHONE (505) 298-8235

ADDRESS OF OPERATOR 11930 Menaul NE, Suite 112, Albuquerque, NM 87112

NAME OF FIELD REPRESENTATIVE Leroy Halterman  
(If different than operator include address and telephone)

1) LAND DESCRIPTION AND MAP

Attach as Exhibit A to this Plan a topographic map of the referenced property.

County Cochise Township 20South Range 23 East Section(s) 28

2) PERIOD OF OPERATION

The operation is proposed to begin on July 15, 90 and end on August 15, 1990. If operations are proposed to exceed one year, an addendum to this plan must be filed prior to the plan expiration date.

3) ACCESS

Show on Exhibit A existing and proposed routes. Describe in detail the extent of all improved or newly constructed access. Note any locked gates.

Please see Exhibit A. New Roads are colored green, existing roads are colored blue. No additional is anticipated on old roads. Roads between drill sites will be only brush pushed if necessary.

4) VEHICLES AND EQUIPMENT

List by type and size all vehicles and equipment which will be used in connection with the operation. Include the capacity of concentrators for placer operations.

1 Cyclone Model TH-100 Drilling unit mounted on a diesel carrier.  
1 Combination pipe, service and water truck  
1 Pick-up truck and 1 Ford Bronco 4X4 truck.

5) SCOPE AND TYPE OF OPERATION

Describe the type and extent of the operation to be performed. Include the estimated area of disturbance and provide detailed information for any earth moving or site clearance operations. For placer type exploration include the amount of material to be processed from each test site, and the dimension of test sites.

Estimated area of disturbance: Drilling 2.5 acres, Trenching .25 acres.

A total of 13 drill holes are planned for the area outlined in Exhibit A.  
The drilling will take place within an area 400 feet by 500 Feet or approximately .5 acres. It is estimated that less than half of this area will be disturbed.  
Very little blanding is anticipated most disturbance will be flattening brush.  
Approximately 700 feet of trenching is anticipated. The trench will be approximately 5' wide and dug with a backhoe. Including the spoils pile the area should not be over 15' wide. No water is expected to be encountered in either the drilling or trenching. Holes previously drilled in this area were all drilled dry to TD.

000079

6) AFFECTED LAND

Indicate to the nearest 300 feet the location of all proposed prospecting sites (Exhibit A). If necessary complete Exhibit B or provide coordinate description (topographic grid or distance from section corner). For placer type exploration include the location of concentrators.

Coordinate description: Submit as an attachment.

7) DRILLING

For all drilling operations indicate the type of drilling operation, drilling medium (air, water e.g.), hole diameter, and proposed total depth. Air /water injection, hole diameter will be 5 1/4"

Hole I.D.	Total Depth	Hole I.D.	Total Depth	Hole I.D.	Total Depth
90-1	150	90-7	150	90-13	150
90-2	150	90-8	150		
90-3	150	90-9	150		
90-4	150	90-10	150		
90-5	150	90-11	150		
90-6	150	90-12	150		

If drilling is anticipated indicate the method of plugging and abandonment. Indicate the marsh funnel viscosity if applicable.

Cuttings will be shoveled back into the hole and the hole will be plugged with 3 feet of cement to the surface in accordance with the regulations of the State of Arizona.

8) WATER USE

If the use of water is required, describe the location and quantity to be used. Less than 1000 gallons will be used to drill and the water will be bought from the city of Tombstone, as was done in the past.

9) RECLAMATION

Describe actions taken to minimize environmental impacts and state plans for reclamation of disturbed areas. If applicable include measures for erosion control, recontouring, seed bed preparation, method of seeding, seed species, etc. Unless otherwise approved reclamation is to be completed within the approved plan period of one year.

All drill sites and trenches will be cleaned up, leveled and raked. New roads, drill sites, and trench locations will be reseeded with a mixture of grasses specified by the State in an amount recommended by the State. The area is relatively flat and erosion should not pose any problem. Most of the drill sites will be on solid bed rock composes of limestones and dolomite.

10) ANTIQUITIES AND NATIVE PLANTS

If required, the applicant agrees to obtain archaeological clearance prior to the following surface disturbance:

- A. Prospecting Permit: All land surface affected by exploration activities including access roads.
- B. Mineral Lease: All acreage under application. The applicant will be directly contacted by the Arizona State Museum.

Archaeological clearance must be obtained through the Arizona State Museum.

\* Hole I.D. - Identification number

10) ANTIQUITIES AND NATIVE PLANTS (cont.)

If the destruction or removal of protected plants is necessary to enjoy the privileges of a permit or lease, the applicant agrees to obtain written permission from the Arizona Commission of Agriculture and Horticulture. The applicant also agrees to purchase said plants from the Arizona State Land Department. Native plants are as described under the Arizona Native Plant Law.

Area has been previously cleared Archaeologically and for native plants

APPLICANT: [Signature] 7/11/90  
Signature and Date

Applicant must be the permit holder or duly authorized representative. Agent for Tempo Resources Inc./Limited

Following the Department's evaluation of this plan, two copies will be sent to the applicant noting any conditions which may be required by the Department. The applicant shall sign and return one copy which will attach to, and become a part of, the permit or lease.

CONDITIONS OF APPROVAL: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Applicant agrees to abide by the methods and extent of the operations described herein. Applicant also agrees to abide by the above listed CONDITIONS OF APPROVAL.

APPLICANT: \_\_\_\_\_  
Signature and Date

FOR DEPARTMENT USE ONLY

PLAN NUMBER \_\_\_\_\_

BOND AMOUNT \_\_\_\_\_

APPROVED FOR THE PERIOD: BEGINNING \_\_\_\_\_ EXPIRING \_\_\_\_\_

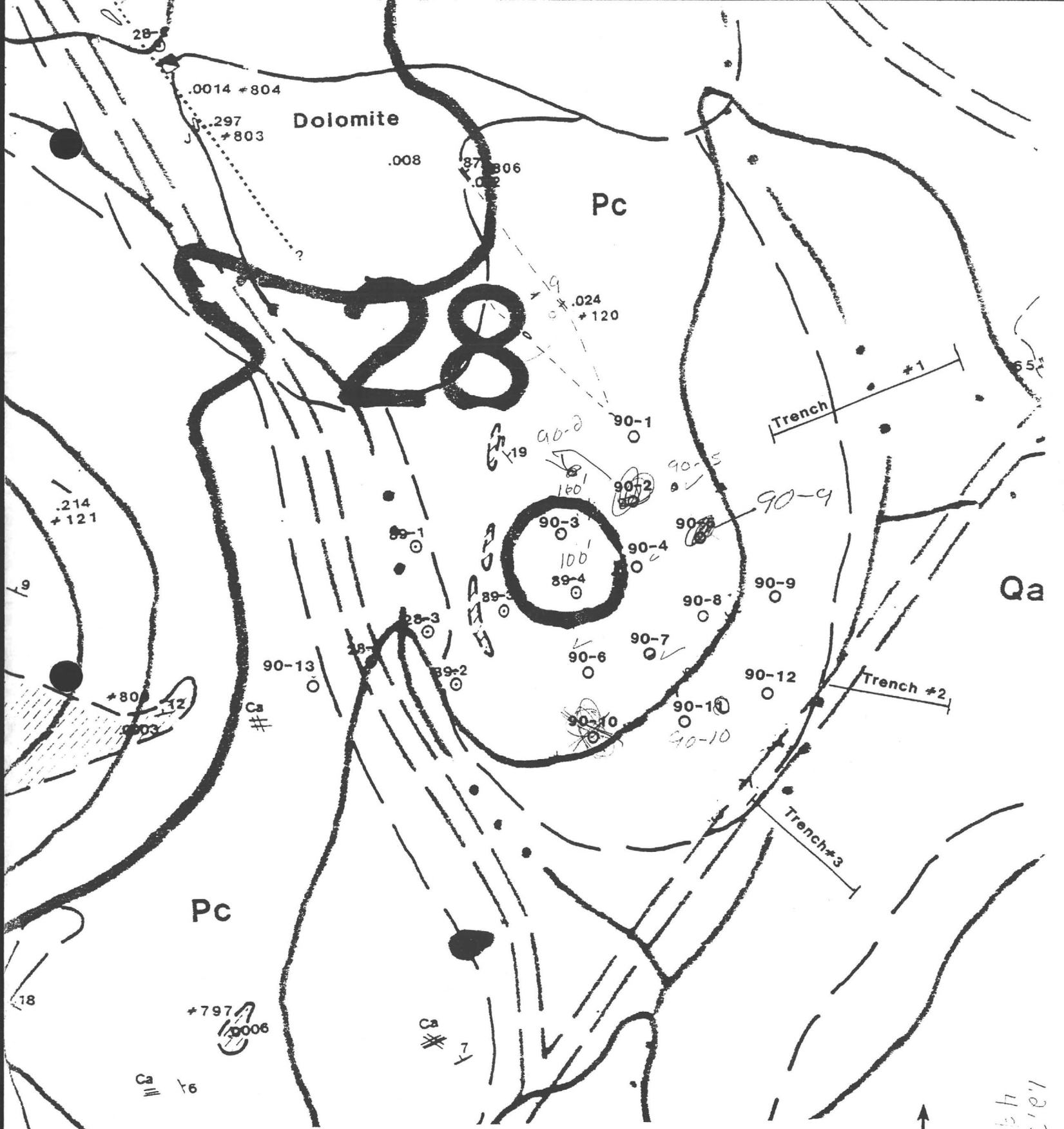
APPROVED BY: \_\_\_\_\_

REASONS FOR DENIAL: \_\_\_\_\_

DATE OF PERMIT OR LEASE ISSUE: \_\_\_\_\_

DATE LAST PLAN SUBMITTED: \_\_\_\_\_ PLAN NUMBER \_\_\_\_\_

REMARKS: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_



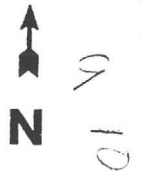
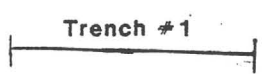
● Attachment to EXHIBIT A

**TEMPO RESOURCES**

**Section 28 T20S R23E**

**Scale 1"=200'**

90-1 Through -13 Proposed Locations  
 000082  
 Proposed Trench



1.0, 3.3, 4.4, 4.7

110° 00'

AZ PP 95899

AZ PP 95926

AZ PP 95855

29

28

27

AZ PP 95857

AZ PP 95899

AZ PP 95856

AZ PP 95925

AZ PP 95854

T20S

32

AZ PP 95898

33

34

AZ PP 95362

31° 39'

31° 39'

R23E

TEMPO RESOURCES LTD.  
ZEBRA PROSPECT  
LAND STATUS  
FIGURE 2

110° 00'

000083





Section 45-596, Arizona Revised Statutes and Rule R12-15-817 provide: Prior to drilling one or more exploration wells, the well owner, lessee or exploration firm shall file a Notice of Intention to Drill on a form provided by the Department.

WELL/LAND LOCATION

1. Township 20S N/S  
Range 23E E/W  
Section 28

In the case of a single well,  
list 10-acre subdivision  
1/4, 1/4, 1/4

2. County Cochise

3. Applicant:  
Tempo Resources, Inc.  
Name

11930 Menaul NE, Ste 112  
Address

Albuquerque, NM 87112  
City State Zip

4. Lee Halterman  
NAME OF CONTACT PERSON  
Phone 505 298-8235

5. Owner of well:  
Tempo Resources, Inc.  
Name

Same as Above  
Address  
City State Zip

6. Purpose of well(s) drilled pursuant to this Notice:  
Mineral Exploration XX  
Geotechnical \_\_\_\_\_  
Cathodic Protection \_\_\_\_\_  
Grounding \_\_\_\_\_

7. Number of wells 13  
(See Condition 3 on reverse)

8. Owner of land:  
Arizona State Land Dept  
Name  
1616 West Adams  
Address  
Phoenix Arizona 85007  
City State Zip

9. DESCRIPTION OF WELL:  
Diameter 5.25 inches  
Depth 150' feet  
Type of casing surface  
(If none, so state)

10. Construction will start:  
July 23 1990  
Month Day Year

11. Drilling firm:  
Drilling Services  
Name

12030 E. Riggs Rd.  
Address

Chandler Az. 85249  
City State Zip

52  
DWR License Number

12. Period well will remain in use 1 months.

13. Proposed method of abandonment of well(s) after project is completed:

In accordance with DWR

rules R-12-15-811

and R-12-15-816

DO NOT WRITE IN THIS SPACE  
OFFICE RECORD  
File No. \_\_\_\_\_  
Filed \_\_\_\_\_ By \_\_\_\_\_  
Input \_\_\_\_\_ By \_\_\_\_\_  
Duplicate \_\_\_\_\_  
Mailed \_\_\_\_\_ By \_\_\_\_\_  
Registration \_\_\_\_\_  
AMA/INA \_\_\_\_\_  
W/S \_\_\_\_\_ S/B \_\_\_\_\_

14. Is the proposed wellsite within 100 feet of a septic tank system, sewage disposal area, landfill, hazardous waste facility or storage area of hazardous materials? Yes \_\_\_ No X  
If yes, a request for a variance must accompany this application pursuant to R12-15-820.

GENERAL INSTRUCTIONS

- 1. Fill out this form in duplicate and mail to Department of Water Resources, 15 South 15th Ave. Phoenix, Arizona 85007
- 2. Proper filing fee of \$10.00 must accompany Notice.

I state that this Notice is filed in compliance with Rule R12-15-809 and is complete and correct to the best of my knowledge and belief and that I understand the conditions set forth on the reverse side of this form.

DATE July 14 1990  
DWR 55-43-10/88 (Revised)

[Signature]  
Signature of Applicant  
Agent Tempo Resources, Inc. **000084**

CONDITIONS

1. Construction and abandonment standards for all wells shall be in accordance with DWR Rules R12-15-811 and R12-15-816.
2. Drilling of the well(s) shall be completed within one (1) year after the date of Notice.
3. Mineral exploration, geotechnical cathodic protection or grounding holes of 100 feet of depth or less do not apply to these provisions and do not require filing. However, if water is encountered during the drilling of these wells, then the well(s) must be properly abandoned in accordance with Condition 1 above.
4. More than one well may be drilled under a single notice for mineral exploration, geotechnical, cathodic protection and grounding purposes, so long as they are located within a single section.
5. A Project Completion Report (DWR-55-42-10/83) must be filed for each hole, within 30 days of completion of drilling. A Well Driller Report (DWR-55-6-Rev.) for each hole drilled, must be filed by the well driller within 30 days of completion of drilling for geotechnical, cathodic protection, and grounding wells.
6. Pump equipment may not be installed on wells drilled for mineral exploration, geotechnical, cathodic protection or grounding purposes.
7. Special construction standards required pursuant to R12-15-821: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Note Holes will be ID. 90-1 through 90-13  
all will be less than 150 deep.

000085

1990 DRILLING PROGRAM

Drilling	\$10,343.05
Assaying	2,324.88
Geology & Misc.	3,663.42

Total \$16,331.35

Less \$4,800 Used For Permit #95362

Total Available: \$11,531.52



REMIT TO:  
 LAYNE WESTERN COMPANY, INC.  
 P. O. BOX 263, DEPT. 975  
 KANSAS CITY, MISSOURI  
 64193-0975

INVOICE

**Drilling Services Company**

PLEASE SHOW OUR INVOICE NO.  
 ON YOUR REMITTANCE.

A Division of  
 LAYNE-WESTERN COMPANY, INC.

REVERSE CIRCULATION ROTARY DRILLING  
 12030 East Riggs Road • Chandler, Arizona 85249 • (602) 895-9336

Sold To	MINSEARCH, INC.	Date	AUGUST 7, 1990
	11930 MENAUL NE, SUITE 112	Cust. Order	TOMBSTONE
	ALBUQUERQUE, NM 87112	Our Order	34-0734
Attention:	LEE HALDERMAN	Our Inv. No.	08-2690-0

TERMS: NET DAYS

	UNIT: 33-4080-34			
	WORK PERIOD: 7/25/90 THRU 7/30/90			
1)	Mobilization	Lump Sum		\$510.00
2)	Daily Travel Time	Hrs. @	\$45.00 per Hr.=	
3)	Job Site Drilling Services			
a	1260	Feet Drilled @	\$6.95 per Ft.=	\$8,757.00
b	0.5	Hrs. Moving @	\$190.00 per Hr.=	\$95.00
c	1.0	Hrs. Other @	\$190.00 per Hr.=	\$190.00
d		Hrs. Standby w/ Crew @	\$150.00 per Hr.=	
e		Hrs. Standby w/o Crew @	\$110.00 per Hr.=	
4)	Materials Furnished			
	1.0	5 1/4" HAMMER BIT	@ \$650.00 EA.=	\$650.00
	Percentage:	15.0 % on	\$650.00	= \$97.50
	Tax Rate:	6.70 %		
				Sub-Total: \$10,299.50
				Tax: \$43.55
				Total: \$10,343.05
				=====

Payment expected within \_\_\_\_\_ days after the date of this invoice. Layne-Western may institute a late payment charge at a rate of \_\_\_\_\_ percent per annum for all payments not made on or before the due date.

AMERICAN ASSAY LABORATORIES  
P.O. BOX 71060  
RENO, NV 89570

INVOICE NO: SP 0008186-IN  
INVOICE DATE: 08/08/90

(702) 356-0606

INVOICE TO:  
TEMPO RESOURCES  
C/O MINSEARCH, INC.  
11930 MENAUL N.W., ST. 112  
ALBUQUERQUE NM 87112

TEMPO RESOURCES  
C/O MINSEARCH, INC.  
11930 MENAUL N.W., ST. 112  
ALBUQUERQUE NM 87112

CUSTOMER P.O. PROJECT TERMS  
NET 30

QUANTITY	DESCRIPTION	PRICE	AMOUNT
177	SAMPLES RECEIVED	.00	.00
177	SPLITTING CHARGE	.50	88.50
177	KEEGOR MILLING CHARGE	2.00	354.00
177	Au (1 A.T. FIRE ASSAY)	7.25	1,283.25

NET INVOICE: 1,725.75  
LESS DISCOUNT: 86.29  
FREIGHT: .00

INVOICE TOTAL: 1,639.46

000088



# INVOICE

Remit To: P.O. Box 71060  
Reno, NV 89570  
Phone No.: 702-356-0606  
Fax No.: 702-356-1413

AMERICAN ASSAY LABORATORIES  
P. O. BOX 71060  
RENO, NV 89570

INVOICE NO: SP 0008206-IN  
INVOICE DATE: 08/07/90

(702) 356-0606

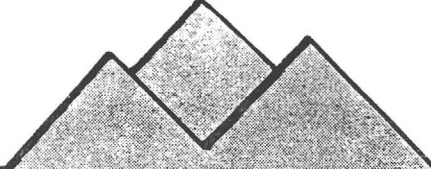
INVOICE TO:	TEMPO RESOURCES	TEMPO RESOURCES
	C/O MINSEARCH, INC.	C/O MINSEARCH, INC.
	11930 MENAUL N.W., ST. 112	11930 MENAUL N.W., ST. 112
	ALBUQUERQUE NM 87112	ALBUQUERQUE NM 87112

CUSTOMER P.O.	PROJECT	TERMS
		NET 30

QUANTITY	DESCRIPTION	PRICE	AMOUNT
74	SAMPLES RECEIVED	.00	.00
74	SPLITTING CHARGE	.50	37.00
74	KEEGOR MILLING CHARGE	2.00	148.00
74	Au (1 A.T. FIRE ASSAY)	7.25	536.50

NET INVOICE:	721.50
LESS DISCOUNT:	36.08
FREIGHT:	.00
INVOICE TOTAL:	685.42

000089



INVOICE 9011-A

August 2, 1990

Mr. Ken Cagianca  
c/o Wellington Financial  
2470-609 Granville Street  
Vancouver, B.C., Canada V7Y 1G5

ZEBRA PROPERTY, COCHISE COUNTY, ARIZONA  
August Invoice

ITEM	AMOUNT
Sr. Geologist, 5.5 days @ \$250/day Preparing revised plan of operation, getting archeological and native plant clearance Department of Water Resources clearance	\$ N/C
Sr. Geologist, 14 days @\$250/day Setting up drill program, drilling, and reclamation	3,500.00
Expenses, see attached	1,961.59
Miscellaneous expenses, see attached	163.42
<b>TOTAL DUE</b>	<b>\$5,625.01</b>

Please Remit To:  
MinSearch, Inc.  
11930 Menaul Blvd. NE, Suite 112  
Albuquerque, New Mexico 87112

Submitted by:

\_\_\_\_\_  
Lee Halterman  
MinSearch, Inc.

3500  
 + 163.42  
 -----  
 3663.42

*Applicable Expenses*

ZEBRA MISCELLANEOUS

Item	Amount
Department of Water Resources filling fee	\$ 10.00
Plastic Bags	20.75
Plastic viles	26.65
Fed-X	13.00
Cement and Plastic drop cloth	12.00
Markers	1.97
Love Grass Seed	20.00
Loping Shears (cut brush, cheaper than cat)	18.56
Cement	9.21
Film	3.58
OFF for drillers	<u>6.40</u>
Total	\$163.42





ROSE MOFFORD  
GOVERNOR

Arizona  
State Land Department

1616 WEST ADAMS  
PHOENIX ARIZONA 85007



M. J. HASSELL  
STATE LAND COMMISSIONER

DATE October 23, 1990

( Tempo Resources, Inc.  
( 11930 Menaul NE, Ste 112  
( Albuquerque, NM 87112  
(

RE: 08-95362

Dear Permittee:

In regard to your renewal year exploration, please be reminded of the required filing of a PLAN OF OPERATION. Because Plan approvals are limited to an operating period of one (1) year or less, there is no Plan on file which extends to include your renewal period operations. As such, you must submit the enclosed form PRIOR to completing any additional work on the property. Please return the form for approval within thirty (30) days to:

Arizona State Land Department  
1616 W. Adams Street  
Phoenix, Az. 85007  
Attn: Minerals.

If you have any questions regarding this matter, please contact our office at the above letterhead address or telephone (602) 542-4628.

ARIZONA STATE LAND DEPARTMENT

by Stephen J. Bowers (sp)

/lf

Enclosure

000092

ARIZONA STATE LAND DEPARTMENT  
Nonrenewable Resources & Minerals

Plan of Operation

The following information must be submitted to, and approved by the Department prior to initiating exploration or mining activities on State land. The plan is approved for a period of one year beginning on the date approved. Any change in the below described operations must first be approved by the Department.

Plan evaluation and approval may require 30 days.

PROSPECTING PERMIT OR MINERAL LEASE NUMBER(S) 08-95362, 95654, 95925, 95855, 95899, 95857, 95898, 95926

NAME IN WHICH ISSUED Tempo Resources Inc.

NAME OF OPERATOR MinSearch, Inc. TELEPHONE (505) 298-8235

ADDRESS OF OPERATOR 11930 Menaul NE, Ste. 112, Albuquerque, New Mexico 87112

NAME OF FIELD REPRESENTATIVE Lee Halterman  
(If different than operator include address and telephone)

SAME

1) LAND DESCRIPTION AND MAP

Attach as Exhibit A to this Plan a topographic map of the referenced property.

County Cochise Township 20S Range 23E Section(s) 27,28, 29, 33 and 34

2) PERIOD OF OPERATION

The operation is proposed to begin on Nov. 26, 1990 and end on July 31, 1990  
If operations are proposed to exceed one year, an addendum to this plan must be filed prior to the plan expiration date.

3) ACCESS

Show on Exhibit A existing and proposed routes. Describe in detail the extent of all improved or newly constructed access. Note any locked gates.

Only existing roads will be used during phase I, a new plan will be submitted if a second phase is performed, NO OFF ROAD TRAVEL BY VEHICLES IS ANTICIPATED

4) VEHICLES AND EQUIPMENT

List by type and size all vehicles and equipment which will be used in connection with the operation. Include the capacity of concentrators for placer operations.

One Ford Bronco, one 3/4 ton pickup

5) SCOPE AND TYPE OF OPERATION

Describe the type and extent of the operation to be performed. Include the estimated area of disturbance and provide detailed information for any earth moving or site clearance operations. For placer type exploration include the amount of material to be processed from each test site, and the dimension of test sites.

Estimated area of disturbance: Negligible, Two test lines of Geophysics is to be performed, One Mile of I.P. and one mile of CSMT. Vehicles will be confined to existing roads and crews will walk to the points where readings will be taken.

000093

6) AFFECTED LAND

Indicate to the nearest 300 feet the location of all proposed prospecting sites (Exhibit A). If necessary complete Exhibit B or provide coordinate description (topographic grid or distance from section corner). For placer type exploration include the location of concentrators.

Coordinate description: Submit as an attachment.

7) DRILLING

For all drilling operations indicate the type of drilling operation, drilling medium (air, water e.g.), hole diameter, and proposed total depth.  
N.A.

* Hole I.D.	Total Depth	Hole I.D.	Total Depth	Hole I.D.	Total Depth

If drilling is anticipated indicate the method of plugging and abandonment. Indicate the marsh funnel viscosity if applicable.

8) WATER USE

If the use of water is required, describe the location and quantity to be used. NA

9) RECLAMATION

Describe actions taken to minimize environmental impacts and state plans for reclamation of disturbed areas. If applicable include measures for erosion control, recontouring, seed bed preparation, method of seeding, seed species, etc. Unless otherwise approved reclamation is to be completed within the approved plan period of one year.

NA

10) ANTIQUITIES AND NATIVE PLANTS

If required, the applicant agrees to obtain archaeological clearance prior to the following surface disturbance:

- A. Prospecting Permit: All land surface affected by exploration activities including access roads.
- B. Mineral Lease: All acreage under application. The applicant will be directly contacted by the Arizona State Museum.

Archaeological clearance must be obtained through the Arizona State Museum.

Note: lines will be placed where they will avoid the known sites, these sites are not considered to be significant\*, they contain only a few lithics

\* Hole I.D. - Identification number

\* Note previous archeological clearances

000094

10) ANTIQUITIES AND NATIVE PLANTS (cont.)

If the destruction or removal of protected plants is necessary to enjoy the privileges of a permit or lease, the applicant agrees to obtain written permission from the Arizona Commission of Agriculture and Horticulture. The applicant also agrees to purchase said plants from the Arizona State Land Department. Native plants are as described under the Arizona Native Plant Law.

APPLICANT: [Signature] Nov. 14, 1990  
Signature and Date

Lee Halterman, MinSearch, Inc. Agent Tempo Resources I

Applicant must be the permit holder or duly authorized representative.

Following the Department's evaluation of this plan, two copies will be sent to the applicant noting any conditions which may be required by the Department. The applicant shall sign and return one copy which will attach to, and become a part of, the permit or lease.

CONDITIONS OF APPROVAL: \_\_\_\_\_  
\_\_\_\_\_

Applicant agrees to abide by the methods and extent of the operations described herein. Applicant also agrees to abide by the above listed CONDITIONS OF APPROVAL.

APPLICANT: \_\_\_\_\_  
Signature and Date

FOR DEPARTMENT USE ONLY

PLAN NUMBER \_\_\_\_\_

BOND AMOUNT \_\_\_\_\_

APPROVED FOR THE PERIOD: BEGINNING \_\_\_\_\_ EXPIRING \_\_\_\_\_

APPROVED BY: \_\_\_\_\_

REASONS FOR DENIAL: \_\_\_\_\_

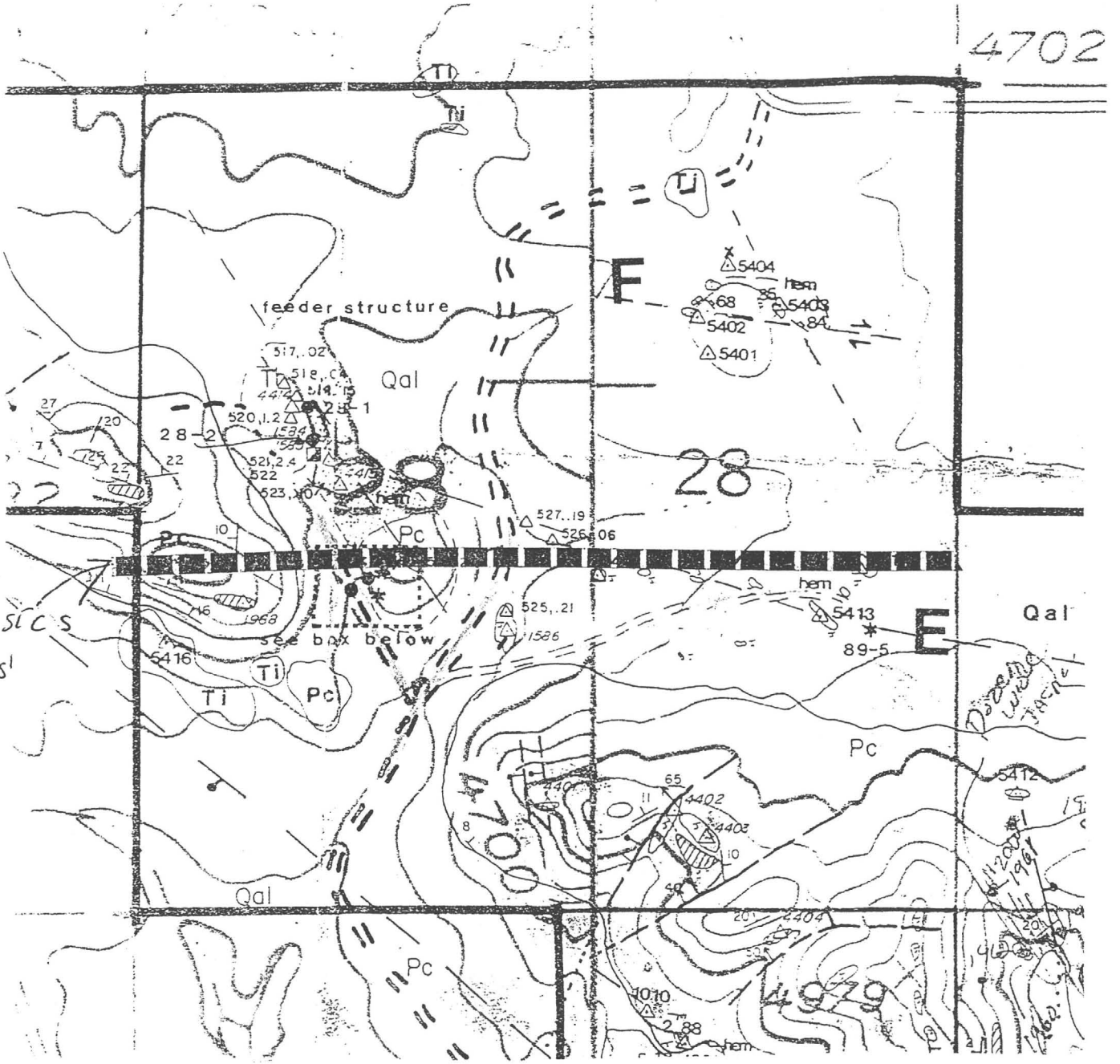
DATE OF PERMIT OR LEASE ISSUE: \_\_\_\_\_

DATE LAST PLAN SUBMITTED: \_\_\_\_\_ PLAN NUMBER \_\_\_\_\_

REMARKS: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
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\_\_\_\_\_

# R23E

4702

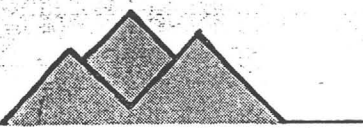


*Geophysics Lines!*

Scale 1" = 2000'

EXISTING ROADS

MinSearch, Inc.



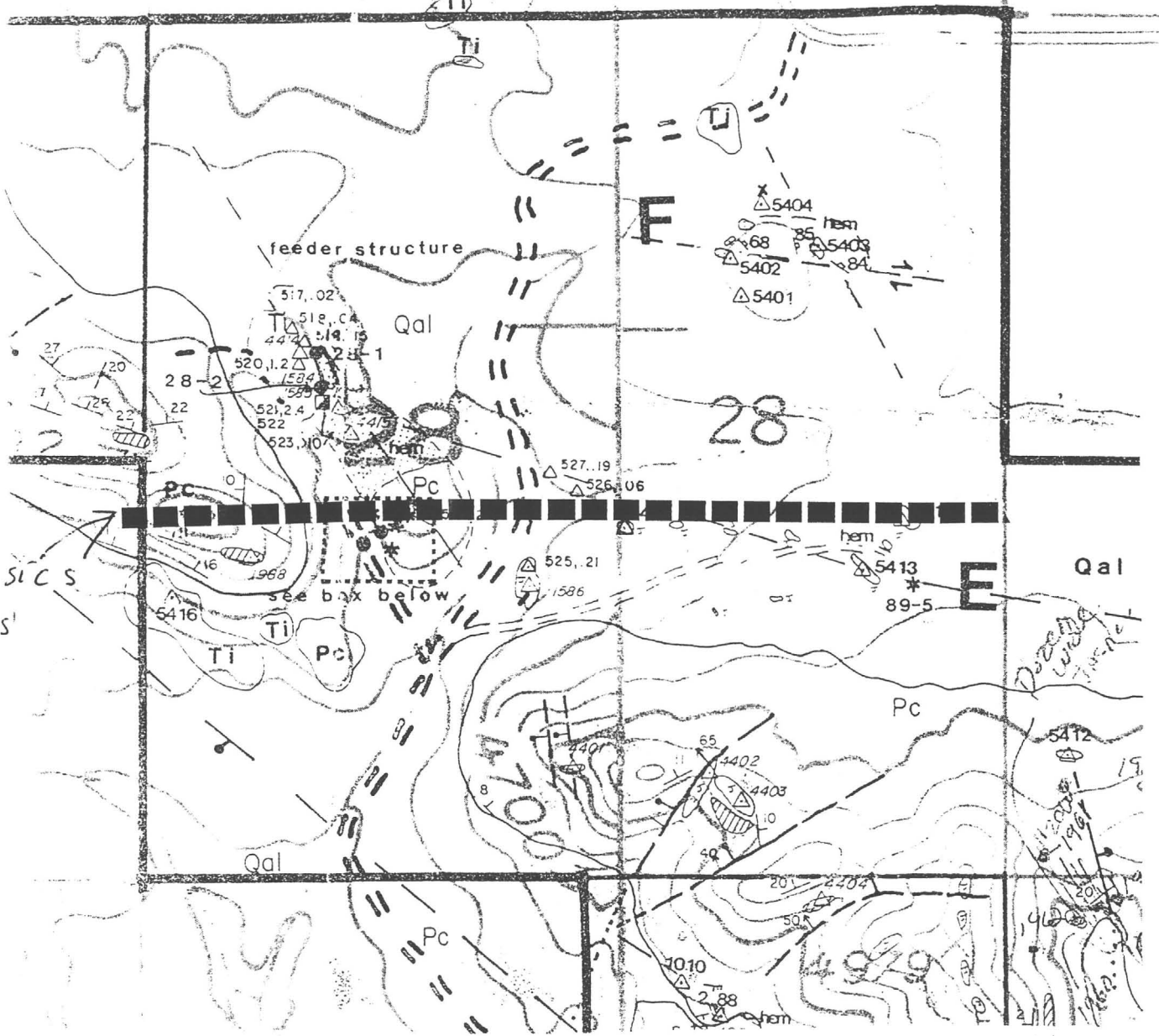
**LEROY HALTERMAN**  
Vice President - Exploration

11930 Menaul NE, Suite 112  
Albuquerque, NM 87112 • (505) 298-8235

000096

# R23E

4702



Geophysics Lines

Scale 1" = 2000'

EXISTING ROADS

MinSearch, Inc.

**LEROY HALTERMAN**  
Vice President - Exploration

000097

11930 Menaul NE, Suite 112  
Albuquerque, NM 87112 • (505) 298-8235



ROSE MOFFORD  
GOVERNOR

Arizona  
State Land Department

1616 WEST ADAMS  
PHOENIX, ARIZONA 85007



M. J. HASSELL  
STATE LAND COMMISSIONER

DATE November 19, 1990

( Tempo Resources, Inc.  
( 11930 Menaul NE, Ste. #112  
( Albuquerque, NM 87112  
(

Re: Prospecting Permit(s) 08-95362, 08-95654, 08-95925, 08-95855,  
08-95899, 08-95857, 08-95898 & 08-95926

Dear Permittee:

Your Plan of Operation for the referenced permit(s) has been approved.

We are returning the original document, along with a copy, for your signature. After signing, please return the original to our office promptly and retain the copy for your records.

Please note that you are authorized to conduct only the exploration activities described in your approved Plan. Deviation from the Plan without prior written approval of the Department may be grounds for revocation of your prospecting permit(s). This authorization expires on May 31, 1991, at which time you must renew your prospecting permit(s) and submit a new Plan of Operation for approval.

If you have any questions, please contact this Department at (602) 542-4628 during business hours.

STATE LAND DEPARTMENT

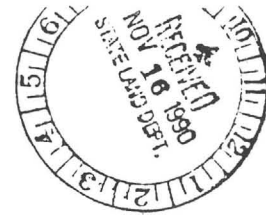
by Stephen J. Powers (sj)

/lf

Enclosure

000098

ARIZONA STATE LAND DEPARTMENT  
Nonrenewable Resources & Minerals



Plan of Operation

The following information must be submitted to, and approved by the Department prior to initiating exploration or mining activities on State land. The plan is approved for a period of one year beginning on the date approved. Any change in the below described operations must first be approved by the Department.

Plan evaluation and approval may require 30 days.

PROSPECTING PERMIT OR MINERAL LEASE NUMBER(S) 08-95362, 95654, 95925, 95855, 95899, 95857, 95898, 95926  
NAME IN WHICH ISSUED Tempo Resources Inc.  
NAME OF OPERATOR MiaSearch, Inc. TELEPHONE ( 505 ) 298-8235  
ADDRESS OF OPERATOR 11930 Menaul NE, Ste. 112, Albuquerque, New Mexico 87112  
NAME OF FIELD REPRESENTATIVE Lee Halterman  
(If different than operator include address and telephone)  
SAME

1) LAND DESCRIPTION AND MAP

Attach as Exhibit A to this Plan a topographic map of the referenced property.

County Cochise Township 20S Range 23E Section(s) 27,28, 29, 33 and 34

2) PERIOD OF OPERATION

The operation is proposed to begin on Nov. 26, 1990 and end on July 31, 1990  
If operations are proposed to exceed one year, an addendum to this plan must be filed prior to the plan expiration date.

3) ACCESS

Show on Exhibit A existing and proposed routes. Describe in detail the extent of all improved or newly constructed access. Note any locked gates.

Only existing roads will be used during phase I, a new plan will be submitted if a second phase is performed, NO OFF ROAD TRAVEL BY VEHICLES IS ANTICIPATED

4) VEHICLES AND EQUIPMENT

List by type and size all vehicles and equipment which will be used in connection with the operation. Include the capacity of concentrators for placer operations.

One Ford Bronco, one 3/4 ton pickup

5) SCOPE AND TYPE OF OPERATION

Describe the type and extent of the operation to be performed. Include the estimated area of disturbance and provide detailed information for any earth moving or site clearance operations. For placer type exploration include the amount of material to be processed from each test site, and the dimension of test sites.

Estimated area of disturbance: Negligible, Two test lines of Geophysics is to be performed, One Mile of I.P. and one mile of CSMT. Vehicles will be confined to existing roads and crews will walk to the points where readings will be taken.

000099



6) AFFECTED LAND

Indicate to the nearest 300 feet the location of all proposed prospecting sites (Exhibit A). If necessary complete Exhibit B or provide coordinate description (topographic grid or distance from section corner). For placer type exploration include the location of concentrators.

Coordinate description: Submit as an attachment.

7) DRILLING

For all drilling operations indicate the type of drilling operation, drilling medium (air, water e.g.), hole diameter, and proposed total depth.  
N.A.

* Hole I.D.	Total Depth	Hole I.D.	Total Depth	Hole I.D.	Total Depth

If drilling is anticipated indicate the method of plugging and abandonment. Indicate the marsh funnel viscosity if applicable.

8) WATER USE

If the use of water is required, describe the location and quantity to be used.  
NA

9) RECLAMATION

Describe actions taken to minimize environmental impacts and state plans for reclamation of disturbed areas. If applicable include measures for erosion control, recontouring, seed bed preparation, method of seeding, seed species, etc. Unless otherwise approved reclamation is to be completed within the approved plan period of one year.

NA

10) ANTIQUITIES AND NATIVE PLANTS

If required, the applicant agrees to obtain archaeological clearance prior to the following surface disturbance:

- A. Prospecting Permit: All land surface affected by exploration activities including access roads.
- B. Mineral Lease: All acreage under application. The applicant will be directly contacted by the Arizona State Museum.

Archaeological clearance must be obtained through the Arizona State Museum.

Note: lines will be placed where they will avoid the known sites, these sites are not considered to be significant\*, they contain only a few lithics

\* Hole I.D. - Identification number

\* Note previous archeological clearances

10) ANTIQUITIES AND NATIVE PLANTS (cont.)

If the destruction or removal of protected plants is necessary to enjoy the privileges of a permit or lease, the applicant agrees to obtain written permission from the Arizona Commission of Agriculture and Horticulture. The applicant also agrees to purchase said plants from the Arizona State Land Department. Native plants are as described under the Arizona Native Plant Law.

APPLICANT: [Signature] Nov. 14, 1990  
Signature and Date

Lee Halterman, MinSearch, Inc. Agent Tempo Resources I

Applicant must be the permit holder or duly authorized representative.

Following the Department's evaluation of this plan, two copies will be sent to the applicant noting any conditions which may be required by the Department. The applicant shall sign and return one copy which will attach to, and become a part of, the permit or lease.

CONDITIONS OF APPROVAL: \_\_\_\_\_  
\_\_\_\_\_

Applicant agrees to abide by the methods and extent of the operations described herein. Applicant also agrees to abide by the above listed CONDITIONS OF APPROVAL.

APPLICANT: \_\_\_\_\_  
Signature and Date

FOR DEPARTMENT USE ONLY

PLAN NUMBER 08-95362-3

BOND AMOUNT \$ 1,000.

APPROVED FOR THE PERIOD: BEGINNING 11/19/90 EXPIRING 5/31/91

APPROVED BY: [Signature] 11/16/90

REASONS FOR DENIAL: \_\_\_\_\_

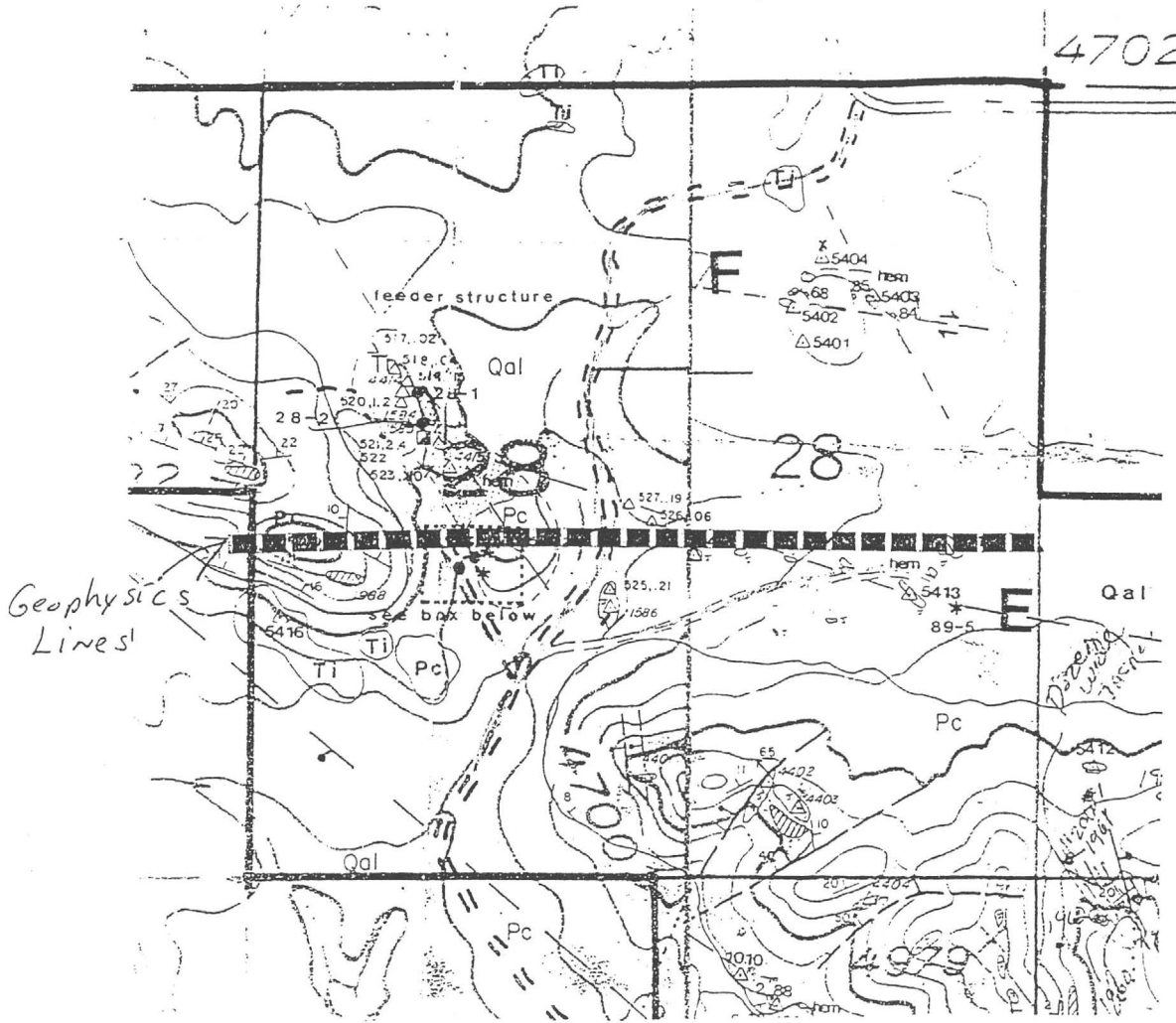
DATE OF PERMIT OR LEASE ISSUE: 11/11/87

DATE LAST PLAN SUBMITTED: \_\_\_\_\_ PLAN NUMBER \_\_\_\_\_

REMARKS: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

R23E

4702

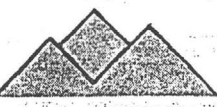


Geophysics Lines

Scale 1" = 2000'

EXISTING ROADS

MinSearch, Inc.



LEROY HALTERMAN  
Vice President - Exploration

11930 Menaul NE, Suite 112  
Albuquerque, NM 87112 • (505) 298-8235

000102

INVOICE 9015-A

November 30, 1990

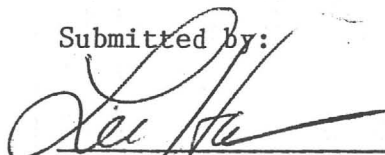
Mr. Ken Cagianca  
c/o Wellington Financial  
2470-609 Granville Street  
Vancouver, B.C., Canada V7Y 1G5

ZEBRA PROPERTY, COCHISE COUNTY, ARIZONA

ITEM	AMOUNT
Drill Reclamation, Flag Archeological sites Plugging and seeding, 4 days @ \$250.00 per day	1,000.00
Prepare Varous land documents, Update Reports and coordinate Geophysics, 3 days @ \$200 per day	600.00
Expenses (See Detail)	618.19
Fed-X and Recording Fees (Receipts Attached)	39.50
TOTAL DUE	\$2,257.69

Please Remit To:  
MinSearch, Inc.  
11930 Menaul Blvd. NE, Suite 112  
Albuquerque, New Mexico 87112

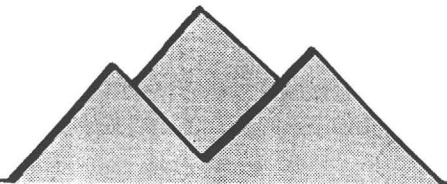
Submitted by:



Lee Halterman  
MinSearch, Inc.

TOTAL  
Applicable  
EXPENSES \$1000-

000103



INVOICE 9016-A

December 18, 1990

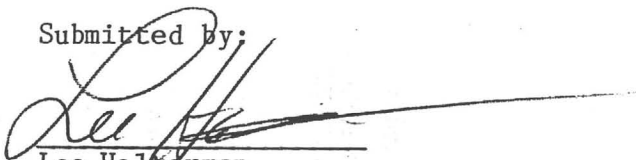
Mr. Ken Cagianca  
c/o Wellington Financial  
2470-609 Granville Street  
Vancouver, B.C., Canada V7Y 1G5

ZEBRA PROPERTY, COCHISE COUNTY, ARIZONA

ITEM	AMOUNT
Survey and prepare geophysical lines, review Phelps Dodge surveys, review with Zonge Engineering 5 days @ \$250.00 per day	1,250.00
Expenses (See Detail)	900.17
TOTAL DUE	\$2,150.17

Please Remit To:  
MinSearch, Inc.  
11930 Menaul Blvd. NE, Suite 112  
Albuquerque, New Mexico 87112

Submitted by:

  
Lee Halterman  
MinSearch, Inc.

TOTAL  
Applicable  
Expenses 1250.00



ARIZONA STATE LAND DEPARTMENT  
Nonrenewable Resources & Minerals



Plan of Operation

The following information must be submitted to, and approved by the Department prior to initiating exploration or mining activities on State land. The plan is approved for a period of one year beginning on the date approved. Any change in the below described operations must first be approved by the Department.

Plan evaluation and approval may require 30 days.

PROSPECTING PERMIT OR MINERAL LEASE NUMBER(S) 8-95854, 55, 57, 99, 95362, 95925, 95898

NAME IN WHICH ISSUED Tempo Resources Inc./Ltd

NAME OF OPERATOR MinSearch, Inc. TELEPHONE 505 298-8235

ADDRESS OF OPERATOR 11930 Menaul NE, Ste 112 Albuquerque, NM 87112

NAME OF FIELD REPRESENTATIVE Lee Halterman  
(If different than operator include address and telephone)

1) LAND DESCRIPTION AND MAP

Attach as Exhibit A to this Plan a topographic map of the referenced property.

County Cochise Township 20 South Range 23 E Section(s) 27, 28, 29, 33, 34

2) PERIOD OF OPERATION

The operation is proposed to begin on Jan 14, 1990 and end on Dec. 1, 1991.  
If operations are proposed to exceed one year, an addendum to this plan must be filed prior to the plan expiration date.

3) ACCESS

Show on Exhibit A existing and proposed routes. Describe in detail the extent of all improved or newly constructed access. Note any locked gates.

See Exhibit A. No new roads will be made. The drilling unit will drive off the existing roads approximately 100' three times for the drill sites

4) VEHICLES AND EQUIPMENT

List by type and size all vehicles and equipment which will be used in connection with the operation. Include the capacity of concentrators for placer operations.

1 Cyclone Model TU-100 Drilling unit mounted on a diesel carrier.

1 Combination pipe, service and water truck.

1 Pick-up truck and 1 Ford Bronco 4x4 truck.

5) SCOPE AND TYPE OF OPERATION

Describe the type and extent of the operation to be performed. Include the estimated area of disturbance and provide detailed information for any earth moving or site clearance operations. For placer type exploration include the amount of material to be processed from each test site, and the dimension of test sites.

Estimated area of disturbance: Drilling .5 acres, Soil Sampling 500 sq ft.

A total of three drill holes will be drilled, no roads, pads or pits are anticipated to be constructed. If necessary they will be less than 50X50'.

Recent drilling has not required dozer work.

It is planned to take approximately 500 soil samples on the grid located on Exhibit A. A hole approximately one foot wide and one foot deep will be dug for the 2-3 lb sample.

000105

6) AFFECTED LAND

Indicate to the nearest 300 feet the location of all proposed prospecting sites (Exhibit A). If necessary complete Exhibit B or provide coordinate description (topographic grid or distance from section corner). For placer type exploration include the location of concentrators.

Coordinate description: Submit as an attachment.

7) DRILLING

For all drilling operations indicate the type of drilling operation, drilling medium (air, water e.g.), hole diameter, and proposed total depth. Air, with injection, hole diameter will be 5 1/4"

Hole I.D.	Total Depth	Hole I.D.	Total Depth	Hole I.D.	Total Depth
90-10	350'				
90-11	650'				
90-12	350'				

If drilling is anticipated indicate the method of plugging and abandonment. Indicate the marsh funnel viscosity if applicable.

8) WATER USE

If the use of water is required, describe the location and quantity to be used. Less than 1000 gallons will be used to drill and the water will be bought from the city of Tombstone, as was done in the past.

9) RECLAMATION

Describe actions taken to minimize environmental impacts and state plans for reclamation of disturbed areas. If applicable include measures for erosion control, recontouring, seed bed preparation, method of seeding, seed species, etc. Unless otherwise approved reclamation is to be completed within the approved plan period of one year.

All drill sites will be cleaned up, leveled and raked. Sample holes will be back filled. Reseeding will be done with a mixture of Love grass as recommended by the State. The area is flat and erosion should not pose any problems.

10) ANTIQUITIES AND NATIVE PLANTS

If required, the applicant agrees to obtain archaeological clearance prior to the following surface disturbance:

- A. Prospecting Permit: All land surface affected by exploration activities including access roads.
- B. Mineral Lease: All acreage under application. The applicant will be directly contacted by the Arizona State Museum.

Archaeological clearance must be obtained through the Arizona State Museum. \*\* Note drilling or sampling will not be in the immediate area of known archaeological sites which consist of several lithics

\* Hole I.D. - Identification number



10) ANTIQUITIES AND NATIVE PLANTS (cont.)

If the destruction or removal of protected plants is necessary to enjoy the privileges of a permit or lease, the applicant agrees to obtain written permission from the Arizona Commission of Agriculture and Horticulture. The applicant also agrees to purchase said plants from the Arizona State Land Department. Native plants are as described under the Arizona Native Plant Law.

APPLICANT: [Signature] 12/31/90  
Signature and Date  
Agent Tempos Resources, Inc.

Applicant must be the permit holder or duly authorized representative.

Following the Department's evaluation of this plan, two copies will be sent to the applicant noting any conditions which may be required by the Department. The applicant shall sign and return one copy which will attach to, and become a part of, the permit or lease.

CONDITIONS OF APPROVAL: No drill pad construction or road construction authorized. If this is necessary - please submit a revised plan for review. Note - Plan approved only through 5/31/91

Applicant agrees to abide by the methods and extent of the operations described herein. Applicant also agrees to abide by the above listed CONDITIONS OF APPROVAL.

✓ APPLICANT: [Signature]  
Signature and Date

FOR DEPARTMENT USE ONLY

PLAN NUMBER 08-95855-3

BOND AMOUNT \$1,000

APPROVED FOR THE PERIOD: BEGINNING 1/2/91 EXPIRING 5/31/91

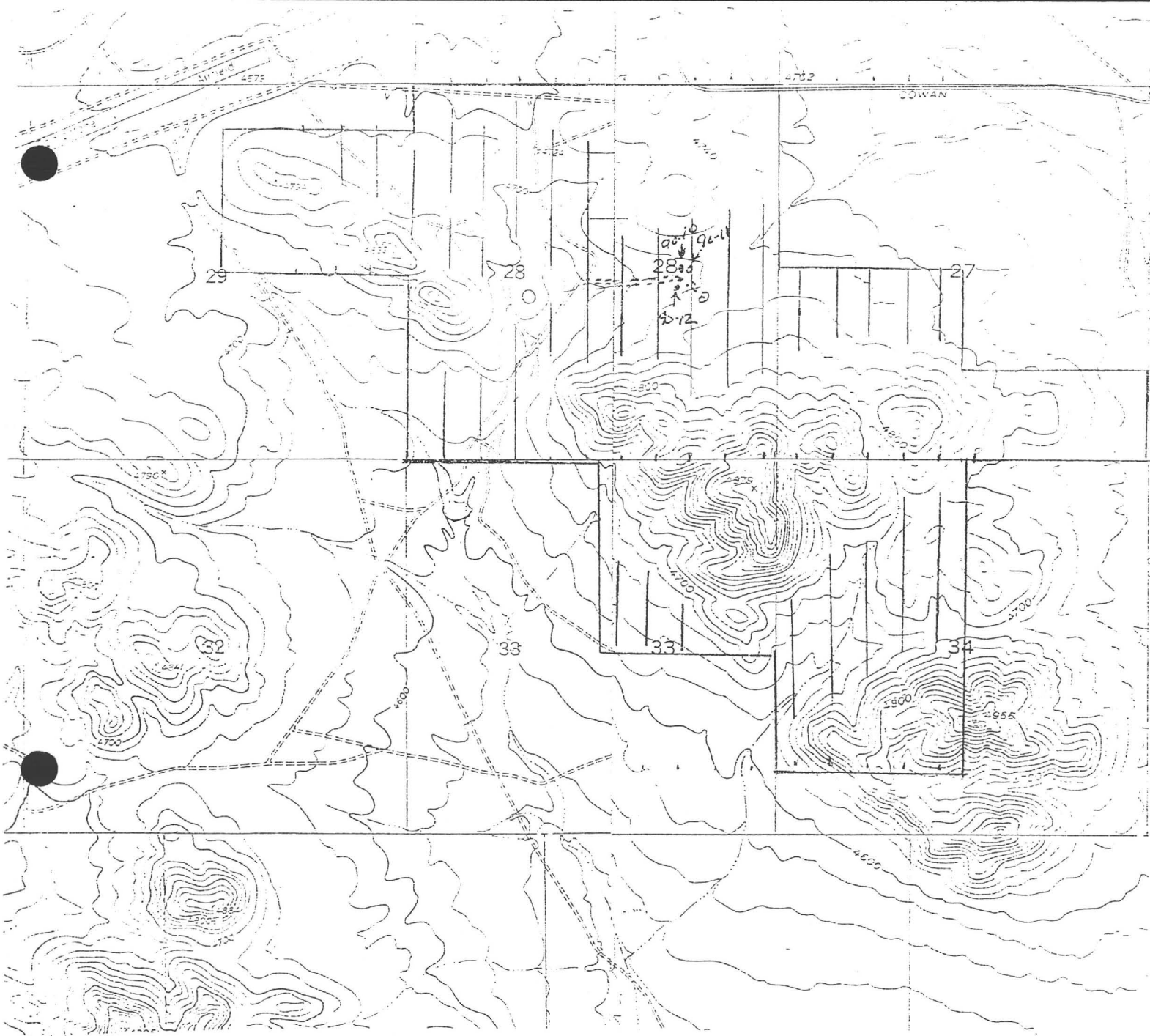
APPROVED BY: Stephen J. Povera 1/2/91

REASONS FOR DENIAL: \_\_\_\_\_

DATE OF PERMIT OR LEASE ISSUE: 6/1/88

DATE LAST PLAN SUBMITTED: 11-16-90 PLAN NUMBER \_\_\_\_\_

REMARKS: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_



ZEBRA PROSPECT

Wellington Financial  
Tempo Resources

Scale 1" - 2000'

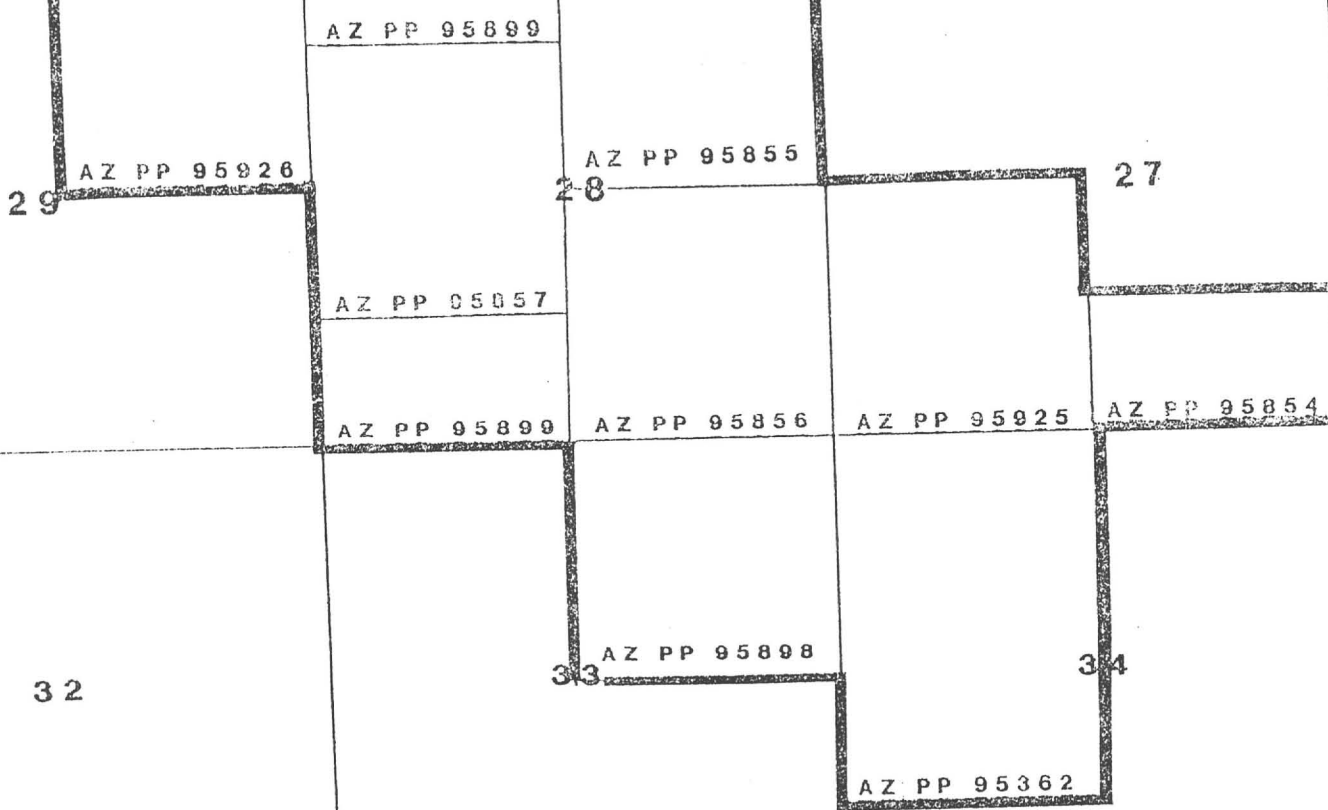
January 1, 1994

==== Existing Road

90-10 Proposed Drill Site

||| Soil Sample Line

0° 00'



T20S

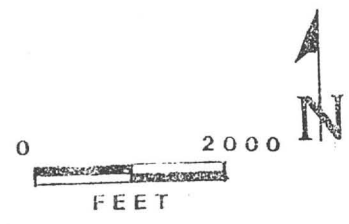
31° 39'

31° 39'

R23E

TEMPO RESOURCES LTD.  
 ZEBRA PROSPECT  
 LAND STATUS  
 FIGURE 2

110° 00'



000109

Section 45-596, Arizona Revised Statutes and Rule R12-15-817 provide: Prior to drilling one or more exploration wells, the well owner, lessee or exploration firm shall file a Notice of Intention to Drill on a form provided by the Department.

WELL/LAND LOCATION

1. Township 20S N/S  
Range 23E E/W  
Section 28

7. Number of wells 3  
(See Condition 3 on reverse)

11. Drilling firm:

In the case of a single well,  
list 10-acre subdivision

1/4, 1/4, 1/4

2. County Cochise

3. Applicant:  
Tempo Resources, Inc.  
Name

8. Owner of land:  
Arizona State Land Dept  
Name  
1616 West Adams  
Address  
Phoenix Arizona 85007  
City State Zip

Drilling Services  
Name  
12030 E. Riggs Rd.  
Address  
Chandler Az. 85249  
City State Zip

11930 Menaul NE. Ste 112  
Address  
Albuquerque, NM 87112  
City State Zip

9. DESCRIPTION OF WELL:  
Diameter 5.25 inches  
Depth 150' feet  
Type of casing surface  
(If none, so state)

52  
DWR License Number  
12. Period well will remain  
in use 1 months.

13. Proposed method of  
abandonment of well(s)  
after project is  
completed:

4. Lee Halterman  
NAME OF CONTACT PERSON  
Phone 505 298-8235

10. Construction will start:  
Jan 14 1991  
Month Day Year

5. Owner of well:  
Tempo Resources, Inc.  
Name  
Same as Above  
Address  
City State Zip

6. Purpose of well(s) drilled  
pursuant to this Notice:  
Mineral Exploration XX  
Geotechnical \_\_\_\_\_  
Cathodic Protection \_\_\_\_\_  
Grounding \_\_\_\_\_

DO NOT WRITE IN THIS SPACE  
OFFICE RECORD  
File No. \_\_\_\_\_  
Filed \_\_\_\_\_ By \_\_\_\_\_  
Input \_\_\_\_\_ By \_\_\_\_\_  
Duplicate \_\_\_\_\_  
Mailed \_\_\_\_\_ By \_\_\_\_\_  
Registration \_\_\_\_\_  
AMA/INA \_\_\_\_\_  
W/S \_\_\_\_\_ S/D \_\_\_\_\_

In accordance with DWR  
rules R-12-15-811  
and R-12-15-816

14. Is the proposed wellsite within 100 feet of a septic tank system, sewage disposal area, landfill, hazardous waste facility or storage area of hazardous materials? Yes \_\_\_ No X  
If yes, a request for a variance must accompany this application pursuant to R12-15-820.

GENERAL INSTRUCTIONS

- 1. Fill out this form in duplicate and mail to Department of Water Resources, 15 South 15th Ave. Phoenix, Arizona 85007
- 2. Proper filing fee of \$10.00 must accompany Notice.

I state that this Notice is filed in compliance with Rule R12-15-809 and is complete and correct to the best of my knowledge and belief and that I understand the conditions set forth on the reverse side of this form.

DATE Dec 31, 1990  
DWR 55-43-10/88 (Revised)

[Signature]  
Signature of Applicant  
Agent Tempo Resources, Inc. **000110**

CONDITIONS

1. Construction and abandonment standards for all wells shall be in accordance with DWR Rules R12-15-811 and R12-15-816.
2. Drilling of the well(s) shall be completed within one (1) year after the date of Notice.
3. Mineral exploration, geotechnical cathodic protection or grounding holes of 100 feet of depth or less do not apply to these provisions and do not require filing. However, if water is encountered during the drilling of these wells, then the well(s) must be properly abandoned in accordance with Condition 1 above.
4. More than one well may be drilled under a single notice for mineral exploration, geotechnical, cathodic protection and grounding purposes, so long as they are located within a single section.
5. A Project Completion Report (DWR-55-42-10/83) must be filed for each hole, within 30 days of completion of drilling. A Well Driller Report (DWR-55-6-Rev.) for each hole drilled, must be filed by the well driller within 30 days of completion of drilling for geotechnical, cathodic protection, and grounding wells.
6. Pump equipment may not be installed on wells drilled for mineral exploration, geotechnical, cathodic protection or grounding purposes.
7. Special construction standards required pursuant to R12-15-821: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

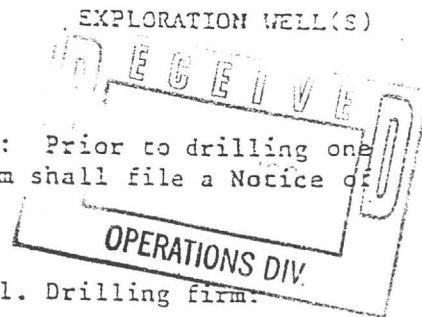
Drill Hole	Max Depth
90-10	350'
90-11	650'
90-12	350'

NOTE: Both shallow and deep drilling in this area have not encountered any significant ground water

000111

EXPLORATION WELL(S)  
FILING FEE \$10.00

DEPARTMENT OF WATER RESOURCES (DWR)  
NOTICE OF INTENTION TO DRILL  
EXPLORATION WELL(S)



Section 45-596, Arizona Revised Statutes and Rule R12-15-817 provide: Prior to drilling one or more exploration wells, the well owner, lessee or exploration firm shall file a Notice of Intention to Drill on a form provided by the Department.

WELL/LAND LOCATION

1. Township 20S N/S  
Range 23E E/W  
Section 28

7. Number of wells 3  
(See Condition 3 on reverse)

11. Drilling firm:

In the case of a single well,  
list 10-acre subdivision

1/4, 1/4, 1/4

2. County Cochise

8. Owner of land:  
Arizona State Land Dept  
Name

Drilling Services  
Name

12030 E. Riggs Rd.

Address

Chandler Az. 85249  
City State Zip

3. Applicant:  
Tempo Resources, Inc.  
Name

1616 West Adams  
Address  
Phoenix Arizona 85007  
City State Zip

52  
DWR License Number

11930 Menaul NE. Ste 112  
Address

12. Period well will remain  
in use <1 months.

Albuquerque, NM 87112  
City State Zip

13. Proposed method of  
abandonment of well(s)  
after project is  
completed:

4. Lee Halterman  
NAME OF CONTACT PERSON

10. Construction will start:  
Jan 14 1991  
Month Day Year

Phone 505 298-8235

5. Owner of well:  
Tempo Resources, Inc.  
Name

In accordance with DWR

Same as Above  
Address

rules R-12-15-811

City State Zip

and R-12-15-816

6. Purpose of well(s) drilled  
pursuant to this Notice:

DO NOT WRITE IN THIS SPACE  
OFFICE RECORD  
File No. D(20-23)28  
Filed 1-2-91 By ek  
Input \_\_\_\_\_ By \_\_\_\_\_  
Duplicate Mailed 1-11-91 By ek  
Registration 55-530496  
AMA/INA \_\_\_\_\_  
W/S 11 S/B \_\_\_\_\_

Mineral Exploration XX  
Geotechnical \_\_\_\_\_  
Cathodic Protection \_\_\_\_\_  
Grounding \_\_\_\_\_



14. Is the proposed wellsite within 100 feet of a septic tank system, sewage disposal area, landfill, hazardous waste facility or storage area of hazardous materials? Yes    No X  
If yes, a request for a variance must accompany this application pursuant to R12-15-820.

GENERAL INSTRUCTIONS

- 1. Fill out this form in duplicate and mail to Department of Water Resources, 15 South 15th Ave. Phoenix, Arizona 85007
- 2. Proper filing fee of \$10.00 must accompany Notice.

I state that this Notice is filed in compliance with Rule R12-15-809 and is complete and correct to the best of my knowledge and belief and that I understand the conditions set forth on the reverse side of this form.

DATE Dec 31, 1990  
DWR 85-43-10/88 (Revised)

[Signature]  
Signature of Applicant  
Agent Tempo Resources, Inc.

000112

CONDITIONS

1. Construction and abandonment standards for all wells shall be in accordance with DWR Rules R12-15-811 and R12-15-816.
2. Drilling of the well(s) shall be completed within one (1) year after the date of Notice.
3. Mineral exploration, geotechnical cathodic protection or grounding holes of 100 feet of depth or less do not apply to these provisions and do not require filing. However, if water is encountered during the drilling of these wells, then the well(s) must be properly abandoned in accordance with Condition 1 above.
4. More than one well may be drilled under a single notice for mineral exploration, geotechnical, cathodic protection and grounding purposes, so long as they are located within a single section.
5. A Project Completion Report (DWR-55-42-10/83) must be filed for each hole, within 30 days of completion of drilling. A Well Driller Report (DWR-55-6-Rev.) for each hole drilled, must be filed by the well driller within 30 days of completion of drilling for geotechnical, cathodic protection, and grounding wells.
6. Pump equipment may not be installed on wells drilled for mineral exploration, geotechnical, cathodic protection or grounding purposes.
7. Special construction standards required pursuant to R12-15-821: \_\_\_\_\_  
\_\_\_\_\_

Drill Hole	Max. Depth
90-10	350'
90-11	650'
90-12	350'

NOTE: Both shallow and deep drilling in this area have not encountered any significant ground water



1/11/91

TEMPO RESOURCES, INC.  
11930 MENDAL NE S112  
ALBUQUERQUE NM 87112



ARIZONA  
DEPARTMENT  
OF WATER  
RESOURCES

Rose McFard Governor  
N. W. Plummer  
Director

Re: Registration No. 55-530496  
File No. D(20-23)28

15 South 15th Avenue  
Phoenix Arizona 85007

Dear Well Owner:

Enclosed for your records is an annotated copy of the Notice of Intention to Drill a well which was recently filed with this Department. This is returned to you as evidence of compliance with A.R.S. §45-596. Your designated driller has been mailed, separately, a Well Drilling Card which he is required to have in his possession before commencing to drill the well.

Since this well is being drilled as a monitor well, or for cathodic protection, grounding, geotechnical or piezometer purposes, our standard driller report form is also being furnished to the driller which he is required to complete and return to the Department within 30 days after the completion of drilling. A Completion Report form is being furnished for monitor wells where pump equipment is authorized to be installed as part of this packet so that you may submit the report within 30 days after the installation of the pumping equipment on a monitor well as required by A.R.S. §45-600.

This well is authorized to be drilled for mineral exploration purposes. Because of this, no pump equipment may be installed. A Project Completion Report is being furnished you for each hole to be drilled. You are required to submit this Project Completion Report within 30 days after completion of drilling. Frequently, exploration wells are abandoned shortly after drilling. Therefore, pursuant to R12-15-816.B, a Notice of Intent to Abandon a Well is being furnished.

The Department of Water Resources requires you to obtain written permission before proceeding with the drilling in the event that you determine it necessary to change the location of the proposed well. A properly signed amended Drilling Card must be in the possession of the driller before drilling commences at a different location than originally authorized.

If in the course of drilling a new well, it is determined that the well needs to be abandoned, then a Well Abandonment Completion Report must be submitted per R12-15-816.F.

000114



For your future use, a Change of Well Information form is enclosed for your convenience. Per A.R.S. §45-593, the person to whom a well is registered shall notify this Department of a change of ownership of the well and/or information pertaining to the physical characteristics of the well, in order to keep the well registration file current and accurate.

Sincerely,



R. A. Gessner

Chief, Operations Division

RAG:dl

Enclosures

DWR-55-50-9/90(Revised)

000115

ARIZONA DEPARTMENT OF WATER RESOURCES  
OPERATIONS DIVISION  
15 SOUTH 15TH AVENUE  
PHOENIX, ARIZONA 85007

CHANGE OF WELL INFORMATION

Well Registration No. 55- \_\_\_\_\_ File No. \_\_\_\_\_  
(location)

I/We request the following well information be changed: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Date: \_\_\_\_\_ Signature of Current Well Owner \_\_\_\_\_

(DO NOT CUT THIS FORM IN HALF)

STATEMENT OF CHANGE OF WELL OWNERSHIP

I, \_\_\_\_\_, state that I am (no longer) the (new)  
(please print)  
owner of the well described below:

Township \_\_\_\_\_ Range \_\_\_\_\_ Section \_\_\_\_\_; \_\_\_\_\_  $\frac{1}{4}$  \_\_\_\_\_  $\frac{1}{4}$  \_\_\_\_\_  $\frac{1}{4}$

Well Registration No. 55- \_\_\_\_\_ File No. \_\_\_\_\_  
(location)

\_\_\_\_\_  
**PRINT** Previous Owner's Name

\_\_\_\_\_  
**PRINT** New Owner's Name

\_\_\_\_\_  
Address

\_\_\_\_\_  
Address

\_\_\_\_\_|\_\_\_\_\_|\_\_\_\_\_  
City State Zip

\_\_\_\_\_|\_\_\_\_\_|\_\_\_\_\_  
City State Zip

Dated: \_\_\_\_\_ Signature of New Owner \_\_\_\_\_

**NOTE:** A.R.S. §45-593.C. requires that the Department be notified of change of well ownership and that the well owner is required to keep the Department's Well Registration records current and accurate. Well data and ownership changes must be submitted within thirty (30) days after changes take place.

SAVE THIS FORM TO REPORT FUTURE CHANGES IN OWNERSHIP, CHANGES IN ADDRESS, OR CHANGE IN WELL DATA SUCH AS PUMP CAPACITY, CORRECTION OF LEGAL DESCRIPTION, CHANGE OF WELL DRILLER AND AMENDING INFORMATION PREVIOUSLY FILED.

000116

STATE OF ARIZONA  
DEPARTMENT OF WATER RESOURCES  
15 SOUTH 15TH AVENUE  
PHOENIX, ARIZONA 85007

PROJECT COMPLETION REPORT FOR EXPLORATION DRILLING

This report must be prepared by the owner in all detail and filed with the Department within 30 days following completion of the well drilling project.

1. Owner: \_\_\_\_\_  
Name

Address: \_\_\_\_\_  
Street City State Zip

2. Lessee or Operator: \_\_\_\_\_  
Name

Address: \_\_\_\_\_  
Street City State Zip

3. Driller: \_\_\_\_\_  
Name

Address: \_\_\_\_\_  
Street City State Zip

4. Location: \_\_\_\_\_  
Township Range Section  $\frac{1}{4}$   $\frac{1}{4}$   $\frac{1}{4}$  WELL REGISTRATION NO. 55- \_\_\_\_\_  
State Zip  
(A REQUIREMENT)

DESCRIPTION OF WELL

5. Type of Casing (if installed): \_\_\_\_\_

6. Abandonment method and material used if abandoned: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

7. Construction details if completed for monitoring purposes, re-entry or conversion to water wells: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

8. Date or period drilled: \_\_\_\_\_

LOG OF WELL

Unconsolidated Formation

Consolidated Formation

Depth to water in feet below land surface: \_\_\_\_\_  
(if encountered or detected)

DO NOT WRITE IN THIS SPACE	
OFFICE RECORD	
Registration No. 55-530496	
Received _____	By _____
Entered _____	By _____
File No. D(20-23)28	

I state that this report is filed in compliance with A.R.S. § 45-600 and is complete and correct to the best of my knowledge and belief.

Owner's Signature \_\_\_\_\_ Date \_\_\_\_\_

000117

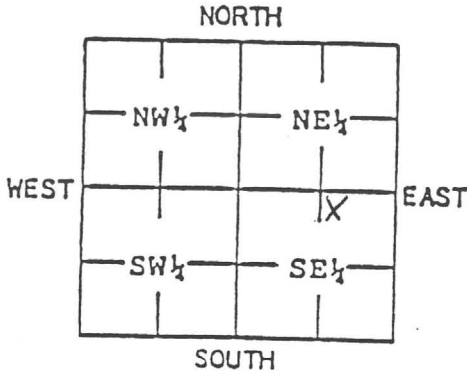
NO FEE REQUIRED

DEPARTMENT OF WATER RESOURCES (DWR)  
15 South 15th Avenue  
Phoenix, Arizona 85007

NO FEE REQUIRED

NOTICE OF INTENT TO ABANDON A WELL

A.R.S. §45-594, R12-15-816: Well abandonment shall be performed only by a licensed well drilling contractor or single well licensee. The owner of a well shall file a Notice of Intent to Abandon the well prior to abandonment.



INDICATE WELL LOCATION BY X  
(Above diagram represents one  
640 acre section)

1. Well Location:  
20S 123E 128  
 Township Range Section  
NW 1/4 NE 1/4 SE 1/4  
 10 Acre 40 Acre 160 Acre

3. Well Registration Number:  
55-530496

2. Position location of the well  
 on the land:  
 Latitude \_\_\_\_\_ ° \_\_\_\_\_ ' \_\_\_\_\_ "  
 Longitude \_\_\_\_\_ ° \_\_\_\_\_ ' \_\_\_\_\_ "

4. Well Owner:  
Tempo Resources Inc  
 Name  
11930 Meranal NE STE 112  
 Mailing Address  
Albuquerque NM 87112  
 City State Zip

Telephone 505 298-8235

6. County Assessor's ID:

Book \_\_\_\_\_ Map \_\_\_\_\_ Parcel \_\_\_\_\_

DESCRIPTION OF WELL TO BE ABANDONED:

DO NOT WRITE IN THIS SPACE  
OFFICE RECORD

File No. \_\_\_\_\_  
 Filed \_\_\_\_\_ By \_\_\_\_\_  
 Input \_\_\_\_\_ By \_\_\_\_\_

DUPLICATE

Mailed \_\_\_\_\_ By \_\_\_\_\_  
 Registration \_\_\_\_\_

5. Owner of the land:

STATE OF ARIZONA  
 Name  
 Address \_\_\_\_\_  
 City State Zip

7. Abandonment will begin: Month 1 Year 91 8. Well Diameter 5 1/8 inches 9. Well Depth 200 feet

10. Type of Casing NONE - No WATER ENCOUNTERED

11. Materials and methods to be used to abandon the well: Back Fill with cutting CEMENT plug 20' surface, No water ENCOUNTERED.

12. Reason for abandonment: Mineral Exploration hole

13. To your knowledge, is there any information that exists which indicates that the water in this well may be or is contaminated? Yes \_\_\_\_\_ No ✓. If yes, explain on an attached sheet.

14. Licensed Driller performing abandonment: Firm Name Drilling Service License No. 52  
 Address 12030 E. Riggs Rd City Chandler State AZ Zip 85249

GENERAL INSTRUCTIONS

1. This form is to be used to obtain authority to abandon a well.
2. If this well has just been discovered pursuant to A.R.S. §45-593.D., and has not been registered, this form will serve to register the well when properly abandoned and reported.
3. Fill out this form in DUPLICATE and send to 15 South 15th Avenue, Phoenix, AZ 85007.
4. Construction standards for abandonment shall be in accordance with Department Rules and Regulations.

I state that this Notice is filed in compliance with A.R.S. §45-594 and A.A.C. R12-15-816 and is complete and correct to the best of my knowledge and belief.

Date: 1/24/91 Signature of Well Owner: \_\_\_\_\_

000118

STATE OF ARIZONA  
DEPARTMENT OF WATER RESOURCES  
15 SOUTH 15TH AVENUE  
PHOENIX, ARIZONA 85007

PROJECT COMPLETION REPORT FOR EXPLORATION DRILLING

This report must be prepared by the owner in all detail and filed with the Department within 30 days following completion of the well drilling project.

1. Owner: STATE OF ARIZONA LANDS  
Name
- Address: \_\_\_\_\_  
Street City State Zip
2. Lessee or Operator: Tempo Resources, Inc  
Name
- Address: 11930 MENARD NE. STE 112 | Albuquerque | NM | 87112  
Street City State Zip
3. Driller: Drilling Services Inc  
Name
- Address: 102030 E. Riggs Rd | Chandler | AZ | 85249  
Street City State Zip
4. Location: 20S | 23E | 28 NWNE SE | WELL REGISTRATION NO. 55-530496  
Township Range Section  $\frac{1}{4}$   $\frac{1}{4}$   $\frac{1}{4}$  (A REQUIREMENT)

DESCRIPTION OF WELL

5. Type of Casing (if installed): NONE
6. Abandonment method and material used if abandoned: \_\_\_\_\_  
Back Fill w/ Curing Set Cement Plug 20' Surface
7. Construction details if completed for monitoring purposes, re-entry or conversion to water wells: N.A.
8. Date or period drilled: WEEK OF JAN 14-20, 1991

LOG OF WELL

- Unconsolidated Formation
- Consolidated Formation
- Depth to water in feet below land surface:  
(if encountered or detected) Encountered

NO WATER

DO NOT WRITE IN THIS SPACE	
OFFICE RECORD	
Registration No. <u>55-530496</u>	
Received _____	By _____
Entered _____	By _____
File No. <u>D(20-23)28</u>	

I state that this report is filed in compliance with A.R.S. § 4-600 and is complete and correct to the best of my knowledge and belief.

Owner's Signature \_\_\_\_\_ Date 1 JAN 24, 1991

000119

NO FEE REQUIRED

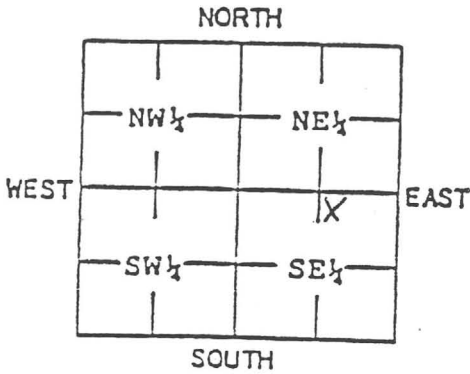
DEPARTMENT OF WATER RESOURCES (DWR)  
15 South 15th Avenue  
Phoenix, Arizona 85007

NO FEE REQUIRED

JAN 2 1991

NOTICE OF INTENT TO ABANDON A WELL

A.R.S. §45-594, R12-15-816: Well abandonment shall be performed only by a licensed well drilling contractor or single well licensee. The owner of a well shall file a Notice of Intent to Abandon the well prior to abandonment.



INDICATE WELL LOCATION BY X  
(Above diagram represents one 640 acre section)

1. Well Location:  
20S 123E 28  
Township Range Section

NW 1/4 NE 1/4 SE 1/4  
10 Acre 40 Acre 160 Acre

2. Position location of the well on the land:  
Latitude \_\_\_\_\_ ° ' " \_\_\_\_\_  
Longitude \_\_\_\_\_ ° ' " \_\_\_\_\_

3. Well Registration Number:  
55-530496

4. Well Owner:  
Tempo Resources, Inc  
Name  
11930 Memorial NE STE 112  
Mailing Address  
Albuquerque NM 87112  
City State Zip

Telephone 505 298-8235

5. Owner of the land:  
STATE OF ARIZONA  
Name

Address \_\_\_\_\_  
City State Zip

DO NOT WRITE IN THIS SPACE  
OFFICE RECORD

File No. \_\_\_\_\_  
Filed \_\_\_\_\_ By \_\_\_\_\_  
Input \_\_\_\_\_ By \_\_\_\_\_

DUPLICATE

Mailed \_\_\_\_\_ By \_\_\_\_\_  
Registration \_\_\_\_\_

6. County Assessor's ID:

Book \_\_\_\_\_ Map \_\_\_\_\_ Parcel \_\_\_\_\_

DESCRIPTION OF WELL TO BE ABANDONED:

7. Abandonment will begin: Month 1 Year 91 8. Well Diameter 5 1/2 inches 9. Well Depth 200 feet

10. Type of Casing NONE - No WATER ENCOUNTERED

11. Materials and methods to be used to abandon the well: Back Fill with cutting CEMENT plug 20' surface, No water ENCOUNTERED.

12. Reason for abandonment: Mineral Exploration hole

13. To your knowledge, is there any information that exists which indicates that the water in this well may be or is contaminated? Yes \_\_\_\_\_ No ✓. If yes, explain on an attached sheet.

14. Licensed Driller performing abandonment: Firm Name Drilling Service License No. 52  
Address 12030 E. Riggs Rd City Chandler State AZ Zip 85249

GENERAL INSTRUCTIONS

- This form is to be used to obtain authority to abandon a well.
- If this well has just been discovered pursuant to A.R.S. §45-593.D., and has not been registered, this form will serve to register the well when properly abandoned and reported.
- Fill out this form in DUPLICATE and send to 15 South 15th Avenue, Phoenix, AZ 85007.
- Construction standards for abandonment shall be in accordance with Department Rules and Regulations.

I state that this Notice is filed in compliance with A.R.S. §45-594 and A.A.C. R12-15-816 and is complete and correct to the best of my knowledge and belief.

Date: 1/24/91

Signature of Well Owner: \_\_\_\_\_

[Signature]

Agent Tempo Resources, Inc.

000120

INVOICE 9102-A

January 25, 1991

Mr. Ken Cagianca  
c/o Wellington Financial  
2470-609 Granville Street  
Vancouver, B.C., Canada V7Y 1G5

Zebra Prospect

ITEM	AMOUNT
Senior Geologist I, Stake Drill Sites, Supervise Drilling, Survey Geochem Grid, Take Soil Samples, File Project and Water Abandonment Forms, and Project Preparation 12 days @ \$250.00 per day	\$3,000.00
Senior Geologist II, Survey Geochem Grid 5 days @ \$250.00 per day	1,250.00
Field Expenses I (See Attached)	1,574.77
Field Expenses II (See Attached)	693.27
Supplies (See Attached)	175.30
Plastic Bags for Drill Cuttings 1000 @ \$.15 each	15.00
TOTAL DUE	\$6,708.34

Please Remit To:  
MinSearch, Inc.  
11930 Menaul Blvd. NE, Suite 112  
Albuquerque, New Mexico 87112

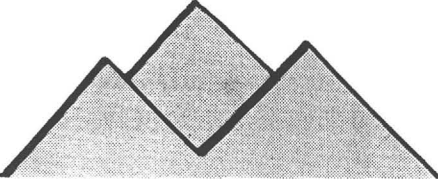
Submitted by:

*Lee Halterman*  
Lee Halterman  
MinSearch, Inc.

3,000  
1,250  
175.30

TOTAL  
Applicable  
EXPENSES \$ 4425.30

000121



INVOICE 9104-A

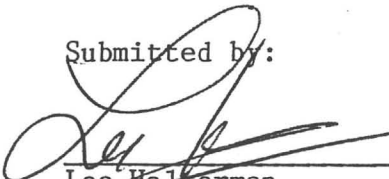
February 21, 1991

Mr. Ken Cagianca  
Primo Gold Ltd.  
2470-609 Granville Street  
Vancouver, B.C., Canada V7Y 1G5

ITEM	AMOUNT
Senior Geologist, 6 office days @ \$250 per day Analyze soil geochemical results and prepare maps	\$1,500.00
Senior Geologist, 1 office day @ \$250 per day Analyze geophysical data	250.00
TOTAL DUE	\$1,750.00

Please Remit To:  
MinSearch, Inc.  
11930 Menaul Blvd. NE, Suite 112  
Albuquerque, New Mexico 87112

Submitted by:

  
Lee Halterman  
MinSearch, Inc.

*Total  
Applicable  
Expenses \$ 1,750*

000122



April 20, 1991

EXPENDITURES FOR ARIZONA PROSPECTING PERMITS  
(See Attached)

Balance after permit No. 95362 \$11,531

Permit # 95857	160 acres X \$20 per acre	\$3,200
Permit # 95856	160 acres X \$20 per acre	\$3,200
Permit # 95855	160 acres X \$20 per acre	\$3,200
Permit # 95854	80 acres X \$20 per acre	\$1,600

Total Required \$11,200

Unused Balance \$ 331

Submitted by

Leroy Halterman  
MinSearch, Inc.  
Agent Tempo Resources Ltd.

Please note that considerable additional funds were expended on these tract during December, January and February in the form of Geophysics, Drilling, Soil Sampling and Geology. These funds were far in excess of the required expenditures.

000123

September 3, 1991

Arizona State Land Department  
1616 West Adams  
Phoenix, Arizona, 85007

Dear Sir:

Attached please find a copy of the pertinent documents of the recent name change of Tempo Resource Ltd. to Primo Gold U.S.A. Ltd. We would appreciate it if you would change the name on the following prospecting permits from Tempo Resources Ltd. to Primo Gold U.S.A. Ltd.

1. State of Arizona Prospecting Permit No. 95854, S/2 SE/4, Section 27, Township 20 South, Range 23 East, Cochise County, Arizona.
2. State of Arizona Prospecting Permit No. 95925, SW/4 Section 27, Township 20 South, Range 23 East.
3. State of Arizona Prospecting Permit No. 95899, S2/SW, and N/2NW, Section 28, Township 20 South, Range 23 East, Cochise County, Arizona.
4. State of Arizona Prospecting Permit No. 95857, S2/NW, and N2/SW, Section 28, Township 20 South, Range 23 East, Cochise County, Arizona.
5. State of Arizona Prospecting Permit No. 95855, NE/4 Section 28, Township 20 South, Range 23 East, Cochise County, Arizona.
6. State of Arizona Prospecting Permit No. 95856, SE/4 Section 28, Township 20 South, Range 23 East, Cochise County, Arizona.
7. State of Arizona Prospecting Permit No. 95926, S/2 NE/4 and S/2 N/2 NE/4, Section 29, Township 20 South, Range 23 East, Cochise County, Arizona.

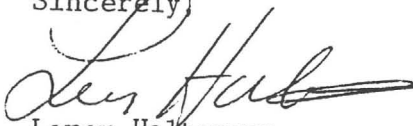
000124

8. State of Arizona Prospecting Permit No. 95898, NE/4, Section 33, Township 20 South, Range 23 East, Cochise County, Arizona.

9. State of Arizona Prospecting Permit NO. 95362, NW/4 and N/2, SW/4, Section 34, Township 20 South, Range 23 East, Cochise County, Arizona.

Thank you for your consideration and if you have any questions please feel free to contact me Lee Halterman, agent for Tempo/Primo Gold U.S.A. Ltd. My Phone number is 505 298-8235 and my address is 11930 menaul NE, ste.112, Albuquerque, New Mexico 87112.

Sincerely,



Leroy Halterman  
MinSearch, Inc.  
Agent Tempo/Primo Gold U.S.A. Ltd.

000125



ARIZONA CORPORATION COMMISSION

DATE: 6/6/91

TO WHOM IT MAY CONCERN:

THIS LETTER CONCERNS THE DOCUMENT CHECKED BELOW, WHICH HAS BEEN APPROVED FOR FILING WITH THE CORPORATIONS DIVISION OF THE ARIZONA CORPORATION COMMISSION.

- AMENDMENT
- MERGER
- NEW AUTHORITY
- INTENT TO DISSOLVE (NONPROFIT)

This document must be published for three (3) consecutive publications, within sixty (60) days of the filing date--in a newspaper of general circulation in the Arizona County of the known place of business of the corporation. The Affidavit of Publication must then be returned to this office within thirty (30) days of the last day of publication.

- RESTATEMENT OF INFORMATION
- INTENT TO DISSOLVE (PROFIT)

This document must be published for three (3) consecutive publications within thirty (30) days of the filing date in a newspaper of general circulation in the Arizona County of the known place of business. The Affidavit of Publication must then be returned to this office within fifteen (15) days for the INTENT TO DISSOLVE and thirty (30) days for the RESTATEMENT OF INFORMATION, of the last day of publication.

If you have questions, you may contact us at our Phoenix Office. Hours are 8:00 a.m. - 5:00 p.m., weekdays, (602) 542-3135.

Very truly yours,

*Ann Green*  
 Examiner Technician  
 Corporations Division  
 Arizona Corporation Commission

PUBLICATION MUST BE IN  
Maricopa COUNTY

ARTICLES OF AMENDMENT  
TO  
ARTICLES OF INCORPORATION  
OF  
TEMPO RESOURCES, LTD.

JUN 4 3 51 PM '91  
DATE 6/4/91  
193415-5

Pursuant to the provisions of Section 10-061, Arizona Revised Statutes, the undersigned corporation adopts the following Articles of Amendment to its Articles of Incorporation:

FIRST: The name of the corporation is:  
Tempo Resources, Ltd.

SECOND: The document attached hereto as Exhibit "A" sets forth the amendments to the Articles of Incorporation which were adopted by the shareholders of the corporation at their meeting on March 14, 1991 in the manner as prescribed by law.

THIRD: The number of shares of stock outstanding at the time of such adoption was 1 shares; and the number of shares entitled to vote on the amendment was 1 shares.

FOURTH: The designation and number of outstanding shares of each class or series entitled to vote thereon, as a class or series, was as follows:

CLASS OR SERIES	NUMBER OF SHARES
COMMON	1

FIFTE: The number of shares of each class or series entitled to vote thereon as a class or series voted for or against such amendment, respectfully, was:

CLASS OR SERIES	NUMBER FOR	NUMBER AGAINST
COMMON	1	0

PASSED this 20 day of March, 1991

Tempo Resources, Ltd.

By: Ken Cabianca  
Ken Cabianca, President

Attest:  
L. Cabianca  
Secretary




EXHIBIT A  
ARTICLES OF AMENDMENT  
OF  
TEMPO RESOURCES, LTD.

1. The name of the corporation is hereby changed from "Tempo Resources, Ltd." to "Prime Gold U.S.A. Ltd." <sup>ORNF</sup>
2. This amendment to the Articles of Incorporation was approved by the shareholders of the corporation at a meeting held for that purpose on March 14, 1991.

In witness whereof I have hereunto subscribed my name this  
18<sup>th</sup> day of March, 1991.

Tempo Resources, Ltd.

By   
Kenneth A. Cabianca, President

By:   
Secretary

000129

AFFIDAVIT OF PUBLICATION

TEMPO RESOURCES, LTD (NC) PRIMO GOLD U.S.A. LT

07

# ARIZONA BUSINESS GAZETTE

P.O. Box 1950  
Phoenix, Arizona 85001  
(602) 271-7300

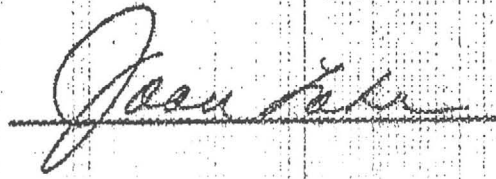
STATE OF ARIZONA  
COUNTY OF MARICOPA

} SS.

JOAN LOHR, being first duly sworn, upon oath deposes and says: That she is the legal ad manager of the Arizona Business Gazette, a newspaper of general circulation in the county of Maricopa, State of Arizona, published at Phoenix, Arizona, and that the copy hereto attached is a true copy of the advertisement published in the said paper on the dates as indicated.

## ARIZONA BUSINESS GAZETTE

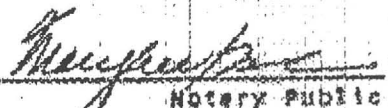
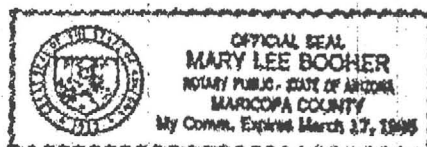
6/21/1991  
6/28/1991  
7/ 5/1991



sworn to before me this

FIFTH day of

JULY A.D. 1991

  
Notary Public

000130





ARIZONA CORPORATION COMMISSION

DATE: 6/6/91

TO WHOM IT MAY CONCERN:

THIS LETTER CONCERNS THE DOCUMENT CHECKED BELOW, WHICH HAS BEEN APPROVED FOR FILING WITH THE CORPORATIONS DIVISION OF THE ARIZONA CORPORATION COMMISSION.

- AMENDMENT
- MERGER
- NEW AUTHORITY
- INTENT TO DISSOLVE (NONPROFIT)

This document must be published for three (3) consecutive publications, within sixty (60) days of the filing date--in a newspaper of general circulation in the Arizona County of the known place of business of the corporation. The Affidavit of Publication must then be returned to this office within thirty (30) days of the last day of publication.

- RESTATEMENT OF INFORMATION
- INTENT TO DISSOLVE (PROFIT)

This document must be published for three (3) consecutive publications within thirty (30) days of the filing date in a newspaper of general circulation in the Arizona County of the known place of business. The Affidavit of Publication must then be returned to this office within fifteen (15) days for the INTENT TO DISSOLVE and thirty (30) days for the RESTATEMENT OF INFORMATION, of the last day of publication.

If you have questions, you may contact us at our Phoenix Office. Hours are 8:00 a.m. - 5:00 p.m., weekdays, (602) 542-3135.

Very truly yours,

*Ann Green*  
Examiner Technician  
Corporations Division  
Arizona Corporation Commission

PUBLICATION MUST BE IN  
Maricopa COUNTY

000131

ARTICLES OF AMENDMENT  
TO  
ARTICLES OF INCORPORATION  
OF  
TEMPO RESOURCES, LTD.

JUN 4 3 51 PM '91  
MAIL ROOM  
6/4/91  
193415-5

Pursuant to the provisions of Section 10-061, Arizona Revised Statutes, the undersigned corporation adopts the following Articles of Amendment to its Articles of Incorporation:

FIRST: The name of the corporation is:  
Tempo Resources, Ltd.

SECOND: The document attached hereto as Exhibit "A" sets forth the amendments to the Articles of Incorporation which were adopted by the shareholders of the corporation at their meeting on March 14, 1991 in the manner as prescribed by law.

THIRD: The number of shares of stock outstanding at the time of such adoption was 1 shares; and the number of shares entitled to vote on the amendment was 1 shares.

FOURTH: The designation and number of outstanding shares of each class or series entitled to vote thereon, as a class or series, was as follows:

CLASS OR SERIES	NUMBER OF SHARES
COMMON	1

FIFTH: The number of shares of each class or series entitled to vote thereon as a class or series voted for or against such amendment, respectfully, was:

CLASS OR SERIES	NUMBER FOR	NUMBER AGAINST
COMMON	1	0

DATED this 20 day of March, 1991

Tempo Resources, Ltd.

By: [Signature]  
Ken Cabianca, President

Attest:

[Signature]  
Secretary

EXHIBIT A  
ARTICLES OF AMENDMENT  
OF  
TEMPO RESOURCES, LTD.

- 1. The name of the corporation is hereby changed from "Tempo Resources, Ltd." to "Prime Gold U.S.A. Ltd." <sup>ORMF</sup>
- 2. This amendment to the Articles of Incorporation was approved by the shareholders of the corporation at a meeting held for that purpose on March 14, 1991.

In witness whereof I have hereunto subscribed my name this 18<sup>th</sup> day of March, 1991.

Tempo Resources, Ltd.

By: [Signature]  
Kenneth A. Cabianca, President

By: [Signature]  
, Secretary



AFFIDAVIT OF PUBLICATION

TEMPO RESOURCES, LTD (NC) PRIMO GOLD U.S.A. LT

07

# ARIZONA BUSINESS GAZETTE

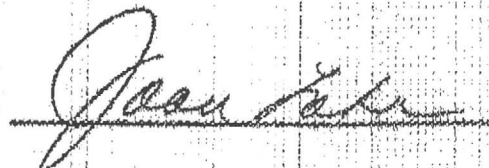
P.O. Box 1950  
Phoenix, Arizona 85001  
(602) 271-7300

STATE OF ARIZONA }  
COUNTY OF MARICOPA } SS.

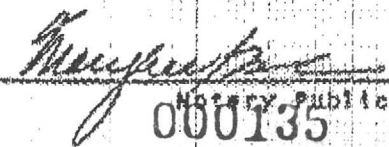
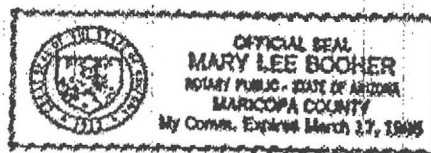
JOAN LOHR, being first duly sworn, upon oath deposes and says: That she is the legal ad manager of the Arizona Business Gazette, a newspaper of general circulation in the county of Maricopa, State of Arizona, published at Phoenix, Arizona, and that the copy hereto attached is a true copy of the advertisement published in the said paper on the dates as indicated.

## ARIZONA BUSINESS GAZETTE

6/21/1991  
6/28/1991  
7/ 5/1991



sworn to before me this  
FIFTH \_\_\_\_\_ day of  
JULY \_\_\_\_\_ A.D. 19 91

  
Notary Public  
000135

October 9, 1991

Arizona State Land Department  
1616 West Adams  
Phoenix, Arizona 85007

Dear Sir:

Attached please find a copy of a previous submitted list of expenditures which shows a balance remaining and not applied of \$12,943. These expenditures including the excess were made after the Permit date of November 10, 1990. Please apply these excess expenditures to Permit #08-95362. Should you have any question please feel free to contact me at (505) 298-8235.

Sincerely,

Lee Halterman  
MinSearch, Inc.

May 28, 1991

December 1990-1991, Drilling, Geophysical and Sampling Program

Drilling	\$ 8,344.41
Assaying	5,973.81
Geophysical	2,200.00
Geologist	<u>8,425.30</u>
Total	\$24,943.21
Less \$12,000 for Permits #95926,95899,95925,95898	12,000.00
EXCESS EXPENDITURE	\$12,943.21

000137

INVOICE

INVOICE NO.: 3423  
 SALES ORDER NO.:

ZONGE ENGINEERING & RESEARCH ORGANIZATION

3322 EAST FORT LOWELL ROAD, TUCSON, ARIZONA 85716 U.S.A.  
 TELE. (602) 327-5501 FAX (602) 325-1588 TELEX 165532 CEERHO TUC

TO:

MINSEARCH, INC.  
 11930 MENAUL NE SUITE, 112  
 ALBUQUERQUE, NM 87112

SHIP TO:

MINSEARCH, INC.  
 11930 MENDUAL NE, SUITE 112  
 ALBUQUERQUE, NM 87112

DATE	12-05-90	SHIP VIA	F.O.B.	TERMS	30% PRE-PAYMENT
TEL.	NOT BEFORE	PROMISED DATE	FREIGHT	TERMS	
REF	ZEBRA PROSPECT JOB # 9020				

QUANTITY	PART NUMBER/DESCRIPTION	UNIT COST	EXTENDED COST
----------	-------------------------	-----------	---------------

REF: 30% OF JOB ESTIMATE FOR GEOPHYSICAL SURVEYS AT THE ZEBRA PROSPECT IN COCHISE COUNTY, ARIZONA, AT THE REQUEST OF MR. LEE HALTERMAN. (ZONGE JOB # 9020)

CHARGES

PRE-PAYMENT \$2,200.00

TOTAL DUE THIS INVOICE \$2,200.00

**PAID**

000138





FIFE SYMINGTON  
GOVERNOR

Arizona  
State Land Department

1616 WEST ADAMS  
PHOENIX, ARIZONA 85007



M.J. HASSELL  
STATE LAND COMMISSIONER

October 22, 1991

Tempo Resources, Ltd.  
c/o MinSearch, Inc.  
11930 Menaul NE, Suite 112  
Albuquerque, New Mexico 87112

Re: Prospecting Permit 08-95362

Dear Permittee:

The referenced prospecting permit is in the fifth year of its term. If you cannot justify application for a mineral lease, it is recommended that you commence reclamation of any surface damage resulting from prospecting activity in order that it may be completed prior to permit expiration on November 10, 1992. The Department will not release any reclamation bonds until reclamation has been completed to its satisfaction.

If you have any questions, please contact this Department at (602) 542-4628 during business hours.

STATE LAND DEPARTMENT

by Stephen J. Powers/sj met

000139



FIFE SYMINGTON  
GOVERNOR

Arizona  
State Land Department

1616 WEST ADAMS  
PHOENIX, ARIZONA 85007



M.J. HASSELL  
STATE LAND COMMISSIONER

DATE: October 22, 1991

( PRIMO GOLD USA  
( 11930 MENAUL NE, STE. 112  
( ALBUQUERQUE, NM 87112

RE: 08-95362

Dear Permittee:

In regard to your renewal year exploration, please be reminded of the required filing of a PLAN OF OPERATION. Because Plan approvals are limited to an operating period of one (1) year or less, there is no Plan on file which extends to include your renewal period operations. As such, you must submit the enclosed form PRIOR to completing any additional work on the property. Please return the form for approval within thirty (30) days to:

Arizona State Land Department  
1616 W. Adams Street  
Phoenix, Az. 85007  
Attn: Minerals Section

If you have any questions regarding this matter, please contact our office at the above letterhead address or telephone (602) 542-4628.

STATE LAND DEPARTMENT

by Stephen J. Powers / met  
Stephen J. Powers, Geologist  
Minerals Section  
Natural Resources Division

Enclosure

000140

ARIZONA STATE LAND DEPARTMENT  
Nonrenewable Resources & Minerals

Plan of Operation

The following information must be submitted to, and approved by the Department prior to initiating exploration or mining activities on State land. The plan is approved for a period of one year beginning on the date approved. Any change in the below described operations must first be approved by the Department.

Plan evaluation and approval may require 30 days.

PROSPECTING PERMIT OR MINERAL LEASE NUMBER(S) \_\_\_\_\_

NAME IN WHICH ISSUED \_\_\_\_\_

NAME OF OPERATOR \_\_\_\_\_ TELEPHONE \_\_\_\_\_

ADDRESS OF OPERATOR \_\_\_\_\_

NAME OF FIELD REPRESENTATIVE \_\_\_\_\_

(If different than operator include address and telephone)

1) LAND DESCRIPTION AND MAP

Attach as Exhibit A to this Plan a topographic map of the referenced property.

County \_\_\_\_\_ Township \_\_\_\_\_ Range \_\_\_\_\_ Section(s) \_\_\_\_\_

2) PERIOD OF OPERATION

The operation is proposed to begin on \_\_\_\_\_ and end on \_\_\_\_\_.  
If operations are proposed to exceed one year, an addendum to this plan must be filed prior to the plan expiration date.

3) ACCESS

Show on Exhibit A existing and proposed routes. Describe in detail the extent of all improved or newly constructed access. Note any locked gates.

4) VEHICLES AND EQUIPMENT

List by type and size all vehicles and equipment which will be used in connection with the operation. Include the capacity of concentrators for placer operations.

5) SCOPE AND TYPE OF OPERATION

Describe the type and extent of the operation to be performed. Include the estimated area of disturbance and provide detailed information for any earth moving or site clearance operations. For placer type exploration include the amount of material to be processed from each test site, and the dimension of test sites.

Estimated area of disturbance: \_\_\_\_\_

000141

6) AFFECTED LAND

Indicate to the nearest 300 feet the location of all proposed prospecting sites (Exhibit A). If necessary complete Exhibit B or provide coordinate description (topographic grid or distance from section corner). For placer type exploration include the location of concentrators.

Coordinate description: Submit as an attachment.

7) DRILLING

For all drilling operations indicate the type of drilling operation, drilling medium (air, water e.g.), hole diameter, and proposed total depth.

* Hole I.D.	Total Depth	Hole I.D.	Total Depth	Hole I.D.	Total Depth

If drilling is anticipated indicate the method of plugging and abandonment. Indicate the marsh funnel viscosity if applicable.

8) WATER USE

If the use of water is required, describe the location and quantity to be used.

9) RECLAMATION

Describe actions taken to minimize environmental impacts and state plans for reclamation of disturbed areas. If applicable include measures for erosion control, recontouring, seed bed preparation, method of seeding, seed species, etc. Unless otherwise approved reclamation is to be completed within the approved plan period of one year.

10) ANTIQUITIES AND NATIVE PLANTS

If required, the applicant agrees to obtain archaeological clearance prior to the following surface disturbance:

A. Prospecting Permit: All land surface affected by exploration activities including access roads.

B. Mineral Lease: All acreage under application. The applicant will be directly contacted by the Arizona State Museum.

Archaeological clearance must be obtained through the Arizona State Museum.

\* Hole I.D. - Identification number

- 10) ANTIQUITIES AND NATIVE PLANTS (cont.)  
 If the destruction or removal of protected plants is necessary to enjoy the privileges of a permit or lease, the applicant agrees to obtain written permission from the Arizona Commission of Agriculture and Horticulture. The applicant also agrees to purchase said plants from the Arizona State Land Department. Native plants are as described under the Arizona Native Plant Law.

APPLICANT: \_\_\_\_\_  
 Signature and Date

Applicant must be the permit holder or duly authorized representative.

Following the Department's evaluation of this plan, two copies will be sent to the applicant noting any conditions which may be required by the Department. The applicant shall sign and return one copy which will attach to, and become a part of, the permit or lease.

CONDITIONS OF APPROVAL: \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

Applicant agrees to abide by the methods and extent of the operations described herein. Applicant also agrees to abide by the above listed CONDITIONS OF APPROVAL.

APPLICANT: \_\_\_\_\_  
 Signature and Date

FOR DEPARTMENT USE ONLY

PLAN NUMBER \_\_\_\_\_

BOND AMOUNT \_\_\_\_\_

APPROVED FOR THE PERIOD: BEGINNING \_\_\_\_\_ EXPIRING \_\_\_\_\_

APPROVED BY: \_\_\_\_\_

REASONS FOR DENIAL: \_\_\_\_\_

DATE OF PERMIT OR LEASE ISSUE: \_\_\_\_\_

DATE LAST PLAN SUBMITTED: \_\_\_\_\_ PLAN NUMBER \_\_\_\_\_

REMARKS: \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

SECTION PLAT SHEET

SECTION \_\_\_\_\_ TOWNSHIP \_\_\_\_\_ RANGE \_\_\_\_\_

COUNTY \_\_\_\_\_ STATE \_\_\_\_\_ SCALE 1" = 660'


000144

IN THE SUPERIOR COURT OF THE STATE OF ARIZONA  
IN AND FOR THE COUNTY OF MARICOPA

IN RE THE GENERAL ADJUDICATION OF ALL RIGHTS ) Nos. W-1 (Upper Salt), W-2 (Verde),  
TO USE WATER IN THE GILA RIVER SYSTEM AND ) W-3 (Upper Gila), W-4 (San Pedro)  
SOURCE ) (Consolidated)  
)  
)  
\_\_\_\_\_ )

S U M M O N S

TO: ALL WATER CLAIMANTS IN THE GILA RIVER SYSTEM AND SOURCE

You are hereby summoned and required to appear and to assert any claims to water you may have in the Gila River System and Source. The above action is a general adjudication of rights to use water in the Gila River System and Source. All rights to use water appropriable under A.R.S. Sec. 45-151 and water subject to claims based upon federal law will be determined pursuant to A.R.S. Sec. 45-251 et seq. According to A.R.S. Sec. 45-254(E), "Any potential claimant properly served who fails to file a statement of claimant in accordance with the requirements of this article shall be barred and estopped from subsequently asserting any rights theretofore acquired upon the river system and source and shall forfeit all rights to the use of water in the river system and source theretofore claimed by him."

Claims to water rights may be asserted by filing the appropriate court-approved statement of claimant form with the Arizona Department of Water Resources, which, pursuant to an Order of the Superior Court of Maricopa County, has been authorized to receive claims for the Clerk of the Court. There are four court-approved statement of claimant forms: an irrigation water rights form, a stockpond water rights form, a domestic water rights form, and a form for other water rights. You may obtain whichever form(s) you need for filing your claim(s) from the Arizona Department of Water Resources. All groundwater users should file the appropriate statement of claimant for their groundwater use to defend that use in the event other claimants assert groundwater is appropriable under A.R.S. Sec. 45-141 or is subject to claims based upon federal law.

Filing a statement of claimant with the Court does not give you the right to withdraw or divert and use water. Rights to use water must be acquired in accordance with state or federal law. For rights under state law, in many cases, you cannot initiate a new or increased use until the appropriate permit, certificate or other approval has been received from the Arizona Department of Water Resources.

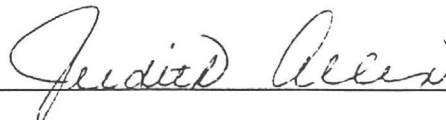
Even if you have complied with the applicable law and received, if appropriate, a permit, certificate or other approval from the Arizona Department of Water Resources, you may lose the right to use the water of the Gila River System and Source if you fail to file a statement of claimant with the Court.

Unless an extension of time is granted by the Court, all statements of claimant must be filed with the Arizona Department of Water Resources, at 15 South 15th Avenue, Phoenix, Arizona 85007, within ninety days of service of this summons but in no event later than ninety days prior to the publication of the final hydrographic survey report. The filing fee for an individual is twenty dollars. The filing fee for a corporation, municipal corporation, the state or any political subdivision, or an association or partnership is two cents for every acre-foot of water claimed, or twenty dollars, whichever is greater. The filing fee should be paid by check or money order made payable to the order of the "Arizona Department of Water Resources." No claim will be considered by the Court or the Master unless all filing fees with respect to that claim have been fully paid.

Given under my hand and seal of the Superior Court of the State of Arizona in and for the County of Maricopa this 29th day of July, 1991.

JUDITH ALLEN  
Clerk Of The Court

By



000145

## WHAT IS AN ADJUDICATION OF WATER RIGHTS?

An adjudication of water rights is a COURT determination of the status of all rights to the use of water obtained from a river system or watershed. The purpose of adjudicating water rights is to determine the extent and priority of the rights of all persons to use water in a river system and source.

## WHO MUST FILE IN THE ADJUDICATION?

If you claim the right to use water from streams, springs, wells, or intermittent runoff, you must file Statements of Claimant in this adjudication. Certificates of Water Rights, Permits, Registrations under the 1974 Water Rights Registration Act, 1977 Stockpond Act, and 1980 Groundwater Management Act are on file with the STATE, but **DO NOT** constitute a claim with the COURT. The State cannot file your rights in court. You must file with the court to protect the water rights or claims you have on file with the State or the water rights decreed in previous court proceedings. **FAILURE TO FILE A STATEMENT OF CLAIMANT IN THIS ADJUDICATION COULD SERIOUSLY JEOPARDIZE YOUR CONTINUED USE OF WATER.**

## SHOULD A PERSON FILE A STATEMENT OF CLAIMANT IF WATER IS OBTAINED FROM A WELL?

Yes. Groundwater may be subject to appropriation or be subject to Federal and Indian water right claims. You must file a Statement of Claimant even if water is obtained from an exempt well. For adjudication purposes, the term "exempt well" has no significance.

## HOW DO I FILE A STATEMENT OF CLAIMANT?

A Statement of Claimant is officially entered with the court by completing and returning the court-approved form to the Department of Water Resources. Filing the Statement of Claimant form constitutes appearance before the court for the purpose of asserting rights to use water. To obtain a Statement of Claimant form, fill out the enclosed postcard, indicating the type, number of forms you need, and the watershed where the water source is located.

## HOW DO I DETERMINE IN WHICH WATERSHED I SHOULD FILE A STATEMENT OF CLAIMANT?

A STATEMENT OF CLAIMANT MUST BE FILED IN THE WATERSHED WHERE THE WATER SOURCE IS LOCATED. For example, if your well or spring is located in Camp Verde or Cottonwood, you must file your claim in the Verde River watershed. You can determine your watershed by reviewing your water records or calling the Adjudications Division, Department of Water Resources at 542-1520 or 1-800-352-8488 (Arizona toll-free).

## DO I NEED TO FILE AGAIN IF I HAVE ALREADY FILED A STATEMENT OF CLAIMANT?

If you have already filed a Statement of Claimant for all your water sources, you do not need to file again. You **MUST** file a Statement of Claimant if you are using the water, and you have not already filed a Statement of Claimant for this source.

## WHAT DOES IT COST TO FILE A STATEMENT OF CLAIMANT?

For an individual, the filing fee is \$20.00 for each independent water source. For corporations, municipalities, associations, partnerships, State of Arizona or political subdivisions, the filing fee is 2 cents for every acre-foot claimed or \$20.00, whichever is greater.

000146



NEW WATER USE

NOTICE OF GENERAL ADJUDICATION

Please be advised that a general adjudication of water rights is in progress for the area in which you have applied for, or have been granted, a surface water or groundwater right. The adjudication is a comprehensive court proceeding to determine the nature, extent, and relative priority of rights to use water in the Gila River System and Source.

All persons applying for or claiming rights to a new use of water must file a Statement of Claimant with the Arizona Department of Water Resources, as more fully explained in the Summons on the reverse side of this notice. To obtain a Statement of Claimant form, simply fill out the enclosed postcard, indicating the watershed, type, and number of forms you need. Be sure to print your name and address in the space provided on the postcard. Statements of Claimant for new water uses must be filed within 90 days of service of the summons but in no event later than 90 days prior to publication of the final hydrographic survey report.

Additional information about the adjudication is available from the Arizona Department of Water Resources. For advice on your specific situation, you may wish to consult an attorney.

ARIZONA DEPARTMENT OF WATER RESOURCES  
Adjudications Division  
15 South 15th Avenue  
Phoenix, Arizona 85007  
Telephone No. (in Arizona): 1-800-352-8488  
Phoenix and outside Arizona: 602-542-1520

000147



PLACE  
STAMP  
HERE

ARIZONA DEPARTMENT OF WATER RESOURCES  
OPERATIONS DIVISION  
15 SO. 15TH AVE.  
PHOENIX AZ 85007-3223



C.O.D. Charges		Article No.
<b>Deliver Article To</b>	Enter Name of Person you Authorize to Receive the Mail	
<b>Forward To Addressee At</b>	Enter Full Address to Which Mail is to be Sent	
Signature of Addressee or Agent		Date

<b>Office Record of Disposition When Delivery Cannot be Made</b>		
<input type="checkbox"/> Forwarded to Addressee <input type="checkbox"/> Returned to Sender <i>(Name and Address)</i>		
<input type="checkbox"/> Unclaimed <input type="checkbox"/> Unknown <input type="checkbox"/> Refused <input type="checkbox"/> Other <i>(Specify)</i>	Date	By <i>(Signature)</i>

PS Form 3849, Feb. 1991

000148

### STATEMENT OF CLAIMANT FORM(S) REQUEST CARD

If you want to submit a claim(s) for water right(s), please indicate type of use, number of forms required, and watershed.

TYPE OF USE	NUMBER OF FORMS	WATERSHED
<input type="checkbox"/> DOMESTIC	_____	<input type="checkbox"/> UPPER SALT
<input type="checkbox"/> STOCKPOND	_____	<input type="checkbox"/> SAN PEDRO
<input type="checkbox"/> IRRIGATION	_____	<input type="checkbox"/> VERDE
<input type="checkbox"/> OTHER	_____	<input type="checkbox"/> AGUA FRIA
		<input type="checkbox"/> UPPER GILA
		<input type="checkbox"/> LOWER GILA
		<input type="checkbox"/> SANTA CRUZ

Name: \_\_\_\_\_

Address: \_\_\_\_\_

City: \_\_\_\_\_ State \_\_\_\_\_ Zip Code \_\_\_\_\_

• IMPORTANT: Present this form to obtain your mail. ID required. Signature may be required. ARTICLE NO. P 000 998

You may pick up your mail after <u>9</u> M. (Date) <u>11/2</u>		MAIL IS AT
or notify your carrier or Post Office for redelivery.		
<input type="checkbox"/> Registered	<input type="checkbox"/> Insured	<input checked="" type="checkbox"/> Letter
<input checked="" type="checkbox"/> Certified	<input type="checkbox"/> COD	<input type="checkbox"/> Flat
<input type="checkbox"/> Rtn Rcpt for Mdse	<input type="checkbox"/> Postage Due	<input type="checkbox"/> Parcel
<input type="checkbox"/> Recorded Delivery Service (International only).		<input type="checkbox"/> Hold
<input type="checkbox"/> Special Delivery	<input type="checkbox"/> For special deliveries: Article	<input type="checkbox"/> Restricted Delivery
	<input type="checkbox"/> Placed Under Your Door.	ZIP of Origin <u>85007</u>
	<input type="checkbox"/> Placed in Your Letter Box.	Amount Due \$
Final Notice	Return Date	
Customer (Please describe any visible damage)	Addressee Name (Print) <u>Donpo Resour</u>	
	Address <u>11930 Menard # 112</u>	
Delivered by and Date	Received By <u>X</u>	

Manzano Station  
 11600 Haines, N.E.  
 Albuquerque, N.M. 87112-9998  
 Mon-Fri 9:00 A.M. - 5:00 P.M.  
 Thank you, we appreciate your business.

Sat  
 9-12

1992



FIFE SYMINGTON  
GOVERNOR

Arizona  
State Land Department

1616 WEST ADAMS  
PHOENIX, ARIZONA 85007



M.J. HASSELL  
STATE LAND COMMISSIONER

March 20, 1992

Mr. Lee Halterman  
MinSearch, Inc.  
11930 Menaul NE, Suite 112  
Albuquerque, New Mexico 87112

Re: Plan of Operation  
08-95362; 08-95854; 08-95855; 08-95857; 08-95899  
08-95898; 08-95925

Dear Mr. Halterman:

This letter is to confirm our February 20th verbal approval to proceed with the captioned soil sampling program.

Sincerely,

Michael Rice, Manager  
Minerals Section  
Natural Resources Division

MR:mlt

000150

Plan of Operation

The following information must be submitted to, and approved by the Department prior to initiating exploration or mining activities on State land. The plan is approved for a period of one year beginning on the date approved. Any change in the below described operations must first be approved by the Department.

Plan evaluation and approval may require 30 days.

PROSPECTING PERMIT OR MINERAL LEASE NUMBER(S) 08-95854,55,57,99 95362,95925,95898

NAME IN WHICH ISSUED Primo Gold U.S.A Ltd.

NAME OF OPERATOR MinSearch, Inc. TELEPHONE 505 298-8235

ADDRESS OF OPERATOR 11930 Menaul NE, Ste. 112, Albuquerque, NM 87112

NAME OF FIELD REPRESENTATIVE Lee Halterman  
(If different than operator include address and telephone)

1) LAND DESCRIPTION AND MAP

Attach as Exhibit A to this Plan a topographic map of the referenced property.

County Cochise Township 20 South Range 23 East Section(s) 27,28,29,33&34

2) PERIOD OF OPERATION

The operation is proposed to begin on Feb. 15 92 and end on May 1, 1992  
If operations are proposed to exceed one year, an addendum to this plan must be filed prior to the plan expiration date.

3) ACCESS

Show on Exhibit A existing and proposed routes. Describe in detail the extent of all improved or newly constructed access. Note any locked gates.

No new roads will be constructed

4) VEHICLES AND EQUIPMENT

List by type and size all vehicles and equipment which will be used in connection with the operation. Include the capacity of concentrators for placer operations.

1 1988 Ford Bronco

5) SCOPE AND TYPE OF OPERATION

Describe the type and extent of the operation to be performed. Include the estimated area of disturbance and provide detailed information for any earth moving or site clearance operations. For placer type exploration include the amount of material to be processed from each test site, and the dimension of test sites.

Estimated area of disturbance: 250 sq feet

It is planned to take approximately 250 soil samples on the grid located on Exhibit A, (lines colored red). A hole approximately one foot wide and one foot deep will be dug for the 2-3 pound sample.

000151

6) AFFECTED LAND

Indicate to the nearest 300 feet the location of all proposed prospecting sites (Exhibit A). If necessary complete Exhibit B or provide coordinate description (topographic grid or distance from section corner). For placer type exploration include the location of concentrators.

Coordinate description: Submit as an attachment.

7) DRILLING

For all drilling operations indicate the type of drilling operation, drilling medium (air, water e.g.), hole diameter, and proposed total depth.

Hole I.D.	Total Depth	Hole I.D.	Total Depth	Hole I.D.	Total Depth

If drilling is anticipated indicate the method of plugging and abandonment. Indicate the marsh funnel viscosity if applicable.

8) WATER USE

If the use of water is required, describe the location and quantity to be used.

9) RECLAMATION

Describe actions taken to minimize environmental impacts and state plans for reclamation of disturbed areas. If applicable include measures for erosion control, recontouring, seed bed preparation, method of seeding, seed species, etc. Unless otherwise approved reclamation is to be completed within the approved plan period of one year.

The hole will be back filled and reseeded with a mixture of Love grass as recommended by the State of Arizona

10) ANTIQUITIES AND NATIVE PLANTS

If required, the applicant agrees to obtain archaeological clearance prior to the following surface disturbance:

- A. Prospecting Permit: All land surface affected by exploration activities including access roads.
- B. Mineral Lease: All acreage under application. The applicant will be directly contacted by the Arizona State Museum.

Archaeological clearance must be obtained through the Arizona State Museum.

\* Hole I.D. - Identification number

- 10) ANTIQUITIES AND NATIVE PLANTS (cont.)  
 If the destruction or removal of protected plants is necessary to enjoy the privileges of a permit or lease, the applicant agrees to obtain written permission from the Arizona Commission of Agriculture and Horticulture. The applicant also agrees to purchase said plants from the Arizona State Land Department. Native plants are as described under the Arizona Native Plant Law.

APPLICANT: \_\_\_\_\_

Signature and Date

MinSearch, Inc., Agent for Primo Gold U.S.A.Ltd

Applicant must be the permit holder or duly authorized representative.

Following the Department's evaluation of this plan, two copies will be sent to the applicant noting any conditions which may be required by the Department. The applicant shall sign and return one copy which will attach to, and become a part of, the permit or lease.

CONDITIONS OF APPROVAL: \_\_\_\_\_

Applicant agrees to abide by the methods and extent of the operations described herein. Applicant also agrees to abide by the above listed CONDITIONS OF APPROVAL.

APPLICANT: \_\_\_\_\_

Signature and Date

FOR DEPARTMENT USE ONLY

PLAN NUMBER \_\_\_\_\_

BOND AMOUNT \_\_\_\_\_

APPROVED FOR THE PERIOD: BEGINNING \_\_\_\_\_ EXPIRING \_\_\_\_\_

APPROVED BY: \_\_\_\_\_

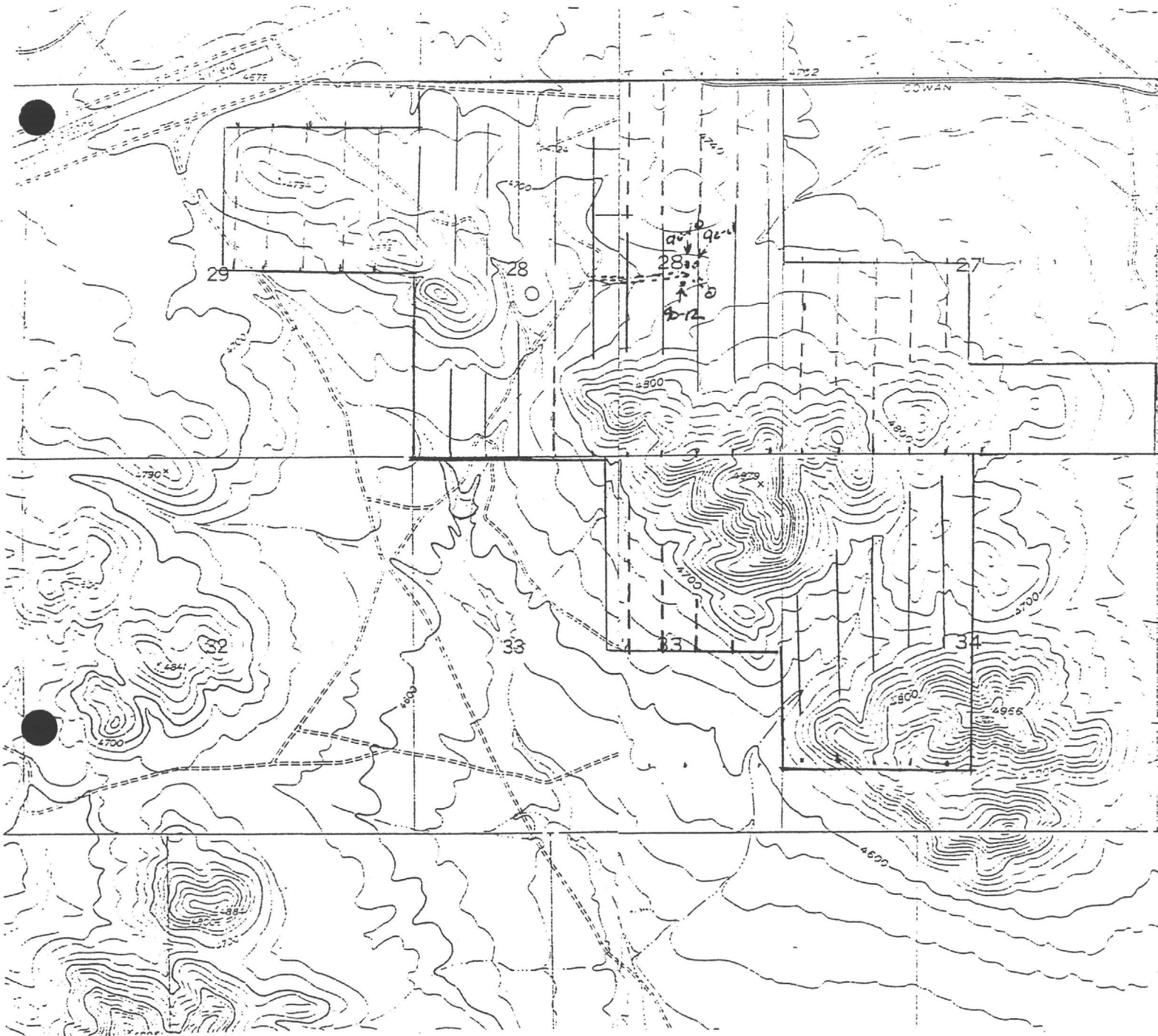
REASONS FOR DENIAL: \_\_\_\_\_

DATE OF PERMIT OR LEASE ISSUE: \_\_\_\_\_

DATE LAST PLAN SUBMITTED: \_\_\_\_\_ PLAN NUMBER \_\_\_\_\_

REMARKS: \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_





ZEBRA PROSPECT

Wellington Financial  
Tempo Resources

Scale 1" - 2000'

January 1, 1997

- ==== Existing Road
- 90-10 Proposed Drill Site
- ||| Soil Sample Line.
- - - - 1992 Soil Sample Line

EXHIBIT A

000154

Section 45-596, Arizona Revised Statutes and Rule R12-15-817 provide: Prior to drilling one more exploration wells, the well owner, lessee or exploration firm shall file a Notice of Intention to Drill on a form provided by the Department.

WELL/LAND LOCATION

1. Township 20S N/S  
Range 23E E/W  
Section 28

In the case of a single well,  
list 10-acre subdivision

1/4, 1/4, 1/4

2. County Cochise

3. Applicant:  
Primo Gold Ltd.  
Name

11930 Menaul NE, Ste 112  
Address

Albuquerque, NM 87112  
City State Zip

4. Lee Halterman  
NAME OF CONTACT PERSON  
Phone 505 298-8235

5. Owner of well:  
Primo Gold Ltd.  
Name  
Same as Above  
Address  
City State Zip

6. Purpose of well(s) drilled pursuant to this Notice:  
Mineral Exploration XX  
Geotechnical \_\_\_\_\_  
Cathodic Protection \_\_\_\_\_  
Grounding \_\_\_\_\_

7. Number of wells 12  
(See Condition 3 on reverse)

8. Owner of land:  
Arizona State Land Dept  
Name  
1616 West Adams  
Address  
Phoenix Arizona 85007  
City State Zip

9. DESCRIPTION OF WELL:  
Diameter 5.25 inches  
Depth See Back feet  
Type of casing surface  
(If none, so state)

10. Construction will start:  
July 23 1990  
Month Day Year

11. Drilling firm:  
Drilling Services  
Name  
12030 E. Riggs Rd.  
Address  
Chandler Az. 85249  
City State Zip  
52  
DWR License Number

12. Period well will remain in use 1 months.

13. Proposed method of abandonment of well(s) after project is completed:

In accordance with DWR  
rules R-12-15-811  
and R-12-15-816

DO NOT WRITE IN THIS SPACE  
OFFICE RECORD  
File No. \_\_\_\_\_  
Filed \_\_\_\_\_ By \_\_\_\_\_  
Input \_\_\_\_\_ By \_\_\_\_\_  
Duplicate \_\_\_\_\_  
Mailed \_\_\_\_\_ By \_\_\_\_\_  
Registration \_\_\_\_\_  
AMA/INA \_\_\_\_\_  
W/S \_\_\_\_\_ S/B \_\_\_\_\_

14. Is the proposed wellsite within 100 feet of a septic tank system, sewage disposal area, landfill, hazardous waste facility or storage area of hazardous materials? Yes \_\_\_ No X  
If yes, a request for a variance must accompany this application pursuant to R12-15-820.

GENERAL INSTRUCTIONS

1. Fill out this form in duplicate and mail to Department of Water Resources, 15 South 15th Ave. Phoenix, Arizona 85007  
Proper filing fee of \$10.00 must accompany Notice.

I state that this Notice is filed in compliance with Rule R12-15-809 and is complete and correct to the best of my knowledge and belief and that I understand the conditions set forth on the reverse side of this form.

DATE May 8, 1992  
DWR 55-43-10/88 (Revised)

Lee Halterman  
Signature of Applicant  
000155

EXPLORATION WELL(S)  
FILING FEE \$10.00

DEPARTMENT OF WATER RESOURCES (DWR)  
NOTICE OF INTENTION TO DRILL  
EXPLORATION WELL(S)

EXPLORATION WELL(S)

Section 45-596, Arizona Revised Statutes and Rule R12-15-817 provide: Prior to drilling one or more exploration wells, the well owner, lessee or exploration firm shall file a Notice of Intention to Drill on a form provided by the Department.

WELL/LAND LOCATION

1. Township 20S N/S  
Range 23E E/W  
Section 28

In the case of a single well,  
list 10-acre subdivision

1/4, 1/4, 1/4

2. County Cochise

3. Applicant:  
Primo Gold Ltd.  
Name

11930 Menaul NE, Ste 112  
Address

Albuquerque, NM 87112  
City State Zip

4. Lee Halterman  
NAME OF CONTACT PERSON  
Phone 505 298-8235

5. Owner of well:  
Primo Gold Ltd.  
Name

Same as Above  
Address

City State Zip

6. Purpose of well(s) drilled  
pursuant to this Notice:

Mineral Exploration XX  
Geotechnical \_\_\_\_\_  
Cathodic Protection \_\_\_\_\_  
Grounding \_\_\_\_\_

7. Number of wells 12  
(See Condition 3 on reverse)

8. Owner of land:  
Arizona State Land Dept  
Name

1616 West Adams  
Address

Phoenix Arizona 85007  
City State Zip

9. DESCRIPTION OF WELL:  
Diameter 5.25 inches

Depth See Back feet

Type of casing surface  
(If none, so state)

10. Construction will start:  
July 23 1990  
Month Day Year

11. Drilling firm:

Drilling Services  
Name

12030 E. Riggs Rd.  
Address

Chandler Az. 85249  
City State Zip

52  
DWR License Number

12. Period well will remain  
in use 1 months.

13. Proposed method of  
abandonment of well(s)  
after project is  
completed:

In accordance with DWR

rules R-12-15-811

and R-12-15-816

DO NOT WRITE IN THIS SPACE  
OFFICE RECORD  
File No. D(20-23)28  
Filed 5-15-92 By sk  
Input \_\_\_\_\_ By \_\_\_\_\_  
Duplicate  
Mailed 5-26-92 By sk  
Registration 55-535498  
AMA/INA \_\_\_\_\_  
W/S 11 S/B \_\_\_\_\_

MAY 15 1992

14. Is the proposed wellsite within 100 feet of a septic tank system, sewage disposal area, landfill, hazardous waste facility or storage area of hazardous materials? Yes No X

If yes, a request for a variance must accompany this application pursuant to R12-15-820.

GENERAL INSTRUCTIONS

1. Fill out this form in duplicate and mail to Department of Water Resources, 15 South 15th Ave. Phoenix, Arizona 85007

2. Proper filing fee of \$10.00 must accompany Notice.

I state that this Notice is filed in compliance with Rule R12-15-809 and is complete and correct to the best of my knowledge and belief and that I understand the conditions set forth on the reverse side of this form.

DATE May 8, 1992

DWR 55-43-10/88 (Revised)

[Signature]  
Signature of Applicant

000156

CONDITIONS

1. Construction and abandonment standards for all wells shall be in accordance with DWR Rules R12-15-811 and R12-15-816.
2. Drilling of the well(s) shall be completed within one (1) year after the date of Notice.
3. Mineral exploration, geotechnical cathodic protection or grounding holes of 100 feet of depth or less do not apply to these provisions and do not require filing. However, if water is encountered during the drilling of these wells, then the well(s) must be properly abandoned in accordance with Condition 1 above.
4. More than one well may be drilled under a single notice for mineral exploration, geotechnical, cathodic protection and grounding purposes, so long as they are located within a single section.
5. A Project Completion Report (DWR-55-42-10/83) must be filed for each hole, within 30 days of completion of drilling. A Well Driller Report (DWR-55-6-Rev.) for each hole drilled, must be filed by the well driller within 30 days of completion of drilling for geotechnical, cathodic protection, and grounding wells.
6. Pump equipment may not be installed on wells drilled for mineral exploration, geotechnical, cathodic protection or grounding purposes.
7. Special construction standards required pursuant to R12-15-821: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Hole Number	Depth
92-14	100'
92-15	100'
92-16	100'
92-17	100'
92-18	100'
92-19	300'
92-20	100'
92-21	100'
92-23	100'
92-24	400'
92-25	500'

ARIZONA DEPARTMENT OF WATER RESOURCES

15 South 15th Avenue  
Phoenix, Arizona 85007

PROJECT COMPLETION REPORT FOR MINERAL EXPLORATION DRILLING

This report must be prepared by the owner in all detail for each hole drilled and filed with the Department within 30 days following completion of the well drilling project.

1. Owner Name: \_\_\_\_\_

Address: \_\_\_\_\_  
Street City State Zip

2. Lessee or Operator Name: \_\_\_\_\_

Address: \_\_\_\_\_  
Street City State Zip

3. Driller Name: \_\_\_\_\_

Address: \_\_\_\_\_  
Street City State Zip

4. Location: \_\_\_\_\_ N/A \_\_\_\_\_ E/W \_\_\_\_\_ 1/4 \_\_\_\_\_ 1/4 \_\_\_\_\_ 1/4  
Township Range Section 10-Acre 40-Acre 160-Acre

WELL REGISTRATION NO. 55-\_\_\_\_\_ (REQUIRED)

DESCRIPTION OF WELL

5. Type of Casing (if installed): \_\_\_\_\_

6. Abandonment method and material used if abandoned: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

Was well abandoned pursuant to R12-15-816, F.? Yes \_\_\_\_\_ No \_\_\_\_\_

7. Date of period drilled: From: \_\_\_\_\_ To: \_\_\_\_\_

LOG OF WELL

Unconsolidated Formation

Consolidated Formation  
Depth to water in feet below land surface: \_\_\_\_\_  
(if encountered or detected)

I state that this report is filed in compliance with A.R.S. §45-600 and is complete and correct to the best of my knowledge and belief.

DO NOT WRITE IN THIS SPACE  
OFFICE RECORD  
Registration No. 55-535498  
Received \_\_\_\_\_ By \_\_\_\_\_  
Entered \_\_\_\_\_ By \_\_\_\_\_  
File No. D(20-23) 28

000158

Owner/Lessee's Signature \_\_\_\_\_ Date \_\_\_\_\_

# ARIZONA DEPARTMENT OF WATER RESOURCES

15 South 15th Avenue, Phoenix, Arizona 85007  
Telephone (602) 542-1553 1581  
Fax (602) 256-0506



FIFE SYMINGTON  
Governor

ELIZABETH ANN RIEKE  
Director

Re: Registration No. 55-535498

File No. D(20-23) 28

Dear Well Owner:

Enclosed for your records is an annotated copy of the Notice of Intention to Drill a well which was recently filed with this Department. This is returned to you as evidence of compliance with A.R.S. §45-596. Your designated driller has been mailed, separately, a Well Drilling Card which he is required to have in his possession before commencing to drill the well.

Since this well is being drilled as a monitor well, or for cathodic protection, grounding, geotechnical or piezometer purposes, our standard driller report form is also being furnished to the driller which he is required to complete and return to the Department within 30 days after the completion of drilling. A Completion Report form is being furnished for monitor wells where pump equipment is authorized to be installed as part of this packet so that you may submit the report within 30 days after the installation of the pumping equipment on a monitor well as required by A.R.S. §45-600.


This well is authorized to be drilled for mineral exploration purposes. Because of this, no pump equipment may be installed. A Project Completion Report is being furnished you for each hole to be drilled. You are required to submit this Project Completion Report within 30 days after completion of drilling. Frequently, exploration wells are abandoned shortly after drilling. Therefore, pursuant to R12-15-816.B, a Notice of Intent to Abandon a Well is being furnished.

The Department of Water Resources requires you to obtain written permission before proceeding with the drilling in the event that you determine it necessary to change the location of the proposed well. A properly signed amended Drilling Card must be in the possession of the driller before drilling commences at a different location than originally authorized.

If in the course of drilling a new well, it is determined that the well needs to be abandoned, then a Well Abandonment Completion Report must be submitted per R12-15-816.F.

For your future use, a Change of Well Information form is enclosed for your convenience. Per A.R.S. §45-593, the person to whom a well is registered shall notify this Department of a change of ownership of the well and/or information pertaining to the physical characteristics of the well, in order to keep the well registration file current and accurate.

Sincerely,



Dennis Kimberlin  
Chief, Operations Division

DK:dl  
Enclosures  
DWR-55-50-9/90(Revised)

000160



ARIZONA DEPARTMENT OF WATER RESOURCES

15 South 15th Avenue  
Phoenix, Arizona 85007

PROJECT COMPLETION REPORT FOR MINERAL EXPLORATION DRILLING

This report must be prepared by the owner in all detail for each hole drilled and filed with the Department within 30 days following completion of the well drilling project.

1. Owner Name: State of Arizona, Arizona State Land Department

Address: 1616 West Adams Phoenix, Arizona 85007  
Street City State Zip

2. Lessee or Operator Name: Primo Gold USA

Address: c/o MinSearch, 11930 Menaul NE, Ste 112 Albuquerque, New Mexico 87112  
Street City State Zip

3. Driller Name: Drilling Services

Address: 12030 E. Riggs Rd, Chandler Arizona 85249  
Street City State Zip

4. Location: 20S N/A 23E E/W 28 1/4 1/4 1/4  
Township Range Section 10-Acre 40-Acre 160-Acre

WELL REGISTRATION NO. 55- 535498 (REQUIRED)

DESCRIPTION OF WELL

5. Type of Casing (if installed): None

6. Abandonment method and material used if abandoned: Back Filled with cutting and 10 foot Cement

Plug at Surface

Was well abandoned pursuant to R12-15-816, F.? Yes x No \_\_\_\_\_

7. Date of period drilled: From: June 18, 1992 To: June 22, 1992

LOG OF WELL

Unconsolidated Formation

Consolidated Formation  
Depth to water in feet below land surface: None  
(if encountered or detected) Encountered

I state that this report is filed in compliance with A.R.S. §45-600 and is complete and correct to the best of my knowledge and belief.

DO NOT WRITE IN THIS SPACE  
OFFICE RECORD

Registration No. 55-535498

Received \_\_\_\_\_ By \_\_\_\_\_

Entered \_\_\_\_\_ By \_\_\_\_\_

File No. D(20-23)28

000161

Owner/Lessee's Signature \_\_\_\_\_ Date \_\_\_\_\_  
Lee Halterman, Agent for Primo Gold USA  
DWR-55-57-5/91(Rev)



PRIMO GOLD USA LTD  
Affidavit of Expenditures  
May 26, 1992

Invoice and Number	Amount That Can Be Applied
MinSearch #9207	\$ 3,125
MinSearch #9209	6,603
American Assay 016956	1,644
American Assay 017019	<u>847</u>
TOTAL expended for the property	\$12,219

Permit Number	Amount	Amount Remaining
08-95857	\$3,200	\$9,019
08-95856	3,200	5,819
08-95855	3,200	2,619
08-95854	1,600	1,019

Over expenditure of \$1,019

PRIMO GOLD USA LTD.  
 AFFIDAVIT OF EXPENDITURES  
 JUNE 22, 1992

INVOICE # Number	Amount That Can be Applied
MIN Search # 9022-A	\$ 2,700
Drilling Services # 34-0768	7,500
American ASSAY # 0017475	2,305
CARRY OVER (See Attached)	<u>1,019</u>
TOTAL EXPENDED	\$ 13,524

Permit Number	Amount	Amount Remaining
08-95899	\$ 3,200	\$ 10,324
08-95926	2,400	7,924
08-95925	3,200	4,724
08-95898	3200	1,524

OVER EXPENDITURE of ~~\$~~ 1,524

INVOICE 9207-A

May 4, 1992

Mr. Ken Cabianca  
c/o Primo Gold  
Suite 1305  
1090 W. Georgia Street  
Vancouver, B.C., Canada V6E 3V7

ZEBRA PROJECT

ITEM	AMOUNT
Review Prospectus and Write Comfort letter 4/13/92 Rewrite Comfort letter and write consent to use report in prospectus, prepare 3 copies of Engineering report and 3 compies of the Appraisal report and Fed-x, 4/14/92 1 day @ \$250/day	\$ 250.00
Fed-X comment reply (See Attached)	48.50
Copies, 4/14/92, 484 @ \$.10/copy	48.40
Field prepration, organizing equipment Supplies and making maps 1 day @\$250/day	250.00
Resurvey geophysical and geochemical baseline and extend base lines for new surveys Field Geologist I, 5 days @ \$300/day	1,500.00
Field Geologist II, 5 days @ \$250/day	1,250.00
Field Expenses including mileage	800.05
Office Geologist, updating maps and reports 3/4 day @\$250/day	125.00
Phone calls, postage and small job in-house copying	NC
AMOUNT NOW DUE	\$4,271.95

Please Remit To:  
Lee Halterman  
MinSearch, Inc.  
11930 Menaul Blvd. NE, Suite 112  
Albuquerque, New Mexico 87112

Submitted by:

  
Lee Halterman, MinSearch, Inc.

*Paul  
5/25/92*

INVOICE 9209-A

May 23, 1992

Mr. Ken Cabianca  
c/o Primo Gold  
Suite 1305  
1090 W. Georgia Street  
Vancouver, B.C., Canada V6E 3V7


ZEBRA PROJECT

ITEM	AMOUNT
Preparing and filing Department of Water Resources permit for drilling program Supplies and making maps 1 day @\$250/day	250.00
Filing Fee	10.00
Field preparation, copying maps, preparing equipment, picking up additional supplies 1 day \$250 per day	250.00
Field work, Complete soil sample survey, take soil and rock chip samples, spot drill sites and adjust to geophysical anomalies Check and correct past reclamation and reseed previously seeded areas.	
Field Geologist I, 9 days @ \$300/day	2,700.00
Field Geologist II, 9 days @ \$250/day	2,250.00
Field expense, see attaced	1,630.58
Supplies, CGS	143.09
Report preparation, add data to computer and redo geochemical maps, plot resluts and compare with geophysics 4 days @ \$250/day	1,000.00
Phone calls, postage and small job in-house copying	NC

AMOUNT NOW DUE \$8,233.67

Please Remit To:  
MinSearch, Inc.  
11930 Menaul Blvd. NE, Suite 112  
Albuquerque, New Mexico 87112

Submitted by:

  
Lee Halterman, MinSearch, Inc.

*paid  
5/25/92*

INVOICE 9022-A

June 20, 1992

Mr. Ken Cabianca  
c/o Primo Gold  
Suite 1305  
1090 W. Georgia Street  
Vancouver, B.C., Canada V6E 3V7

ITEM	AMOUNT
Field Preparation and Supervise Drilling on the Zebra prospect, and field examinations 9 days @ \$300/day	2,700.00
Field expenses	675.00
Vehicle expesnse	722.00
Phone calls, postage and small job in-house copying and miscl. expenses	N/C
Amount Due	\$4,097.00

Please Remit To:  
MinSearch, Inc.  
11930 Menaul Blvd. NE, Suite 112  
Albuquerque, New Mexico 87112

Submitted by:

  
Lee Halterman, MinSearch, Inc.



Contract Geological Services, Inc.

1395 GREG STREET, SUITE 108  
SPARKS, NEVADA 89431-2113  
(702) 358-0923 • FAX (702) 358-8209

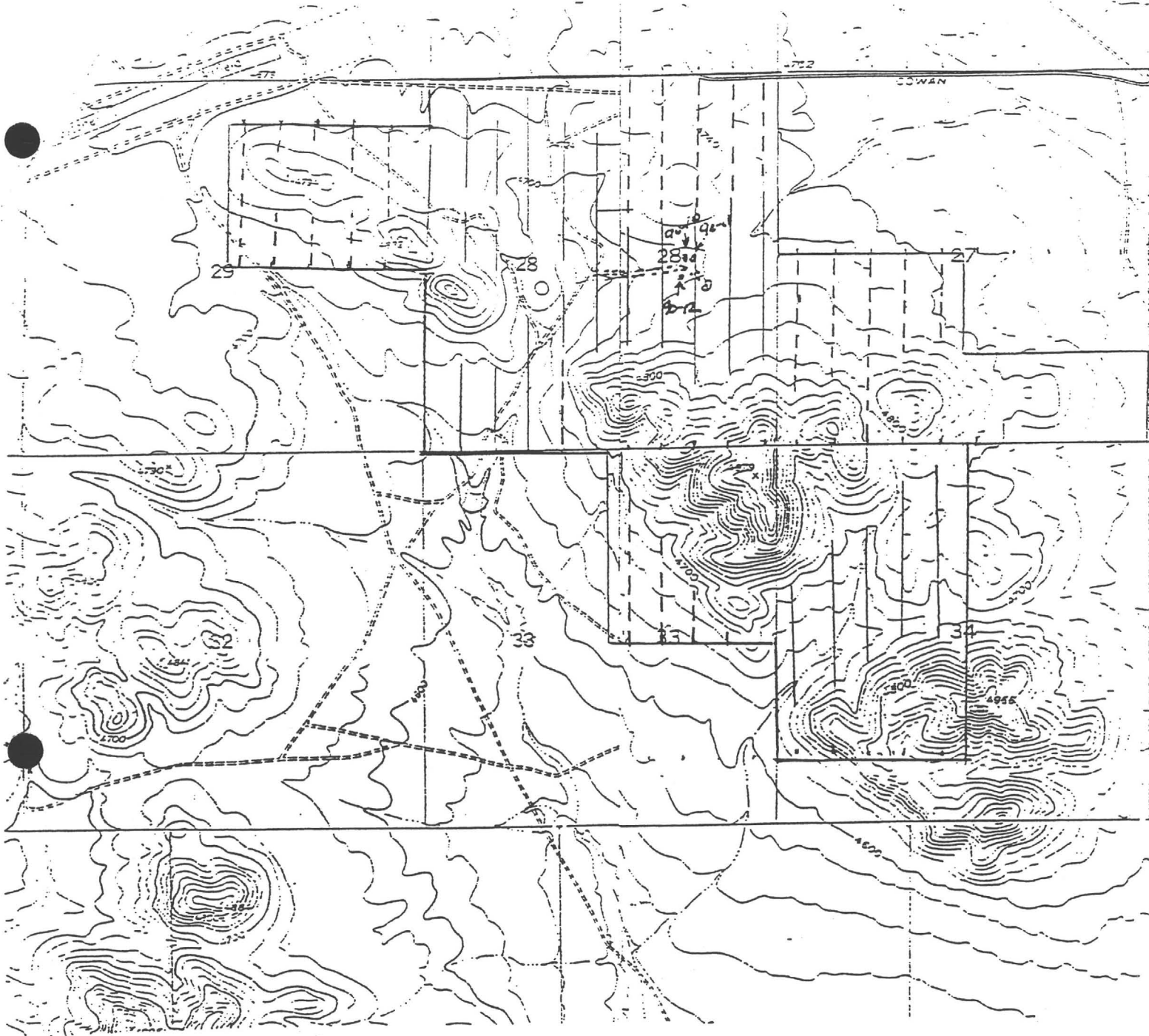
INVOICE NO. 9940  
INVOICE DATE 5-14-92  
ACCOUNT NO. 20190

PAGE 1

SOLD TO: MINSEARCH, INC.  
LEE HALTERMAN  
11930 MENAUL NE, #112  
ALBUQUERQUE NM 87112

SHIP TO: LEE HALTERMAN  
C/O PLAZA INN/BEST WEST  
I 10, EXT 340  
WILCOX AZ 85643

PURCHASE ORDER NO.		SALESPERSON	SHIP VIA	FREIGHT	DATE SHIPPED	TERMS	
		1	U.P.S. CHARGE	PPD	5-14-92	NET: 30 DAYS	
QUANTITY	STOCK ITEM	UNIT	DESCRIPTION	UNIT PRICE	DISC %	AMOUNT	
5	1755	BOX	HUTCHINSON 5.5X10.5 OLEFI	22.57		112.85	
1	1575	BOX	ALUMINUM DBL FACE 7/8X3	4.60		4.60	
5	4005	EACH	FLAGGING PINK GLO TAF	1.10		5.50	
5	8240	EACH	THREAD-HIP CHAIN 2000 YRD	2.88		14.40	
6060				SALE AMOUNT		137.35	
				MISC CHARGES		.00	
				SALES TAX		.00	
				FREIGHT		5.74	
				TOTAL		143.09	



ZEBRA PROSPECT

PRIMO GOLD USA LTD.

Scale 1" - 2000'

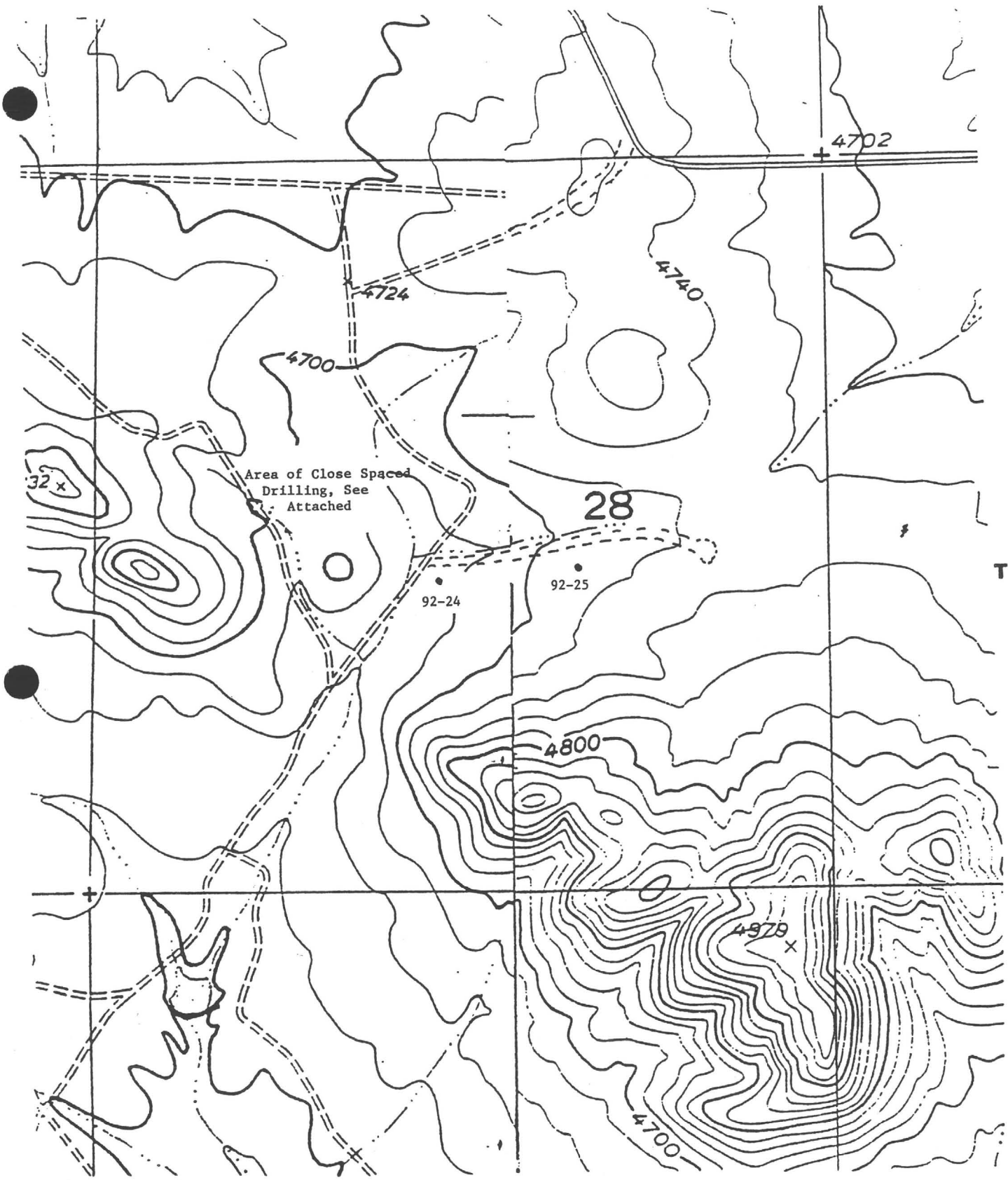
April 1, 1992

- ==== Existing Road
- 90-10 Proposed Drill Site
- ||| Soil Sample Line.
- - - - 1992 Soil Sample Line

EXHIBIT A

000168

R23E



32 x

Area of Close Spaced Drilling, See Attached

28

92-24

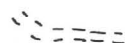

92-25

4979 x

T20S

Scale 1"=1000'

EXHIBIT A

-  Existing Road
-  Drill Site
- 92-25



000169





FIFE SYMINGTON  
GOVERNOR

Arizona  
State Land Department

1616 WEST ADAMS  
PHOENIX, ARIZONA 85007



M.J. HASSELL  
STATE LAND COMMISSIONER

DATE June 25, 1992

( Primo Gold USA, Ltd.  
( 11930 Menaul NE, Ste 112  
( Albuquerque, NM 87112  
(

Re: 08-95854 thru 08-95857

Dear Lessee/Permittee:

NOTICE OF LEASE OR PERMIT DOCUMENT(S) ENCLOSED

1. Enclosed is your original lease or permit which has been executed and finalized by the State Land Department. It is recommended that you store this document in a safe place.
- XX 2. Enclosed is your original prospecting permit renewal endorsement which has been executed and finalized by the State Land Department. It is recommended that you affix this document to your original prospecting permit.

If you have any questions, please contact the State Land Department at (602) 542-4628.

Thank you.

Enclosure

000170

STATE LAND DEPARTMENT  
STATE OF ARIZONA

RENEWAL OF

PROSPECTING PERMIT NO. 08-95854

PERMIT IS HEREBY RENEWED FOR THE PERIOD OF:

EFFECTIVE DATE

June 1, 1992

EXPIRATION DATE

May 31, 1993

APPROVED DATE

June 1, 1992

BY   
STATE LAND COMMISSIONER

THIS FORM MUST BE ATTACHED TO PERMIT

000171

STATE LAND DEPARTMENT  
STATE OF ARIZONA

RENEWAL OF

PROSPECTING PERMIT NO. 08-95356

PERMIT IS HEREBY RENEWED FOR THE PERIOD OF:

EFFECTIVE DATE

June 1, 1992

EXPIRATION DATE

May 31, 1993

APPROVED DATE

June 1, 1992

BY Karen Dye Carrick  
STATE LAND COMMISSIONER

THIS FORM MUST BE ATTACHED TO PERMIT

000173

STATE LAND DEPARTMENT  
STATE OF ARIZONA

RENEWAL OF

PROSPECTING PERMIT NO. 08-95855

PERMIT IS HEREBY RENEWED FOR THE PERIOD OF:

EFFECTIVE DATE

June 1, 1992

EXPIRATION DATE

May 31, 1993

APPROVED DATE

June 1, 1992

BY

  
STATE LAND COMMISSIONER

THIS FORM MUST BE ATTACHED TO PERMIT

000172

STATE LAND DEPARTMENT  
STATE OF ARIZONA

RENEWAL OF

PROSPECTING PERMIT NO. 08-95857

PERMIT IS HEREBY RENEWED FOR THE PERIOD OF:

EFFECTIVE DATE

June 1, 1992

EXPIRATION DATE

May 31, 1993

APPROVED DATE

June 1, 1992

BY

  
STATE LAND COMMISSIONER

THIS FORM MUST BE ATTACHED TO PERMIT

000174



FIFE SYMINGTON  
GOVERNOR

Arizona  
State Land Department

1616 WEST ADAMS  
PHOENIX, ARIZONA 85007



M.J. HASSELL  
STATE LAND COMMISSIONER

DATE: June 25, 1992

( Primo Gold Corp.  
( 11930 Menaul NE, Suite 112  
( Albuquerque, New Mexico 87112  
(

RE: 08-95925 & 95926

Dear Permittee:

In regard to your renewal year exploration, please be reminded of the required filing of a PLAN OF OPERATION. Because Plan approvals are limited to an operating period of one (1) year or less, there is no Plan on file which extends to include your renewal period operations. As such, you must submit the enclosed form PRIOR to completing any additional work on the property. Please return the form for approval within thirty (30) days to:

Arizona State Land Department  
1616 W. Adams Street  
Phoenix, Az. 85007  
Attn: Minerals Section

If you have any questions regarding this matter, please contact our office at the above letterhead address or telephone (602) 542-4628.

STATE LAND DEPARTMENT

by Lucy Mellman/s/m  
Minerals Section  
Natural Resources Division

Enclosure

000175

ARIZONA STATE LAND DEPARTMENT  
Minerals Section

Plan of Operation

The following information must be submitted to, and approved by the Department prior to initiating exploration or mining activities on state land. The plan is approved for a period of one year beginning on the date approved. Any change in the below described operations must first be approved by the Department.

Plan evaluation and approval may require 30 days.

PROSPECTING PERMIT OR MINERAL LEASE NUMBER(S) \_\_\_\_\_

NAME IN WHICH ISSUED \_\_\_\_\_

NAME OF OPERATOR \_\_\_\_\_ TELEPHONE \_\_\_\_\_

ADDRESS OF OPERATOR \_\_\_\_\_

NAME OF FIELD REPRESENTATIVE \_\_\_\_\_  
(If different than operator include address and telephone)

- 1) LAND DESCRIPTION AND MAP  
Attach as Exhibit A to this Plan a topographic map of the referenced property.  
County \_\_\_\_\_ Township \_\_\_\_\_ Range \_\_\_\_\_ Section(s) \_\_\_\_\_
- 2) PERIOD OF OPERATION  
The operation is proposed to begin on \_\_\_\_\_ and end on \_\_\_\_\_. If operations are proposed to exceed one year, an addendum to this plan must be filed prior to the plan expiration date.
- 3) ACCESS  
Show on Exhibit A existing and proposed routes. Describe in detail the extent of all improved or newly constructed access. Note any locked gates.  
\_\_\_\_\_  
\_\_\_\_\_
- 4) VEHICLES AND EQUIPMENT  
List by type and size all vehicles and equipment which will be used in connection with the operation. Include the capacity of concentrators for placer operations. \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
- 5) SCOPE AND TYPE OF OPERATION  
Describe the type and extent of the operation to be performed. Include the estimated area of disturbance and provide detailed information for any earth moving or site clearance operations. For placer type exploration include the amount of material to be processed from each test site, and the dimension of test sites.  
Estimated area of disturbance: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

6) AFFECTED LAND

Indicate to the nearest 300 feet the location of all proposed prospecting sites (Exhibit A). If necessary complete Exhibit B or provide coordinate description (topographic grid or distance from section corner). For placer type exploration include the location of concentrators.

Coordinate description: Submit as an attachment.

7) DRILLING

For all drilling operations indicate the type of drilling operation, drilling medium (air, water e.g.) hole diameter, and proposed total depth.

Hole I.D.	Total Depth	Hole I.D.	Total Depth	Hole I.D.	Total Depth

If drilling is anticipated indicate the method of plugging and abandonment. Indicate the marsh funnel viscosity if applicable.

8) WATER USE

If the use of water is required, describe the location and quantity to be used.

9) RECLAMATION

Describe actions taken to minimize environmental impacts and state plans for reclamation of disturbed areas. If applicable include measures for erosion control, recontouring, seed bed preparation, method of seeding, seed species, etc. Unless otherwise approved reclamation is to be completed within the approved plan period of one year.

10) ANTIQUITIES AND NATIVE PLANTS

If required, the applicant agrees to obtain archaeological clearance prior to the following surface disturbance:

A. Prospecting Permit: All land surface affected by exploration activities including access roads.

B. Mineral Lease: All acreage under application. The applicant will be directly contacted by the Arizona State Museum.

Archaeological clearance must be obtained through the Arizona State Museum.

If the destruction or removal of protected plants is necessary to enjoy the privileges of a permit or lease, the applicant agrees to obtain written permission from the Arizona

\* Hole I.D. - Identification Number



Commission of Agriculture and Horticulture. The applicant also agrees to purchase said plants from the Arizona State Land Department. Native plants are as described under the Arizona Native Plant Law.

APPLICANT: \_\_\_\_\_  
Signature and Date

Applicant must be the permit holder or duly authorized representative.

Following the Department's evaluation of this plan, two copies will be sent to the applicant noting any conditions which may be required by the Department. The applicant shall sign and return one copy which will attach to, and become a part of, the permit or lease.

CONDITIONS OF APPROVAL: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Applicant agrees to abide by the methods and extent of the operations described herein. Applicant also agrees to abide by the above listed CONDITIONS OF APPROVAL.

APPLICANT: \_\_\_\_\_  
Signature and Date

FOR DEPARTMENT USE ONLY

PLAN NUMBER \_\_\_\_\_

BOND AMOUNT \_\_\_\_\_

APPROVED FOR THE PERIOD: BEGINNING \_\_\_\_\_ EXPIRING \_\_\_\_\_

APPROVED BY: \_\_\_\_\_

REASONS FOR DENIAL: \_\_\_\_\_

DATE OF PERMIT OR LEASE ISSUE: \_\_\_\_\_

DATE LAST PLAN SUBMITTED: \_\_\_\_\_ PLAN NUMBER \_\_\_\_\_

REMARKS: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

000178

SECTION PLAT SHEET

SECTION \_\_\_\_\_ TOWNSHIP \_\_\_\_\_ RANGE \_\_\_\_\_

COUNTY \_\_\_\_\_ STATE \_\_\_\_\_ SCALE: 1" = 660'




FIFE SYMINGTON  
GOVERNOR

Arizona  
State Land Department

1616 WEST ADAMS  
PHOENIX, ARIZONA 85007



M.J. HASSELL  
STATE LAND COMMISSIONER

DATE July 15, 1992

( Primo Gold Corporation  
( Leroy Halterman  
( 11930 Menaul NE, Ste. 112  
( Albuquerque, NM 87112

Re: 08-95898, 99 and 08-95925, 26

Dear Lessee/Permittee:

NOTICE OF LEASE OR PERMIT DOCUMENT(S) ENCLOSED

- \_\_\_\_\_ 1. Enclosed is your original lease or permit which has been executed and finalized by the State Land Department. It is recommended that you store this document in a safe place.
- X   2. Enclosed is your original prospecting permit renewal endorsement which has been executed and finalized by the State Land Department. It is recommended that you affix this document to your original prospecting permit.

If you have any questions, please contact the State Land Department at (602) 542-4628.

Thank you.

Enclosure

000180

STATE LAND DEPARTMENT  
STATE OF ARIZONA

RENEWAL OF

PROSPECTING PERMIT NO. 08-95898

PERMIT IS HEREBY RENEWED FOR THE PERIOD OF:

EFFECTIVE DATE

June 29, 1992

EXPIRATION DATE

June 28, 1993

APPROVED DATE

June 29, 1992

BY *Karen J. Carrick*  
STATE LAND COMMISSIONER

THIS FORM MUST BE ATTACHED TO PERMIT

000181

STATE LAND DEPARTMENT  
STATE OF ARIZONA

RENEWAL OF

PROSPECTING PERMIT NO. 08-95899

PERMIT IS HEREBY RENEWED FOR THE PERIOD OF:

EFFECTIVE DATE

June 29, 1992

EXPIRATION DATE

June 28, 1993

APPROVED DATE

June 29, 1992

BY *Karen McCarrick*  
*for* STATE LAND COMMISSIONER

THIS FORM MUST BE ATTACHED TO PERMIT

000182

STATE LAND DEPARTMENT  
STATE OF ARIZONA

RENEWAL OF

PROSPECTING PERMIT NO. 08-95925

PERMIT IS HEREBY RENEWED FOR THE PERIOD OF:

EFFECTIVE DATE

June 29, 1992

EXPIRATION DATE

June 28, 1993

APPROVED DATE

June 29, 1992

BY Karen J. Carrick  
for STATE LAND COMMISSIONER

THIS FORM MUST BE ATTACHED TO PERMIT

000183

STATE LAND DEPARTMENT  
STATE OF ARIZONA

RENEWAL OF

PROSPECTING PERMIT NO. 08-95926

PERMIT IS HEREBY RENEWED FOR THE PERIOD OF:

EFFECTIVE DATE

June 29, 1992

EXPIRATION DATE

June 28, 1993

APPROVED DATE

June 29, 1992

BY *Gene J. Carrick*  
for STATE LAND COMMISSIONER

THIS FORM MUST BE ATTACHED TO PERMIT

000184

To avoid payment of penalty and interest this payment must be IN the OFFICE OF the State Land Department ON or BEFORE the DUE DATE. Date of POSTAL STAMP will not be accepted as time of payment.

PRIMO GOLD USA LTD  
 %MIN-SEARCH INC  
 11930 MENAUL BLVD NE 112  
 ALBUQUERQUE NM 87112

STATE OF ARIZONA  
 STATE LAND DEPARTMENT  
 1616 WEST ADAMS  
 PHOENIX, ARIZONA 85007

02-0067

08	9585400
KIND ENTRY	LEASE OR C P REFERENCE NO

RECEIPT

SEC	TOWNSHIP	RANGE

ACCOUNT NO		BILLING DESCRIPTION	RATE	ACRES	\$ AMOUNT
GRANT FUND	SUB				
10	031 04	RENTAL PROSPECTING PERMITS		80.00	80.00
10	300 35	APP FEE PROSPECTING PERMITS			100.00



YOUR PERMIT TERMINATES ON THE DATE DUE NOTED BELOW. TO RENEW THIS PERMIT, THE ENCLOSED APPLICATION IS TO BE COMPLETED AND FILED WITH THIS DEPARTMENT PRIOR TO 5:00 PM ON THE DUE DATE, TOGETHER WITH REQUIRED MONIES. INSTRUCTIONS ON THE APPLICATION MUST BE STRICTLY ADHERED TO SO THAT ANY RIGHTS GRANTED BY THE PERMIT ARE PROTECTED.

CERTIFICATE OF PURCHASE
\$ UNPAID BALANCE

BILLING PERIOD					
FROM			TO		
MO	DAY	YR	MO	DAY	YR
06	01	92	05	31	93

DATE BILLED		
MO	DAY	YR
02	28	92

DATE DUE		
MO	DAY	YR
05	31	92

TOTAL ACRES
80.00

TOTAL AMOUNT
\$ 180.00

IF PAYMENT IS MADE ON OR BEFORE THIS DATE → PAY THIS AMOUNT

AMOUNT DELINQUENT SUBJECT TO PENALTY & INTEREST

PENALTY & INTEREST	DISTRIBUTION
\$	

5% PENALTY OF RENTAL.	\$	
TOTAL RENTAL AMOUNT PLUS PENALTY.	\$	
* INTEREST PER ANNUM ON RENTAL. AMOUNT AND PENALTY— NUMBER OF DAYS DELINQUENT ( ) \$	\$	
TOTAL AMOUNT DUE INCLUDING PENALTY AND INTEREST	\$	
CASH RECEIVED	\$	
BALANCE DUE OR OVERPAYMENT	\$	

\* INTEREST SET BY TREASURER UNDER ARS 37-288. ANY PROTEST OF THIS RENTAL AMOUNT MUST BE IN WRITING, RECEIVED BY THE STATE LAND DEPARTMENT WITHIN 30 DAYS FROM THE DATE BILLED.



Avoid payment of penalty and interest this payment must be made in the OFFICE OF the State Land Department ON or BEFORE the DUE DATE. Date of POSTAL STAMP will not be accepted as time of payment.

PRIMO GOLD USA LTD  
 ZMIN-SEARCH INC  
 11930 MENAUL BLVD NE 112  
 ALBUQUERQUE NM 87112

STATE OF ARIZONA  
 STATE LAND DEPARTMENT  
 1616 WEST ADAMS  
 PHOENIX, ARIZONA 85007

06	9585500
KIND ENTRY	LEASE OR C P REFERENCE NO

02-0066

RECEIPT

SEC	TOWNSHIP	RANGE

ACCOUNT NO GRANT FUND	SUB	BILLING DESCRIPTION	RATE	ACRES	\$ AMOUNT
031	04	RENTAL PROSPECTING PERMITS		160.00	160.00
300	35	APP FEE PROSPECTING PERMITS			100.00



YOUR PERMIT TERMINATES ON THE DATE DUE NOTED BELOW. TO RENEW THIS PERMIT, THE ENCLOSED APPLICATION IS TO BE COMPLETED AND FILED WITH THIS DEPARTMENT PRIOR TO 5:00 PM ON THE DUE DATE, TOGETHER WITH REQUIRED MONIES. INSTRUCTIONS ON THE APPLICATION MUST BE STRICTLY ADHERED TO SO THAT ANY RIGHTS GRANTED BY THE PERMIT ARE PROTECTED.

CERTIFICATE OF PURCHASE
UNPAID BALANCE

BILLING PERIOD					
FROM			TO		
MO	DAY	YR	MO	DAY	YR
06	01	92	06	31	93

DATE BILLED		
MO	DAY	YR
02	28	92

DATE DUE		
MO	DAY	YR
05	31	92

TOTAL ACRES
160.00

TOTAL AMOUNT
\$ 260.00

IF PAYMENT IS MADE ON OR BEFORE THIS DATE → PAY THIS AMOUNT

AMOUNT DELINQUENT SUBJECT TO PENALTY & INTEREST

5% PENALTY OF RENTAL.	\$	
TOTAL RENTAL AMOUNT PLUS PENALTY.	\$	
* INTEREST PER ANNUM ON RENTAL. AMOUNT AND PENALTY- NUMBER OF DAYS DELINQUENT ( ) \$	\$	
TOTAL AMOUNT DUE INCLUDING PENALTY AND INTEREST	\$	
CASH RECEIVED	\$	
BALANCE DUE OR OVERPAYMENT	\$	
* INTEREST SET BY TREASURER UNDER ARS 37-288. ANY PROTEST OF THIS RENTAL AMOUNT MUST BE IN WRITING, RECEIVED BY THE STATE LAND DEPARTMENT WITHIN 30 DAYS FROM THE DATE BILLED.		

void payment of penalty and interest this payment must  
 IN the OFFICE OF the State Land Department ON or  
 BEFORE the DUE DATE. Date of POSTAL STAMP will not  
 accepted as time of payment.

PRIMO GOLD USA LTD  
 XMIN-SEARCH INC  
 11930 MENAUL BLVD NE 112  
 ALBUQUERQUE NM 87112

STATE OF ARIZONA  
 STATE LAND DEPARTMENT  
 1616 WEST ADAMS  
 PHOENIX, ARIZONA 85007

08	9595600
KIND ENTRY	LEASE OR C. P. REFERENCE NO

02-0089

RECEIPT

SEC	TOWNSHIP	RANGE

ACCOUNT NO GRANT FUND	SUB	BILLING DESCRIPTION	RATE	ACRES	\$	AMOUNT
031 04		RENTAL PROSPECTING PERMITS		160.00		160.00
300 35		APP FEE PROSPECTING PERMITS				100.00



YOUR PERMIT TERMINATES ON THE DATE DUE NOTED BELOW. TO RENEW THIS PERMIT, THE  
 ENCLOSED APPLICATION IS TO BE COMPLETED AND FILED WITH THIS DEPARTMENT PRIOR TO  
 5:00 PM ON THE DUE DATE, TOGETHER WITH REQUIRED MONIES. INSTRUCTIONS ON THE  
 APPLICATION MUST BE STRICTLY ADHERED TO SO THAT ANY RIGHTS GRANTED BY THE PERMIT  
 ARE PROTECTED.

CERTIFICATE OF PURCHASE UNPAID BALANCE	BILLING PERIOD						DATE BILLED			DATE DUE			TOTAL ACRES		TOTAL AMOUNT	
	MO	DAY	YR	MO	DAY	YR	MO	DAY	YR	MO	DAY	YR			\$	
	06	01	92	05	31	93	02	28	92	05	31	92	160	00		260 00

IF PAYMENT IS MADE ON OR BEFORE THIS DATE → PAY THIS AMOUNT

AMOUNT DELINQUENT SUBJECT TO PENALTY & INTEREST		\$	
5% PENALTY OF RENTAL.		\$	
TOTAL RENTAL AMOUNT PLUS PENALTY.		\$	
* INTEREST PER ANNUM ON RENTAL AMOUNT		\$	
AND PENALTY- NUMBER OF DAYS DELINQUENT ( )		\$	
TOTAL AMOUNT DUE INCLUDING PENALTY AND INTEREST		\$	
CASH RECEIVED		\$	
BALANCE DUE OR OVERPAYMENT		\$	
* INTEREST SET BY TREASURER UNDER ARS 37-288. ANY PROTEST OF THIS RENTAL AMOUNT MUST BE IN WRITING, RECEIVED BY THE STATE LAND DEPARTMENT WITHIN 30 DAYS FROM THE DATE BILLED.			

PENALTY & INTEREST	DISTRIBUTION
\$	

void payment of penalty and interest this payment must  
 IN the OFFICE OF the State Land Department ON or  
 BEFORE the DUE DATE. Date of POSTAL STAMP will not  
 accepted as time of payment.

PRIMO GOLD USA LTD  
 ADMIN-SEARCH INC  
 11930 MENAUL BLVD NE 11R  
 ALBUQUERQUE NM 87112

STATE OF ARIZONA  
 STATE LAND DEPARTMENT  
 1616 WEST ADAMS  
 PHOENIX, ARIZONA 85007

08	9585700
KIND ENTRY	LEASE OR C P REFERENCE NO

02-0070

RECEIPT

SEC	TOWNSHIP	RANGE

ACCOUNT NO GRANT FUND	SUB	BILLING DESCRIPTION	RATE	ACRES	\$ AMOUNT
031	04	RENTAL PROSPECTING PERMITS		160.00	160.00
300	35	APP FEE PROSPECTING PERMITS			100.00



YOUR PERMIT TERMINATES ON THE DATE DUE NOTED BELOW. TO RENEW THIS PERMIT, THE ENCLOSED APPLICATION IS TO BE COMPLETED AND FILED WITH THIS DEPARTMENT PRIOR TO 5:00 PM ON THE DUE DATE, TOGETHER WITH REQUIRED MONIES. INSTRUCTIONS ON THE APPLICATION MUST BE STRICTLY ADHERED TO SO THAT ANY RIGHTS GRANTED BY THE PERMIT ARE PROTECTED.

CERTIFICATE OF PURCHASE UNPAID BALANCE	BILLING PERIOD						DATE BILLED			DATE DUE			TOTAL ACRES		TOTAL AMOUNT	
	FROM MO	DAY	YR	TO MO	DAY	YR	MO	DAY	YR	MO	DAY	YR		\$		
	06	01	92	05	31	93	02	28	92	05	31	92	160.00		360.00	

IF PAYMENT IS MADE ON OR BEFORE THIS DATE → PAY THIS AMOUNT

AMOUNT DELINQUENT SUBJECT TO PENALTY & INTEREST

5% PENALTY OF RENTAL.	\$	
TOTAL RENTAL AMOUNT PLUS PENALTY.	\$	
* INTEREST PER ANNUM ON RENTAL AMOUNT AND PENALTY- NUMBER OF DAYS DELINQUENT ( ) \$	\$	
TOTAL AMOUNT DUE INCLUDING PENALTY AND INTEREST	\$	
CASH RECEIVED	\$	
BALANCE DUE OR OVERPAYMENT	\$	
* INTEREST SET BY TREASURER UNDER ARS 37-288. ANY PROTEST OF THIS RENTAL AMOUNT MUST BE IN WRITING, RECEIVED BY THE STATE LAND DEPARTMENT WITHIN 30 DAYS FROM THE DATE BILLED.		

000188

Section 45-596, Arizona Revised Statutes and Rule R12-15-817 provide: Prior to drilling one or more exploration wells, the well owner, lessee or exploration firm shall file a Notice of Intention to Drill on a form provided by the Department.

WELL/LAND LOCATION

1. Township 20S N/S  
Range 23E E/W  
Section 28

In the case of a single well,  
list 10-acre subdivision

1/4, 1/4, 1/4

2. County Cochise

3. Applicant:  
Primo Gold Ltd.  
Name

11930 Menaul NE, Ste 112  
Address

Albuquerque, NM 87112  
City State Zip

4. Lee Halterman  
NAME OF CONTACT PERSON  
Phone 505 298-8235

5. Owner of well:  
Primo Gold Ltd.  
Name  
Same as Above  
Address  
City State Zip

6. Purpose of well(s) drilled pursuant to this Notice:  
Mineral Exploration XX  
Geotechnical \_\_\_\_\_  
Cathodic Protection \_\_\_\_\_  
Grounding \_\_\_\_\_

7. Number of wells 12  
(See Condition 3 on reverse)

8. Owner of land:  
Arizona State Land Dept  
Name  
1616 West Adams  
Address  
Phoenix Arizona 85007  
City State Zip

9. DESCRIPTION OF WELL:  
Diameter 5.25 inches  
Depth See Back feet  
Type of casing surface  
(If none, so state)

10. Construction will start:  
July 23 1990  
Month Day Year

11. Drilling firm:  
Drilling Services  
Name  
12030 E. Riggs Rd.  
Address  
Chandler Az. 85249  
City State Zip

52  
DWR License Number

12. Period well will remain in use 1 months.

13. Proposed method of abandonment of well(s) after project is completed:

In accordance with DWR  
rules R-12-15-811  
and R-12-15-816

DO NOT WRITE IN THIS SPACE  
OFFICE RECORD  
File No. \_\_\_\_\_  
Filed \_\_\_\_\_ By \_\_\_\_\_  
Input \_\_\_\_\_ By \_\_\_\_\_  
Duplicate \_\_\_\_\_  
Mailed \_\_\_\_\_ By \_\_\_\_\_  
Registration \_\_\_\_\_  
AMA/INA \_\_\_\_\_  
W/S \_\_\_\_\_ S/B \_\_\_\_\_

14. Is the proposed wellsite within 100 feet of a septic tank system, sewage disposal area, landfill, hazardous waste facility or storage area of hazardous materials? Yes \_\_\_ No X  
If yes, a request for a variance must accompany this application pursuant to R12-15-820.

GENERAL INSTRUCTIONS

- 1. Fill out this form in duplicate and mail to Department of Water Resources, 15 South 15th Ave. Phoenix, Arizona 85007
- 2. Proper filing fee of \$10.00 must accompany Notice.

I state that this Notice is filed in compliance with Rule R12-15-809 and is complete and correct to the best of my knowledge and belief and that I understand the conditions set forth on the reverse side of this form.

DATE \_\_\_\_\_  
DWR 55-43-10/88 (Revised)

Signature of Applicant \_\_\_\_\_

000189

CONDITIONS

1. Construction and abandonment standards for all wells shall be in accordance with DWR Rules R12-15-811 and R12-15-816.
2. Drilling of the well(s) shall be completed within one (1) year after the date of Notice.
3. Mineral exploration, geotechnical cathodic protection or grounding holes of 100 feet of depth or less do not apply to these provisions and do not require filing. However, if water is encountered during the drilling of these wells, then the well(s) must be properly abandoned in accordance with Condition 1 above.
4. More than one well may be drilled under a single notice for mineral exploration, geotechnical, cathodic protection and grounding purposes, so long as they are located within a single section.
5. A Project Completion Report (DWR-55-42-10/83) must be filed for each hole, within 30 days of completion of drilling. A Well Driller Report (DWR-55-6-Rev.) for each hole drilled, must be filed by the well driller within 30 days of completion of drilling for geotechnical, cathodic protection, and grounding wells.
6. Pump equipment may not be installed on wells drilled for mineral exploration, geotechnical, cathodic protection or grounding purposes.
7. Special construction standards required pursuant to R12-15-821: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Hole Number	Depth
92-14	100'
92-15	100'
92-16	100'
92-17	100'
92-18	100'
92-19	300'
92-20	100'
92-21	100'
92-23	100'
92-24	400'
92-25	500'

ARIZONA DEPARTMENT OF WATER RESOURCES

15 South 15th Avenue  
Phoenix, Arizona 85007

PROJECT COMPLETION REPORT FOR MINERAL EXPLORATION DRILLING

This report must be prepared by the owner in all detail for each hole drilled and filed with the Department within 30 days following completion of the well drilling project.

1. Owner Name: State of Arizona, Arizona State Land Department

Address: 1616 West Adams Phoenix, Arizona 85007  
Street City State Zip

2. Lessee or Operator Name: Primo Gold USA

Address: c/o MinSearch, 11930 Menaul NE, Ste 112 Albuquerque, New Mexico 87112  
Street City State Zip

3. Driller Name: Drilling Services

Address: 12030 E. Riggs Rd, Chandler Arizona 85249  
Street City State Zip

4. Location: 20S N/A 23E E/W 28 NW1/4 NW1/4 SW1/4  
Township Range Section 10-Acre 40-Acre 160-Acre

WELL REGISTRATION NO. 55- 535498 (REQUIRED)

DESCRIPTION OF WELL

5. Type of Casing (if installed): None

6. Abandonment method and material used if abandoned: Back Filled with cutting and 10 foot Cement  
Plug at Surface

Was well abandoned pursuant to R12-15-816, F.? Yes x No \_\_\_\_\_

7. Date of period drilled: From: June 18, 1992 To: June 22, 1992

LOG OF WELL

Unconsolidated Formation

Consolidated Formation  
Depth to water in feet below land surface: None  
(if encountered or detected) Encountered

DO NOT WRITE IN THIS SPACE  
OFFICE RECORD  
Registration No. 55-535498  
Received \_\_\_\_\_ By \_\_\_\_\_  
Entered \_\_\_\_\_ By \_\_\_\_\_  
File No. D(20-23)28

000191

I state that this report is filed in compliance with A.R.S. §45-600 and is complete and correct to the best of my knowledge and belief.

[Signature] 7/12/92  
Owner/Lessee's Signature Date  
Lee Halterman, Agent for Primo Gold USA

ARIZONA DEPARTMENT OF WATER RESOURCES

15 South 15th Avenue  
Phoenix, Arizona 85007

PROJECT COMPLETION REPORT FOR MINERAL EXPLORATION DRILLING

This report must be prepared by the owner in all detail for each hole drilled and filed with the Department within 30 days following completion of the well drilling project.

1. Owner Name: State of Arizona, Arizona State Land Department

Address: 1616 West Adams Phoenix, Arizona 85007  
Street City State Zip

2. Lessee or Operator Name: Primo Gold USA

Address: c/o MinSearch, 11930 Menaul NE, Ste 112 Albuquerque, New Mexico 87112  
Street City State Zip

3. Driller Name: Drilling Services

Address: 12030 E. Riggs Rd, Chandler Arizona 85249  
Street City State Zip

4. Location: 20S N/A 23E E/W 28 NE 1/4 NW 1/4 SW 1/4  
Township Range Section 10-Acre 40-Acre 160-Acre

WELL REGISTRATION NO. 55- 535498 (REQUIRED)

DESCRIPTION OF WELL

5. Type of Casing (if installed): None

6. Abandonment method and material used if abandoned: Back Filled with cutting and 10 foot Cement Plug at Surface

Was well abandoned pursuant to R12-15-816, F.? Yes x No \_\_\_\_\_

7. Date of period drilled: From: June 18, 1992 To: June 22, 1992

LOG OF WELL

Unconsolidated Formation

Consolidated Formation  
Depth to water in feet below land surface: None  
(if encountered or detected) Encountered

DO NOT WRITE IN THIS SPACE  
OFFICE RECORD  
Registration No. 55-535498  
Received \_\_\_\_\_ By \_\_\_\_\_  
Entered \_\_\_\_\_ By \_\_\_\_\_  
File No. D(20-23)28

I state that this report is filed in compliance with A.R.S. §45-600 and is complete and correct to the best of my knowledge and belief.

Lee Halterman 7/12/92  
Owner/Lessee's Signature Date  
Lee Halterman, Agent for Primo Gold USA

000192



ARIZONA DEPARTMENT OF WATER RESOURCES

15 South 15th Avenue  
Phoenix, Arizona 85007

PROJECT COMPLETION REPORT FOR MINERAL EXPLORATION DRILLING

This report must be prepared by the owner in all detail for each hole drilled and filed with the Department within 30 days following completion of the well drilling project.

1. Owner Name: State of Arizona, Arizona State Land Department

Address: 1616 West Adams Phoenix, Arizona 85007  
Street City State Zip

2. Lessee or Operator Name: Primo Gold USA

Address: c/o MinSearch, 11930 Menaul NE, Ste 112 Albuquerque, New Mexico 87112  
Street City State Zip

3. Driller Name: Drilling Services

Address: 12030 E. Riggs Rd, Chandler Arizona 85249  
Street City State Zip

4. Location: 20S N/A 23E E/W 28 NE 1/4 NW 1/4 SE 1/4  
Township Range Section 10-Acre 40-Acre 160-Acre

WELL REGISTRATION NO. 55- 535498 (REQUIRED)

DESCRIPTION OF WELL

5. Type of Casing (if installed): None

6. Abandonment method and material used if abandoned: Back Filled with cutting and 10 foot Cement Plug at Surface

Was well abandoned pursuant to R12-15-816, F.? Yes x No       

7. Date of period drilled: From: June 18, 1992 To: June 22, 1992

LOG OF WELL

Unconsolidated Formation

Consolidated Formation  
Depth to water in feet below land surface: None  
(if encountered or detected) Encountered

I state that this report is filed in compliance with A.R.S. 45-600 and is complete and correct to the best of my knowledge and belief.

Lee Halterman 7/12/92  
Owner/Lessee's Signature Date

Lee Halterman, Agent for Primo Gold USA

DO NOT WRITE IN THIS SPACE  
OFFICE RECORD  
Registration No. 55-535498  
Received        By         
Entered        By         
File No. D(20-23)28

000193



ARIZONA STATE LAND DEPARTMENT  
Nonrenewable Resources & Minerals

Plan of Operation

The following information must be submitted to, and approved by the Department prior to initiating exploration or mining activities on State land. The plan is approved for a period of one year beginning on the date approved. Any change in the below described operations must first be approved by the Department.

Plan evaluation and approval may require 30 days.

PROSPECTING PERMIT OR MINERAL LEASE NUMBER(S) 08-95854, 55, 57, 99, 95362, 95925, 95898

NAME IN WHICH ISSUED Primo Gold Inc.

NAME OF OPERATOR MinSearch, Inc. TELEPHONE 505-298-8235

ADDRESS OF OPERATOR 11930 Menaul NE, Ste 112, Albuquerque, New Mexico 87112

NAME OF FIELD REPRESENTATIVE Leroy Halterman, Same as Above  
(If different than operator include address and telephone)

1) LAND DESCRIPTION AND MAP

Attach as Exhibit A to this Plan a topographic map of the referenced property.

County Cochise Township 20 South Range 23 East Section(s) 27, 28, 29, 33 & 34

2) PERIOD OF OPERATION

The operation is proposed to begin on Oct 1, 1992 and end on Nov 1, 1992. If operations are proposed to exceed one year, an addendum to this plan must be filed prior to the plan expiration date.

3) ACCESS

Show on Exhibit A existing and proposed routes. Describe in detail the extent of all improved or newly constructed access. Note any locked gates.

See Exhibit A. One 1000 by 10' road will be constructed. Very little blading is anticipated most will be flattening scrub brush

4) VEHICLES AND EQUIPMENT

List by type and size all vehicles and equipment which will be used in connection with the operation. Include the capacity of concentrators for placer operations.

1 Cyclone Model Th-1000 drilling unite mounted on a diesel carrier

1 Combination pipe, service and water truck

1 Pick-up truck and 1 Ford Bronco 4X4.

5) SCOPE AND TYPE OF OPERATION

Describe the type and extent of the operation to be performed. Include the estimated area of disturbance and provide detailed information for any earth moving or site clearance operations. For placer type exploration include the amount of material to be processed from each test site, and the dimension of test sites.

Estimated area of disturbance: Less than .5 acres

A total of ONE drill hole will be drilled. This will be located in the area (within 100 feet) of a previous drill hole. The area has already been archaeologically cleared. Drill site construction will not be necessary as in the past the drilling unit should be able to set up by flattening scrub brush

000194

6) AFFECTED LAND

Indicate to the nearest 300 feet the location of all proposed prospecting sites (Exhibit A). If necessary complete Exhibit B or provide coordinate description (topographic grid or distance from section corner). For placer type exploration include the location of concentrators.

Coordinate description: Submit as an attachment.

7) DRILLING

For all drilling operations indicate the type of drilling operation, drilling medium (air, water e.g.), hole diameter, and proposed total depth.

<u>Air with water injection</u>					
* Hole I.D.	Total Depth	Hole I.D.	Total Depth	Hole I.D.	Total Depth
92-4	800'				

If drilling is anticipated indicate the method of plugging and abandonment. Indicate the marsh funnel viscosity if applicable.

No water is anticipated, hole will be back filled with cutting and a 10' cement placed at the surface.

8) WATER USE

If the use of water is required, describe the location and quantity to be used. Less than 1000 gallons will be used to drill and water will brought from the city of Tombstone.

9) RECLAMATION

Describe actions taken to minimize environmental impacts and state plans for reclamation of disturbed areas. If applicable include measures for erosion control, recontouring, seed bed preparation, method of seeding, seed species, etc. Unless otherwise approved reclamation is to be completed within the approved plan period of one year.

All drill sites will be cleaned up, leveled and raked. Reseeding will be done with a mixture of Love grass as recommended by the State. The area is relatively flat with considerable amount of limestone outcrops, so erosion should not present any problems.

10) ANTIQUITIES AND NATIVE PLANTS

If required, the applicant agrees to obtain archaeological clearance prior to the following surface disturbance:

- A. Prospecting Permit: All land surface affected by exploration activities including access roads.
- B. Mineral Lease: All acreage under application. The applicant will be directly contacted by the Arizona State Museum.

Archaeological clearance must be obtained through the Arizona State Museum.

\* Hole I.D. - Identification number

10) ANTIQUITIES AND NATIVE PLANTS (cont.)

If the destruction or removal of protected plants is necessary to enjoy the privileges of a permit or lease, the applicant agrees to obtain written permission from the Arizona Commission of Agriculture and Horticulture. The applicant also agrees to purchase said plants from the Arizona State Land Department. Native plants are as described under the Arizona Native Plant Law.

APPLICANT: \_\_\_\_\_  
Signature and Date

Agent for Primo Gold Incorporated

Applicant must be the permit holder or duly authorized representative.

Following the Department's evaluation of this plan, two copies will be sent to the applicant noting any conditions which may be required by the Department. The applicant shall sign and return one copy which will attach to, and become a part of, the permit or lease.

CONDITIONS OF APPROVAL: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Applicant agrees to abide by the methods and extent of the operations described herein. Applicant also agrees to abide by the above listed CONDITIONS OF APPROVAL.

APPLICANT: \_\_\_\_\_  
Signature and Date

FOR DEPARTMENT USE ONLY

PLAN NUMBER \_\_\_\_\_

BOND AMOUNT \_\_\_\_\_

APPROVED FOR THE PERIOD: BEGINNING \_\_\_\_\_ EXPIRING \_\_\_\_\_

APPROVED BY: \_\_\_\_\_

REASONS FOR DENIAL: \_\_\_\_\_

DATE OF PERMIT OR LEASE ISSUE: \_\_\_\_\_

DATE LAST PLAN SUBMITTED: \_\_\_\_\_ PLAN NUMBER \_\_\_\_\_

000186



FIFE SYMINGTON  
GOVERNOR

Arizona  
State Land Department

1616 WEST ADAMS  
PHOENIX, ARIZONA 85007



M.J. HASSELL  
STATE LAND COMMISSIONER

DATE December 24, 1992

(Mr. Leroy Halterman  
(820 Piedra Vista NE  
(Albuquerque, NM. 8723  
(

Re: 08-52526-00

Dear Permittee:

The referenced application(s) for a prospecting permit has been approved. Enclosed is a Plan of Operation form(s) which must be completed and returned for approval within sixty (60) days to:

Arizona State Land Department  
1616 W. Adams Street  
Phoenix, Az. 85007  
Attn: Minerals Section

The Plan of Operation must be approved by the Department before the commencement of exploration activity.

If you have any questions, please contact this Department at (602) 542-4628 during business hours.

STATE LAND DEPARTMENT

by:

Leroy W. Mollerma  
Minerals Section  
Natural Resources Division

Enclosure

000197

ARIZONA STATE LAND DEPARTMENT  
Nonrenewable Resources & Minerals

Plan of Operation

The following information must be submitted to, and approved by the Department prior to initiating exploration or mining activities on State land. The plan is approved for a period of one year beginning on the date approved. Any change in the below described operations must first be approved by the Department.

Plan evaluation and approval may require 30 days.

PROSPECTING PERMIT OR MINERAL LEASE NUMBER(S) 08-52526-00

NAME IN WHICH ISSUED Leroy Halterman

NAME OF OPERATOR MinSearch, Inc. TELEPHONE 505-298-8235

ADDRESS OF OPERATOR 11930 Menaul NE, Ste 112, Albuquerque, New Mexico 87112

NAME OF FIELD REPRESENTATIVE Leroy Halterman, Same as Above  
(If different than operator include address and telephone)

1) LAND DESCRIPTION AND MAP

Attach as Exhibit A to this Plan a topographic map of the referenced property.

County Cochise Township 20 South Range 23 East Section(s) 34

2) PERIOD OF OPERATION

The operation is proposed to begin on May 1, 93 and end on June 1, 1993  
If operations are proposed to exceed one year, an addendum to this plan must be filed prior to the plan expiration date.

3) ACCESS

Show on Exhibit A existing and proposed routes. Describe in detail the extent of all improved or newly constructed access. Note any locked gates.  
See Exhibit A. One 1000 by 10' road will be constructed. Very little blading is anticipated most will be flattening Scrub Brush

4) VEHICLES AND EQUIPMENT

List by type and size all vehicles and equipment which will be used in connection with the operation. Include the capacity of concentrators for placer operations.

1 Cyclone Model Th-1000 drilling unite mounted on a diesel carrier  
1 Combination pipe, service and water truck  
1 Pick-up truck and 1 Ford Bronco 4X4.

5) SCOPE AND TYPE OF OPERATION

Describe the type and extent of the operation to be performed. Include the estimated area of disturbance and provide detailed information for any earth moving or site clearance operations. For placer type exploration include the amount of material to be processed from each test site, and the dimension of test sites.

Estimated area of disturbance: Less than .5 acres

A total of ONE drill hole will be drilled. This will be located in the area (within 100 feet) of a previous drill hole. The area has already been archaeologically cleared. Drill site construction will not be necessary as in the past the drilling unit should be able to set up by flattening scrub brush

000198

6) AFFECTED LAND

Indicate to the nearest 300 feet the location of all proposed prospecting sites (Exhibit A). If necessary complete Exhibit B or provide coordinate description (topographic grid or distance from section corner). For placer type exploration include the location of concentrators.

Coordinate description: Submit as an attachment.

7) DRILLING

For all drilling operations indicate the type of drilling operation, drilling medium (air, water e.g.), hole diameter, and proposed total depth.

<u>Air with water injection</u>					
<u>Hole I.D.</u>	<u>Total Depth</u>	<u>Hole I.D.</u>	<u>Total Depth</u>	<u>Hole I.D.</u>	<u>Total Depth</u>
93-1	800'				

If drilling is anticipated indicate the method of plugging and abandonment. Indicate the marsh funnel viscosity if applicable.

No water is anticipated, hole will be back filled with cutting and a 10' cement placed at the surface.

8) WATER USE

If the use of water is required, describe the location and quantity to be used. Less than 1000 gallons will be used to drill and water will brought from the city of Tombstone.

9) RECLAMATION

Describe actions taken to minimize environmental impacts and state plans for reclamation of disturbed areas. If applicable include measures for erosion control, recontouring, seed bed preparation, method of seeding, seed species, etc. Unless otherwise approved reclamation is to be completed within the approved plan period of one year.

All drill sites will be cleaned up, leveled and raked. Reseeding will be done with a mixture of Love grass as recommended by the State. The area is relatively flat with considerable amount of limestone outcrops, so erosion should not present any problems.

10) ANTIQUITIES AND NATIVE PLANTS

If required, the applicant agrees to obtain archaeological clearance prior to the following surface disturbance:

- A. Prospecting Permit: All land surface affected by exploration activities including access roads.
- B. Mineral Lease: All acreage under application. The applicant will be directly contacted by the Arizona State Museum.

Archaeological clearance must be obtained through the Arizona State Museum.

\* Hole I.D. - Identification number

10) ANTIQUITIES AND NATIVE PLANTS (cont.)

If the destruction or removal of protected plants is necessary to enjoy the privileges of a permit or lease, the applicant agrees to obtain written permission from the Arizona Commission of Agriculture and Horticulture. The applicant also agrees to purchase said plants from the Arizona State Land Department. Native plants are as described under the Arizona Native Plant Law.

APPLICANT: \_\_\_\_\_

Signature and Date

Leroy Halterman, MinSearch, Inc.

Applicant must be the permit holder or duly authorized representative.

Following the Department's evaluation of this plan, two copies will be sent to the applicant noting any conditions which may be required by the Department. The applicant shall sign and return one copy which will attach to, and become a part of, the permit or lease.

CONDITIONS OF APPROVAL: \_\_\_\_\_

Applicant agrees to abide by the methods and extent of the operations described herein. Applicant also agrees to abide by the above listed CONDITIONS OF APPROVAL.

APPLICANT: \_\_\_\_\_

Signature and Date

FOR DEPARTMENT USE ONLY

PLAN NUMBER \_\_\_\_\_

BOND AMOUNT \_\_\_\_\_

APPROVED FOR THE PERIOD: BEGINNING \_\_\_\_\_ EXPIRING \_\_\_\_\_

APPROVED BY: \_\_\_\_\_

REASONS FOR DENIAL: \_\_\_\_\_

DATE OF PERMIT OR LEASE ISSUE: \_\_\_\_\_

DATE LAST PLAN SUBMITTED: \_\_\_\_\_ PLAN NUMBER \_\_\_\_\_

REMARKS: \_\_\_\_\_

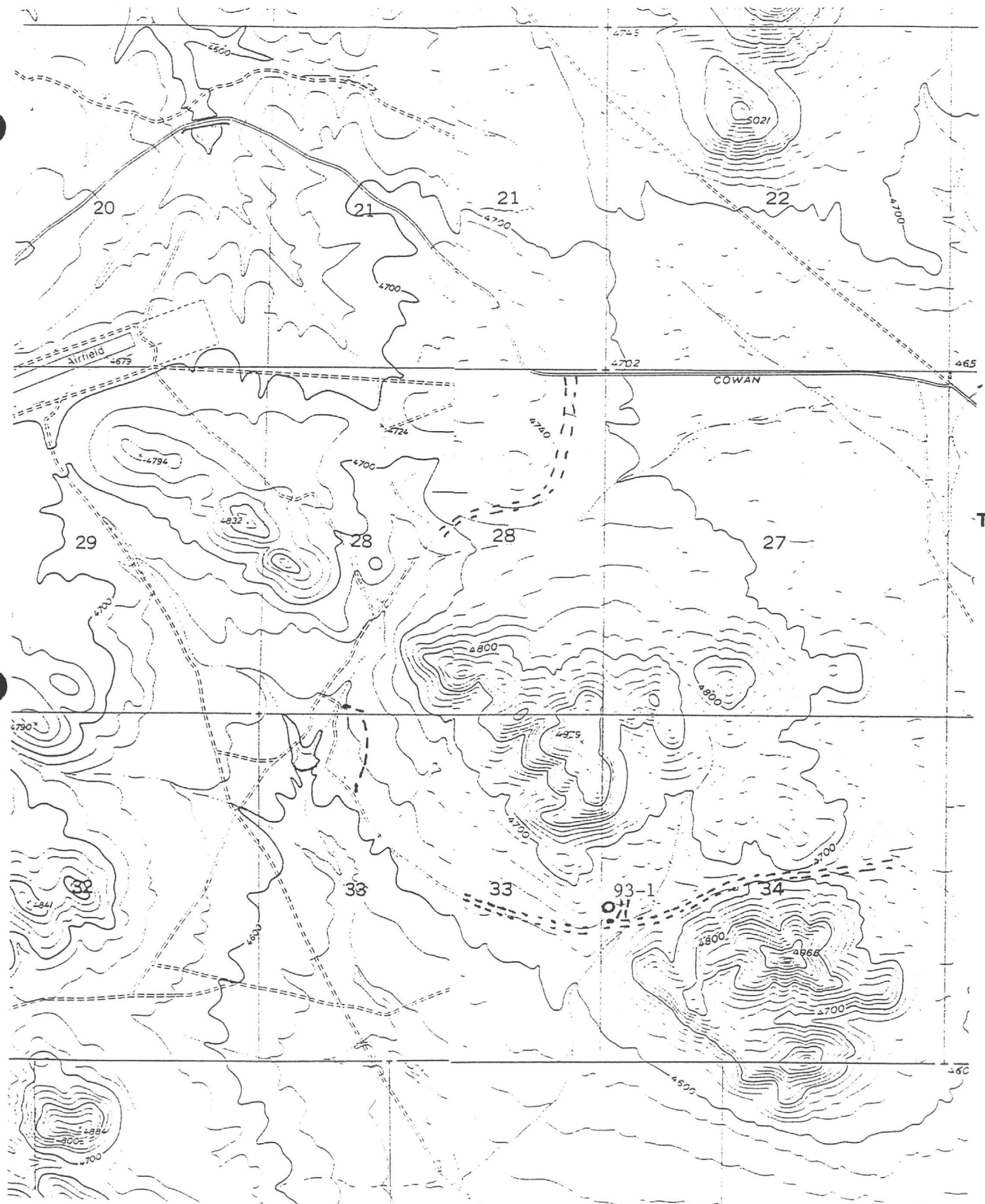
\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_



T20S

Exhibit A

- Existing Road
- - - New Road
- 93-1 Proposed Drill Site

Scale 1"-2000'

N  
000201



1993

January 12, 1993

Arizona State Land Department  
1616 West Adams  
Phoenix, Arizona 85007

Att: Ms. Karen McCarrick


Re: 08-95362

Dear Ms. McCarrick:

I would like to correct my letter dated January 7, 1992 when I stated that there had been no drilling on the aforementioned tract. I had forgot that Primo Gold USA Ltd. predecessor Tempo Resources Ltd had drilled a shallow partial hole which had to be abandoned and an offset which was drilled to 300 feet. This hole was drilled in January of 1989 under the supervision of geologist Mary Barraco. I have included the factual data you requested and a plat with the approximate location circled. Also the surface disturbance was limited to a short access road and the location itself. Existing roads were used for the remainder of the access.

Should you have any questions please do not hesitate to contact me at 505 298-8235.

Sincerely,

  
- Leroy Halterman  
MinSearch, Inc.

January 7, 1992

Arizona State Land Department  
1616 West Adams  
Phoenix, Arizona 85007

Att: Ms. Karen McCarrick

Re: 08-95362

Dear Ms. McCarrick

In regards to your letter dated December 29, 1992 (See Attached) there has not been any drilling on the tract by Primo Gold USA Ltd. A plan of operation was submitted to drill a hole on this tract but approval to drill it was never received. Significant drilling has taken place on the adjoining permits controlled by Primo Gold USA but these permits are still active. Considerable rock chip and soil geochem has taken place on the above referenced permit which cause a minimal disturbance on the order of approximately 1 square foot per sample. These disturbances are no longer noticeable or just barely visible.

Should you require additional information please do not hesitate to contact me at 505-298-8235.

Sincerely,



Leroy Halterman  
MinSearch, Inc.



FIFE SYMINGTON  
GOVERNOR

Arizona  
State Land Department

1616 WEST ADAMS  
PHOENIX, ARIZONA 85007



M.J. HASSELL  
STATE LAND COMMISSIONER

DATE December 29, 1992

( Primo Gold USA Ltd.  
( 11930 Menaul Blvd NE #112  
( Albuquerque, NM 87112  
(

Re: 08-95362

Dear Permittee:

In order to finalize cancellation of the referenced permit(s), it will be necessary for you to provide the following information:

- 1) The location, hole diameter and total depth of all drill holes.
- 2) A legible copy of all lithologic, gamma and electric logs. The lithologic log must also identify lithologic boundaries.
- 3) The location of disturbed areas including constructed access.

As provided by statute, the drill hole information will be kept confidential for a period of one (1) year. If you so desire, you may request that we keep the information confidential for one additional year.

STATE LAND DEPARTMENT

by: Karen McCarrick  
Minerals Section  
Natural Resources Division

000204



FIFE SYMINGTON  
GOVERNOR

Arizona  
State Land Department

1616 WEST ADAMS  
PHOENIX, ARIZONA 85007



M.J. HASSELL  
STATE LAND COMMISSIONER

Date March 1, 1993

( Mr. Leroy Halterman  
( 820 Piedra Vista NE  
( Albuquerque, NM. 87123  
(

Re: Prospecting Permit(s) 08-52526-00

Dear Permittee:

Your Plan of Operation for the referenced permit(s) has been approved as submitted.

We are returning a copy for your records. Our office will retain the original.

Please note that you are authorized to conduct only the exploration activities described in your approved Plan. Deviation from the Plan without prior written approval of the Department may be grounds for revocation of your prospecting permit(s). This authorization expires on December 29, 1993, at which time you must renew your prospecting permit(s) and submit a new Plan of Operation for approval.

If you have any questions, please contact this Department at (602) 542-4628 during business hours.

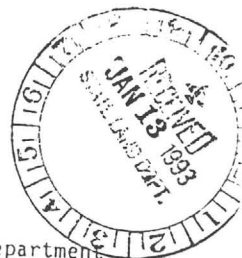
STATE LAND DEPARTMENT

by: Larry V. Mollerma  
Minerals Section  
Natural Resources Division

Enclosure

000205

ARIZONA STATE LAND DEPARTMENT  
Nonrenewable Resources & Minerals



Plan of Operation

The following information must be submitted to, and approved by the Department prior to initiating exploration or mining activities on State land. The plan is approved for a period of one year beginning on the date approved. Any change in the below described operations must first be approved by the Department.

Plan evaluation and approval may require 30 days.

*Effective 12/30/92  
NW 1/4; NE 1/4 SW 1/4*

PROSPECTING PERMIT OR MINERAL LEASE NUMBER(S) 08-52526-00

NAME IN WHICH ISSUED Leroy Halterman

NAME OF OPERATOR MinSearch, Inc. TELEPHONE 505-298-8235

ADDRESS OF OPERATOR 11930 Menaul NE, Ste 112, Albuquerque, New Mexico 87112

NAME OF FIELD REPRESENTATIVE Leroy Halterman, Same as Above  
(If different than operator include address and telephone)

- 1) LAND DESCRIPTION AND MAP  
Attach as Exhibit A to this Plan a topographic map of the referenced property.  
County Cochise Township 20 South Range 23 East Section(s) 34
- 2) PERIOD OF OPERATION  
The operation is proposed to begin on May 1, 93 and end on June 1, 1993  
If operations are proposed to exceed one year, an addendum to this plan must be filed prior to the plan expiration date.
- 3) ACCESS  
Show on Exhibit A existing and proposed routes. Describe in detail the extent of all improved or newly constructed access. Note any locked gates.  
See Exhibit A. One 1000 by 10' road will be constructed. Very little blading is anticipated most will be flattening Scrub Brush
- 4) VEHICLES AND EQUIPMENT  
List by type and size all vehicles and equipment which will be used in connection with the operation. Include the capacity of concentrators for placer operations.  
1 Cyclone Model Th-1000 drilling unite mounted on a diesel carrier  
1 Combination pipe, service and water truck  
1 Pick-up truck and 1 Ford Bronco 4X4.
- 5) SCOPE AND TYPE OF OPERATION  
Describe the type and extent of the operation to be performed. Include the estimated area of disturbance and provide detailed information for any earth moving or site clearance operations. For placer type exploration include the amount of material to be processed from each test site, and the dimension of test sites.

000206

6) AFFECTED LAND

Indicate to the nearest 300 feet the location of all proposed prospecting sites (Exhibit A). If necessary complete Exhibit B or provide coordinate description (topographic grid or distance from section corner). For placer type exploration include the location of concentrators.

Coordinate description: Submit as an attachment.

7) DRILLING

For all drilling operations indicate the type of drilling operation, drilling medium (air, water e.g.), hole diameter, and proposed total depth.

<u>Air with water injection</u>					
<u>Hole I.D.</u>	<u>Total Depth</u>	<u>Hole I.D.</u>	<u>Total Depth</u>	<u>Hole I.D.</u>	<u>Total Depth</u>
93-1	800'				

If drilling is anticipated indicate the method of plugging and abandonment. Indicate the marsh funnel viscosity if applicable.

No water is anticipated, hole will be back filled with cutting and a 10' cement placed at the surface.

8) WATER USE

If the use of water is required, describe the location and quantity to be used. Less than 1000 gallons will be used to drill and water will brought from the city of Tombstone.

9) RECLAMATION

Describe actions taken to minimize environmental impacts and state plans for reclamation of disturbed areas. If applicable include measures for erosion control, recontouring, seed bed preparation, method of seeding, seed species, etc. Unless otherwise approved reclamation is to be completed within the approved plan period of one year.

All drill sites will be cleaned up, leveled and raked. Reseeding will be done with a mixture of Love grass as recommended by the State. The area is relatively flat with considerable amount of limestone outcrops, so erosion should not present any problems.

10) ANTIQUITIES AND NATIVE PLANTS

If required, the applicant agrees to obtain archaeological clearance prior to the following surface disturbance:

A. Prospecting Permit: All land surface affected by exploration activities

10) ANTIQUITIES AND NATIVE PLANTS (cont.)

If the destruction or removal of protected plants is necessary to enjoy the privileges of a permit or lease, the applicant agrees to obtain written permission from the Arizona Commission of Agriculture and Horticulture. The applicant also agrees to purchase said plants from the Arizona State Land Department. Native plants are as described under the Arizona Native Plant Law.

APPLICANT: L. Halterman 1/12/93  
Signature and Date

Leroy Halterman, MinSearch, Inc.

Applicant must be the permit holder or duly authorized representative.

Following the Department's evaluation of this plan, two copies will be sent to the applicant noting any conditions which may be required by the Department. The applicant shall sign and return one copy which will attach to, and become a part of, the permit or lease.

CONDITIONS OF APPROVAL: Approved as submitted. M. Rice 2/19/93

Applicant agrees to abide by the methods and extent of the operations described herein. Applicant also agrees to abide by the above listed CONDITIONS OF APPROVAL.

APPLICANT: \_\_\_\_\_  
Signature and Date

FOR DEPARTMENT USE ONLY

PLAN NUMBER 08-52526-00-1

BOND AMOUNT \$3,000.00

APPROVED FOR THE PERIOD: BEGINNING 5-1-93 EXPIRING 10-1-93

APPROVED BY: M. Rice 2/19/93

REASONS FOR DENIAL: \_\_\_\_\_

DATE OF PERMIT OR LEASE ISSUE: 11-12-92, 12-30-92

DATE LAST PLAN SUBMITTED: N/A PLAN NUMBER 1

REMARKS: Permit approved, hold under 08-95362

000208



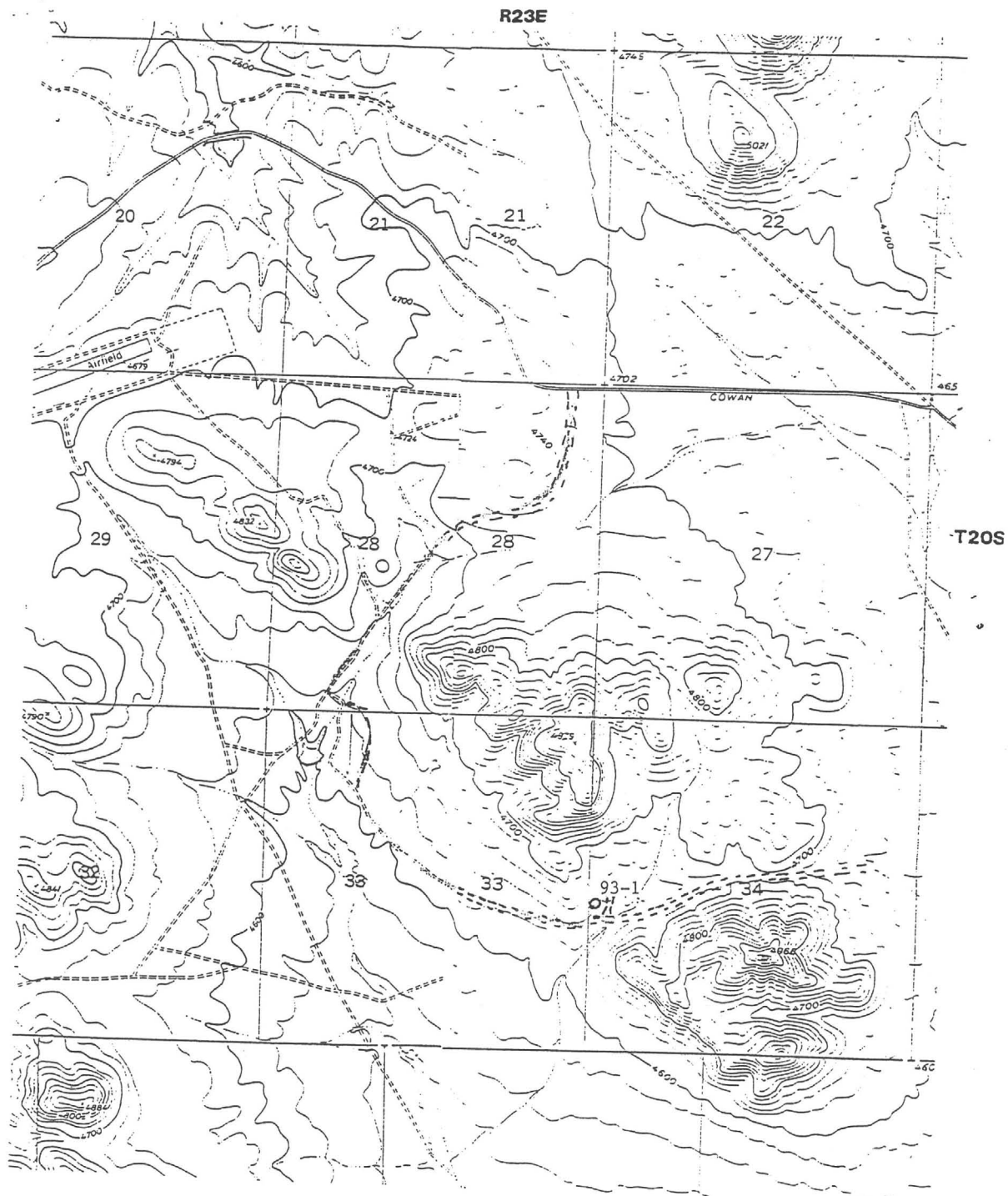





Exhibit A

Scale 1"=2000'

-  Existing Road
-  New Road
-  93-1 Proposed Drill Site



000209



FIFE SYMINGTON  
GOVERNOR

Arizona  
State Land Department

1616 WEST ADAMS  
PHOENIX, ARIZONA 85007



M.J. HASSELL  
STATE LAND COMMISSIONER

Date March 1, 1993

( PRIMO GOLD USA LTD.  
( %MIN-SEARCH INC.  
( 11930 Menaul Blvd. NE 112  
( Albuquerque, NM. 87112

Re: Prospecting Permit(s) 08-95854 thru 08-95857-00

Dear Permittee:

Your Plan of Operation for the referenced permit(s) has been approved as submitted.

We are returning a copy for your records. Our office will retain the original.

Please note that you are authorized to conduct only the exploration activities described in your approved Plan. Deviation from the Plan without prior written approval of the Department may be grounds for revocation of your prospecting permit(s). This authorization expires on May 31, 1993, at which time you must renew your prospecting permit(s) and submit a new Plan of Operation for approval.

If you have any questions, please contact this Department at (602) 542-4628 during business hours.

STATE LAND DEPARTMENT

by: Lucy V. Melkoma  
Minerals Section  
Natural Resources Division

Enclosure

000210



FIFE SYMINGTON  
GOVERNOR

Arizona  
State Land Department

1616 WEST ADAMS  
PHOENIX, ARIZONA 85007



M.J. HASSELL  
STATE LAND COMMISSIONER

Date March 1, 1993

(PRIMO GOLD USA LTD.  
(%MIN-SEARCH INC.  
(11930 Menaul Blvd. NE 112  
(Albuquerque, NM. 87112

Re: Prospecting Permit(s) 08-95898 & 08-95899  
08-95925 & 08-95926-00

Dear Permittee:

Your Plan of Operation for the referenced permit(s) has been approved as submitted.

We are returning a copy for your records. Our office will retain the original.

Please note that you are authorized to conduct only the exploration activities described in your approved Plan. Deviation from the Plan without prior written approval of the Department may be grounds for revocation of your prospecting permit(s). This authorization expires on June 28, 1993, at which time you must renew your prospecting permit(s) and submit a new Plan of Operation for approval.

If you have any questions, please contact this Department at (602) 542-4628 during business hours.

STATE LAND DEPARTMENT

by: Larry St. Mellina  
Minerals Section  
Natural Resources Division

Enclosure

000211

ARIZONA STATE LAND DEPARTMENT  
Nonrenewable Resources & Minerals



Plan of Operation

The following information must be submitted to, and approved by the Department prior to initiating exploration or mining activities on State land. The plan is approved for a period of one year beginning on the date approved. Any change in the below described operations must first be approved by the Department.

Plan evaluation and approval may require 30 days.

PROSPECTING PERMIT OR MINERAL LEASE NUMBER(S) 08-95854, 55, 57, 99, 95362, 95925, 95898

NAME IN WHICH ISSUED Primo Gold Inc.

NAME OF OPERATOR MinSearch, Inc. TELEPHONE 505-298-8235

ADDRESS OF OPERATOR 11930 Menaul NE, Ste 112, Albuquerque, New Mexico 87112

NAME OF FIELD REPRESENTATIVE Leroy Halterman, Same as Above  
(If different than operator include address and telephone)

1) LAND DESCRIPTION AND MAP

Attach as Exhibit A to this Plan a topographic map of the referenced property.

County Cochise Township 20 South Range 23 East Section(s) 27, 28, 29, 33 & 34

2) PERIOD OF OPERATION

The operation is proposed to begin on Oct 1, 1992 and end on Nov 1, 1992. If operations are proposed to exceed one year, an addendum to this plan must be filed prior to the plan expiration date.

3) ACCESS

Show on Exhibit A existing and proposed routes. Describe in detail the extent of all improved or newly constructed access. Note any locked gates.  
See Exhibit A. One 1000 by 10' road will be constructed. Very little blading is anticipated most will be flattening Scrub Brush

4) VEHICLES AND EQUIPMENT

List by type and size all vehicles and equipment which will be used in connection with the operation. Include the capacity of concentrators for placer operations.

1 Cyclone Model Th-1000 drilling unite mounted on a diesel carrier

1 Combination pipe, service and water truck

1 Pick-up truck and 1 Ford Bronco 4X4.

5) SCOPE AND TYPE OF OPERATION

Describe the type and extent of the operation to be performed. Include the estimated area of disturbance and provide detailed information for any earth moving or site clearance operations. For placer type exploration include the amount of material to be processed from each test site, and the dimension of test sites.

Estimated area of disturbance: Less than .5 acres

A total of ONE drill hole will be drilled. This will be located in the area (within 100 feet) of a previous drill hole. The area has already been archaeologically cleared. Drill site construction will not be necessary as in the past the drilling unit should be able to set up by flattening scrub brush

000212

6) AFFECTED LAND

Indicate to the nearest 300 feet the location of all proposed prospecting sites (Exhibit A). If necessary complete Exhibit B or provide coordinate description (topographic grid or distance from section corner). For placer type exploration include the location of concentrators.

Coordinate description: Submit as an attachment.

7) DRILLING

For all drilling operations indicate the type of drilling operation, drilling medium (air, water e.g.), hole diameter, and proposed total depth.

<u>Air with water injection</u>					
<u>Hole I.D.</u>	<u>Total Depth</u>	<u>Hole I.D.</u>	<u>Total Depth</u>	<u>Hole I.D.</u>	<u>Total Depth</u>
92-4	800'				

If drilling is anticipated indicate the method of plugging and abandonment. Indicate the marsh funnel viscosity if applicable.

No water is anticipated, hole will be back filled with cutting and a 10' cement placed at the surface.

8) WATER USE

If the use of water is required, describe the location and quantity to be used. Less than 1000 gallons will be used to drill and water will brought from the city of Tombstone.

9) RECLAMATION

Describe actions taken to minimize environmental impacts and state plans for reclamation of disturbed areas. If applicable include measures for erosion control, recontouring, seed bed preparation, method of seeding, seed species, etc. Unless otherwise approved reclamation is to be completed within the approved plan period of one year.

All drill sites will be cleaned up, leveled and raked. Reseeding will be done with a mixture of Love grass as recommended by the State. The area is relatively flat with considerable amount of limestone outcrops, so erosion should not present any problems.

10) ANTIQUITIES AND NATIVE PLANTS

If required, the applicant agrees to obtain archaeological clearance prior to the following surface disturbance:

- A. Prospecting Permit: All land surface affected by exploration activities including access roads.
- B. Mineral Lease: All acreage under application. The applicant will be directly contacted by the Arizona State Museum.

Archaeological clearance must be obtained through the Arizona State Museum.

\* Hole I.D. - Identification number

- 10) ANTIQUITIES AND NATIVE PLANTS (cont.)  
 If the destruction or removal of protected plants is necessary to enjoy the privileges of a permit or lease, the applicant agrees to obtain written permission from the Arizona Commission of Agriculture and Horticulture. The applicant also agrees to purchase said plants from the Arizona State Land Department. Native plants are as described under the Arizona Native Plant Law.

APPLICANT: *[Signature]* 8/17/92  
 Signature and Date

Agent for Primo Gold Incorporated

Applicant must be the permit holder or duly authorized representative.

Following the Department's evaluation of this plan, two copies will be sent to the applicant noting any conditions which may be required by the Department. The applicant shall sign and return one copy which will attach to, and become a part of, the permit or lease.

CONDITIONS OF APPROVAL: *Approved and submitted. M. Ric*

Applicant agrees to abide by the methods and extent of the operations described herein. Applicant also agrees to abide by the above listed CONDITIONS OF APPROVAL.

APPLICANT: \_\_\_\_\_  
 Signature and Date

FOR DEPARTMENT USE ONLY

PLAN NUMBER *multiple*

BOND AMOUNT *\$2,000 for 100.*

APPROVED FOR THE PERIOD: BEGINNING *10-1-92* EXPIRING *11-1-92*

APPROVED BY: *M. Ric*

REASONS FOR DENIAL: \_\_\_\_\_

DATE OF PERMIT OR LEASE ISSUE: *multiple*

DATE LAST PLAN SUBMITTED: *N-a* PLAN NUMBER *N-a*

*1/10 0*

000214

R23E

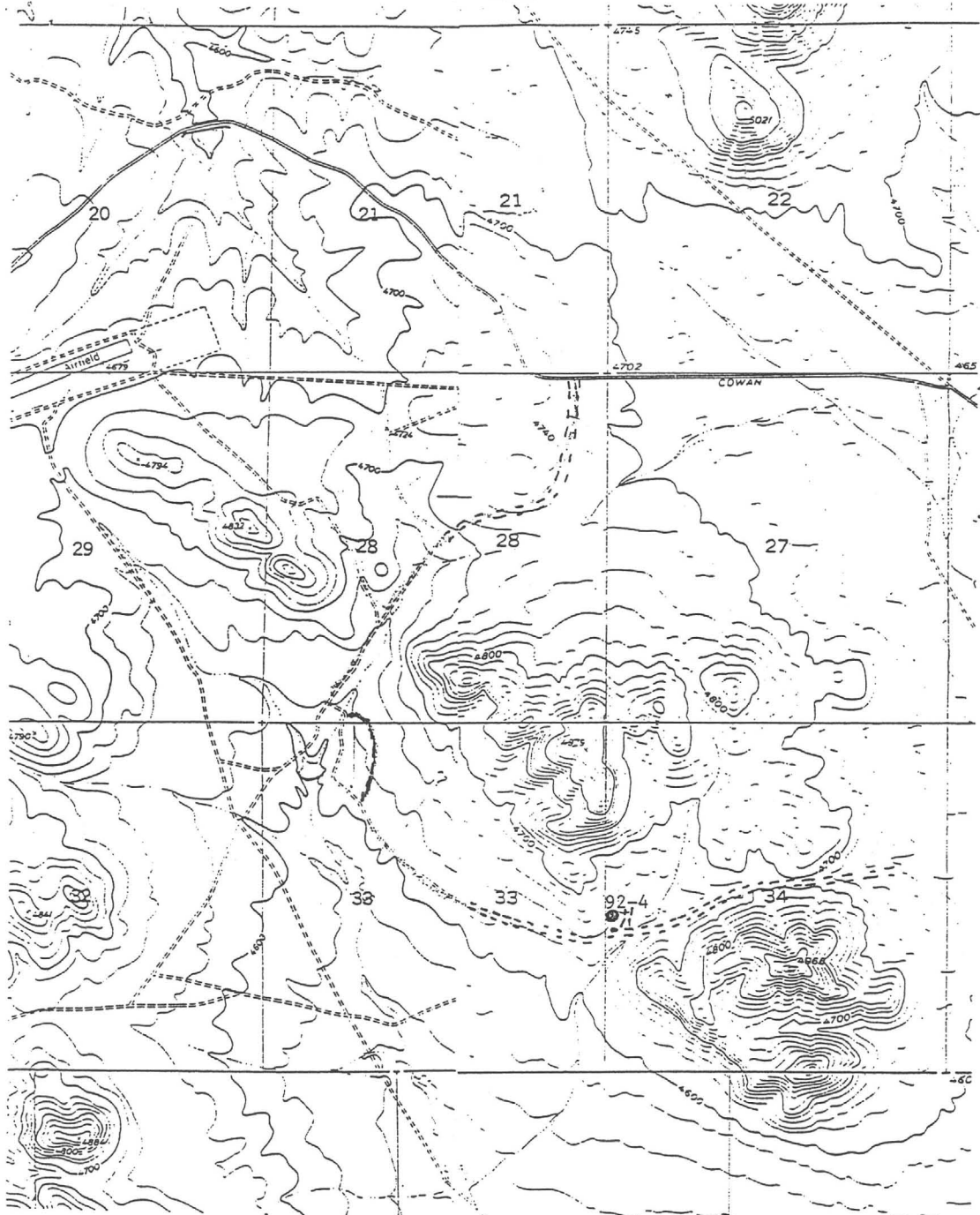


Exhibit A

- Existing Road
- New Road
- 92-4 Proposed Drill Site

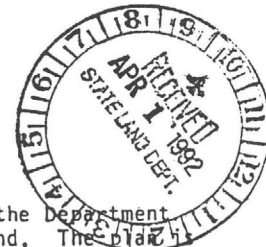
Scale 1"=2000'



000215



ARIZONA STATE LAND DEPARTMENT  
Nonrenewable Resources & Minerals



Plan of Operation

The following information must be submitted to, and approved by the Department prior to initiating exploration or mining activities on State land. The plan is approved for a period of one year beginning on the date approved. Any change in the below described operations must first be approved by the Department.

Plan evaluation and approval may require 30 days.

PROSPECTING PERMIT OR MINERAL LEASE NUMBER(S) 08-95854, 55, 57, 99, 95362, 95925, 95898  
NAME IN WHICH ISSUED Primo Gold U.S.A. Ltd.  
NAME OF OPERATOR MinSearch, Inc TELEPHONE 505 298-8235  
ADDRESS OF OPERATOR 11930 Menaul, NE, Ste 112 Albuquerque, New Mexico 87112  
NAME OF FIELD REPRESENTATIVE Lee Halterman  
(If different than operator include address and telephone)

1) LAND DESCRIPTION AND MAP

Attach as Exhibit A to this Plan a topographic map of the referenced property.

, County Cochise Township 20 South Range 23 East Section(s) 27, 28, 29, 33 & 34

2) PERIOD OF OPERATION

The operation is proposed to begin on May 1, 1992 and end on July 1, 1992  
If operations are proposed to exceed one year, an addendum to this plan must be filed prior to the plan expiration date.

3) ACCESS

Show on Exhibit A existing and proposed routes. Describe in detail the extent of all improved or newly constructed access. Note any locked gates.

See Exhibit A. No new roads will be made. The Drilling unit will drive off the existing roads approximately 100 to 300 feet to the various drill sites. Ten of the holes will be drilled near the closed spaced drilling in Section 28.

4) VEHICLES AND EQUIPMENT

List by type and size all vehicles and equipment which will be used in connection with the operation. Include the capacity of concentrators for placer operations.

1 Cyclone Model Th-100 Drilling unit Mounted on a diesel carrier

1 Combination pipe, service and water truck

1 Pick-up truck and 1 Ford Bronco 4X4 truck.

5) SCOPE AND TYPE OF OPERATION

Describe the type and extent of the operation to be performed. Include the estimated area of disturbance and provide detailed information for any earth moving or site clearance operations. For placer type exploration include the amount of material to be processed from each test site, and the dimension of test sites.

Estimated area of disturbance: \_\_\_\_\_

Less than 1 acre, no roads, pads or pits are anticipated to be constructed.

Brush will be cleared by hand. Recent drilling has not required dozer work.

After one year most locations are hardly noticeable.

000216



6) AFFECTED LAND

Indicate to the nearest 300 feet the location of all proposed prospecting sites (Exhibit A). If necessary complete Exhibit B or provide coordinate description (topographic grid or distance from section corner). For placer type exploration include the location of concentrators.

Coordinate description: Submit as an attachment.

7) DRILLING

For all drilling operations indicate the type of drilling operation, drilling medium (air, water e.g.), hole diameter, and proposed total depth.

Air, with injection, Hole diameter will be 5 1/4 inch

No significant water has been intercepted to date by pass drilling

* Hole I.D.	Total Depth	Hole I.D.	Total Depth	Hole I.D.	Total Depth
92-14	100'	92-20	100'	92-24	400'
92-15	100'	92-21	100'	92-25	500'
92-16	100'	92-22	100'	Note: the above 2 holes are just off the road	
92-17	100'	92-23	100'		
92-18	100'	Note, all of the above holes are in the area of the previous close-spaced Drilling			
92-19	100'	If drilling is anticipated indicate the method of plugging and abandonment. Indicate the marsh funnel viscosity if applicable.			

8) WATER USE

If the use of water is required, describe the location and quantity to be used. Less than 2500 gallons will be used to drill and the water will be

purchased and hauled from the city of Tombstone, as was done in the past.

9) RECLAMATION

Describe actions taken to minimize environmental impacts and state plans for reclamation of disturbed areas. If applicable include measures for erosion control, recontouring, seed bed preparation, method of seeding, seed species, etc. Unless otherwise approved reclamation is to be completed within the approved plan period of one year.

All drill sites will be cleaned up, leveled and raked. Reseeding will be done with

a mixture of Love grass as recommended by the state in the past. The area is

flat and erosion should not pose any problems.

10) ANTIQUITIES AND NATIVE PLANTS

If required, the applicant agrees to obtain archaeological clearance prior to the following surface disturbance:

A. Prospecting Permit: All land surface affected by exploration activities including access roads.

B. Mineral Lease: All acreage under application. The applicant will be directly contacted by the Arizona State Museum.

Archaeological clearance must be obtained through the Arizona State Museum.

\* Hole I.D. - Identification number

10) ANTIQUITIES AND NATIVE PLANTS (cont.)

If the destruction or removal of protected plants is necessary to enjoy the privileges of a permit or lease, the applicant agrees to obtain written permission from the Arizona Commission of Agriculture and Horticulture. The applicant also agrees to purchase said plants from the Arizona State Land Department. Native plants are as described under the Arizona Native Plant Law.

APPLICANT: *[Signature]* 3/28/92  
Signature and Date

Leroy Halterman, MinSearch, Inc. Agent for

Applicant must be the permit holder or duly authorized representative. Primo Gold USA Ltd

Following the Department's evaluation of this plan, two copies will be sent to the applicant noting any conditions which may be required by the Department. The applicant shall sign and return one copy which will attach to, and become a part of, the permit or lease.

CONDITIONS OF APPROVAL: Approved as submitted. M. Ric

Applicant agrees to abide by the methods and extent of the operations described herein. Applicant also agrees to abide by the above listed CONDITIONS OF APPROVAL.

APPLICANT: \_\_\_\_\_  
Signature and Date

FOR DEPARTMENT USE ONLY

PLAN NUMBER multiple

BOND AMOUNT \$2,000.00

APPROVED FOR THE PERIOD: BEGINNING 5-1-92 EXPIRING 7-1-92

APPROVED BY M. Ric

REASONS FOR DENIAL: \_\_\_\_\_

DATE OF PERMIT OR LEASE ISSUE: multiple

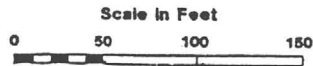
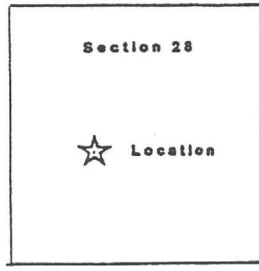
DATE LAST PLAN SUBMITTED: N/A PLAN NUMBER N/A

000218

Note: 92-21, 22, & 23 will be offsets within 100- 200' of these drill holes. They will be placed offsetting the holes with the apparent mineralizations

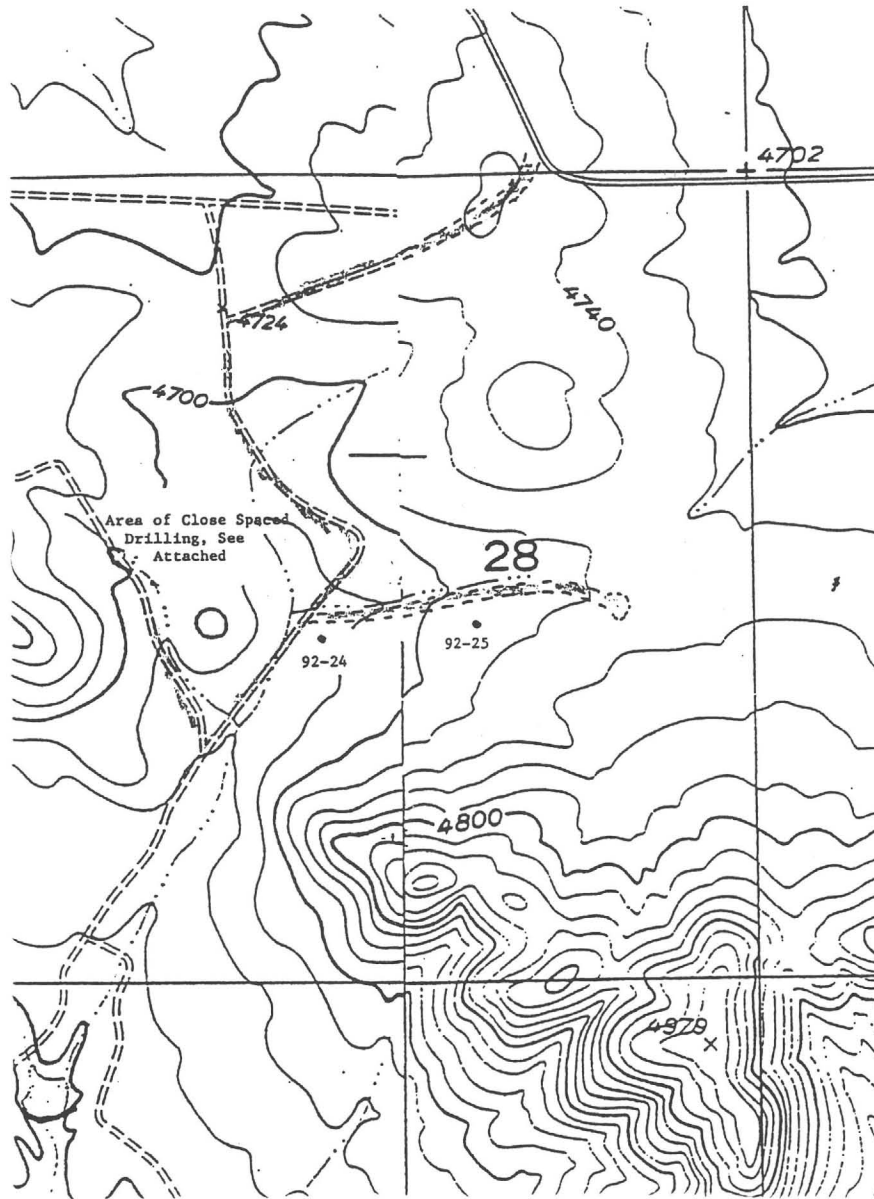
Note: This area has been archaeologically surveyed and two small sites found south of the drill pattern. They will be reflagged to make sure that they are not disturbed. The sites consist of a few pieces of lithics.

**PRIMO GOLD LTD.**  
**ZEBRA PROSPECT**  
 COCHISE COUNTY, ARIZONA  
 SECTION 28, T20S R23E



○  
 Depth-Thickness-Gold in Troy Ounces

8/8/90



000220



FIFE SYMINGTON  
GOVERNOR

Arizona  
State Land Department

1616 WEST ADAMS  
PHOENIX, ARIZONA 85007



M.J. HASSELL  
STATE LAND COMMISSIONER

April 30, 1993

Mr. Lee Halderman  
11930 Manual NE  
Suite 112  
Albuquerque, New Mexico 87112

Dear Lee:

Enclosed please find the information requested about mineral leases on state land. I think it will answer most of your questions. Should you need additional help I can be reached at (602) 542-4628.

I look forward to having lunch with you when or if you make it to Phoenix. Say hello to John.

Sincerely,

Gary D. Slusher, Geologist  
Minerals Section  
Natural Resources Division

GDS:mlt

Enclosure

000221

**DEPARTMENTAL USE ONLY**

**Arizona State Land Department**

1616 West Adams  
Phoenix, Arizona 85007  
(602)542-4628

**Filing Fee: \$100.00 (nonrefundable)**

Examiner: \_\_\_\_\_ Rolodex # \_\_\_\_\_

Cty	Grt	Parcel	Initial	Date
_____	_____	_____	Approved _____	_____
_____	_____	_____	Denied _____	_____
_____	_____	_____	Rejected _____	_____
_____	_____	_____	Withdrawn _____	_____

**APPLICATION TO OBTAIN MINERAL RESOURCES**  
APPLICATION # \_\_\_\_\_

**I. APPLICANT**

Principal \_\_\_\_\_  
Agent \_\_\_\_\_  
Address \_\_\_\_\_  
City \_\_\_\_\_ State \_\_\_\_ Zip \_\_\_\_\_ Phone (\_\_\_\_) \_\_\_\_\_

**II. APPLICATION TYPE**

Prospecting Permit  Mineral Lease  Mineral Materials  Oil/Gas  Other \_\_\_\_\_  
(If applying for mineral lease, are you converting from: Prospecting Permit  Mining Claim   
Description, name and number of claims: \_\_\_\_\_

**III. LOCATION/ACCESS**

Twp. \_\_\_\_\_ Rge. \_\_\_\_\_ Sec. \_\_\_\_\_ Acres \_\_\_\_\_ County \_\_\_\_\_  
Legal \_\_\_\_\_  
Access \_\_\_\_\_  
Is access across other state lands required? Yes  No  Nearest residence: \_\_\_\_\_ miles.  
Nearest city \_\_\_\_\_ Distance from \_\_\_\_\_ miles.  
Will you be operating within a 100 year Flood Plain boundary? Yes  No   
**USGS Topographic Map showing location and access must be included with application.**

**IV. OPERATIONS**

- Term \_\_\_\_\_ year(s)
- Commodities: Primary \_\_\_\_\_ Secondary \_\_\_\_\_
- Est. Reserves \_\_\_\_\_ Annual Production \_\_\_\_\_ tons  cyds  lbs  oz
- Prior Production \_\_\_\_\_ By \_\_\_\_\_
- Area of Surface Disturbance \_\_\_\_\_ acres (outline on topo map)
- Deposit Type: Lode  Placer
- Mine Type: Open Pit  Underground  Quarry  Other \_\_\_\_\_
- Intended use of product \_\_\_\_\_
- Water: Est. annual use \_\_\_\_\_ Gal.  Acre-Ft.  Source \_\_\_\_\_
- Discharge off-site? Yes  No  (if yes, show location on topo map)

**000222**

Briefly describe exploration/mining operations: (detailed plans of operation will later be required)

**V. GENERAL INFORMATION**

- 1. Existing Lease/Permit # \_\_\_\_\_ Lessee \_\_\_\_\_
- 2. Prior Lease/Permit # \_\_\_\_\_ Lessee \_\_\_\_\_
- 3. Surrounding Land Use: Grazing/Ranching  Urban/Residential  Commercial   
Agriculture  Mining  Other \_\_\_\_\_
- 4. Impact on Surface Drainage \_\_\_\_\_
- 5. Native Plants \_\_\_\_\_
- 6. Environmental Impact \_\_\_\_\_
- 7. List all mine workings, mineral occurrences, oil/gas wells, water sources, riparian areas, utilities, crops and other improvements. (Show on topo map) \_\_\_\_\_

**VI. APPLICANT STATUS**

Is application made in the name of: Individual  Proprietorship  Corporation  Partnership  Trust   
Joint Venture  Estate  Governmental  Other \_\_\_\_\_

- (a) If an individual: Date of Birth \_\_\_\_\_, Married (Yes  No ).
- (b) If a corporation, submit a copy of the authorization to do business in the State of Arizona obtained from the Corporation Commission.
- (c) If a partnership, trust, estate or joint venture or other type of agreement, submit a copy of the government, partnership, trust, estate or agreement document(s).
- (d) If a trust, identify the Trust document by title, document number, and county where document is recorded:  
County of \_\_\_\_\_, Book \_\_\_\_\_, Page \_\_\_\_\_, Document \_\_\_\_\_.
- (e) Complete the following for each of the trust beneficiaries, joint venture or authorized partner in a partnership.

NAME	ADDRESS	AGE	MARITAL STATUS
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

Note: If you are acting as an Attorney in Fact for the applicant, submit a copy of your notarized Power of Attorney and a \$50.00 additional fee.

I/We hereby certify under penalty of perjury that the statements herein, or in any supplement hereto are full, true, correct and complete to the best of my/our knowledge.

Dated \_\_\_\_\_ By \_\_\_\_\_ **000223**

000224

WILL YOUR USE INVOLVE:

YES NO

SPECIAL WASTE

Special waste (asbestos, motor vehicle shredding waste) generation, transportation, treatment, recycling, storage or disposal? If yes, explain: \_\_\_\_\_

HAZARDOUS WASTE GENERATOR

Generating hazardous waste? If yes, explain: \_\_\_\_\_

HAZARDOUS WASTE TREATMENT, STORAGE, OR DISPOSAL ? If yes, explain: \_\_\_\_\_

HAZARDOUS WASTE TRANSPORTATION ? If yes, explain: \_\_\_\_\_

UNDERGROUND STORAGE TANK (UST) ? If yes, explain: \_\_\_\_\_

ABOVEGROUND STORAGE TANK (AST) ? If yes, explain: \_\_\_\_\_

HAZARDOUS SUBSTANCES ? If yes, explain: \_\_\_\_\_

CURRENTLY UNCLASSIFIED WASTE

Will your use involve currently unclassified waste containing the following? (A.R.S. §49-854). If yes, check appropriate waste category:

- |   |  |   |
|---|--|---|
| <input type="checkbox"/> Polychlorinated biphenyls (PCBs) | <input type="checkbox"/> Oil and gas exploration drilling muds                               | <input type="checkbox"/> Petroleum contaminated soil    |
| <input type="checkbox"/> Incinerator ash                  | <input type="checkbox"/> Categorical industrial pretreatment sludge                          | <input type="checkbox"/> Commercial/industrial septage  |
| <input type="checkbox"/> Petroleum refining waste         | <input type="checkbox"/> Radioactive waste   | <input type="checkbox"/> Used antifreeze                |
| <input type="checkbox"/> Slag and refractory material     | <input type="checkbox"/> Uranium ore tailings  | <input type="checkbox"/> Contaminated process equipment |
| <input type="checkbox"/> Precious metals recycling        | <input type="checkbox"/> Industrial catalysts  | <input type="checkbox"/> Industrial Sludges             |
| <input type="checkbox"/> Aluminum dross                   | <input type="checkbox"/> Industrial sands (excluding mining or mineral processing operation) |   |

If checked, explain waste generation process: \_\_\_\_\_

SUPERFUND SITES

Is the State Trust land located in a National Priority List (NPL, Federal Superfund) area or in a Water Quality Assurance Revolving Fund (WQARF, State Superfund) study area? If yes, NPL or WQARF area name: \_\_\_\_\_

LAND DISTURBANCE

If land disturbance will occur, will it be on previously undisturbed land? If yes, explain: \_\_\_\_\_

WATER WELLS

Are there open and/or abandoned water wells on the property? If yes, submit a site diagram showing location(s) and use(s).

ADJACENT LAND USES

To the best of your knowledge, are adjacent lands subject to any of the above-referenced environmental impacts? If yes, explain: \_\_\_\_\_

ON-SITE INSPECTION/ENVIRONMENTAL ASSESSMENT

To the best of your knowledge, has an on-site inspection and/or an environmental site assessment been performed at this location? If yes, explain: \_\_\_\_\_

PREVIOUS ENVIRONMENTAL IMPACT

To the best of your knowledge, has any environmental impact been reported previously to ADEQ? If yes, explain: \_\_\_\_\_

ADDITIONAL COMMENTS:



ARIZONA STATE LAND DEPARTMENT ENVIRONMENTAL DISCLOSURE QUESTIONNAIRE

This page is part of the application - DO NOT DETACH!

000225

The purpose of this questionnaire is to give the Department an opportunity to detect proposed land uses that may have potential environmental impacts and risks, and to consider these impacts and risks in the processing of the application.

If you have questions regarding this questionnaire, please contact the State Land Department, Environmental Section at (602) 542-2119.

Other Federal, State, County and local agencies may also need to be contacted regarding environmental regulations.

PLEASE INDICATE BELOW THE TYPE(S) OF POTENTIAL ENVIRONMENTAL IMPACTS FROM YOUR CURRENT OR PROPOSED USE:

TYPE OF ENVIRONMENTAL IMPACT

WILL YOUR USE INVOLVE:

YES NO

WASTE TIRES

The collection of waste tires? If yes, explain: \_\_\_\_\_

LEAD ACID BATTERIES

The sale and disposal of lead acid batteries? If yes, explain: \_\_\_\_\_

DISCHARGE IMPACTING GROUNDWATER

Generating a discharge that may potentially impact groundwater? If yes, explain: \_\_\_\_\_

PESTICIDES ? If yes, explain use: \_\_\_\_\_

DRY WELLS ? If yes, ADEQ Registration #(s): \_\_\_\_\_

POTABLE WATER (DRINKING WATER) SYSTEMS ? If yes, explain: \_\_\_\_\_

WASTEWATER COLLECTION AND TREATMENT SYSTEMS

Wastewater collection and/or treatment? If yes, explain: \_\_\_\_\_

AIR CONTAMINANTS/AIR POLLUTION CONTROL

Air contaminant emissions? If yes, explain: \_\_\_\_\_

SOLID WASTE - GENERAL

Solid waste generation, transportation, treatment, recycling, storage or disposal? If yes, explain: \_\_\_\_\_

SOLID WASTE - MEDICAL WASTE

Medical waste generation, transportation, treatment, recycling, storage or disposal? If yes, explain: \_\_\_\_\_

SOLID WASTE - SEWAGE SLUDGE/SEPTAGE (Septic Tank Waste)

Sewage sludge/septage generation, transportation, treatment, storage, use or disposal? If yes, explain: \_\_\_\_\_

USED OIL

Used oil generation, transportation, storage, recycling, use, disposal, marketing or burning? If yes, explain: \_\_\_\_\_

RECYCLING ACTIVITIES ? If yes, explain: \_\_\_\_\_

## INSTRUCTIONS

### FOR FILING NEW PROSPECTING PERMIT APPLICATIONS

1. Filing fee is \$50.00 per application.
2. One section or any portion of one section per application.
3. Minimum acreage per application shall be a rectangular subdivision of 20 acres in line with the public land survey.
4. All questions on the application must be completed.
5. If the applicant is a corporation, partnership or Trust, you must submit a copy of the Articles of Incorporation which has the Arizona Corporation Commission stamp of approval, the partnership papers, or the Trust document. ?
6. Provide a map of the section applied for, showing ingress and egress.
7. Term of a Prospecting Permit is five (5) years (if renewed annually).
8. The application must be signed by the applicant(s) or an appointed agent. If an agent is filing for the applicant, a notarized Power of Attorney must be filed with the Department. The filing fee for a Power of Attorney is \$50.00.
9. The application form used must be the Department form as prescribed by the Commissioner.
10. If all of the above are not in order, your application will be returned to you with an explanation of the problem.

**NOTE:** Item 3 under "IV OPERATION" does not apply to Prospecting Permits.

### CONDITIONS OF A PROSPECTING PERMIT

Normal processing time is thirty to forty-five days from the time the application is filed with the State Land Department (The Department). If your application is approved, a billing statement and bond form will be mailed to you at that time. YOU WILL NOT HEAR FROM THE DEPARTMENT BEFORE THE ABOVE MENTIONED TIME PERIOD UNLESS THERE IS A PROBLEM.

Prospecting permits are governed by Arizona Revised Statutes. Therefore, PLEASE NOTE THE DUE DATE on anything sent to you in regard to the issuance of the permit. The timetables set forth by law are strictly adhered to.

Should your application be approved by the Department, the prospecting permit would AUTHORIZE YOU TO EXPLORE YOUR VALUABLE MINERALS ONLY. This DOES NOT GIVE PERMISSION to remove any valuable minerals from state land - expect for testing purposes.

Copies of Rules and Regulations (Title 12, Chapter 5, Article 19) as well as the Arizona (ARS §27-271 thru 27-275) Statutes that apply to prospecting permits may be obtained from the Secretary of State. Capitol Building, West Wing, 7th floor, Phoenix, Arizona 85007, (602) 542-4628

If you have any questions, please contact the Nonrenewable Resources & Minerals Section of the State Land Department at (602) 542-4628



ROSE MOFFORD  
GOVERNOR

# Arizona State Land Department

1616 WEST ADAMS  
PHOENIX, ARIZONA 85007



M J HASSELL  
STATE LAND COMMISSIONER

This Prospecting Permit Application Package contains:

Instruction Filing Sheet & Blank Application to Obtain  
Natural Resources

How to Obtain a Mineral Prospecting Permit booklet

Blank Plan of Operation form

Example of completed forms and map

Please review all materials before completing the forms. Do not follow the example word for word; it is only an example. Each permit area is unique and a separate application should be completed for each permit area. Photocopied forms for bulk filings will no longer be accepted. Each application made must be an original. Incomplete forms will be rejected. Poorly presented plans will be thoroughly scrutinized and may be rejected. It pays to fill out the forms completely and with detailed information; doing so will save you time and money.

If you have any questions, please call Brian W. Kenny at  
(602) 542-4628.

000227

HOW TO OBTAIN A MINERAL PROSPECTING PERMIT

ON

ARIZONA STATE TRUST LANDS

By: Nonrenewable Resources and Minerals staff

ISSUED BY: THE ARIZONA STATE LAND DEPARTMENT

M. Jean Hassell, Commissioner  
1616 West Adams  
Phoenix, Arizona 85007  
(602) 542-4628

000228

## INTRODUCTION

This brochure answers some of the most commonly asked questions regarding mineral prospecting on State Trust lands.

Before making application for a mineral prospecting permit, the Arizona State Land Department recommends that the applicant make a thorough investigation of the status of the land proposed for permit or lease. The Public Records Section is located on the first floor of the State Land Department building to assist you in researching lands desired. You may contact Public Records to check land availability at (602) 542-4631

### **WHAT IS A MINERAL PROSPECTING PERMIT?**

A mineral prospecting permit is permission from the State Land Department to prospect and explore for minerals on State Trust Land. MINING UNDER A PROSPECTING PERMIT IS NOT ALLOWED.

### **WHO MAY APPLY FOR A MINERAL PROSPECTING PERMIT?**

- Any individual of legal age (21 years or older)
- A partnership
- A corporation authorized to do business in the State of Arizona

### **WHAT STEPS ARE REQUIRED TO OBTAIN A MINERAL PROSPECTING PERMIT?**

- 1) File an application with the State Land Department, at the Public Records Section or by mail. This includes:
  - A completed application form, obtainable from the Department
  - Payment of the required filing fee; this is \$50.00 per application, non-refundable.
  - A map showing ingress and egress to and from the property under application
- 2) If the permit application is approved, the Department will send, by certified mail, a notification of the rental to be paid and the amount of required restoration and damage bond. By law, this mailing will occur approximately 30-45 days after the application is submitted.
- 3) The applicant has 15 days from the date the notice is mailed from the Department in which to:
  - a) Pay the rental, at the rate of \$2.00 per acre,
  - b) File with the Department the restoration and damage bond.
- 4) Failure by the applicant to pay the rental and provide the bond within the 15-day period will result in cancellation of the mineral prospecting permit application.

#### HOW MUCH STATE LAND DOES ONE MINERAL PROSPECTING PERMIT COVER?

- 1) A prospecting permit cannot be for less than twenty acres±. However, no prospecting permit can exceed one (1) full section.
- 2) Applicant must specify exactly by **legal description** the land desired in the permit. The legal description must conform to the Public Land Survey.

#### EXAMPLE:

Section 22; Township 7 North; Range 5 West - the N2NW½NW½

#### APPLICATIONS NOT CONFORMING TO THE PUBLIC LAND SURVEY WILL BE REJECTED

#### HOW LONG IS A MINERAL PROSPECTING PERMIT IN EFFECT?

A prospecting permit is valid for one (1) year from the due date of the rental and bond. If renewal requirements are met, the prospecting permit may be renewed annually for up to 5 years total.

#### WHEN CAN EXPLORATION BEGIN?

Prior to any exploratory work, a **Plan of Operation** must be submitted to and approved by the Department. As part of the permittee's Plan of Operation, the Department requires a map showing ingress and egress to and from the State land covered by a mineral prospecting permit. In addition, the Plan of Operation must include the type of work to be performed as well as the type of equipment to be used. A Plan of Operation is included in your application package.

#### WHAT IS EXPLORATION?

Exploration is any activity conducted upon State land for the purpose of determining the existence of a valuable mineral deposit. This includes such work as **geological, geochemical or geophysical surveys**. Also included are **drilling, sampling and excavation**. Exploration may be conducted by the permittee or anyone duly authorized by the permittee.

#### WHAT ACCESS WILL BE AVAILABLE FOR THE PROSPECTING AREA?

When the Plan of Operation is approved, the prospecting permit will provide for access across other state lands as well as access within the permit boundaries. However, the permittee is responsible for obtaining permission for access across any other governmental or private lands.

## WHAT IS THE REQUIREMENT FOR RENEWING A MINERAL PROSPECTING PERMIT?

Before the end of any annual period (12 months) from the beginning date of the permit, the permittee must furnish proof of exploration expenditures by receipts, bills, etc. to the Department at the following rates:

1st and 2nd year = \$10.00 per acre per year  
3rd, 4th and 5th year = \$20.00 per acre per year

The Department requires proof of these expenditures upon application for permit renewal. Expenditures must meet or exceed these rates. A cash payment may be made to the Department in lieu of all or any part of the expenditure as long as the total meets the requirements.

## IS THE PROSPECTING PERMITTEE RESPONSIBLE FOR REPAIRS TO THE LAND?

YES! A permit holder is required to fill any holes, ditches or other excavations as required by the State Land Commissioner, and so far as reasonably possible to restore the surface to its former condition.

THE RESTORATION AND DAMAGE BOND WILL NOT BE RELEASED BY THE DEPARTMENT UNTIL ALL RESTORATION WORK HAS BEEN SATISFACTORILY COMPLETED.

## HOW MUCH BOND IS REQUIRED?

The amount of damage and restoration bond required for a permit will be based upon the type of exploration proposed and the degree of anticipated disturbance to the land. The State Land Commissioner, at his discretion, may also change the amount of the damage and restoration bond when warranted by any changes in the Plan of Operation.

## IF A VALUABLE DEPOSIT IS DISCOVERED, WHAT CAN A PERMITTEE DO?

Following the discovery of a valuable mineral deposit, the permittee may apply to the Department for a mineral lease. Under a State Mineral Lease, actual mining activities may be conducted.

TO CONDUCT MINING ON STATE LAND, YOU MUST HAVE AN APPROVED MINERAL LEASE!

If you have any questions regarding the information in this brochure, please contact the Nonrenewable Resources and Minerals Section of the Land Department at (602) 542-4626

# Arizona's Requirements Governing Mining and Related Royalties and Taxes

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## Authority to Prospect and Mine on State Lands

In Arizona persons must obtain an exploration permit to prospect on state land and, if minerals are discovered, obtain a mineral lease before they can extract and sell minerals.

---

## Exploration Permit

To begin prospecting on state land, persons must first obtain an exploration permit. The permit grants the permittee the exclusive right to prospect on a tract of at least 20 acres and not more than 640 acres. The permit does not authorize the permittee to mine or remove valuable minerals.

Permits are issued for an initial 1-year term upon payment of a \$100 fee. Permittees are required to spend at least \$10 per acre on exploration during each of the first 2 years, and at least \$20 per acre during each of the last 3 years. Permittees may instead choose to make cash payments to the state. Permits can be renewed annually for 4 years by filing a renewal application and an affidavit which confirms that the required exploration expenditures have been made.

Permittees must pay an initial rental of \$2 per acre for the land covered by the permit. The \$2 fee covers rent for the first 2 years of the permit; after that, a \$1 per acre rental fee must be paid annually.

---

## Lease of State Lands for Valuable Minerals

Once minerals are discovered, a lease is required before mining can begin or minerals can be removed from the land. Arizona issues leases for 20 years and requires payment of a \$100 fee. If, however, at the expiration of the lease term, the lessee has paid all rentals and royalties, the lessee will have the preferential right to renew the lease for an additional 20 years.

Lessees must pay an annual rental fee that is established before the lease is issued. The fee is based on the State Land Commissioner's appraisal of the value of the nonmining uses of comparable land. The annual rental, which cannot be less than \$.75 per acre, and the cost of all appraisals are payable in advance of executing the lease and at the beginning of each lease year. Lessees are also required to annually expend labor or make improvements upon state lands in the amount of \$100 per lease.



## Royalties and Taxes Assessed on Mining Operations

Arizona assesses (1) a royalty on minerals extracted from state lands but not federal or private lands and (2) a tax on all persons mining in the state, whether on federal, state, or private lands.

### Assessment on State Lands

Prior to June 28, 1989, the royalty rate was 5 percent. For leases granted on or after this date, the rate is determined in such a way that the state obtains a fair value for its minerals. However, the rate cannot be less than 2 percent of the gross value of all extracted minerals. The gross value is determined by the monthly average unit price for the minerals as cited in commercial commodity indexes. At the end of the first year, the royalty rate is reappraised to determine if the rate should be adjusted in order to ensure that the state continues to obtain a fair value for the minerals.<sup>1</sup>

### Assessment on All Lands

Arizona assesses a severance tax on all persons mining metallic minerals and a transaction privilege tax on all persons mining nonmetallic minerals on federal, state, or private lands.

#### Severance Tax

Arizona levies a severance tax on all persons mining metallic minerals. The tax is 2.5 percent of a mine's net severance base, which is the greater of (1) the weighted mineral value,<sup>2</sup> which is the value of production associated with mining less processing costs, or (2) the Arizona value, which is 50 percent of the difference between the gross value of production (price multiplied by the quantity mined) and the out-of-state processing costs.

#### Transaction Privilege Tax

Arizona assesses a transaction privilege tax on persons engaged in business in the state. The tax is divided into 18 different business classifications and some businesses, like mining, may fall into more than one classification. Mining operations may be required to pay the mining tax on minerals sold to companies that will resell them and the retail tax on minerals sold to final consumers. Thus, while persons engaged in mining may pay taxes in two classifications, they are not taxed twice on the same transactions. The mining classification tax is levied at the rate of 3-1/8 percent of a specified tax base. This tax is levied on either the gross

<sup>1</sup>Leases granted prior to June 28, 1989, had to be appraised to determine a fair value royalty rate. Lessees must pay the greater of the 5 percent net value royalty or the appraised royalty rate.

<sup>2</sup>The weighted mineral value is computed by dividing mining costs (defined as production costs incurred during mining) by production costs (defined as the costs incurred in mining and processing until the point of sale). This quotient is multiplied by the gross value of production (price multiplied by the quantity mined for all extracted minerals).

proceeds received from the sale of the minerals or the gross income derived from the business. The tax base includes the value of the entire product mined or produced less any freight charges, regardless of the place of sale of the product or of the fact that deliveries may be made to points outside the state. The retail tax is 5 percent.

ARIZONA STATE LAND DEPARTMENT  
MINERAL LEASE APPLICATION

SUPPORTING DOCUMENTATION GUIDELINES

- 1) RESERVE ESTIMATION: Reserves must meet the definition of Indicated Reserves. See attached classifications as defined in Geological Survey Circular 831. Documentation should include most if not all of the following:
- Type, description, and geometry of deposit
  - Discovery points
  - Sampling methods used
  - Assaying methods used
  - Assay results
  - Drill logs
  - Maps (detailed geologic, geophysical, geochemical, drilling, sampling).
  - Cross Sections
  - Reserve estimation with calculations. Include range of grades, assumptions, and methods of projection.

2) DETAILED MINING PLAN

- Projected mine life
- Projected operating days per year
- Production rate
- Manpower requirements
- List by type, size, and capacity all vehicles and equipment to be used in the operation.
- Identify pre-mining development and infrastructure requirements. Include access roads.
- Mining method. Described in detail.
- Beneficiation and recovery methods. Provide flow chart.
- Water requirements and proposed source
- Identify any use of chemical reagents
- Map delineating mining boundaries, location of water impoundments, waste dumps, tails, etc.

3) ECONOMIC REQUIREMENTS  
Feasibility Study\* (Cash Flow Analysis) including discussions  
of:

- Commodities to be produced including any by-products
- Cut-off grade
- Point of sale
- Average grade
- Equipment costs
- Estimated pre-mining development costs. Submit information used as basis for cost analysis.
- Estimated operating costs for mining and processing. Submit information used as basis for cost analysis.
- Estimated transportation costs. Submit information used as basis for cost analysis.
- Recovery rates
- Overhead costs
- 60-day working capital
- Break-even cost
- Other costs

\* Economic analysis should be in spreadsheet style and may be submitted on computer disk using Lotus 123/IBM PC compatible format.

4) ECONOMIC GEOLOGY

- Mining District
- Mines in area of application (active or inactive)

## DEFINITIONS

RESERVE CLASSIFICATION: Geological Survey Circular 831

- Inferred - Estimates are based on an assumed continuity beyond measured and/or indicated resources, for which there is geologic evidence. Inferred resources may or may not be supported by samples or measurements.
- Indicated - Quantity and grade and/or quality are computed from information similar to that used for measured resources, but the sites for inspection, sampling, and measurement are farther apart or are otherwise less adequately spaced. The degree of assurance, although lower than that for measured resources, is high enough to assume continuity between points of observation.
- Measured - Quantity is computed from dimensions revealed in outcrops, trenches, workings, or drill holes; grade and/or quality are computed from the results of detailed sampling. The sites for inspection, sampling, and measurement are spaced so closely and the geologic character is so well defined that size, shape, depth, and mineral content of the resource are well established.



FIFE SYMINGTON  
GOVERNOR

Arizona  
State Land Department

1616 WEST ADAMS  
PHOENIX, ARIZONA 85007



M.J. HASSELL  
STATE LAND COMMISSIONER

DATE June 8, 1993

( PRIMO GOLD USA LTD  
( % MIN-SEARCH INC  
( 11930 MENAUL BLVD NE 112  
( ALBUQUERQUE NM 87112

Re: 08-95854 through 08-95857

Dear Permittee:

In order to finalize cancellation of the referenced permit(s), it will be necessary for you to provide the following information:

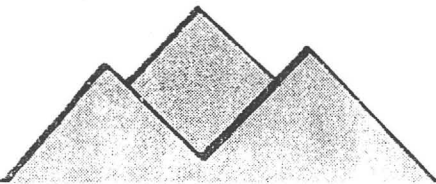
- 1) The location, hole diameter and total depth of all drill holes.
- 2) A legible copy of all lithologic, gamma and electric logs. The lithologic log must also identify lithologic boundaries.
- 3) The location of disturbed areas including constructed access.

As provided by statute, the drill hole information will be kept confidential for a period of one (1) year. If you so desire, you may request that we keep the information confidential for one additional year.

STATE LAND DEPARTMENT

by: Karen J. McCarrick  
Minerals Section  
Natural Resources Division

000239



June 22, 1993

Ms. Karen J. McCarrick  
Arizona State Land Department  
Minerals Section, Natural Resources Division  
1616 West Adams  
Phoenix, Arizona 85007

RE: Prospecting Permit #s 08-95854-95857

Dear Ms. McCarrick:

Enclosed please find the drill hole data that has been acquired while Primo Gold USA Ltd and its predecessors have held the above referenced permits. Two maps are attached to locate the drilling and the disturbed areas. The disturbed areas have been limited to just the drill site by use of existing roads. All holes have been plugged, leveled and seeded (several times) so that Primo's bond may be released after inspection. If you have any question please do not hesitate to contact me at (505) 298-8235.

Sincerely,

A handwritten signature in black ink, appearing to read 'Lee Halterman', with a long horizontal flourish extending to the right.

Lee Halterman  
MinSearch, Inc.

000240



**DEPARTMENTAL USE ONLY**

Arizona State Land Department

1616 West Adams  
Phoenix, Arizona 85007  
(602)542-4628

Filing Fee: \$100.00 (nonrefundable)

Examiner: \_\_\_\_\_

Rotodex # \_\_\_\_\_

City	Gr	Parcel	Initial	Date
_____	_____	_____	Approved _____	_____
_____	_____	_____	Denied _____	_____
_____	_____	_____	Rejected _____	_____
_____	_____	_____	Withdrawn _____	_____

**APPLICATION TO OBTAIN MINERAL RESOURCES**  
APPLICATION # \_\_\_\_\_

**I. APPLICANT**

Principal Leroy Halterman

Agent \_\_\_\_\_

Address 820 Piedra Vista NE

City Albuquerque State NM Zip 87123 Phone (505) 291-0158

**II. APPLICATION TYPE**

Prospecting Permit  Mineral Lease  Mineral Materials  Oil/Gas  Other \_\_\_\_\_

(If applying for mineral lease, are you converting from: Prospecting Permit  Mining Claim )

Description, name and number of claims: \_\_\_\_\_

**III. LOCATION/ACCESS**

Twp. 20 S Rge. 23 E Sec. 29 Acres 120 County Cochise

Legal S/2, NE/4 and S/2 N/2, NE/4, Section 29, T20S R23E

Access See Attached

Is access across other state lands required? Yes  No  Nearest residence: 2 1/2 miles.

Nearest city Tombstone Distance from 3 miles.

Will you be operating within a 100 year Flood Plain boundary? Yes  No

USGS Topographic Map showing location and access must be included with application.

**IV. OPERATIONS**

1. Term 5 year(s)

2. Commodities: Primary Gold Secondary None Anticipated

3. Est. Reserves Unknown Annual Production Unknown tons  cyds  lbs  oz

4. Prior Production Little or none By \_\_\_\_\_

5. Area of Surface Disturbance \_\_\_\_\_ acres (outline on topo map)

6. Deposit Type: Lode  Placer

7. Mine Type: Open Pit  Underground  Quarry  Other \_\_\_\_\_

8. Intended use of product Refined Metal

9. Water: Est. annual use 1,000 Gal.  Acre-Ft.  Source \_\_\_\_\_

10. Discharge off-site? Yes  No  (if yes, show location on topo map)

**000241**

Briefly describe exploration/mining operations: (detailed plans of operation will later be required)

V. GENERAL INFORMATION

- 1. Existing Lease/Permit # \_\_\_\_\_ Lessee \_\_\_\_\_
- 2. Prior Lease/Permit # 95926 Lessee Primo Gold USA
- 3. Surrounding Land Use: Grazing/Ranching  Urban/Residential  Commercial   
Agriculture  Mining  Other \_\_\_\_\_
- 4. Impact on Surface Drainage None
- 5. Native Plants Sparse desert grasses, cacti, yucca, creosote bushes, cat claw and occasional mesquite trees.
- 6. Environmental Impact NONE
- 7. List all mine workings, mineral occurrences, oil/gas wells, water sources, riparian areas, utilities, crops and other improvements. (Show on topo map) None

VI. APPLICANT STATUS

Is application made in the name of: Individual  Proprietorship  Corporation  Partnership  Trust   
Joint Venture  Estate  Governmental  Other \_\_\_\_\_

- (a) If an individual: Date of Birth Nov. 2, 1945 Married (Yes  No ).
- (b) If a corporation, submit a copy of the authorization to do business in the State of Arizona obtained from the Corporation Commission.
- (c) If a partnership, trust, estate or joint venture or other type of agreement, submit a copy of the government, partnership, trust, estate or agreement document(s).
- (d) If a trust, identify the Trust document by title, document number, and county where document is recorded:  
County of \_\_\_\_\_, Book \_\_\_\_\_, Page \_\_\_\_\_, Document \_\_\_\_\_.

(e) Complete the following for each of the trust beneficiaries, joint venture or authorized partner in a partnership.

NAME	ADDRESS	AGE	MARITAL STATUS
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

Note: If you are acting as an Attorney in Fact for the applicant, submit a copy of your notarized Power of Attorney and a \$50.00 additional fee.

I/We hereby certify under penalty of perjury that the statements herein, or in any supplement hereto are full, true, correct and complete to the best of my/our knowledge.

Dated June 29, 1993 By [Signature]

Hay Mountain 7 1/2" Quad.

Tombstone 7 1/2" Quad.

T20S

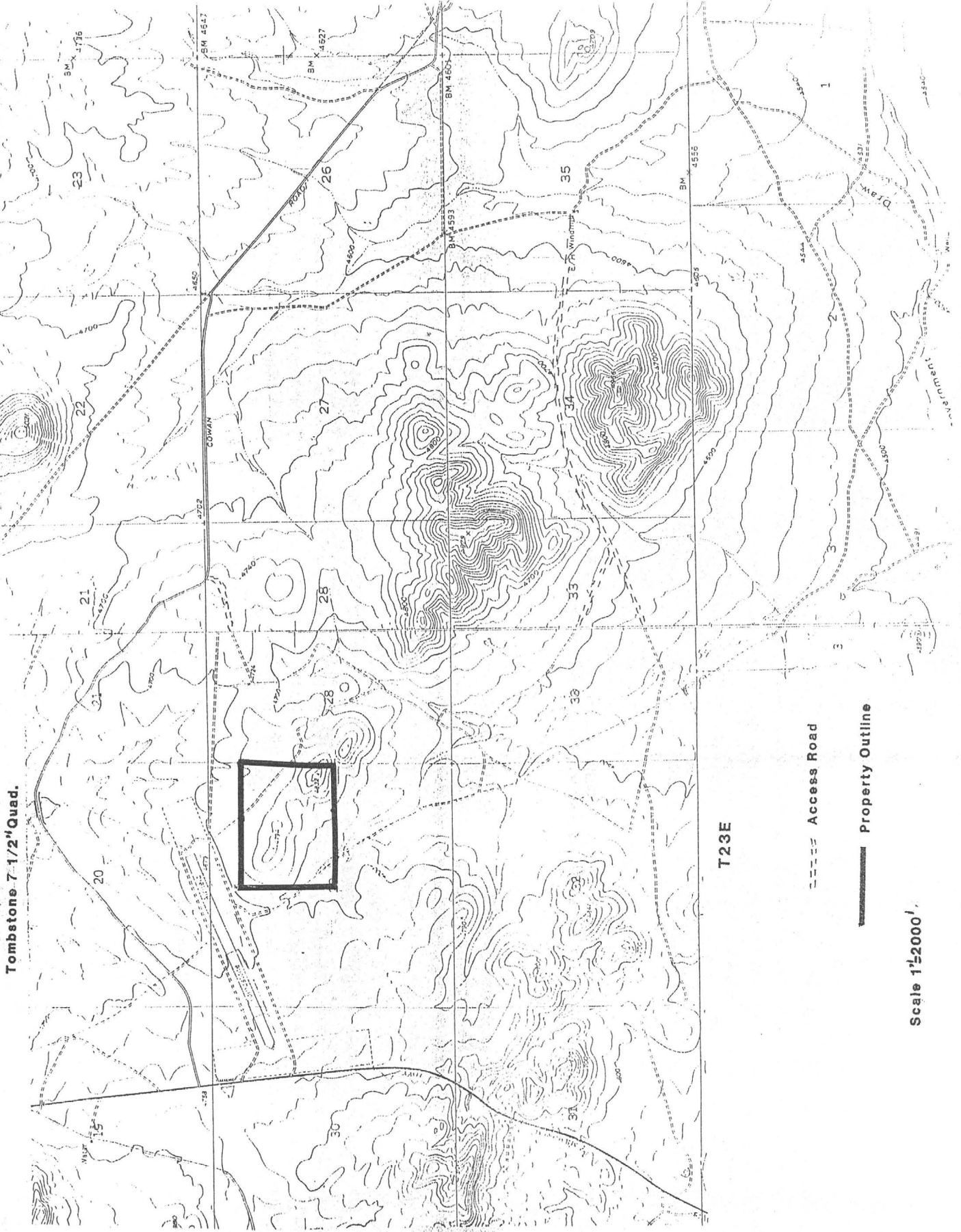
T23E

Access Road

Property Outline

Scale 1"=2000'

000243





FIFE SYMINGTON  
GOVERNOR

Arizona  
State Land Department

1616 WEST ADAMS  
PHOENIX, ARIZONA 85007



M.J. HASSELL  
STATE LAND COMMISSIONER

DATE July 7, 1993

( Mr. Lee Halterman  
( Primo Gold USA Ltd.  
( 11930 Menaul Blvd. NE #112  
( Albuquerque, NM 87112

Re: 08-95898, 08-95899, 08-95925, 08-95926

Dear Permittee:

In order to finalize cancellation of the referenced permit(s), it will be necessary for you to provide the following information:

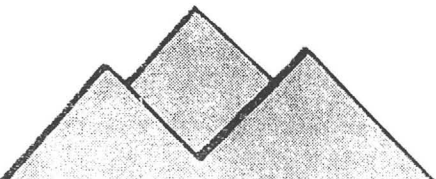
- 1) The location, hole diameter and total depth of all drill holes.
- 2) A legible copy of all lithologic, gamma and electric logs. The lithologic log must also identify lithologic boundaries.
- 3) The location of disturbed areas including constructed access.

As provided by statute, the drill hole information will be kept confidential for a period of one (1) year. If you so desire, you may request that we keep the information confidential for one additional year.

STATE LAND DEPARTMENT

by: Karen J. McCarrick  
Minerals Section  
Natural Resources Division

000244



July 12, 1993

Ms. Karen J. McCarrick  
Arizona State land Department  
Minerals Section, Natural Resources Division  
1616 West Adams  
Phoenix, Arizona 85007

Re: Prospecting Permits, #08-95898, 95899, 95925, and 95926

Dear Ms. McCarrick:

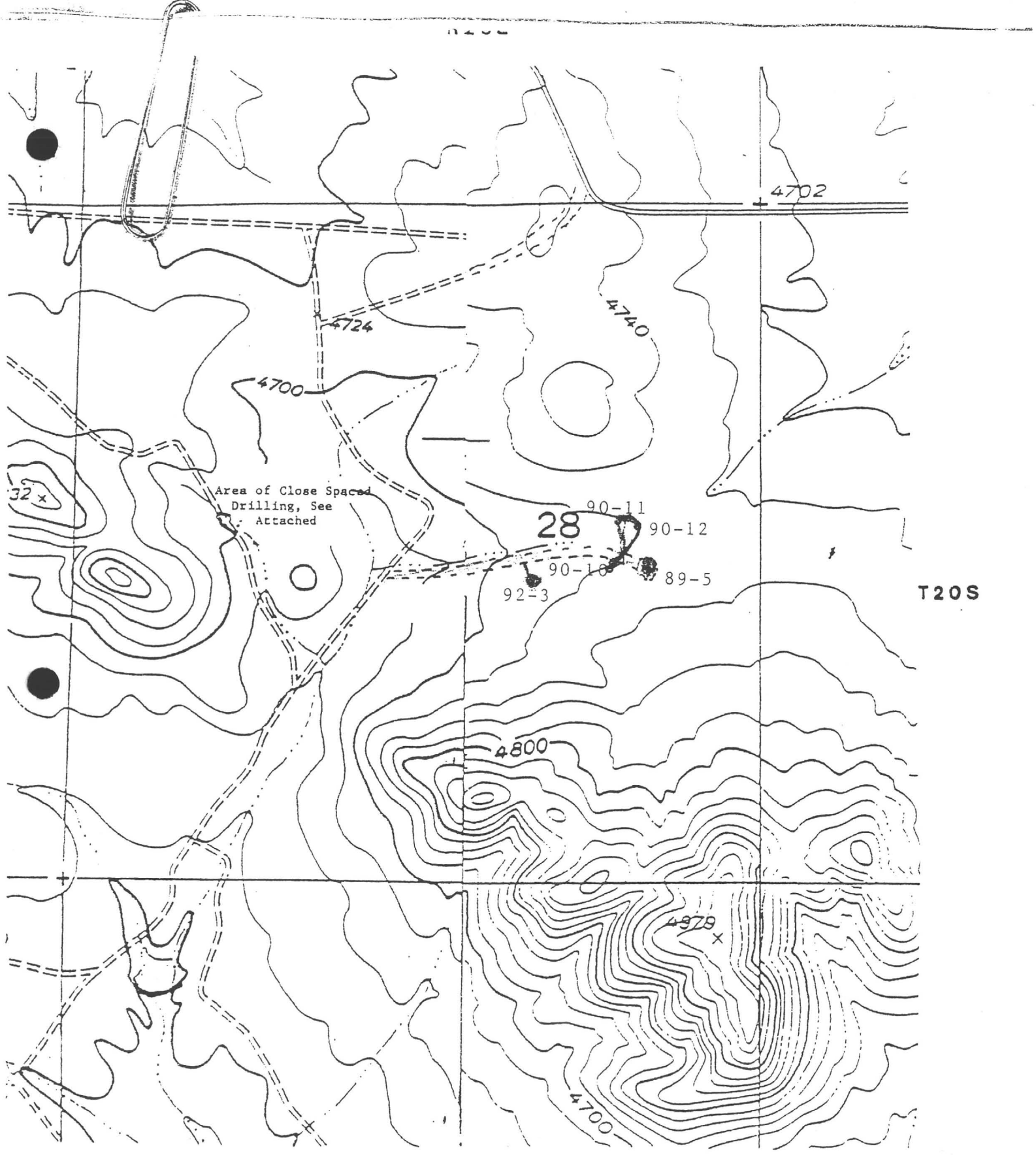
Enclosed Please find the drill hole data that has been acquired while Primo Gold USA, Ltd and its predecessors have held the above referenced permits. The attached map locates the drill sites and the disturbed areas. All holes are five inches in diameter and the depths are as follows:

Hole Number	Diameter	Depth
89-5	5 "	340 '
90-10	5 "	200 '
90-11	5 "	600 '
90-12	5 "	200 '
92-3	5 "	530 '

All holes have been plugged, leveled and seeded (several times) so that Primo's bond may be released after inspection. If you have any questions please do not hesitate to contact me at (505) 298-8235.

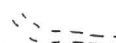

Sincerely,

Lee Halterman  
MinSearch, Inc.



**EXHIBIT A**

**Scale 1" = 1000'**

-  Existing Road
-  Drill Site

*Area of Disturbance*

 **N00246**





# Southwestern Exploration Associates

COUNTY NOTEBOOK RESEARCH SYSTEM

4500 E. Speedway, Suite 14  
Tucson, Arizona 85712  
(602) 795-6097

## CONSULTING SERVICES IN:

literature research  
mineral exploration  
geothermal exploration  
geophysical exploration  
multispectral aerial photography  
space imagery search and retrieval  
image enhancement and processing  
remote sensing and interpretation  
environmental studies

VOL. 1

GENERAL ARTICLES

## COUNTY NOTEBOOK INVENTORY LIST

### Volume 1: County Summary Material

1. Mining District index map with USGS quadrangle overlay
2. County bibliography list with explanations
3. Target listing
4. Listing of all deposits with current exploration status
5. Map indexes to various commodities and a generalized land status map
6. County report by State Bureau of Mines
7. Information on industrial mineral occurrences within the county
8. General articles filed alphabetically, preceded by bibliography list
9. Metal price list

### Volume 2: Thesis Material

1. Index map of available theses
2. Theses arranged alphabetically by author

### Volume 3: U.S.G.S. Reduced Topographic Sheets

1. Reduced A.M.S. sheets
2. Reduced 7½ and 15 minute quad sheets with list of mines located on each quad sheet

### Volume 4: U.S.G.S. Geologic, Geophysical, Geochemical and Open File Maps

1. Index to maps in Volume 4
2. Geologic maps
3. Geophysical maps
4. Geochemical maps
5. Photo index maps

### Volume 5: Mining District Notebooks

1. Mining district summary sheet
2. Mint records, mineral resources material, Weed's Copper Handbook (colored sheets separate these sections)
3. Mining district articles listed alphabetically
4. Bibliography
5. Mine summary sheets with geologic data
6. Land status