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Volume 9 ; Book 1

TOMBSTONE

Mining District

Cochise County

ARIZONA

Correspondence
1958 to 1978

Not Dated Corr-

SIERRA MINERAL MANAGEMENT

R. F. HEWLETT
President

4741 EAST SUNRISE DRIVE
SKYLINE BEL AIRE PLAZA
TUCSON, ARIZONA 85718
602 / 299-9736

MERCURY REPORT

Jim Bishop is working with EDA for a loan on the plant at Cordero. For a report to this agency, we need basically:

1. Breakdown on Plant Costs
2. Labour requirements
3. Mining Costs
4. In general, a monthly cash flow analysis
 - a. Cost of labour; start-completion-production
 - b. Labour cash flow - emphasis on Indians and effect on their economy
 - c. Royalty payments to area
 - d. General economic enhancement

I wish all to help prepare this report as soon as possible.

Dick Hewlett

INTEROFFICE MEMO

TO: Richard Hewlett, President

FROM: J.A. Briscoe, Chief Geologist

SUBJECT: Comments regarding the report "A Reconnaissance Investigation of Mineral Prospects in Northern Sonora, Mexico, by Behre Dolbear and Company, Inc. for Sonora Minera, S.A.

The report written by Mr. Lendall P. Warriner, concerns, four mines (or mine areas) in Northern Sonora, Mexico, these being the Piedra Bola, La Naoridad, Los Pilares District, and La Sonora. In all of these areas, Sonora Minera, S.A is testing or trying to exploit small, high-grade vein type mineral occurrences. Warriner's report deals with that potential of these areas, with the exception of the Los Pilares District, he feels their potential is nill.

The only conditions under which Sierra should be interested in this type of property is if there were some unrecognized potential for disseminated mineralization, minable by bulk methods, or of high-grade mineralization of substantial tonnage potential ie \pm 200,000 tons.

None of the above properties exhibit that type of potential as indicated by Warriner's report.

INTEROFFICE MEMO

TO: File

FROM: JAB

DATE: _____

SUBJECT Quintana Joint venture

Initial contribution - \$150K^{p 9} - I thought we
were talking about 1-2 holes @ \$50K & the
second depending on the result of
the first.

1959

JAMES STEWART COMPANY

GENERAL CONTRACTORS

FIRST NATIONAL BANK BUILDING

411 NORTH CENTRAL AVENUE • PHOENIX, ARIZONA

November 17, 1959

Mr. Charles H. Suiter
5008 West Weldon Avenue
Glendale, Arizona

Dear Mr. Suiter:

You inquired about the price paid for Sericite on the Charleston Mine, and the names of some of the customers.

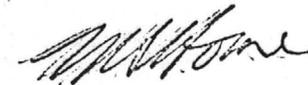
We delivered the largest shipments to the John K. Bice Company, 440 Seaton Street, Los Angeles, California, for which we received a price of \$75.00 per ton minesite. Also, we sold quite a large tonnage to the Philip E. Calo Company, 333 North Michigan Avenue, Chicago 1, Illinois, for which we received \$75.00 per ton minesite. We have sold relatively small tonnages to local paint manufacturers and are still delivering to them at a price of \$140.00 per ton delivered.

Gerald John, Pres, 12
I have talked to the president of Western Chemical & Mfg. Company, 3270 East Washington Boulevard, Vernon, Los Angeles 23, California, who advises that they would be prepared to take almost immediately 100 tons per month and eventually 200 tons per month, at a price of \$90.00 a ton, F.O.B. minesite.

I trust that this information will satisfy your needs.

Very truly yours,

JAMES STEWART COMPANY



M. Seth Horne
President

MSH:da

CHARLESTON MINE

Sales of Soricite
September 30, 1957 to February, 1961

<u>Purchaser</u>	<u>Number of Tons</u>	<u>Price Per Ton</u>		<u>Total</u>
Arizona White Eagle Stucco Co. 301 South 30th Street Phoenix, Arizona	8.000	\$50.00		\$ 400.00
John E. Rice Co. 440 Beaton Street Los Angeles, California	79.750 .750 <u>80.500</u>	75.00 85.00 83.00	\$5,931.25 63.75 <u>1,300.00</u>	7,345.00
Call-Dameron, Inc. 86 South 42nd Street Phoenix, Arizona	1.875	<u>140.00</u>		262.50
Philip F. Gale Co., Inc. 308 North Michigan Avenue Chicago 1, Illinois	10.000	75.00		1,200.00
Deas-O Paints and Chemicals, Ltd. Post Office Box 990 Phoenix, Arizona	1.000 <u>11.525</u> <u>12.525</u>	150.00 <u>140.00</u>	\$ 150.00 <u>1,613.50</u>	1,763.50
Southweston Paint & Varnish Co. 3250 East Speedway Tucson, Arizona	.500	<u>120.00</u>		60.00
Sunshine Mica Company 440 Beaton Street Los Angeles, California	36.000	50.00		1,800.00
E. L. Whipple and Associates Post Office Box 605 Glendale, Arizona (1200 East Glendale Avenue)	2.500 13.000 57.100 <u>119.600</u> <u>191.930</u>	20.00 15.00 15.50 21.22	50.00 190.50 873.50 <u>2,526.14</u>	3,649.14
TOTALS	<u>307.880</u> Tons			<u>\$19,400.14</u>

1968

March 1, 1963

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

Re: Land Status
Tombstone Project

Dear Mr. Dobson:

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

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

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

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

FEDERAL MINERALS

(a) Public Domain

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

NW/4 SE/4 and Lots 1, 3 and 4 of Section 9 (containing 138.75 acres); S/2 SW/4 and Lots 8, 9 and 10 of Section 10 (containing 132.72 acres); NE/4 NW/4 and Lots 2, 3 and 4 of Section 15 (containing 138.15 acres); NE/4 of Section 20 (containing 160 acres), and N/2 of Section 21 (containing 320 acres), all in T. 20 S., R. 22 E., G&SRM.

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

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

2. Right of Way for construction and maintenance of a railroad issued to the New Mexico & Arizona Railroad under Serial No. 086526 across portions of Sections 9, 10, and 20 pursuant to the Act of March 3, 1875, as amended.
3. Rights of Taylor Grazing Act lessees to reimbursement for grazing improvements.
4. Rights of Way, if any, acquired for road purposes by public user.

(b) Minerals Reserved to United States

The January 24, 1938, examination revealed that the area shown in blue on the attached Sketch Map consisting of:

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

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

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

The applicable portions of the statute provide that:

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

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

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

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

STATE OF ARIZONA MINERALS

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

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

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

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

(a) State of Arizona Mineral Leases

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

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

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

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

(b) State of Arizona Prospecting Permit

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

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

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

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

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

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

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

asserts no title).

PATENTED LODE MINING CLAIMS

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

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

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

(b) May Patented Lode Mining Claims.

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

(c) Chance Patented Lode Mining Claim.

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

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

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

(d) Other Patented Mining Claims.

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

UNPATENTED MINING CLAIMS

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

(a) Amy Nos. 1-18.

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

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

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

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

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

E. B. and E. H. Escapule located three claims designated as Fox #1, #2 and #3 on September 12, 1966. The location notices of the claims recite that the claims are located on "state lands only." The location notices were timely recorded at Docket 456, pages 406-411. The notices described claims 1,320 feet by 660 feet. It is not completely clear from the location notices as to whether the claims were located in Section 16 or Section 17, although it appears that the locations were intended to cover areas in the NE/4 of Section 17. If this is true, the claims are an invalid attempt to acquire state mining claims inasmuch as the minerals underlying the NE/4 of Section 17 are reserved to the United States as pointed out above. For these reasons it is my opinion that Austral acquired no rights with respect to the Fox #1, #2 and #3 claims.

(d) Fox #4 through Fox #10.

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

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

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

(1) Each of the location notices recite that the locators are claiming 660 feet in width (330 on each side of the point at which the notice is posted). Obviously, the claims are invalid as to areas claimed in excess of 300 feet in width on each side of the point on which the location notice was posted. This would result in a strip of open ground 60 feet in width between the claims. It is my understanding that this situation has been brought to the attention of the locators and that steps have either already been taken to correct this defect and cover the open ground or that such action will be taken in the near future.

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

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

Record title as of January 31, 1963, was vested in E. B. and E. H. Escapule subject to the foregoing and to the comments contained in subparagraph (j) below. The first year for which annual labor must be performed on the claims will be the assessment year commencing September 1, 1963, and ending September 1, 1969.

(e) Fox #11 through Fox #19.

Exhibit A to the February 2, 1963, Mining Lease and Option Agreement between Austral Oil Company Incorporated and E. B. Escapule et ux., et al., recites that E. H. Escapule located nine unpatented claims designated as Fox #11 through #19 on January 25, 1963, and that such claims were situated in Section 17, T. 20 S., R. 22 E. As of the January 31, 1963, examination, the location notices for these claims had not been recorded and no opinion is expressed as to the sufficiency of the location notices.

(f) Misy #1 through #4

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

(g) SOLSTICE #1 through #8

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

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

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

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

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

(j) General Comments

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

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

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

(3) The only unpatented mining claims listed above for which annual assessment work was required for the assessment year ending September 1, 1967, were the 1959 Fox Nos. 1-3. No attempt has been made to check assessment work for each year since the date of location of these claims. Enclosed under separate cover with the location notices is a copy of an Affidavit of Labor Performed and Improvements Made filed by E. H. Escapule for the three Fox claims for the assessment year ending September 1, 1967. The Affidavit was timely filed, however, the Affidavit describes neither the work performed nor the amount expended in such performance and it is doubtful that the Affidavit would constitute even prima facie evidence that proper work was performed if the work were challenged by a third party asserting forfeiture. For this reason, it would be my recommendation that a sworn statement be obtained from M. E. H. Escapule describing the work performed and the amount expended.

(4) The opinions expressed in this letter pertain solely to the record title as it existed on January 31, 1963. Other questions concerning the validity or lack thereof of each of the claims can only be ascertained through a thorough examination conducted on the ground by a person experienced in conducting such field examinations. Factors upon which the validity of the claims depend include determination of whether the claims are properly monumented in the field, evidence of performance of proper location work, and whether or not a discovery of valuable mineral in place has been made within the boundaries of each of the claims. In addition, such an examination is necessary to ascertain the existence or nonexistence of prior valid unpatented mining claims in conflict with the claims set forth above.

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

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

VERITY & SMITH

By

Leo N. Smith

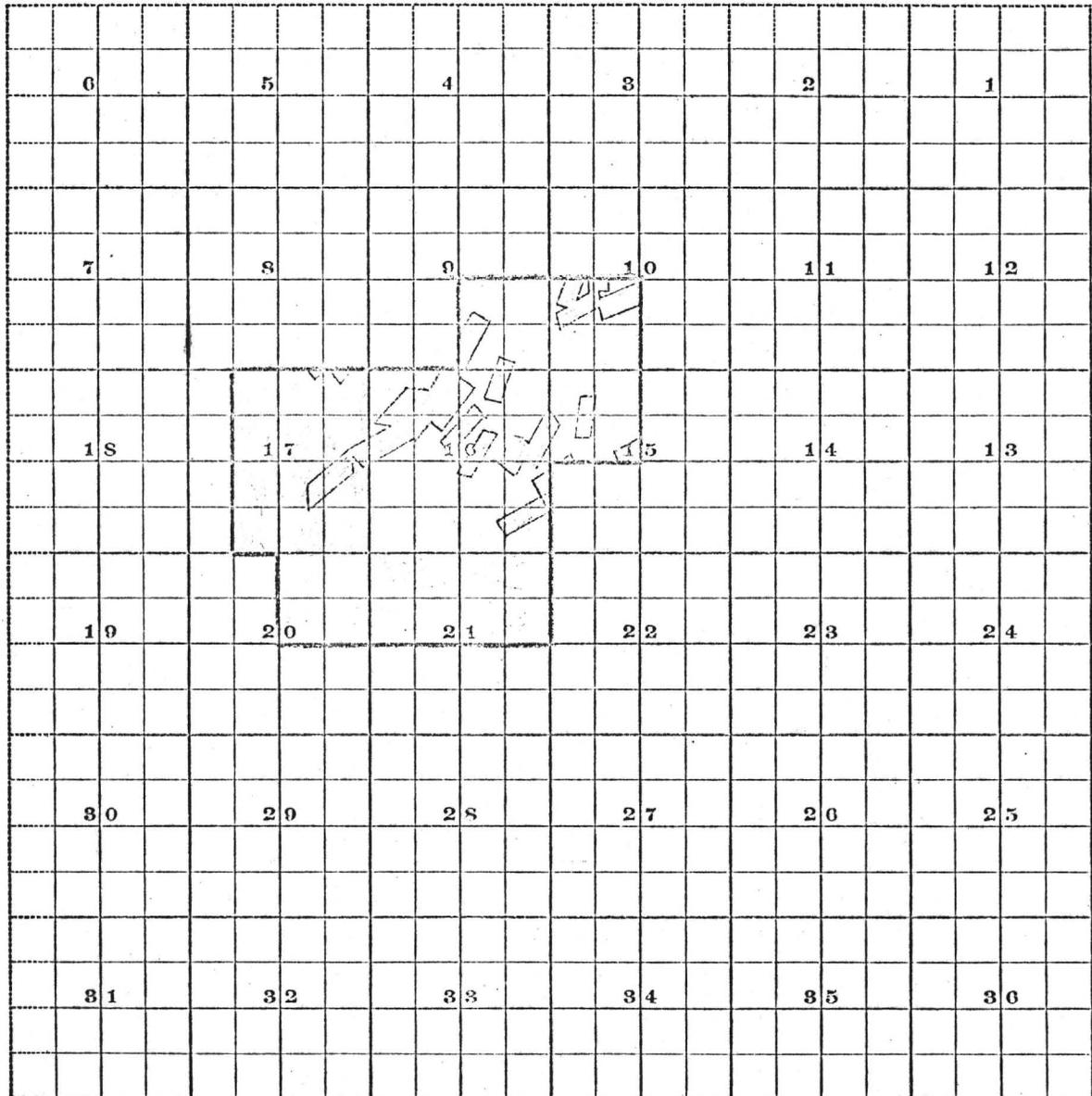
LNS:lh

cc: Mr. Darrell C. Morrow

SKETCH MAP - TO ACCOMPANY LAND STATUS REPORT

Cochise County Arizona

Sec. _____ Township No. 20 S. Range 22 E. of G&SR ~~XXXXXX~~ Meridian



- Public Domain (federal mineral and surface)
- Mining Claims as shown on MTP plat (private mineral & surface)
- Taylor Grazing Act Patent (federal minerals & state surface)
- State School Lands (state minerals & surface)

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

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

1970

West

~~##~~

June

RFH, R.H., JAB. A.S.

Dick gave ^{June} 11-20

350 k commitments for 1971. at this date.
100k com by Corning.

Payment to Belue DeBear: \$6k

\$121k available for 1970 partnership projects

\$30k left - Bob Elmer contract.

What about Rumors: Mexico - Debt to Joint Venturers

150K to spend for 1970 on '71 partnerships.

Cordero

1. Nevada Screening - Larry Walters.
2.25 Hg, AM Assay.

Mkt., - Mining Eng. Mgs. -

Cordero

all money & management of Cordero.

Sierra - 25-30% carried interest. (not contributing)

Placer Sierra additional 500K & Placer has option to put in \$^{0.50}1.5MM (60% of total expenditure)
This gives us 40% when considering risk we should have 70%. Then if we don't put in further cash then we would be diluted to 20% approx (carried interest)
We should have 30% carried interest considering risk.

Mackay: Leasing operation U.S. Silver.

Barber Dolbear - Uniper for expenditures on U.S. Silver property. Contract now ready to be signed but no signature by Mackay.

Mackay management hasn't accounted for expenditures to date.

Orig. Contract: 1MM by Sierra for 50% interest
300K exp. earns Sierra 1st interest.

Roni Moliner

La. Colorado # avg. grade \$6⁰⁰ test by 1MM Tom

Carry over from Jim Bishop dealings which Sierra became heir to.

Sierra owns 25%

W.S. Moore bought 50% for \$200,000

They then sold 25% to Arden

for 100K work commitment. This is what Sierra now has.

Management by: W.S. Moore & Co.

Irving Moore is now head (W.S.'s son)

Next Step: Our money has been spent on drilling. Now it is suggested that ads etc be driven for testing & sampling.

No further commitment \neq sale of interest
is indicated.

1970

Project		Expenditures
La Colomela	—	nil
Mackey	—	nil
Cordero	—	nil
Walker	—	
Hussampa	—	

Ja

Jack Splane

Walker Project - Negotiate to reduce
2K/mo payment to zero in exchange for
work commitments

No mill. will be built on the property -
thus no capital investment. (Any potential ore
will be shipped to Placer mill on
Light's Creek.

May never be able to mine the area because
of poss. pollution \neq Sierra Club activities.

Herrington

Deane - Rose - 18K at end of June
+ 11K/yr w/ end price of 75K or \$750/acre

1971

Mexican Metals - Notice Moliner & usually
that we are dropping out.
Notice will be from Monty Golds
in N.Y.

Dixie - Burbage - J+B will go see

Cody-Superior -

Phoenix -

Minago -

~~Capore~~ -

Commonwealth

Proposed Budget
Leachd Capping Interpretative Map & Geochron
Sampling, Noosaampa Project

359-2402

~~Mr. Mock~~ Found Forks on other side SS.

Sady Grove Truck Stop - Just

Doc. Lacy:

Tax F

Hassampa

Dean Rose

Cummings - 50K due in December rather than 100K

1971

1971 PARTNERSHIP

<u>Project</u>	<u>Minimum Obligation</u>	<u>Funding First</u>	<u>Requirement Second</u>	<u>Potential Increment</u>	<u>Status</u>
1. Sante Fe <i>Sante Fe Norm Dausinger</i>	\$ 10,000	\$ 10,000/Apr 1	\$ -0-	\$ -0-	Approved
2. El Azteca	6,000	6,000/Apr 1	-0-	-0-	Approved
3. Dixie	40,000	20,000/Apr 1	20,000/July 1	75,000	Approved
4. Cody <i>N. of Prescott Superior</i>	3,000	3,000/June 1	-0-	20,000	Limbo
5. Phoenix (silver Bull) <i>100% to drilling</i>	64,000	30,000/May 1	34,000/June 1	75,000	Approved
6. Manago	200,000	100,000/May 1	100,000/June 1	-0-	Approved
7. Capore <i>Capore - all term</i>	2,000	2,000/June 1	-0-	25,000	Limbo
8. Commonwealth	44,000	44,000/Aug 1	-0-	50,000	Limbo
9. Coyote Wash <i>Chino SE Coyote Wash Quintana - Suffolk</i>	80,000	50,000/June 1	-0-	50,000	Limbo
10. Little Hills	50,000	20,000/June 1	30,000/July 1	50,000	Limbo
11. Volcanogenic	120,000	60,000/June 1	60,000/July 1	-0-	Limbo
12. Tenneco	500,000	50,000/May 1	50,000/mo.	min. oblig.	Limbo

13. *Clav. Norm Dausinger is*

8. Kennecott drilling 3m SE of Chino pit & beyond (to SE) of Commonwealth claim.

Cody - Nick Caruso owns Cody claim, Jay Fuller, Bob. Holt
1971 \$1m from private offering.
from joint venture

13. Cleveland Cliffs
65% earned by 75% of cash requirements
Hewitt - Geophysicist look thru 1k feet of cover. w/IP.

CORDERO FINANCIAL SUMMARY

<u>Variable</u>	<u>Most Likely</u>	<u>Value For Parameters</u>	
	<u>400 Tons Per Day</u>	<u>1000 Tons Per Day</u>	<u>2000 Tons Per Day</u>
1. Ore tonnage	1,500,000	4,000,000	6,000,000
2. Ave. Grade	2 # per ton <i>(recovered grade - act. grade = 2.3 lb/ton)</i>	1.8 # per ton	2.0 # per ton
3. Capital Invest.	\$ 750,000	\$ 1,500,000	\$ 3,500,000
4. Price Per lb.	\$ 4	\$ 4	\$ 4
5. Operating Cost per ton	\$ 5	\$ 4	3.5
6. Gross Royalty Rate	10 %	10 %	10 %
7. Life	12 years	12.8 years	9.6 years
8. Risk Rate	15 %	15 %	15 %
9. Safe Rate	4 %	4 %	4 %
10. State Tax Rate	5 %	5 %	5 %
11. Federal Tax Rate	50 %	50 %	50 %

MOST LIKELY RESULTS

<u>Production Rate</u>	<u>Annual Cash Flow</u>	<u>Net Profits Present Worth</u>
400 TPD	\$ 219,218	\$ 259,853
1000 TPD	602,324	1,259,712
2000 TPD	1,801,170	3,963,054

CORDERO

FUTURE EXPENDITURE ESTIMATES

Exploration	\$ 300,000.00
Dev. - Pilot Plant (100 TPD)	200,000.00
Plant (1000 TPD)	<u>1,500,000.00</u>
	\$ 2,000,000.00

SIERRA'S EXPENDITURES

Approximately	\$ 200,000.00
---------------	---------------

PROPOSED "DEAL" FORMAT

<u>Time</u>	<u>Terms</u>
○ On Signing (Exploration)	1. Option a) XYZ manages project b) XYZ spends Sierra \$
○ On Exercising Option (Exploration and Development)	1. XYZ commits expl. and dev. \$ for <u>A</u> months 2. XYZ pays back a % of Sierra's investment
○ After <u>A</u> months (Feasibility and late-stage development)	1. XYZ commits to plant construction 2. XYZ buys 75% or more of Sierra's interest and Sierra has an option on putting up its share of the capital for the equivalent share of profit (participation interest)
○ Production	

SPEED LETTER®

TO RFHFROM JABSUBJECT Consulting Land Man - Claim staking services

-FOLD

MESSAGE

DATE May 25 1971

Re. our conversation this AM.

I checked w/ Dave Howell. They use Mr. Jack Splane - a registered mining eng. located in 804 Lowers Title Bldg.

Phone 624-8025

Splane does all types of land research claim plotting & negotiation if required. He also does general mining consulting. He doesn't do physical staking work. but both he and Howell suggest Jim Jerez for this.

-FOLD

SIGNED 

REPLY

DATE _____ 19____

-FOLD

SIGNED

INTEROFFICE MEMO

TO: Mr. F.R. Hewlett

FROM: J. J. Buscira

DATE: Thurs. May 27 '71

SUBJECT Mr. Nuttycombe - Office equip.

Mr. Nick Nuttycombe will be starting with us Tues June 1. See attached memo.

Mr. Nuttycombe will require a desk (like mine preferably), a chair, and a drafting lamp.

In addition to the equipment list I've previously given you and the above, we will need a steel storage cabinet (like that in the Xerox room) another long folding ~~table~~ table (like the one I've) have) and another drafting table.

INTEROFFICE MEMO

TO: File Memo

DATE: July 13, 1971

FROM: J.A. Briscoe

SUBJECT: Aeromagnetic Cost Estimates, Aerial Surveys
Ltd., Salt Lake City, Utah
Phone - 801-278-0541

Rough cost estimates subject to variations caused by rugged terrain, moise and demobe charges, job size, lack of adaquate map coverage are as follows:

500' MTS and 1/4 mile line spacing

100-500 line miles = \$10.00/line mile

500-2,000 line miles = \$9.00/line mile

+ 2,000 line miles \$6.00/line mile

Data will be reduced and drafted on topographic maps. Data on photo mosiacs is additional.

INTEROFFICE MEMO

TO: R.F. Hewlett

DATE: August 6, 1971

FROM: Jim Briscoe

SUBJECT: Draftsman

As the tempo of our exploration activities increases we will be spending more and more of our time drafting field data. I think that as soon as we can afford a full time draftsman we should hire a competent person - ideally someone who could handle several jobs ie drafting library research, light secretarial, etc.

Mrs. Delancey whose resume is attached might fit the bill. Because of budget cuts she is being laid off the AMAX staff as of September 1.

INTEROFFICE MEMO

TO: R.F. Hewlett

DATE: August 26, 1971

FROM: Jim Briscoe

SUBJECT: Elmer Drill Rig

Regarding Bob's rig, a check with Arizona Cedar Rapids revealed the following: With the rig equipped as it is, new it should drill to 650 feet under the best of conditions. Since Bob's rig is older, 500 feet is reasonable. Using 3 1/2 inch pipe rather than the 5 inch pipe, he is presently using and with certain modifications, the rig should drill to 2,000 feet, with auxillary air and/or mud pump. At best, these modifications would take 15 to 20 days.

Costs are as follows:

Modification of drill rig approx (Beef up draw works)	3,000
--	-------

Purchase price of 1000' of 3 1/2" pipe @ \$320/25' section	
40 sections X \$320 =	\$12,800
Less possible trade-in value of 5" present pipe equipment	<u>\$ 9,500</u>
	3,300

Cost of hammer tool #35	\$ 2,812
less possible trade-in present equipment?	?

4 hammer bits @ \$464 ea.	\$ 1,856
---------------------------	----------

"Brownie" gear for truck (installed)	600
	<u>\$11,568</u>

less possible trade-in on present hammer tool +mud pump	?
	<u>3,000</u>
	<u>\$14,568</u>

Thus, for the above cost Bob's rig should be applicable for drilling at depths up to 2,000 feet using rotary or hammer tools with air or mud circulation. Spot diamond drill cores which is common practice in this type of drilling are only possible if the rig is equipped with a mud pump.

Bob's service truck is old and could require further repairs. Thus we could easily be talking \$15,000 to get his equipment in condition to drill the type of hole we require.

To get a penetration to 2,000 feet an additional \$13,000 worth of drill pipe would be required.

We have at least some moral obligation to Bob because of our termination of the Cordero contract.

Thus, if we want to take the risk on Bob Elmer, the following could be done.

- A. Have a drilling consultant verify the above costs and the applicability of the rig to our drilling needs.
- B. Determine whether there is potential drill work which we can depend on to keep Bob busy for at least 6 months. This should give us gross receipts of about \$120,000 which would pay off most of the above equipment cost.

Mr. Abe Kaloff who operates the same type rig claims that 4,000 feet of drilling per month at a rate of \$5.50/foot are necessary to earn 12 1/2 to 15 percent on invested capital. Thus we would have to charge at this rate to get our equipment cost back. By comparison the contract AMAX has with Boyles Bros. is for \$3.50/foot + drill bits.

Sources of drill work would be:

1. Work on our own account
2. Tenneco drilling
3. AMAX drilling
4. Other joint venture partners

If we can outline 6 months work we could then:

- C.
 1. Pay enough to Bob's creditors to keep him solvent.
 2. Equip his rig to drill to 1,000 to 2,000 feet. Whether to purchase the additional pipe necessary to drill to 2,000 feet would depend on the spec's in the contracts in A.
 3. Invest the necessary capital for an interest in Bob's operation which he could then have the option of buying back.

As is obvious, this investment is highly risky and dependent to a high degree on Bob's future performance as a driller. His past performance doesn't inspire confidence.

By way of comparison of problems involved in this type of drilling Abe Kaloff told me the following:

He has about \$180,000 in drilling and sampling equipment for the one CP 650 drill.

He lost 3 hammer tools (\$10,000) in the hole before his drillers "got the hang of it"

His first drilling costs were about \$12/per foot.

He has spent about \$50,000 on developing sampling equipment.

From a purely practical point of view, I think we should stay out of the drilling business.

Jim Briscoe

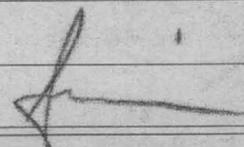
SPEED LETTER®

FROM RFH TO J.A.B

SUBJECT _____

MESSAGE DATE Oct 4 19 71

Talked with Del Koch today.
She says her lawyers have to have
~~some~~ documentation showing that
~~Worandex~~ has chopped out of
Hossayanga and that we are
now in legal control of the
property.

SIGNED 

REPLY DATE _____ 19 _____

*Return with
RFH Nov 5, 1971*

SIGNED _____

w/gen. Corp.

TO Al Smith

FROM JHB

SUBJECT Rocky Mtn. Tussion Bill

-FOLD

MESSAGE

DATE Oct 15 1971

Mr. Martin Hibbitts called me yesterday about a geochem assay bill dating back to ~~June 28 '79~~ June 28 '79 for \$81.60! It is invoice TU-2592. They're getting pretty anxious about it

[Handwritten signature]

-FOLD

SIGNED

REPLY

DATE _____ 19__

-FOLD

SIGNED

INTEROFFICE MEMO

TO: File

DATE: Oct 19, 1971

FROM: J.A.B

SUBJECT Melvin Lamph

Mel Lamph is worldwide sales
representation for memory units
for an English computer manufacturer.
He feels that he and several
or more of his friends & business
acquaintances have need for
tax shelter investments.

Office 714-540-9945
~~the~~ 1674 McGaw Ave.
Orange, Calif.

home 714-637-6371



UNITED STATES
DEPARTMENT OF THE INTERIOR

GEOLOGICAL SURVEY
Topographic Division
345 Middlefield Road
Menlo Park, CA 94025

October 20, 1971

Mr. Nick Nuttycombe
Sierra Mineral Management
4741 East Sunrise Drive
Skyline Bel Aire Plaza
Tucson, Arizona 85718

Dear Mr. Nuttycombe:

We have received no response to our other two letters of August 25, and September 16 concerning your delinquent account covered by our Invoice #8518P in the amount of \$75.25. This is the amount due on your purchase of aerial photographic reproductions. The reason for the difference in the money paid and the amount billed is that the prices you used were from an old price list.

Please forward payment in the amount of \$75.25 to cover the above purchase. If payment is not received by November 30, 1971, this account will be referred to the General Accounting Office for further collection action.

Sincerely yours,

Roy F. Thurston
Pacific Region Engineer

TO Al Smith - F.R. Hewitt FROM J. A. Briscoe

SUBJECT Delinquent bills - U.S.G.S, Nick. Nuttycombe

MESSAGE

DATE Oct 28 1971

With this note I'm attaching a letter from the U.S.G.S. topographic map division regarding a back bill for \$75.25 from aerial photos we ordered in Aug. of this year. If we don't remit by Nov. 30 they will start collection action.

Nick Nuttycombe worked all summer with only one or two days off. He should be paid thru Oct. 10 so, settle our obligation to him. To date he has been paid thru the end of Sept.

SIGNED J.A. Briscoe

REPLY

DATE _____ 19____

SIGNED



THE UNIVERSITY OF ARIZONA

TUCSON, ARIZONA 85719

COLLEGE OF EARTH SCIENCES
OFFICE OF ARID LANDS STUDIES
1201 E. SPEEDWAY
TEL. (602) 884-1955

December 28, 1971

Mr. James A. Briscoe
Vice President & Chief Geologist
Sierra Mineral Management
Skyline Bel Aire Plaza
Tucson, Arizona 85718

Dear Mr. Briscoe:

Copies of color aerial photography obtained by NASA high-altitude RB-57 and other aircraft are now obtainable through the EROS Data Center in Sioux Falls, South Dakota rather than through NASA Manned Spacecraft Center in Houston. With this change of procedure, there is also now a charge of \$4.00 per 9" x 9" frame for duplicate color transparencies and \$3.00 per 9" x 9" frame for color prints to cover the cost of reproduction.

Our records indicate you had ordered the following imagery from us on August 30th:

<u>MISSION</u>	<u>ROLL</u>	<u>CAMERA</u>	<u>FILM</u>	<u>FRAME NUMBERS</u>	
101	4	RC-8	2448	4350	4399
			EKTA	4351	4400
				4352	4401
				4353	4402
				4354	4403
				4355	4404
				4356	4405
				4357	4406
				4358	4407
				4359	
				4360	
				4361	

-2-

Because the provisions of our contract do not allow us to conduct the necessary monetary transactions, we suggest you order your imagery directly from Sioux Falls at the address given below:

EROS Data Center
U. S. Geological Survey
132 S. Dakota Street
Sioux Falls, South Dakota 57198

Attention: Mr. William R. Campbell

If you have any questions, please do not hesitate to contact us-- we apologize for the delay in this order.

Sincerely yours,

L. K. Lepley

L. K. Lepley
Project Manager
Arizona Regional Ecological Test Site

LKL/jm

1972

JOHN L. SPLANE
MINING ENGINEER

LAWYERS TITLE BDG.
TUCSON, ARIZONA 85701
TELEPHONE 624-8025

May 12, 1972

REGISTERED PROFESSIONAL ENGINEER
ARIZONA NO. 1864

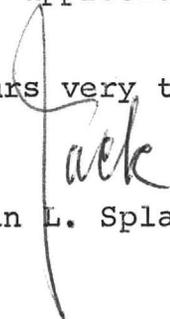
PERSONAL & CONFIDENTIAL

Mr. James A. Briscoe
Sierra Minerals Management
4741 East Sunrise Drive
Tucson, Arizona 85718

Dear Jim:

Your help in this matter will be appreciated.

Yours very truly,


John L. Splane

JLS:sy
Encl.

Statement

JOHN L. SPLANE

MINING ENGINEER

ARIZONA LAND TITLE BLDG.

TUCSON, ARIZONA 85701

TELEPHONE: AREA CODE [602] 624-8025

TUCSON, ARIZONA

May 12, 1972

Mr. James A. Briscoe
Sierra Minerals Management
4741 East Sunrise Drive
Tucson, Arizona 85718

February Statement	\$ 218.75
March Statement	196.88
April	
4/5 Meeting with J. Briscoe & R. Hewlett	
4/6 Meeting with Dick Yaeger	
3/8 day	<u>65.63</u>
	\$ 481.26

TO R.F.H.

FROM JAD3

SUBJECT Budget requirements Corduro Proj Work of May 21, 1972

MESSAGE

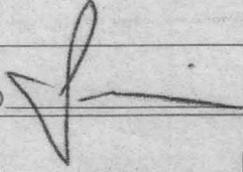
DATE May 16 1972

For the week of May 21 we must have

\$ 8,340 (Minimum) to cover mill equip
for the Lanway mill, supplies and
the first lease payment on the same
equipment as shown on the attached
sheet. This does not include travel
expenses and back salaries which
approximate \$ 6,500

-FOLD

SIGNED



REPLY

DATE _____ 19____

-FOLD

SIGNED

MEMORANDUM

FROM: R.F. Hewlett

DATE: May 16, 1972

SUBJECT: Insurance

We need a liability insurance of \$1,000,000 as indicated in the enclosed lease agreement. Also, we will need a \$75,000 fire insurance policy. In addition, we should have a group health plan and office insurance, Cordero equipment etc. We must get this within one week.

(120) days before the end of each assessment period; and provided, further, that if Lessee abandons some but not all of the Claims, this Lease will remain in effect with respect to the retained Claims.

7. Indemnification and Insurance

Lessee shall indemnify Lessor against and hold it harmless from, all liability for death or injury to persons and damage to property occurring on the Lands and in any way arising out of or connected with Lessee's activities and operations during the term of this Lease, except for liabilities arising out of gross negligence of the agents of Lessor. Lessee agrees to take out adequate insurance covering such risks and to name Lessor as co-insured, in the amount of not less than One Million Dollars (\$1,000,000). Lessee further agrees to post notice of Lessor's non-liability in at least three (3) conspicuous places on the Lands.

8. Right to Assign

(a) The rights of either party under this Lease may be assigned in whole or in part, provided, however, that no assignment or transfer by one party of its interest in the Claims or in the royalties shall operate to enlarge or diminish the rights or obligations of the other party.

the Claim or Claims not later than one hundred twenty (120) days before the end of each assessment period; and provided, further, that if Lessee abandons some but not all of the Claims, this Lease will remain in effect with respect to the retained Claims..

7. Indemnification and Insurance

Lessee shall indemnify Lessor against and hold it harmless from, all liability for death or injury to persons and damage to property occurring on the Lands and in any way arising out of or connected with Lessee's activities and operations during the term of this Lease, except for liabilities arising out of gross negligence of the agents of Lessor. Lessee agrees to take out adequate insurance covering such risks and to name Lessor as co-insured, in the amount of not less than One Million Dollars (\$1,000,000). Lessee further agrees to post notice of Lessor's non-liability in at least three (3) conspicuous places on the Lands.

8. Right to Assign

(a) The rights of either party under this Lease may be assigned in whole or in part, provided, however, that no assignment or transfer by one party of its interest in the Claims or in the royalties shall operate to enlarge or diminish the rights or obligations of the other party.

SCHLOSS BROS.

PHONE 317-631-1311

★ 108 EAST WASHINGTON STREET
INDIANAPOLIS, INDIANA 46204

7-1-72

Dear Tim

The enclosed memo applicable
to building a building may be
of some interest to you
Phone me any evening if
I can be helpful (person to
person collect)

Thanks for the courtesy
extended. I was impressed
with the completeness
of your analysis

Sincerely

Bill

THE SHORELINE GROUP

660 MADISON AVENUE

NEW YORK, N. Y. 10021

(212) 688-4580

THOMAS H. SCHLOSS
DWIGHT E. LEE

August 25, 1972

Mr. James Briscoe
6418 Santa Aurelia
Tucson, Arizona

Dear Jim:

This letter outlines the basic structure of our agreement relating to the Tailing's Project and Schloss Bros., its nominee or sub-chapter S Corporation to be organized:

1. A salary of \$2,000.00 (two thousand dollars) a month, paid at two week intervals, plus expenses allocated to this project.
2. We will pay you a percentage of the profits after Schloss Bros.' investment is returned based upon the following formula:
 - (a) If the profit is three times Schloss Bros.' investment or lower, you will receive 3% of the profits.
 - (b) If the profit is four times Schloss Bros.' investment, but less than five times, you will receive no more than four percent of the profits.
 - (c) If Schloss Bros.' profit is five times or greater than its investment, you will receive no more than five percent of the profits.
3. If you decide to leave in the first year you will give us three months notice; if you leave during the second year, you will give us two months notice; and if you leave during the third year or thereafter you will give us one month notice. We in turn will follow the same schedule in terms of giving you notice.
4. We agree to conduct our affairs in a business-like manner which includes paying all legitimate bills on time, proper budgeting, forecasting and review, and we recognize our commitment to our employees and associates.

5. We will proceed with the Tailing's Project on a step by step basis, determining at each point whether or not it is feasible to continue.
6. Within the context of approved budgets, you will have the right to spend funds up to some reasonable amount which we will later agree to.
7. In the event that employment is terminated as a result of our not proceeding with the Tailing's Project, you will be free to proceed on your own. However, if you leave either at our behest or your own you agree not to compete on similar tailing's projects for one year and in addition, agree that the information developed during your employment with us is of a proprietary nature and the property of the partnership or Schloss Bros. and it's nominee.
8. We acknowledge your options on certain mining properties known as Silver Bell. Schloss Bros. or it's nominee have the right of first refusal on any equity or debt financing etc. to be consumated on that property, but must reply to a written offer in thirty days. You agree to inform Schloss and Lee of the time spent on this project with regards to whether it is during normal working hours or at other times.
9. You will submit once per month a budget for the next month and a review of the previous month's budget in writing which will be discussed by phone. We will meet a minimum of once quarterly to review progress.

We trust these provisions are as agreed, and look forward to moving ahead with the project.


DEL

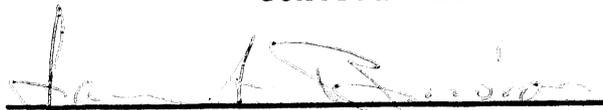
Dwight E. Lee
General Partner

Sincerely,



Thomas H. Schloss
General Partner

Your signature indicates agreement:


James Briscoe

5. We will proceed with the Tailing's Project on a step by step basis, determining at each point whether or not it is feasible to continue.
6. Within the context of approved budgets, you will have the right to spend funds up to some reasonable amount which we will later agree to.
7. In the event that employment is terminated as a result of our not proceeding with the Tailing's Project, you will be free to proceed on your own. However, if you leave either at our behest or your own you agree not to compete on similar tailing's projects for one year and in addition, agree that the information developed during your employment with us is of a proprietary nature and the property of the partnership or Schloss Bros. and it's nominee.
8. We acknowledge your options on certain mining properties known as Silver Bell. Schloss Bros. or it's nominee have the right of first refusal on any equity or debt financing etc. to be consumated on that property, but must reply to a written offer in thirty days. You agree to inform Schloss and Lee of the time spent on this project with regards to whether it is during normal working hours or at other times.
9. You will submit once per month a budget for the next month and a review of the previous month's budget in writing which will be discussed by phone. We will meet a minimum of once quarterly to review progress.

We trust these provisions are as agreed, and look forward to moving ahead with the project.


DEL

Dwight E. Lee
General Partner

Sincerely,



Thomas H. Schloss
General Partner

Your signature indicates agreement:


James Briscoe

THE SHORELINE GROUP

660 MADISON AVENUE

NEW YORK, N. Y. 10021

AIR MAIL
SPECIAL DELIVERY



GRAND CENTRAL
STATION

AIR MAIL-SPECIAL DELIVERY

Mr. James Briscoe
6418 Santa Aurelia
Tucson, Arizona

Southwestern Exploration Associates
4500 E. SPEEDWAY, SUITE 14
TUCSON, ARIZONA 85712
(602) 795-6097

DAY/TIMER
time-saver

LETTER

IN REFERENCE TO:

FIRST CLASS MAIL INTER-OFFICE

FOR

Tom Waldrip

4500 E Speedway

TUCSON ARIZ. 85712

HOW TO USE THIS

DAY/TIMER

time-saver LETTER TO SAVE TIME.

Type or write your reply in the space below. Then mail the white copy to us and keep the pink copy for your files. You'll save time and effort, and we'll have your answer much faster! Thank you.

MESSAGE

DATE:

9-10-72

FOLD

Decanted precp from 36.5 hr run. 26th wet precp approx 40% moisture. Made out Barrel Test Reports to go to Tucson. Started up 10 Barrel Test 4119, 4120, 4114, 4115, B-20 B-21 - B-22 - B-23 - B-24 - B-25 for 72 hrs Test. Checked NACN Titrations

Called you about Dustys insurance and supplies needed

BY

KW Watterson

REPLY

DATE:

BY

19723

Time-Saver

JAMES A. BRISCOE
EXPLORATION GEOLOGIST
6418 SANTA AURELIA
TUCSON, ARIZONA 85715
(602) 885-1790

LETTER

*File: Carrizal
Tombstone
Proj 105*

IN REFERENCE TO *Return of
photostats of Tombstone
patent plots*

AIRMAIL FIRST CLASS MAIL INTER-OFFICE

FOR *Charlie Escapula
Gen. Del.
Tombstone*

HOW TO USE THIS

DAY/TIMER

Time-Saver

LETTER TO SAVE TIME.

Type or write your reply in the space below. Then mail the white copy to us and keep the pink copy for your files. You'll save time and effort, and we'll have your answer much faster! Thank you.

MESSAGE

FOLD

DATE

1/3/73

FOLD

Dear Charlie

*Thanks for the use of the claim
data*

*Hope you and your family had
a happy holiday. Best wishes
for the new year*

*Best personal regards
Jim Briscoe*

FOLD

FOLD

BY

REPLY

DATE

BY

JAMES A. BRISCOE
EXPLORATION GEOLOGIST
6418 SANTA AURELIA
TUCSON, ARIZONA 85715
(602) 885-1790

LETTER

File: SMM

IN REFERENCE TO:

corresp.

AIRMAIL FIRST CLASS MAIL INTER-OFFICE

FOR *Dick Hewlett*
4741 E. Sunrise Dr.
Tucson, Ariz. 85715

HOW TO USE THIS

DAY/TIMER

Time-Saver

LETTER TO SAVE TIME.

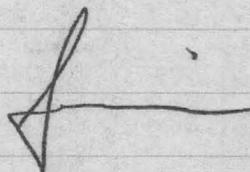
Type or write your reply in the space below. Then mail the white copy to us and keep the pink copy for your files. You'll save time and effort, and we'll have your answer much faster! Thank you.

MESSAGE

DATE

Jan 4, 1973

Dick,
Found the following ~~add~~ ad in
the Tonopah paper on my trip to
Bodie. It may be of interest to
you regarding mill equip.



BY

REPLY

DATE

BY

January 4, 1973

Mr. Richard F. Hewlett
President
Sierra Mineral Management
4741 E. Sunrise Drive
Tucson, Arizona 85716

Re: Toulon Mill Inventory

Dear Dick:

Enclosed are the copies of the inventory sheets for the Toulon Nevada Plant belonging to Mr. Ray Cunard which arrived yesterday. This is the mill, which I mentioned to you in my letter of December 30, which is located just to the west of Lovelock, Nevada. It doesn't sound like there is too much potential for this mill where it sits because of lack of ore; however, it may be of interest to you as a source of used milling equipment.

Very truly yours,

James A. Briscoe

Enclosures

JAB/md

Mr. George Bator

AT 2011 Washington, Golden, Colorado

SUBJECT Final consulting bill.

DATE Jan. 5, 1973

George,

Thanks for your bill. We appreciated your fine help.

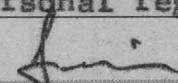
I would be interested in hearing of any small projects which might come to your attention over the next year.

If you get down in the southern Arizona area please give me a call.

Best personal regards

DUPLICATE

SIGNED


James A. Briscoe

DATE

SIGNED

Rediform®

4S 469

SEND PARTS 1 AND 3 WITH CARBON INTACT -

PART 3 WILL BE RETURNED WITH REPLY

DETACH AND FILE FOR FOLLOW-UP

SPEED LETTER®

TO The Shoreline Group
660 Madison Ave.
New York, N.Y. 10021

FROM James A. Briscoe
6418 Santa Aurelia
Tucson, Arizona 85715

copy

SUBJECT _____

—FOLD MESSAGE DATE Jan. 5 19 73

Dear Tom & Dwight:

Enclosed are xerox copies of the checks you recently sent me, as per your request.

Mr. George Bator has submitted his consulting bill in the amount of \$200.00. I have enclosed his letter which I would appreciate your making copy of and sending me same. I have paid George by check today and no action on your part is necessary.

I vacated the office at 4741 E. Sunrise Dr., Friday, Jan. 5, and have turned it over to Dick Hewlett as of about 3:30 P.M. Phone service was terminated on December 31, 1972 and the 914 Xerox was removed Jan. 2, 1973. I have kept a record of all phone calls I've made and will re-imburse Shoreline Group for these amounts. The same is true for the Xerox. These bills should arrive within the next week or two. When these last two are paid I think that will completely finalize the Shorex accounts, and I will send you a check for any monies remaining in the accounts.

About three weeks ago I asked you about sending me data on my group insurance coverage with Omega Communications, so that I would have the option of picking up the coverage. I haven't heard anything about it to date, but would appreciate it if you could send me the necessary data.

—FOLD Tom, if you could send me the brown, bound copy of my Silver Bell report, it would be much appreciated. SIGNED

REPLY DATE _____ 19 _____

I have very much enjoyed doing business with you both and I hope we can continue our association over the years.

Very best personal regards

James A. Briscoe

—FOLD _____

SIGNED _____

Greer & De Foor

public accountants

January 12, 1973

Kermit W. Greer
public accountant

Kyle De Foor
certified public accountant

Shorex, Inc.
James Briscoe
1621 Entrada Quinta
Tucson, Arizona 85718

Consultation services performed
during the month of September and
October, and discussion of acc-
ounting system set-up.

\$99.00

SPEED LETTER®

TO The Shoreline Group
660 Madison Ave.
New York, N.Y 10021

FROM James A. Briscoe
6418 Santa Aurelia
Tucson, Arizona 85715

SUBJECT Shoreline Group partial re-imburement of funds.

MESSAGE

DATE January 30, 19 73

-FOLD

Dear Tom & Dwight:

Please find enclosed two checks in the amounts of \$242.77 and \$160.92. The one in the amount of \$242.77 closes out the Shorex account under my name which I held at the Arizona Bank adjacent to the Shorex office. The second in the amount of \$160.92 is to reimburse you for the \$75 in professional publications mentioned in my letter of Dec. 22, 1972, \$78.67 in telephone calls a I made after your termination of Shorex business and \$7.25 for a metal stationary file which was too long to fit in any available boxes when I shipped the office equipment back to you and Schloss Bros.

I called Xerox this morning and they said the Xerox billing would come about Feb. 15.

There is \$256.92 remaining in the account at the Valley National Bank. We should get a reimbursement from the phone company in the amount of \$240.78. I checked with them this morning and it should be along by about the tenth of Feb. Thus the total remaining would be \$497.70 less what ever is owed xerox. As soon as these last items are taken care of I'll send you the final check.

Also enclosed is another statement from Holme, Roberts & Owen in the amount of \$254.10. Since you have handled these in the past, I didn't forward them any payment.

Hope things are going well for you.

Best personal regards

SIGNED



REPLY

DATE

19

-FOLD

-FOLD

SIGNED



JAMES COOK UNIVERSITY OF NORTH QUEENSLAND

P.O. BOX 999, TOWNSVILLE, 4810. TELEPHONES: Douglas 79 3711; Pimlico 79 2193

GEOLOGY DEPARTMENT

20th March, 1973

Mr. R. F. Hewlett,
President,
Sierra Mineral Management,
4741 East Sunrise Drive,
Tucson,
ARIZONA 85718

Dear Dick,

It was a real pleasure to receive your letter and particularly good news to hear that Cordero will be going into production. Jim Briscoe's description of it was most intriguing.

The Tombstone district presents a real enigma. There is a wide scattering of silver and real bonanza pockets of enriched material; however, the veining is not sufficiently close to permit any sort of a large scale mining operation. There is no dissemination of silver values, they are strictly confined to the narrow veins. Open pit possibilities are very slim.

The vein at the State of Maine is a strong one, and as I recall had good shoots located where flat thrust offset the vein structure. Also, the vein bottomed out along what appeared to be a major thrust fault at the base of the Uncle Sam Porphyry. The location of the downward continuation of the vein would be difficult to establish. Possibilities along extensions of the vein might yield a few tens of thousands of tons.

Deep drilling done by Newmont or Phelps Dodge, in the central portion of the Tombstone district, shows an interesting increase in base metal values at a depth of about 2,500 to 3,000 feet that have never been followed up. Records are held by the Tombstone Development Co. with offices in Los Angeles. I feel that the best possibility for developing a deep porphyry copper is in the center of the district, but it would certainly entail operational problems. The Charleston area where Clyde Davis was drilling is less attractive but still has possibilities. There is a great deal of thrusting in the area and surface geology may not be representative of geology at a thousand foot (plus) depth.

I am convinced that a proper investigation and solution of the structure can lead to major finds of blind high-grade deposits and most certainly to a major deposit in depth. Geophysics, IP with a wide electrode spacing may pick up some of the disseminated mineralization in depth but would not be too helpful for the bonanza deposits. Good geology and drilling would be the best tools and a large "wildcat" budget a necessity.

All goes well with us, we are busy, well and happy.

With best personal regards.

Sincerely,



Willard C. Lacy
Professor of Geology

Conto. with Dick Hewlett, Tues. April 10, 1973
8:45 AM

Sample dumps

Segregate according to grade
Use scrapers to separate & move.

Placer will be down in a week or
two to give metallurgical advice.

Separate dumps into 1K & min types.
Placer will do met. research.
at cortez.

Ernie & Charlie started work
Monday.

Tombstone Wed at 9 AM at Hill Top.

SPEED LETTER®

TO J. T. Stockdale

FROM J. A. Briscoe

SUBJECT _____

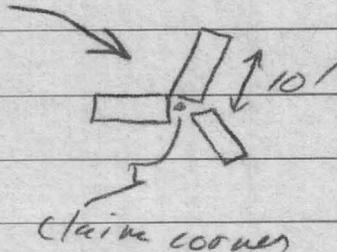
-FOLD

MESSAGE

DATE April 24 1973

Enclosed are two maps: a property map at a scale of 1"=1,000' & the Topog map at a scale of 1"=400'. On the Topog map I have located  which you should flag in the field with the crosses 10' to the legs. Also flag all the claim corners with reel circles on the property map. Use a Y shaped configuration.

questions call me.
morning.



If you have any
I'll be down wed.

-FOLD

SIGNED _____

REPLY

DATE _____ 19____

-FOLD

SIGNED _____

R.F.H.

Dick,

On the days of March 23, 24, 26, ~~27~~, 29, 31
and April 2, 5, 11, 12, 13, 16, 18, 18, & 20
I worked 112.34 hours on various projects
at your request. These included
trips to the Payson area, the Swisshelm
mtns and the Santa Rita mtns and
about 7 days at Tombstone. At my usual
charge of \$20⁰⁰/hour this time comes to
about \$2,255. I think this squares us
with the money I didn't account
for from various expense advances
in 1971 & 1972 as per Bruce Stevenson's
letter of Jan 2, 1973 and ~~at~~ Al Smith's
figures which show this amount to be
\$2040.96.

I have ~~enclosed~~ included my out of
pocket expenses for auto mileage and
meals in my billing through April 26, 1973.

Very Truly yours

James A. Boiscove.

SPEED LETTER®

TO Al

FROM [Signature]

SUBJECT Replacement for light table glass top

MESSAGE

DATE May 2 1972

-FOLD

I broke the glass top on the light table the other day. Hence, have ordered a replacement for it from Acme Glass Co. Cost will be \$12.03. I'd like to get a check so that I can pick it up Friday morning on my way to work.

-FOLD

SIGNED

[Signature]

REPLY

DATE _____ 19__

-FOLD

SIGNED

JAMES A. BRISCOE

Exploration Geologist

6418 Santa Aurelia
Tucson, Arizona 85715
(602) 885-1790
May 4, 1973

Mr. R. F. Hewlett, President
Sierra Mineral Management
4741 E. Sunrise Dr.
Tucson, Arizona 85716

Re: 1971 Minerals Ltd. Tombstone Project, Topographic Mapping.

Dear Dick:

Enclosed please find two proposals from Cooper Aerial Survey and Florian and Collins, Consulting Engineers regarding their cost estimates on the State of Maine Area topographic map. Included are the total costs of the ground control, aerial photography and topographic map compilation.

Based on preliminary discussions with both groups, my original cost estimate was about \$1,000 for topog. mapping and \$900 for ground control. Subsequent to this estimate, we found it took the survey crew 1½ days to lay control pannels in more accurate positions than we were able to accomplish. Cooper also feels that they should backsight all of their primary control points. This will result in better than government specifications on the final map so that 90% of the contour lines will be $\pm \frac{1}{2}$ a contour interval in vertical accuracy. Without backsighting the map could have as much as 4½ foot vertical errors.

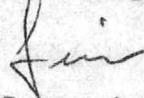
I believe that the accuracy of this map is justified for the type of project you are anticipating. My reasons are as follows:

1. I feel that at this point in time the best potential for the Escapule claim area is for small open pit-type ore bodies and high grade bonanza type ore bodies occurring in sediments beneath the Uncle Sam porphyry. To discover this type of ore body, extremely accurate geologic mapping in three dimensions, and accurately directed drilling will be a necessity. An accurate surface map will facilitate accurate drilling and mapping and possible future underground mining operations.
2. We have brought in an elevation from a Bench Mark in Tombstone and thus our topog. map will be tied to mean sea level rather than an arbitrary elevation. If an option is gained on the Tombstone Basin area our mapping can be easily continued to that area and tied to the elevation of the old workings.
3. Little future transit work will be required to survey in drill hole collars because of the accuracy of the proposed map. Considerable cost savings will result.

Should you not feel this expense is presently justified, we can use less exact ground control. However, I think this could result in higher costs at a later date.

Your signature on the proposals will indicate your approval of the mapping program described, and we will proceed Monday morning. The photography will probably be flown Tuesday.

Best regards



James A. Briscoe

SIERRA MINERAL MANAGEMENT

F. R. HEWLETT
Office Manager

4741 EAST SUNRISE DRIVE
SKYLINE BEL AIRE PLAZA
TUCSON, ARIZONA 85718
602 / 299-9736

To: R. F. Hewlett
From: F. R. Hewlett
RE: Double or Triple Vibrating Screens
Date: May 18, 1973

1. Call to Denver to the Morse Machinery Company. Talked to R. L. Grimes and he mentioned that they have one 5'X12' Robbins Gyrex Double Deck Screen setting on an anvil base with a 10 HP motor and weighing 5800 pounds. Their price, \$2850. Their estimate on transportation from Denver to Tombstone is \$400-\$500.

*Suggests
Too small*

They also have a 4X10 link belt double deck screen with a 5 HP motor. Their price, \$2200. This is a lighter outfit and might not give you the capacity that you might wish. They will send specifications by airmail. Mr. Grimes was of the opinion that the Robbins Gyrex screen was more what we wanted, and suggested that we mount it on a truck bed.

2. Salt Lake City, Machinery Center, representative: Jay Deering. He first suggested a 5X10, three deck Tyler screen with a 15 HP motor at a price of \$4750, but when reflecting on our needs he suggested that this possibly was not applicable to the size screen we would have to use. He was afraid that the 5' width was not correct for the smaller mesh screen. He did suggest that he had two Tyler Hummer two deck machines, 4X8 in size, one with a heating unit at \$1850, without the heating unit, \$1250. The second machine was also \$1250. He said that he felt that this Tyler Hummer was more what we need for our work. He suggested we raise one end with legs to get the correct incline.
3. Also called the Allis-Chalmers Company here in Tucson, They said that they had no vibrating screens on hand, but had theirs built somewhere in Wisconsin to their specifications. He said that their 8X4, three deck screen, powered by a 7½ HP motor, would cost us \$500 FOB Wisconsin. He expressed doubt as to whether this 4X8 would give us the capacity for the work we wish to perform. He suggested that they make an 8X20, three deck machine, retailing at \$18,500. This, of course, is without motor or belts, which would be another \$700. Total, \$19,200.

MEMORANDUM: Mr. R. F. Hewlett

May 18, 1973

Page 2

4. I called Western Machinery Company at Grand Junction, Colorado, but George Setter will not be in until Saturday or Monday, and there was seemingly no one who had information on their vibrating screens sufficient to discuss it with me. He said that they were working on a 4X10 machine in their yard, but did not know if it was sold or not. Setter will call back upon his return.

FRH/ab

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

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

Dear Mr. Hewlett

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

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

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

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

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

Yours truly

John T. Devere

May 24, 1973

UNPATENTED CLAIMS

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

Approximate Location of Unpatented Claims

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

May 24, 1973

MAP REFERENCES

PATENTED CLAIMS (RED)

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

VALID UNPATENTED CLAIMS (GREEN)

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

UNPATENTED CLAIMS (YELLOW)

See attached explanation

May 24, 1973

MAP REFERENCE (YELLOW) EXPLANATION

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

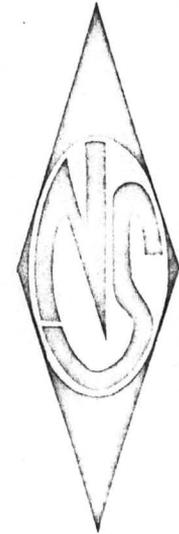
1. The AMY 1-18 claims held by T.J. Calvin had the last affidavit of labor filed on 1-26-71, which would validate the claims only until September 1972. An affidavit of labor for assessment work was not filed for 1972, therefore the operator must prove work to hold the claims, which by September 1973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

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

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

N-S ENGINEERING

5836 W. COOLIDGE ST. / PHOENIX, ARIZONA 85031
PHONES: (602) 937-5159 / (602) 931-0285



May 30, 1973

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

Dear Dick:

Enclosed are some sketches of my proposed zero leakage cyanide leach pad and solution ponds.

The section is selected to provide the best possible protection against leakage.

A design program would consist of the following:

1. Topographical map of the leach area.
2. Soil analysis to determine the sub-base treatment.
3. Write specifications and make construction drawings.

With the equipment that you were talking about you would probably only have to rent a rubber-wheeled roller to do the job.

The engineering costs are based on 10% of the cost, or we can work out a fixed fee plus a day rate of say \$130.00 per day.

If the design and cost are in your range please give me a call.

Yours truly,

A handwritten signature in cursive script, appearing to read 'Steve', with a long horizontal stroke extending to the right.

Stephen J. Navin

SJN/ta
Encl.

CYANIDE LEACH for SIERRA MINERAL MANAGEMENT

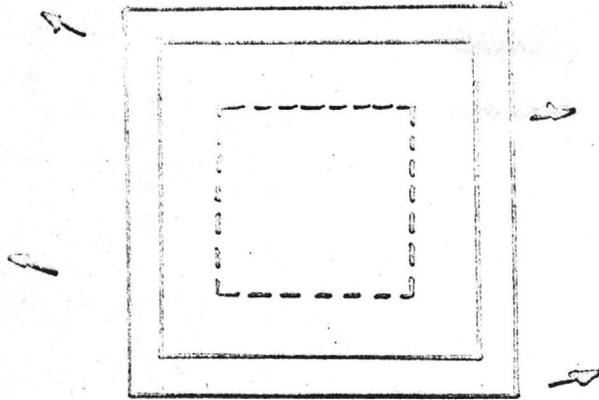


N-S ENGINEERING

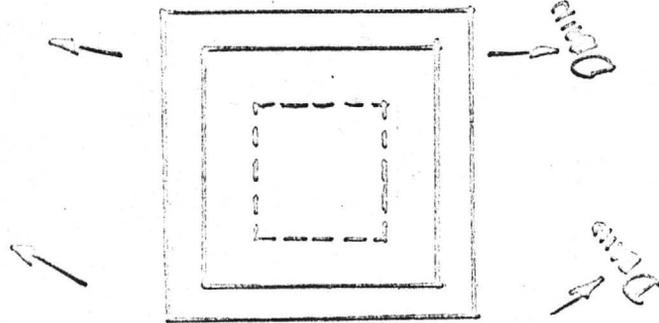
5836 W. COOLIDGE ST.
PHOENIX, AZ. 85031

STEPHEN NAVIN, P. E

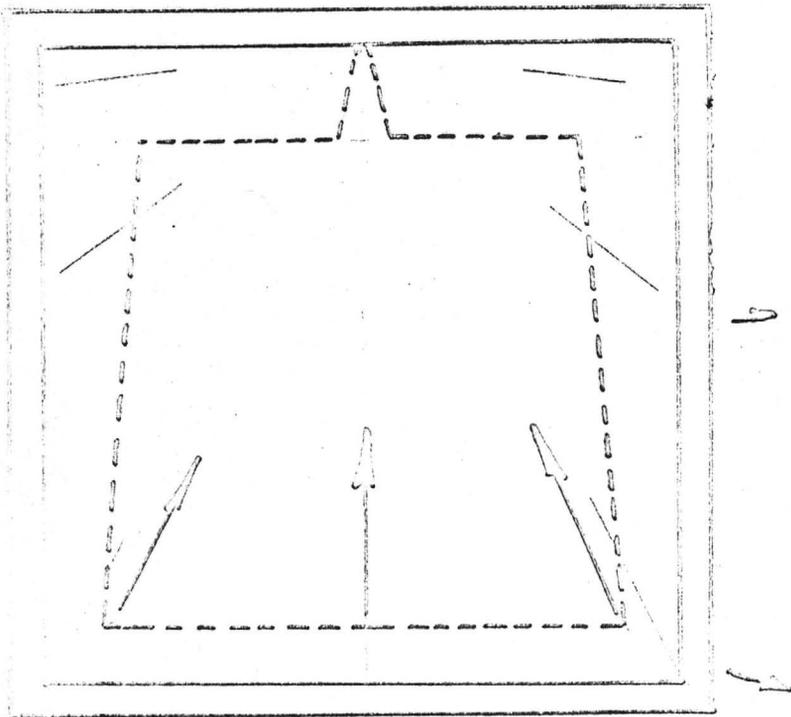
EST NO. _____
DATE MAY 73
SCALE NTS
DR SUN CH _____
DR NO. _____



MAKE UP
POND



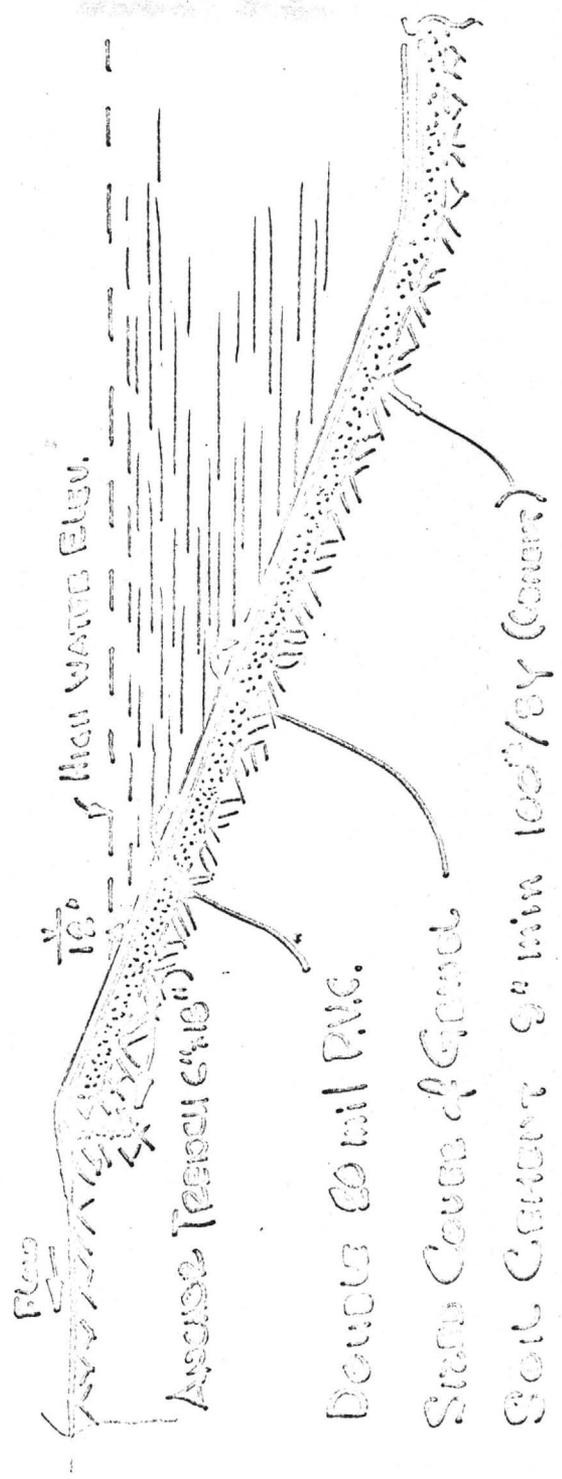
SOLUTION
POND



LEACH AREA

FLUID

WATER SOURCE ?



TYPICAL SECTION
 FROM TRENCHES.



Cost Estimate for leach pad and ponds

Excavation	say \$1.00
Fine Grade	0.15
Cement - 100#/sq.yd.	2.00
Disk and Wet	0.15
Roll	0.25
Soil Cement Base	<u>\$3.55 sq. yd.</u>

PVC Liner

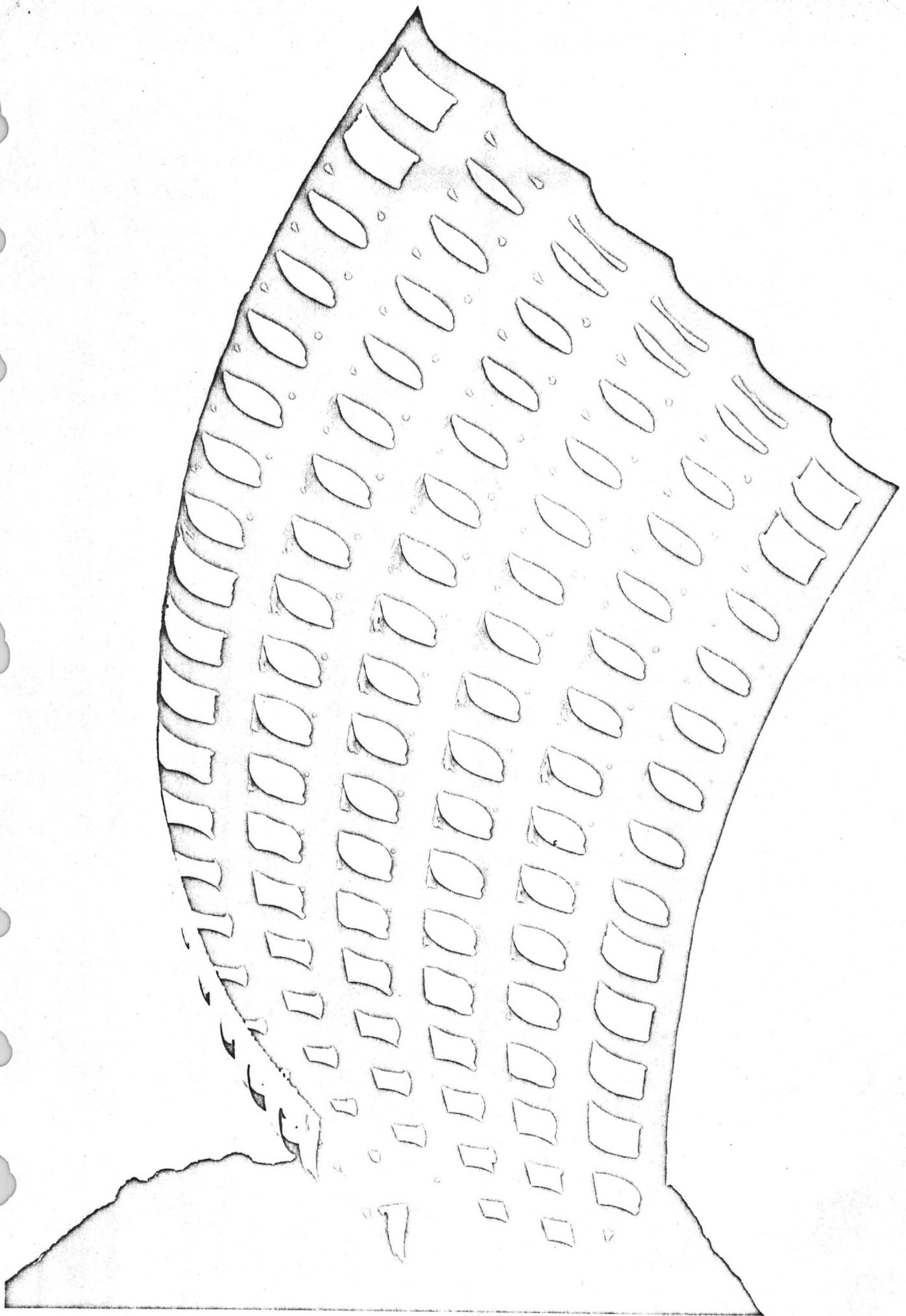
20 mil.	1.00	
20 mil.	1.00	
freight	.20	2.20
Installation		<u>0.25</u>
		2.45 sq. yd.

Protective Coating
of sized river run

.50 sq. yd.

\$6.50 sq. yd.

Leach Pad 200' x 200'	= \$28,900.00
Present Sol. Pond 75' x 75'	= 4,060.00
Make Up Pond 100' x 100'	= 7,220.00
	<u>40,180.00</u>
Engineering Cost 10%	4,020.00
	<u>\$44,200.00</u>

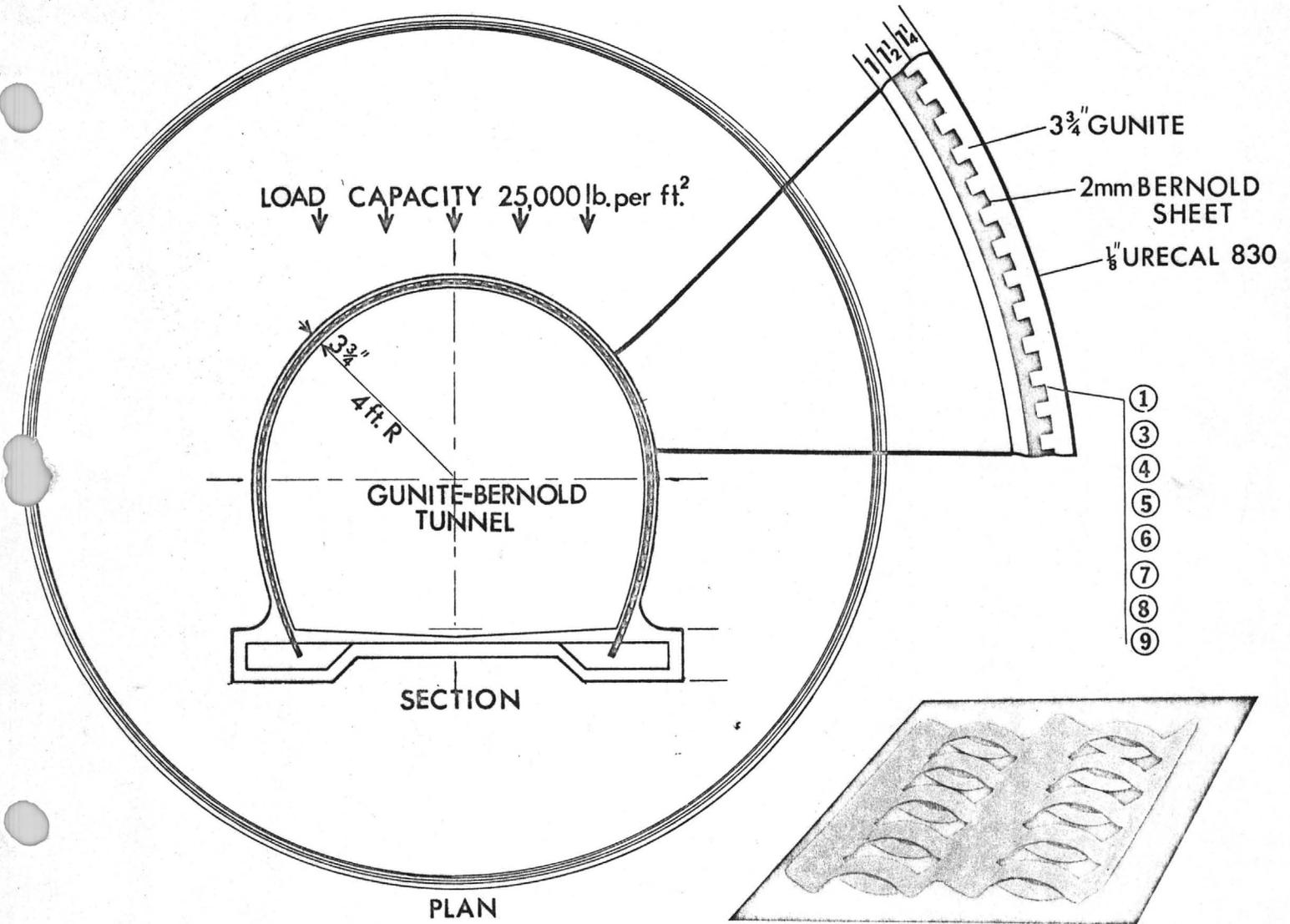


PHOENIX GUNITE INC.

2905 WEST OSBORN ROAD

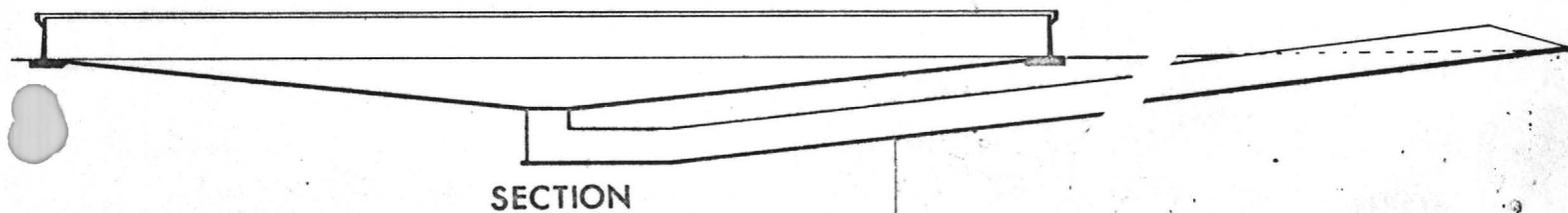
PHOENIX, ARIZONA 85017

(602) 252-2308

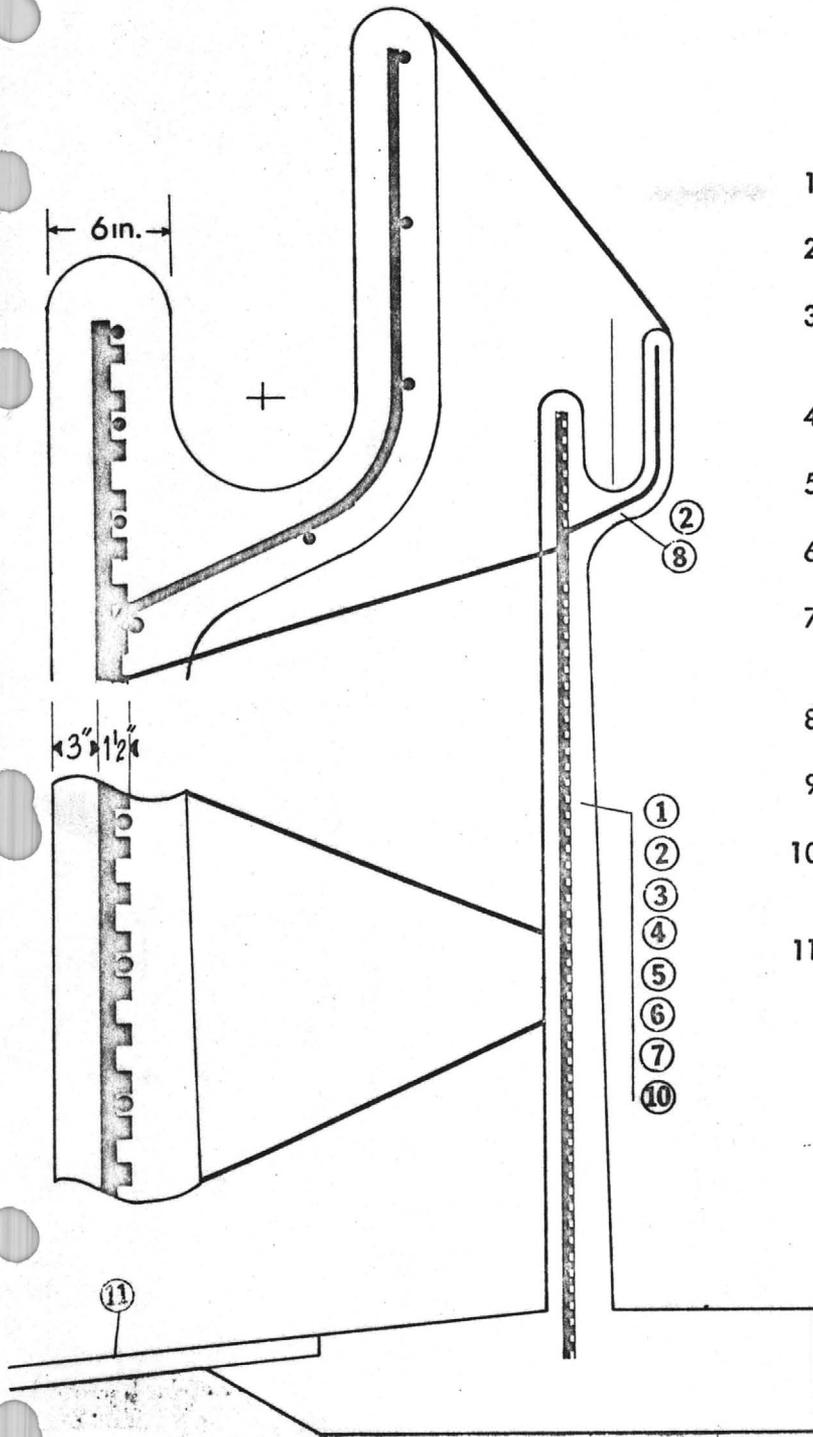


GUNITE-BERNOLD TANK

BERNOLD SHEET (SAMPLE)

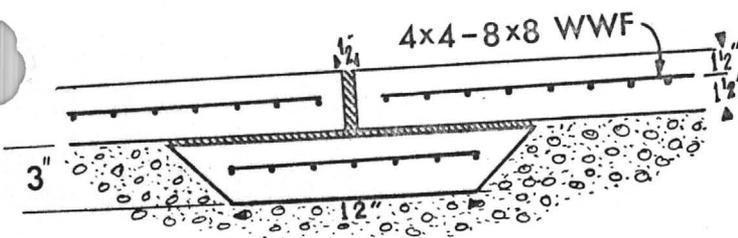


A NEW CONCEPT!



TANK WALL SECTION

1. Gunite 4500 p.s.i.
2. Increased surface area
3. Reduced section
25% cost advantage over conventional concrete
4. Type V cement used for acid environments
5. Rapid reinforcing installation (reduced costs)
6. Improved distribution of reinforcing
7. Improved appearance
Color available for exterior
8. Monolithic construction
9. Cost of tunnel arch \$3.50 per sq. ft. ±
10. Cost of wall: Gunite \$98.00/c.y. ±
forming (Bernold) \$1.25 p.s.f. installed
11. Cost of slab: \$.90/sq. ft. including w.w.f.



TYPICAL FLOOR JOINT

BERNOLD-GUNITE SYSTEM CIRCULAR TANKS

The circular tank has been a fundamental liquid storage container for many years. Construction methods have kept pace with advancements in technology and materials, Wood stave tanks, steel, reinforced concrete or a combination of these methods have been successful. However, reinforced concrete is now taking its place as a durable, maintenance free, construction material for tanks with various end uses. Some are:

Thickener Tanks Aeration Ponds	Decantation Ponds Digester Tanks	Liquid Storage Tanks and many more
-----------------------------------	-------------------------------------	---------------------------------------

Naturally, many design criterion must be considered and a complete soils analysis (engineering and chemical properties) is mandatory. With the purpose and ground condition established, the engineer begins design. Two requirements, among many which must be given careful consideration, are the overturning moment and ring tension. It is at this point the Bernold System enters the picture. The Bernold Sheet is a perforated and deformed sheet of steel available in 18, 14 or 11 gauge. (1¼mm, 2mm, or 3mm.) The sheets, approximately 4' x 4', are shipped to the job site either straight or radiused as the project requires. Minimum radius is 36 inches.

The sheets are assembled by overlapping the louvers and inserting J-Bolts, securing the louvers within one another. Two J-Bolts are required per sheet. In some cases, it is advantageous to reduce the number of J-Bolts in favor of tack welding. With the above information in mind, let us consider construction of a circular tank.

Imagine, if you will, a 160' diameter tank, 8' high. Soil has been prepared to the satisfaction of the engineer. The footing would normally be poured with conventional concrete. Bernold stub sheets would be placed in the fresh concrete giving a fixed base.

Next, the Bernold Sheets would be joined together with the J-Bolts as previously indicated. They may be placed with the "V" section, horizontal or vertical, as determined by the engineer. Additional reinforcing, as required by design, would then be affixed to the Bernold Sheet. It has been established that installation costs for reinforcing are reduced as a result of the ease with which the rebar may be handled. Prefabricated rebar splicers or las and tie-wire methods are equally acceptable to the system.

In some cases, Gunite construction would commence immediately after minimum Bernold Sheet has been placed. In other cases, it would be better to delay Gunite until all Bernold and reinforcing had been installed.

In either case, Guniting would generally begin from the inside which allows most of the Gunite waste product, known as rebound, to be blown to the outside of the tank for easy removal. (Experience shows that the louvers fill quickly and excess rebound is not a problem.) Gunite would be placed over all steel to a minimum of two inches or more as required. The same process would be performed on the outside, covering all of the additional rebar which had been installed. The Bernold System of Gunite offers the following advantages: Gunite is an extremely dense, durable and water-tight concrete. The low water-cement ratio improves compressive strengths and reduces shrinkage cracks. Approximately 800 to 1,000 square feet can be placed in one shift with only one machine, beginning with the first shift. As the Bernold Sheets become an integral part of the wall, no form stripping is necessary, no fire permits and burning, no warehousing, and no maintenance which is difficult to job cost accurately.

Additional Reinforcing

The Bernold Sheet readily allows additional reinforcing to satisfy load requirements. Furthermore, the Bernold Sheet need not be placed in the exact center of the section.

Costs

Generally, it is best not to designate the Bernold Sheet as a reinforcing member. True, it is made from steel. (A-36.) True, it has excellent reinforcing values dependent upon the application.

If we call Bernold a reinforcing member, it must be installed by Ironworkers at \$14.00 per hour +. If we designate the Bernold as a forming system, it will be installed by laborers with a significant savings. In most cases, the slight increase in the cross sectional area of steel does not justify the expense incurred when Bernold is used as a reinforcing material.

<u>Bernold Sheet</u>	<u>F.O.B. Job Site</u>	<u>Place</u>	<u>Cost (Net) less than</u>
18 ga. (1¼mm)	33¢/#	20¢/sq. ft.	\$1.00/sq. ft.
14 ga. (2mm)	28¢/#	20¢/sq. ft.	\$1.25/sq. ft.
11 ga. (3mm)	28¢/#	25¢/sq. ft.	\$1.80/sq. ft.

The cost of Gunite is dependent upon many items; including material, access to job site, weather, finish desired, clean-up, etc. In recent years, Gunite has been competitively sold for \$29.00 per cubic yard all the way to \$2,000.00 per cubic yard. However, for the sake of discussion, structural Gunite can usually be priced in the range of \$90.00 to \$120.00 per cubic yard. Assuming \$100.00 per cubic yard and utilizing the 18 ga. Bernold, an eight inch wall will cost \$3.47 per sq. ft.

Again, considering the 160' diameter tank, construction time for the wall would be five (5) days.

If the slab were considered also, it could easily be made water tight and structurally sound for approximately \$0.90 per square foot including welded wire fabric. Construction time required would be less than seven (7) days.

Conclusion

The Bernold-Gunite System of construction is of proven economy. Many concrete structures are readily adaptable. We would be pleased to discuss further the project you are now considering at your convenience.

UNIVERSITY OF ARIZONA
ARIZONA BUREAU OF MINES
ORE TESTING SERVICE

May 30, 1973

Mr. J. A. Briscoe
1971 Minerals Ltd.
Sierra Mineral Management
4741 E. Sunrise Dr.
Tucson, Arizona 85716

Dear Mr. Briscoe:

Ore Test No. 2182

A sample of minus 20-mesh product which Mr. Smith had screened from the State of Maine dump was separated into minus 20 plus 100-mesh, which assayed 8.3 ounces silver per ton, and minus 100-mesh products.

The minus 100-mesh product was cyanided in a rotating bottle at 40 percent solids for 72 hours and after settling the solution was syphoned off. There is clay present in the material and a flocculent was needed to make the solids settle. More water was added and the pulp agitated for a few minutes and again allowed to settle and the clear solution syphoned off. This procedure was repeated.

The results are given in the following table:

<u>Product</u>	<u>Percent weight based on -100-mesh product</u>	<u>Ounces silver per ton</u>	<u>Distribution percent silver</u>
Head	100.0	6.05*	100.0
Solution #1	85.0	2.55	40.7
" #2	68.0	2.08	23.3
" #3	92.0	0.87	13.3
Tailing	98.0	1.40	22.7

*Calculated

The cyanide consumption was 3.0 pounds per ton and lime, 2.5 pounds. The silver recovered amounted to 77.3 percent of the silver in the minus 100-mesh.

Another test was made on the minus 20-mesh desliming the material at about 200-mesh and cyaniding the plus 200-mesh sands. There was too much fine material left in the sands for the solution to percolate down through the sand in a 20-inch column. I would not recommend leaving any material less than 20-mesh in the sands to be leached.

KEEP Slimes out of dump
NO Per

Assays in fines ?
Assayed finest slimes, As_2S_3 ↑

UNIVERSITY OF ARIZONA
ARIZONA BUREAU OF MINES
ORE TESTING SERVICE

#2, 5/30/73

Mr. J. A. Briscoe

State of Maine

Ore Test No. 2183

The sample you delivered to the Arizona Bureau of Mines, May 25, was screened and the products assayed. The results are given in the following table:

<u>Screen size</u>	<u>Weight Percent</u>	<u>Assay ounces silver</u>	<u>Distribution percent silver</u>
Head	100.0	4.25*	100.0
on 1"	31.8	2.00	15.0
Minus 1 on 3/4"	9.1	2.75	6.0
3/4 on 1/2"	6.9	2.30	3.7
1/2 on 1/4"	16.2	3.85	14.8
1/4 on 10-mesh	17.6	6.90	28.6
10 on 20-mesh	6.9	6.40	10.4
20-mesh	11.3	8.10	21.5

*Calculated from products

The silver values in the minus 1/2 plus 20-mesh amounted to 40.7 percent of the weight and contained 53.8 percent of the silver in the mine run sample. It assayed 5.8 ounces silver.

We are holding the samples in reserve in case you may wish to have cyanide test made on any of these products.

UNIVERSITY OF ARIZONA
ARIZONA BUREAU OF MINES
ORE TESTING SERVICE

#3, 5/30/73

Mr. J. A. Briscoe

Bisbee Group
(*Solstice Mine*)

Ore Test No. 2184

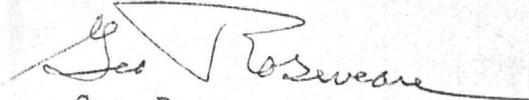
The sample you delivered from the Bisbee group, May 25, was screened and each size assayed. The results are given in the following table:

<u>Product</u>	<u>Weight percent</u>	<u>Assay Ounces Silver</u>
Head	100.0	2.00*
plus 1"	32.5	1.30
Minus 1 plus 3/4"	12.4	4.20*
3/4 " 1/2"	10.4	2.20
1/2 " 1/4"	21.4	1.80
1/4 " 10-mesh	11.4	2.20
10 on 20-mesh	3.5	1.85
20-mesh	8.4	3.80

*Calculated

This sample is too low to be considered ore.

Yours very truly,


Geo. Roseveare,
Metallurgist

GR:B

* a little out of norm. : *4.20?*

Solstice Mine Dump - Average assay of the
- 1" fraction

	%	O ₂ Ag	weighted amt
- 1 + 3/4	12.4 x	4.20 oz	= 52.08
- 3/4 + 1/2"	10.4	2.20	= 22.88
- 1/2 + 1/4	21.4	1.80	= 38.52
- 1/4 + 10 mesh	11.4	2.20	= 25.08
- 10 mesh + 20	3.5	1.85	= 6.48
- 20 mesh	8.4	3.80	= 31.92
	<u>67.5</u>		<u>176.96</u>

29.49 =

$$67.5 \sqrt{\frac{2.62 \text{ O}_2 \text{ Ag/ton}}{176.96}}$$

2.62 O₂ Ag @ present price \$2.60/oz = \$6.81/ton

2.62 O₂ @ \$3⁰⁰/oz = 7.86/ton

State of Maine Dump sample (Lot 1?)

+ 1" material runs 202 Ag & contains 15% of Ag in total sample ∴ should prob. be retained & may also help porosity of the dump. As per pg. 1 of Rosevear report. May 30, the -20 mesh fraction should not be put on dump.

What is average assay of the dump material less the -20 mesh fraction.

on 1"	31.8%	x	200 oz	=	63.6
- 1 + 3/4	9.1	x	2.75	=	25.03
+ 3/4 - 1/2	6.9	x	2.30	=	15.87
- 1/2 + 1/4	16.2	x	3.85	=	62.37
10 on 20 mesh	6.9	x			
1/4 on 10 mesh	17.6	x	6.90	=	121.44
10 on 20 mesh	6.9	x	6.40	=	44.16
	<u>88.5</u>				<u>332.47</u>

$$332.47 \div 88.5 = 3.78 \text{ O}_2$$

over

if the +1" were excluded the remainder would assay:

-1 + 3/4	9.1	x	2.75 oz	=	25.03
-3/4 + 1/2	6.9	x	2.30	=	15.87
-1/2 + 1/4	16.2	x	3.85	=	62.37
-1/4 on 10 mesh	17.6	x	6.90	=	121.44
-10 on 20	<u>6.9</u>	x	6.40	=	<u>44.16</u>
	56.7				268.87

$$268.87 \div 56.7 = 4.74 \text{ oz}$$

SPEED LETTER®

TO R.F. Hewlett, Al Smith

FROM J.A. Busion
Re: Cordero Proj.

SUBJECT Stainless steel pipe (12" ID) for Cordero Plant.

MESSAGE

DATE June 1 1972

The pipe which I ordered about a month back has been ready for two weeks. They will ship it to Cordero for us. Total cost will be:

Pipe	\$	2,100
shipping	\$	100
		<hr/>
	\$	2,200

This is due & payable on ~~our~~ our receipt of the billing

SIGNED

REPLY

DATE

19

SIGNED

June 15, 1973

Mr. Richard F. Hewlett, President
Sierra Mineral Management
4741 E. Sunrise Drive
Tucson, Arizona 85716

Re: Coyote Wash Project Drilling Results
Hole CW4

Dear Dick:

This afternoon I got a call from Al Smith indicating that you had received word from Quintana that they had encountered encouraging results on the Coyote Wash Project, Hole CW4.

As per your request, I had a long conversation with Mr. Peter Dunn, of Quintana Minerals Company, about this hole. Mr. Dunn, an ex-employee of Kennecott, who spent some time on the Kennecott Safford project, and more recently, working for Quintana, is heir apparent to the technical details of the Coyote Wash Project, in the absence of Bill Seigert, who is on a two-week vacation.

The technical effort on the Coyote Wash Project is somewhat fragmented at present as Clark Arnold, who works for Still, Lowell and Still, is doing the core logging, while Peter Dunn, who has not been too familiar with the project, is coordinating it from Quintana's point of view.

Hole CW-4 was rotary-drilled to a depth of 2190 feet; then cased and diamond drilling commenced at that point. It was stopped a few days back at a depth of 3,510 feet. The pre-mineral rock interval which started at 2190 feet consisted, for the most part, of finely crystalline andesite porphyry, typical of that outcropping in the Safford district. They also encountered a sial, or a dike of what is probably monzonite porphyry.

At present, core splitting, assaying, core logging and thin section work has not been completed. However, the assays run to date show that most of the rock contains between two hundred and seven hundred parts per million copper, although the best assay was 0.23 percent copper. There is one to two percent extremely fine pyrite in the rock--all of the rock being partially oxidized. Some fractures contain rather strong hematitic limonite; however, no copper minerals--either oxide or sulfide have been noted.

Mr. Richard Hewlett

Re: Coyote Wash Project
Hole CW-4

June 15, 1973

When the altered rock was first cored, Peter Dunn felt that they might be on the top of an ore body and that the sulfides might increase with further depth and dropping off and giving way to a higher copper mineral content. However, this has not happened, and the sulfide content has dropped off as has the copper content.

Quintana feels relatively encouraged by these results and wants to drill two additional holes spaced to the northwest and southwest of CW-4, approximately 1500 feet in either direction. These holes would be drilled to at least 3000 feet, ;and more likely, to the same approximate depth of 3500 feet. The cost of drilling these holes would be similar to those already incurred.

Pete Dunn did mention however, that the thought that the property payments which are made on a monthly basis, had gone up and are now in the range of \$1600 per month. The rig used to drill CW-4 has other commitments and is being pulled off the property. Dunn didn't feel that there is any great hurry to commence on another hole though he did feel sure that Quintana wanted to proceed on further drilling.

Because, as mentioned above, the core splitting, logging, assaying and thin section work is not completed, I did not make a trip out to the Quintana office to go over the data with Mr. Dunn. I do have a tentative appointment with him on Monday, June 25, at which time most of the technical work on the core should be complete. I will give you a more complete report at that time.

Best regards.

James A/ Briscoe

JAB:swg

June 18, 1973

Mr. Larry Davidson: Project Engineer
Dames and Moore
Suite 100, 10597 West Sixth Avenue
Denver, Colorado 80215

Re: Soil samples for leach pad (Tombstone Project 105)

Dear Larry:

I have collected three soil samples as per our discussion from the three potential leach pad areas on the Tombstone Project. These samples are packed in bags, two bags per sample each containing approximately 35 to 40 pounds, they are being shipped to you via Greyhound bus. The bags are labeled SS1 - SS2 and SS3.

Soil sample one labeled SS1 was taken below the mill site and below the pad designated one on your map. Sample two designated SS2 was taken to the west just north of Fox Creek in what I believe was our area number two. Sample three was taken from the edge of the scraper trench in the Fox Ranch area. Sample one was taken over a depth of approximately three feet, sample two was taken at approximately two feet and sample three approximately three feet. Should the size of these samples prove inadequate I can take more material from the same sample points.

Very truly yours,

James A. Briscoe

JAB/lg

THE UNIVERSITY OF ARIZONA

Tucson

INVOICE

Date 18 June 1973

Invoice No. ABM-73-098

1971 Minerals Limited
4741 East Sunrise Drive
Tucson, Arizona 85716

Please make check payable to ARIZONA BUREAU OF MINES

~~THE UNIVERSITY OF ARIZONA~~ and mail to Department of: ARIZONA BUREAU OF MINES

Ore tests 2182, 2183, 2184, 2185, 2186, 2187, 2188....	\$ 140.00
35 Assays @ \$2.50 each.....	<u>87.50</u>
TOTAL AMOUNT DUE	\$ 227.50

Please return one copy of invoice with your check.

June 20, 1973

Mr. Al Smith

Sierra Mineral Management 1971 Minerals Ltd,
4741 Sunrise Drive
Tucson, Arizona 85710

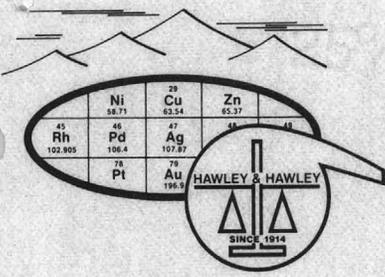
Dear Al:

I got in touch with Dick at Cordero yesterday June 19, and discussed with the Damas and Moore's engineering proposal on the leach dumps at Tombstone. Both Dick and I felt that their estimate was within reason. Dick ask that I contact you to get the ball rolling as far as getting some money into their Escrow account for the fee as per their request. I shipped the soil samples off to them last Saturday, I would imagine they are ready to proceed as soon as the Escrow account business is arranged.

Best regards,

A handwritten signature consisting of a vertical line on the left, a horizontal line on the right, and a diagonal line crossing them at the bottom left.

JAB/lg



SKYLINE LABS, INC.

Hawley & Hawley, Assayers and Chemists Division
 P.O. Box 50106 • 1700 West Grant Road
 Tucson, Arizona 85703
 (602) 622-4836

INVOICE

INVOICE NO.:
 JOB NO.: 347451
 P.O. NO.:

SOLD TO: J. A. Briscoe DBA
 Sierra Mineral Management
 1971 Minerals Ltd.,
 4741 East Sunrise Drive
 Tucson, Arizona 85718
 Attn: Mr. R. Hewlett

DATE: June 22, 1973

TERMS: NET 30 DAYS

29 Gold (0.02ppm)	@ \$2.00.....	\$ 58.00
29 Silver (0.2ppm)	@ \$1.50.....	43.50
	Sub total	\$101.50
	Less 5% discount	5.08
	Sub total	\$ 96.42
29 Lead and Copper	@ \$1.60.....	\$ 46.40
	Sub total	\$142.82
29 Sample preparations	@.75.....	21.75
	Total	\$164.57

Mineral Claims - Not Approved.

Silver Bonanza, Silver Venture

June 30, 1973 -

NE of NW grants = Lot 3

JOHN T. DEVERE

CONSULTANT
REGISTERED PROFESSIONAL
MINING ENGINEER
P. O. BOX 602
TOMBSTONE, ARIZONA 85638
PHONE (602) 457-3306

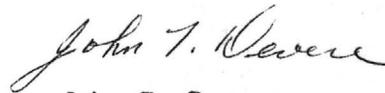
July 9, 1973

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

Dear Mr. Hewlett

Enclosed herewith is my report on the Land Status in the Swisshelm Mining District. You will note that there are some claims that lie on ground not covered by the enclosed map. These claims I have just listed in the report. After you have had a chance to review this report, I will be glad to meet with you at your convenience to answer any questions you might have concerning the report.

Yours truly



John T. Devere

Encl.

July 13, 1973

Mr. Richard F. Hewlett, President
Sierra Mineral Management
4741 East Sunrise Drive
Tucson, Arizona 85715

Re: Air Track Drilling at Tombstone (Project # 105)

Dear Dick:

One of the objectives at the State of Maine area is to develop shallow surface mineable ore. Shallow drilling will of course be required to do this and I think that this shallow drilling can best be accomplished with an air track percussion drill. This type of drill is essentially a large percussion type drill similar to those on a jack lag mounted on a set of crawler tracks which are propelled by an air motor. The drill and air track requires a six hundred cubic foot per minute air compressor with a pressure of one hundred pounds per square inch. The air compressor is towed behind the air track using the air track motor as propulsion. Because of its track mounting it can negotiate very rugged topography.

Tuesday July 10 I stopped at the Arizona Cedar Rapids Co. on west Grant in Tucson to take a look at the air track equipment they had on hand. Their equipment should be capable of drilling a vertical hole of approximately fifty feet in depth. They can supply us on a rental or lease basis an air track with air compressor at a cost of sixteen hundred dollars per month. We would have to purchase drills, steel bits and ancillary equipment, some of which we may have as equipment for the rubber tired air drill from Cordero. Costs for the air track and purchase of equipment, labor and fuel are summarized below.

Air Track Drill Costs:
Must purchase drill and

JOHN T. DEVERE

CONSULTANT
REGISTERED PROFESSIONAL
MINING ENGINEER
P. O. BOX 602
TOMBSTONE, ARIZONA 85638
PHONE (602) 457-3306

July 17, 1973

Richard Hewlett
Sierra Mineral Management
4741 E. Sunrise
Tucson, Ariz.

Dear Mr. Hewlett:

As per Al Smith's request, I have rechecked Sections 30 and 31, T20S, R22E. The map that was enclosed with my report shows the valid claims in this area. I feel that any federal ground on the map that is not shown to have valid claims can be staked.

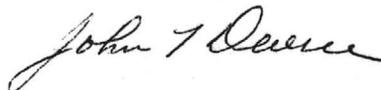
There is ground in these Sections that has had claims on it. The majority of these claims are the Apache Group of 71 claims. These claims were staked in 1969 and have not had any type of work filed on them since they were recorded at the Cochise County Recorder's office. A check of some of the actual claims showed no evidence of recent work.

These claims lay contiguous to Stewart 9, and Kit Carson. Some of the posts marking these claims can be seen from the Charleston Road, and they are painted blue; however all of the blue posts are not in the Apache Group. There are blue posts marking some of the Stewart Claims and also the patented claim Kit Carson. Following is a summary of the Apache Group:

Claim	Locator	Date Recorded
Apache 1-17	C. A. Cosgrove	5-29-69
Apache 18-26	C. A. Cosgrove	6-4-69
Apache 27-35	Edward Herold & Clark Hughes	9-24-69
Apache 36-71	Edward Herold	

As stated before, this ground covered by the Apache Group can be considered open for staking. If you have any other questions concerning this area please contact me.

Yours truly



John T. Devere

Mr. J. Bruce Stevenson
Vice President,
Stevenson, Bishop & McCredie
General Partner
1971 Minerals Ltd.
422 East 42nd Street
New York, N. Y., 10017

August 4, 1973

RE: TOMBSTONE DEVELOPMENT COMPANY
Lease Proposal, of July 20, 1973

Dear Mr. Stevenson:

At your request I have reviewed the proposed lease option agreement with the Tombstone Development Company. Herewith are my observations and conclusions regarding this lease proposal.

Prior to being able to assess the relative merits of any business arrangements regarding the Tombstone Development Company holdings in the Tombstone Mining District, there must be a mining and geologic assessment of the potential for future production from the property and possible future performance of the commodities to be mined.

The obvious commodity of importance at Tombstone is silver, though there will doubtless be some production of gold, lead and zinc. The economic success or failure of the project however will be based solely on the price of silver. Without going into laborious detail, my opinion with regard to silver future is that it would not be unrealistic to see a \$4.00 per ounce price in the next year or so. So, within the next five years, the price could go to \$5.00 per ounce. However, attendant inflation of labor and material costs would probably negate this price increase.

Geologically, the Tombstone District, and more specifically the Tombstone Basin, which comprises the main area of holdings at the Tombstone Development Company, is favorable for the discovery of further economic silver reserves, considering the above-mentioned silver prices. However, at present there are no measured or blocked out reserves upon which mining costs and profit and loss calculations can be made. Only the possibility that further mineable reserves can be located by diligent geologic work and drilling exists, and this necessary exploration test work must be performed by risk capital with the possibility of failure to discover mineable reserves ever present. Past production records and existing mine data show that

To: Mr. J. Bruce Stevenson
Page 2

August 4, 1973

bonanza type ore bodies were mined in the past and suggest that similar potential remains. Exploration for these ore bodies will be very expensive, however. Based on present information the high grade of potential undiscovered ore bodies, coupled with the potential increase in the price of silver, indicates to me that the risk-reward ratio is in the reasonable range and exploration work in the area is a reasonable investment.

Keeping in mind the above observations, the Tombstone Development Company's lease proposal must be considered. With a summary to start: the escalating sliding scale royalty they have proposed completely negates all the positive features of the district, including the favorable future price of silver and the potential for discovering the bonanza ore bodies which would justify the high exploration risk and cost. Considering the cost of mining and processing complex underground mineable ores and the high risk factor of the necessary exploration to delineate ore bodies, I estimate they are in reality asking for 75 to 80% of the net profits and they are unwilling to accept any of the risks. This proposal is extremely unrealistic and should not be considered under any circumstances.

Although the price of silver has greatly increased over its level of one year ago, its relation to the cost of labor and materials is not much different than it was in the 1930s when the mines were shut down because of unattractive metal prices. To illustrate: at that time, the price of skilled mine laborer was about \$4.00 per day. Presently (as is indicated by current ads in the Tucson newspapers, Attachment A), the cost of unskilled underground labor is \$4.11 per hour, plus fringe benefits--well over a ten-fold increase. If we use this factor of 10 to calculate what the 1930, 50¢ per ounce, price of silver would have to be raised to offset the effect of inflation, we find that the current price would have to be \$5.00 per ounce to make the mines as profitable as they were that mining year in the thirties. Actually, increased mechanized efficiency offsets some of the effects of the inflation; however, relating costs with the Coeur d 'Alene silver mines in Idaho, we can expect that the cost of mining a ton of underground ore at Tombstone will be about \$38 to \$40. Thus profitable ore would be in the \$50 per ton range. Examining the sliding scale royalty proposed by Tombstone Development Company we find that, if the price of silver is \$5.00 per ounce (equivalent to earlier prices, when the mines were active, considering the inflation rate), and the ore assays over \$50 per ton, the royalty is calculated at 33 1/3%, or \$16.65 per ton. Thus, the return on \$50 ore would be \$33.35, or less than the cost to mine it, not considering exploration expense, taxes, office overhead and profit return. Since average ore might be expected to run in the range of \$50 per ton, it is easily concluded that the Tombstone Development Company proposal is completely unworkable.

To: Mr. J. Bruce Stevenson
Page 3

August 4, 1973

Most sliding scale royalties result in very complex bookkeeping, mining and processing problems, and are in short impractical. Further, the net smelter return royalty concept was developed prior to the advent of the graduated income tax and strict government policing of bookkeeping practices. Then "playing with the books" was much more of a possibility which could be circumvented by the net smelter return concept. A more realistic solution today is a royalty based on a percent of the net profit. This greatly decreases the risk of operating at a loss, because of inflexible royalties not being related to current economic factors. This in turn is infinitely more attractive to the investor who has to shoulder the risk of exploration and plant installation.

I would suggest that a net profits royalty in the range of 15% would be all that the potential of the Tombstone Development Company ground could justify. Further, pre-production royalties should be related to work commitments with incentive increases on a yearly basis, to insure continued performance on the part of the lessee. Since the lessor is taking a carried interest in a potentially profitable venture, the objective should be to spur the project on rather than to make a profit off the exploratory effort. A desire to make an excessive profit on the exploratory phase indicates a lack of faith in the true potential of the mineral ground.

Very truly yours,


James A. Briscoe
Consulting Geologist

cc: Mr. R. F. Hewlett
Tucson, Arizona
Mr. Robert Hewlett
Bisbee, Arizona

REFERENCES

Books used for preparation of this Letter Report

1. Economics of the Mineral Industries, American Institute of Mining, Metallurgical and Petroleum Engineers, Inc., New York, 1964.
2. United States Mineral Resources, United States Geological Survey Professional Paper #820, 1973.

August 4, 1973

Mr. Robert F. Hewlett
McNulty, Gentry and Boroweic
Attorneys at Law
Copper Queen Plaza
Box 87
Bisbee, Arizona 85603

Dear Bob:

Enclosed with this letter is a copy of my letter report to Mr. Stevenson, regarding the July 20, 1973 Tombstone Development Company Lease Proposal.

You will find on reading my letter report to Mr. Stevenson, I feel that the Tombstone Development Company Proposal is completely unrealistic as to their demands, and that the property in the Tombstone District should reasonably be able to pay no more than 15 to 20% profit royalty.

If you are unable to reach an agreement with them, that is in this ball park range, then I believe the Sierra Mineral Management would be wise to invest their money in other projects.

Cordially yours,

James A. Briscoe

JAB:nb

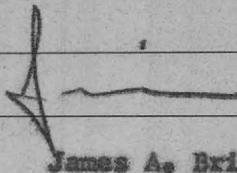
Mr. Richard F. Hewlett, President

Sierra Mineral Management, 4741 E. Sunrise Dr.
AT Tucson, Arizona 85716

SUBJECT Keys, 2 extra sets to the T.M.R. Mill Facility, Tombstone

DATE 8/5/73

Dear Dick: Enclosed with this note, please find two sets of keys to the T.M.R. mill at Tombstone. One of these sets is for you and the other should be forwarded to Mr. Dick Jones as per his request. I am retaining one set for my use and will give one set to Charlie Escapule.



James A. Briscoe

DUPLICATE

SIGNED

DATE

SIGNED

Rediform ®

4S 469

SEND PARTS 1 AND 3 WITH CARBON INTACT -

PART 3 WILL BE RETURNED WITH REPLY

DETACH AND FILE FOR FOLLOW-UP

Conversation with Bob Hewlett 8/7/73

10123 - 10²⁵

1st year

12,000

Proposed Horn lease

\$ 60,000

18 months

30,000

drilling

\$ 150,000

Rx Pipe Ground

assessment work - 10 year term

Nick Curuso

Charlie Suter - lessor of
Horn claim

Behind in payments to Suter

Anna Conder - Lander Wyoming
gold.

Larry Eruba (P.D. chief underground
surveyor)

Jimmy Elkins

KENYON RICHARD
Mining Geologist
1501 MIRACLE MILE
TUCSON, ARIZONA 85705

602-622-0953

August 9, 1973

Mr. Richard F. Hewlett
Sierra Mineral Management
4741 East Sunrise Drive
Skyline Bel Aire Plaza
Tucson, Arizona 85718

Tombstone District
Arizona

Dear Sir:

Two days were spent in the Tombstone District, July 5 with Jim Briscoe and July 11 with you and Briscoe.

Beforehand I had reviewed Butler and Wilson's U. of A. --Arizona Bureau of Mines Bulletin on Tombstone, Jan. 1938. The authors of this bulletin must have had many old mine maps in order to portray the geologic structure, the stratigraphy and the mine workings in such remarkable detail. They show no assays, probably because the map (and property?) owners would not permit publication of such data.

I get the impression from reading the history that, despite the fairly substantial gross production of \$37 million, profit was mostly non-existent. Cost-price ratios were not much different than they are today, even with the current high silver price. The reason I believe that relative costs were so high during the district's hey-day was that too many feet of underground workings had to be driven for each ton of ore discovered and extracted. They did not have diamond drills, modern pumps or bulldozers.

Mr. Richard F. Hewlett, August 9, 1973. Page 2.

Therefore, it seems to me that exploration today has a chance----rather long-shot----to find small but commercial ore bodies.

In order to accomplish this, old maps showing assays must be found. You have said that you expect to get maps of this kind from property owners with whom you are dealing.

The western part of the district where you are setting up your present operations received but little old-time mining activity as compared to the main, eastern portion. This doubtless was due to the presence of stronger surface expressions of mineralization in the east than in the west. This is meant in the overall mineralization sense, not just more small pockets of horn silver at the surface which was the principal ore guide of the earliest prospectors. The miners and engineers who quickly appeared in the district were, for the most part, good "mining geologists" by experience, though the name, as such, was not respected, nor was the capability even admitted except by crude terms like, "He has a nose for ore."

These early miners had good recognition of stratigraphy, structure, mineralogy, vein intersections, and the economic differences and significance between hypogene and supergene minerals.

The point is, you cannot beat these old operators at their own game, except (1) by consolidation of properties, (2) by reconstruction of the geometry of all mineral occurrences (in this connection Briscoe's detailed current field mapping is

Mr. Richard F. Hewlett, August 9, 1973. Page 3.

very important), (3) by determination of the actual distribution of values in the old mines and prospects, and (4) by use of bulldozers and diamond drills.

You will be lucky if you can keep your mill running very long. But the above four points will improve your luck quite a bit.

Without old assay maps in hand for analysis, it seems likely that, at best, actual undiscovered ore bodies are very small exploration targets in either the western or eastern portions of the old district. When all information has been put together, I would expect that a few relatively shallow drillholes will be recommended.

The large area of alteration with several small breccia pipes and dikes situated between the Tombstone and Charleston Districts proper is quite interesting. It is by far the strongest and largest zone of hydrothermal activity in the region. (I have not yet seen the old Charleston District.) It has several characteristics of porphyry copper deposits. (A reminder: There are a number of long, expensive steps between "deposit" and "ore" body----and longer financial steps between "ore body" and "production at continuing profit.")

The occurrence of small, relatively higher grade base and precious metal ore bodies is common around the fringes of some porphyry copper districts. Tombstone and Charleston may be in this category.

Mr. Richard F. Hewlett, August 9, 1973. Page 4.

There are practically no surface occurrences of oxidized copper or silver minerals in this large alteration zone. This may have been due to a larger proportion of pyrite over copper, silver and other sulphides, with acid leaching having removed the latter from the surface and near-surface. Also, a good deal of the altered area is covered by alluvium.

There is a little limonite-after-chalcoite in local fracture zones and breccia pipes in the alteration zone, but not enough to indicate that substantial amounts of ore-grade material existed in the leached outcrops. Quartz-sericite alteration is fairly strong in most places.

The alteration mostly is in Uncle Sam porphyry, although some altered outcrops appeared to have clastic textures. In any case clastic units of the Bisbee Group are known to exist nearby. Much of the ore in the Tombstone (and maybe the Charleston) Districts occurred as hypogene replacements in limey beds in the lower horizons of the Bisbee and in the upper Paleozoic carbonate beds.

In the western part of the Tombstone area the Uncle Sam porphyry seems to be a thick sill. I would expect, though, that in the altered area under consideration it is a stock.

I would expect the altered stock and surrounding altered clastic sediments to contain disseminated pyrite with some chalcoite and chalcopyrite. These might constitute relatively shallow ore bodies, and that possibility is interesting enough to warrant drilling. First, though, the mapping should be

Mr. Richard F. Hewlett, August 9, 1973. Page 5.

finished, particularly the reconnaissance mapping including the Charleston area, which was discussed when we all were in the field.

Since you mentioned that several drillholes have been put down in the Charleston District, a couple of which had deep but long intercepts of 0.7(?)% Cu, I have been thinking that those intercepts might be mineralization in favorable carbonate beds in the lower Bisbee or the Paleozoic formations. This thought certainly enhances exploration possibilities where the same horizons probably extend into the alteration zone described above. Reconnaissance mapping of the region probably will give us a fair idea as to the depth of these limey beds. Even if surface exposures of these beds are too far away or too widely spaced to permit reasonable estimations of depth, this exploration possibility is sufficiently good right now, even with my presently rather limited knowledge of the region, for me to recommend two drillholes: (1) 1000' deep, inside the alteration zone in the Uncle Sam porphyry--preferably within one of the breccia pipes and (2) 2000' deep, outside of the porphyry but near it and hopefully, inside the alteration zone in carbonate rocks. The alteration zone should spread out in the carbonate horizons.

This drilling would not be conclusive, unless only disseminated pyrite is encountered.

Yours very truly,

Kenyon Richard
Kenyon Richard

Copies: one extra to Hewlett

JAMES A. BRISCOE

Exploration Geologist

6418 Santa Aurelia
Tucson, Arizona 85715
(602) 885-1790

File Memo

August 10, 1973

3:30 p.m.

Subject: Conference Telephone Call Between Mrs. Bruce Stevenson, New York City
New York, Robert Hewitt, Bisbee, Arizona, Al Smith, Sierra Mineral
Management Offices, J. A. Briscoe, Sierra Mineral Management Offices

Subject of telephone call was the Seth Horn Tombstone Mining District, Charleston mining area proposed contract.

Seth Horn working for the Stewart Company holds mining claims and state mineral leases generally located in the south and west part of the Tombstone mining district. These are divided into the Charleston group and the breccia type group which should include the claims to the east of the Charleston area. Horn and his company has spent approximately three and a half million dollars for the most part in drilling in the Charleston area. They have drilled over four holes in excess of two thousand feet in depth in addition to some sporadic geologic work at a considerable amount of geophysical I.P. work conducted by Asarco's ex-geophysist _____ . Horn is not particularly interested in the breccia pipe area, probably not realizing the significance of the alteration in that zone. He is very interested however, in continuing exploration work on the Charleston group zone. The Charleston group is encumbered almost entirely by a federal claim withdrawal for the Charleston Reservoir Dam site and recreation area. There is some question as to whether they will allow mining within this block. Horn proposes that the lease option on all of his Tombstone lands would require the following lease option arrangements for the first term of one year Sierra would obligate for twelve thousand feet of deep drilling. In my estimation this would cost a minimum of one hundred and five thousand dollars, possibly more. For the second year Sierra would obligate for twenty five thousand feet of drilling. On completion of this work which is in the range of one quarter of a million to three quarters of a million dollars Sierra would earn forty nine percent interest in the properties. Horn does not really care what is done in the eastern area except that the claims be held current.

My assessment of the area suggests that the mineral potential within Charleston is very deep and in excess of two thousand feet and would have to be mined underground while in the breccia pipe area there is potential for open pit and probably more potential for deep seated replacement bodies. Thus I think, and concurred by Kenyon Richard in this that the breccia pipe area is a great interest while the Charleston area is little interest at this time. The question, therefore, is whether to obligate for excess of one hundred thousand dollars merely to get the privilege of drilling on the breccia pipe area.

File Memo

August 10, 1973

3:30 p.m.

This summary was discussed in the phone conversation with Stevenson whose comments were that that would put the whole project way over project and he did not think it was a reasonable risk. He felt that the way to go would be to tell Horn that because of the land withdrawal area we did not want to obligate drilling on that but we would continue exploration work in the breccia pipe lot. If Horn could clarify the situation with regards to the mineral withdrawal we would then proceed with that lock at that point in time. Bob Hewitt pointed out that Horn has already said that without the Charleston lock the deal would be no go. Stevenson still felt that this was still too much money to risk. I pointed out that the breccia pipe looked very interesting and if Horn went ahead and drilled it he might well discover a porphyry copper deposit. The chance of this being approximately twenty five for and seventy five against. I also concurred with Stevenson, however, that the risking of the drilling commitment of over one hundred thousand dollars was indeed a great risk and I felt that we should delay making that commitment with Horn particularly in that we would have a great deal more information after the completion of the aerial photography work and the work on the TMR ground. That essentially concluded the conversation. The decision was essentially unanimous that we should not obligate at this time for the Seth Horn proposed drilling lease.

Mr. Charles Escapule

AT Tombstone, Arizona

SUBJECT

DATE August 11, 1973

Dear Charly,

I talked with Bob Hewlett this morning and he mentioned that he felt he would be able to have some sort of an agreement with TME regarding their porta drill rig. Some time around the first part of the coming week. So that we can get the rig in shape to determine whether it can do the drilling we want. I would like to have Steve Henderson move the drill and other associated equipment onto the State of Maine property where he can make any necessary repairs or maintenance to get the equipment in working order. He felt this might take two to three days. I would like him to start on this at a time where he can have the equipment ready to go by Friday evening of the 17th so I can expect it Saturday the 18th. This means that his helper, whoever that is, will have to run the air track while ^{is} working on the porta drill. I hope

DUPLICATE doesn't interfere greatly with your schedule.

Best regards,

James A. Briscoe

SIGNED

DATE

SIGNED

Rediform ©

4S 469

SEND PARTS 1 AND 3 WITH CARBON INTACT -

PART 3 WILL BE RETURNED WITH REPLY

DETACH AND FILE FOR FOLLOW-UP

File

AT

Proj 105

SUBJECT

Seth Horne Property, Tombstone

DATE

8/18/73

In T.L. w/ Bob Hewitt at 10:30 this AM.
he said the Seth Horne negotiations & deal
set up by Bruce were coming along pretty
good. Horne will go for an obligation
on SMM's part of 6,000 feet of staking
& claim validation work. However he

RETURN TO →

SIGNED

is presently upset about the over staking
of his ground by SMM (located by me in
upland) in the Charleston area. This was
suggested & OK'ed by Dick prior to the
staking.

DATE

SIGNED

J. F. Dinsie

Rediform ©

45 469

SEND PARTS 1 AND 3 WITH CARBON INTACT -

PART 3 WILL BE RETURNED WITH REPLY

File

AT Proj 105

SUBJECT Tombstone Development Co. Contract

DATE 8/18/73

In T.C. w/ Bob Hewlett this AM 10:30
he said that the T.D.C. deal is about to
be consummated under the following terms.

NSR royalty of:

Value \leq \$ 20⁰⁰/ton 7⁰%
+ \$ 150⁰⁰/ton 20⁰%

DUPLICATE

SIGNED

These were the original NSR royalty terms
suggested by Dick Hewlett several months back.

DATE

SIGNED

Rediform ®

45 469

SEND PARTS 1 AND 3 WITH CARBON INTACT -

PART 3 WILL BE RETURNED WITH REPLY

DETACH AND FILE FOR FOLLOW-UP

JAMES A. BRISCOE
EXPLORATION GEOLOGIST
6418 SANTA AURELIA
TUCSON, ARIZONA 85715
(602) 885-1790

LETTER

IN REFERENCE TO: Trip to Milagros, Mex.
Bisbee Report and Tombstone.

AIRMAIL FIRST CLASS MAIL INTER-OFFICE

FOR Mr. Richard F. Hewlett, President

Sierra Mineral Management
4741 E. Sunrise Drive
Tucson, Arizona 85176

HOW TO USE THIS

DAY/TIMER

Time-Saver

LETTER TO SAVE TIME.

Type or write your reply in the space below. Then mail the white copy to us and keep the pink copy for your files. You'll save time and effort, and we'll have your answer much faster! Thank you.

MESSAGE

Dear Dick:

DATE August 19, 1973

FOLD

Had a very interesting trip to Milagros and am quite impressed with the project. Of course I didn't have enough time to sample the veins but there appears to be an overwhelming amount of data in the way of smelter settlement sheets etc. At any rate it does look good. I'm preparing a rather comprehensive report of my impressions of various aspects of the mine and surrounding area. I will be taking a short vacation this coming week. I expect that it will take a few days of work after my return before I can have it in your hands, barring other interruptions.

I also examined the Mueheim property in Bisbee and think it looks quite interesting also. Have report in preparation for this area also and will have that to you shortly on my return.

According to my conversations with Bob, all the property negotiations are going well at Tombstone. Should have the T.M.R. rotary drill ready to be tested by the end of the coming week. Will go over the details of this on my return.

Charlie appears to have things well in hand now particularly with the influx of needed cash.

Aerial photography has been held up because of cloudy weather but should be flown shortly.

I will be making a short trip down there Monday kks to make sure everything is lined out, before leaving.

Best personal regards

FOLD

FOLD

BY

REPLY

DATE

BY

Time-Saver

JAMES A. BRISCOE
EXPLORATION GEOLOGIST
6418 SANTA AURELIA
TUCSON, ARIZONA 85715
(602) 885-1790

LETTER

IN REFERENCE TO: phone call from Stan Smith
Atlanta, Georgia

AIRMAIL FIRST CLASS MAIL INTER-OFFICE

FOR Mr. Dick Hewlett, President
Sierra Mineral Management
4741 E. Sunrise Drive
Tucson, Arizona 85716

HOW TO USE THIS

DAY/TIMER

Time-Saver

LETTER TO SAVE TIME

Type or write your reply in the space below. Then mail
the white copy to us and keep the pink copy for your files.
You'll save time and effort and we'll have your answer
much faster! Thank you

MESSAGE

DATE August 19, 1973

Dear Dick,

On my return from Mexico, I found a message from Mr. Stan Smith saying he called Wednesday the 15th. I called him this morning about 10:30 and found he was interested in finding out what progress has been made on the Idaho garnet, limestone project and the two Arizona limestone quarry projects. As I am unfamiliar with any of these projects, I told him I had not personally been working with them and I didn't know what their present status was since I have been in Mexico the past week. I also said that I would check with the people who had been working on them and get back in contact with him. As I will be taking a short vacation for about a week, starting Monday afternoon and since I did not even know of the existence of these projects it would probably be better if you would follow up on the information for Mr. Smith. I guess I failed to mention that Mr. Smith said that he was a friend and business associate of Jim Bishop's. A fact which I assume you are aware of.

Best regards,

BY James A. Briscoe

REPLY

DATE

BY

JAMES A. BRISCOE
EXPLORATION GEOLOGIST
6418 SANTA AURELIA
TUCSON, ARIZONA 85715
(602) 885-1790

LETTER

IN REFERENCE TO: *Drill Hole Sampling
procedure*

AIRMAIL FIRST CLASS MAIL INTER-OFFICE

FOR

*Charlie Escapule
J. T. Stock date*

HOW TO USE THIS

DAY/TIMER

Time-Saver LETTER TO SAVE TIME.

Type or write your reply in the space below. Then mail the white copy to us and keep the pink copy for your files. You'll save time and effort and we'll have your answer much faster! Thank you

MESSAGE

Air truck holes above the

DATE

8/20/73

FOLD

state of Maine vein should be drilled to a depth of 100' unless stopes are encountered which would make further penetration impossible. If we have the steel to drill deeper and are in a favorable looking formation the hole should be drilled as deep as possible.

SAMPLES: Samples should be taken over each 5' run. The total 5' sample should be collected & split to the 2 qt container size with the Jones splitter. A small assay sample of about 1/2 pt should be taken from the 2 qt container & sent via Greyhound to Tucson (Hawley & Hawley) daily. The remaining 2 qt container should be carefully labeled and stored for future reference.

BY

REPLY

In the Brother Jonathan area

DATE

Drill holes should be spaced at 60 foot intervals. We can interspace the 60' interval at a 30' grid if results are encouraging.

J. A. Briscoe

BY

JAMES A. BRISCOE
EXPLORATION GEOLOGIST
6418 SANTA AURELIA
TUCSON, ARIZONA 85715
(602) 885-1790

DAY/TIMER

Time-Saver

LETTER

IN REFERENCE TO *Aerial Photography*
flagging

AIRMAIL FIRST CLASS MAIL INTER-OFFICE

FOR *Charlie Escapule*
J. T. Stockdale
Bisbee Surveyors

HOW TO USE THIS

DAY/TIMER

Time-Saver

LETTER TO SAVE TIME.

Type or write your reply in the space below. Then mail the white copy to us and keep the pink copy for your files. You'll save time and effort, and we'll have your answer much faster! Thank you.

MESSAGE

DATE

8/20/73

FOLD

The primary control targets I have located on the 1"=200' topog. map, (this symbol - \triangle) are to be located in approximate position only - within 100' of their map position is adequate. Under absolutely no circumstances is a transit to be used for this work.

All of the patent corners noted on the map with a red square (this symbol \square) are to be flagged with a Y with 10 foot arms.

FOLD

FOLD

BY

J. A. Briscoe

REPLY

DATE

BY

Copy

6418 Santa Aurelia
Tucson, Arizona 85715
August 20, 1973

Mr. Robert Rose
Seidman and Seidman
3003 North Central Avenue
Suite 2308
Phoenix, Arizona 85012

Dear Mr. Rose:

Mr. Al Smith of Sierra Mineral Management, Tucson, Arizona, has informed me that there is a problem involving \$1700 which I received.

This money was received by me from Mr. J.B. Stevenson and Mr. R.F. Hewlett as a payment against back out-of-pocket expenses owed to me by the Company, and was not in the form of a salary.

Sincerely,

James A. Briscoe

JAS/ab

*Signed on August 28, 1973
& sent to Seidman & Seidman
~~in~~ in my envelopes*

SIERRA MINERAL MANAGEMENT

J. A. SMITH
Project Coordinator

4741 EAST SUNRISE DRIVE
SKYLINE BEL AIRE PLAZA
TUCSON, ARIZONA 85718
602 / 299-9736

August 20, 1973

Mr. James A. Briscoe
6418 Santa Aurelia
Tucson, Arizona 85715

Dear Jim:

The report resulting from the Seidman audit done on our books shows a footnote that we would like to have removed. This note resulted from a misunderstanding on Seidman's part of the \$1700 you received against your expenses (\$1200 from J.B. Stevenson and \$500 from R.F. Hewlett). The note reads as follows:
"Confirmation from James A. Briscoe regarding source of payment of his salaries was not in agreement with Company records. The amount involved was \$1700."

The way this footnote reads it looks to me as if Seidman thought the \$1700 was for your salary when actually it was payment for out-of-pocket expenses.

I have prepared a letter (enclosed) for your signature. If you agree with its verbage, please sign and return it to me.

Thank you.

Sincerely,



J. A. Smith
Project Coordinator

JAS/ab

Enclosure

SIERRA MINERAL MANAGEMENT

R. F. HEWLETT
President

4741 EAST SUNRISE DRIVE
SKYLINE BEL AIRE PLAZA
TUCSON, ARIZONA 85718
602 / 299-9736

Tombstone
Aug. 24, 1973

Jim Briscoe:

Dear Jim;

I am very disappointed that no assessment work has been started.

Therefore, please write me a complete report on your activities and I want all maps, records, data, old reports, etc. at once.

R F Hewlett

August 25, 1973 T.C. w/ Homer Thomas Re:
Status of Tombstone job.

J.T. Stockdale - Called Cooper - said it would
be a week to 10 days before freight
would be in at Tombstone & not
to fly it till then. Bad weather
prob would have prevented flight
till now anyway.

1973
August 26, 1972

Mr. Richard F. Hewlett
President
Sierra Mineral Management
4741 E. Sunrise Drive
Tucson, Arizona

Dear Dick:

I received your hand-delivered letter of August 24, and read it with a great deal of surprise.

I keep a detailed log-book of my activities and a telephone log of all long distance calls. From these I prepare my billings in which each day's major activities are summarized for your perusal. You already have in your hands a detailed log of how my time has been spent up to Monday, August 7, 1973. Included with this letter (as attachment A) is a log of my time since that date. Should you need more details, such as telephone calls, time, dates, etc., I can supply them to you. I keep all records and literature of the various Sierra Projects in good order and can submit them to you as you request.

You mentioned that no assessment work has been started in the Tombstone area. On the contrary, the work we discussed in our meeting of the morning of Friday, July 20, has been started. At that time, I mentioned that the most cost effective thing that could be done in the Tombstone area, which would be applicable to annual assessment work, would be a thorough geologic evaluation program followed by test drilling. This program, I suggested would consist of the following sequential steps:

1. Color aerial photography of the entire district at a scale of 1" = 2000'. These photos would form the basis for reconnaissance and detailed geologic mapping, geochemical sampling, and laying out of any applicable geophysics.
2. District-wide photo geologic and photo alteration and tectonic studies.
3. Field reconnaissance and ground truth follow-up of the photo interpretative work.
4. Based on the above district wide photo-interpretative work, geochemical sample grid or profile lines, as the geologic situation might require, could be laid out.

To: Mr. Richard F. Hewlett
Page 2

August 26, 1973

5. At the same time as the geo-chemical sampling work is being done, a detailed geologic mapping would be performed in areas which require such attention as determined by the district wide photo-interpretative work.

6. On completion of the above, drill targets and objectives could be determined and a meaningful drilling program initiated.

You expressed satisfaction and concurred with these ideas at our meeting of July 20. As a result, I gave Cooper Aerial Photography the go-ahead to fly 234 square miles covering the Tombstone Mining District. I also mentioned to you that they provide service on a chronological basis and as weather permits. My instruction to Cooper was that, if there was any cloud cover in the Tombstone area, they should postpone their flight until the sky was absolutely clear so that Sierra would obtain only the best results.

Prior to my departure to Mexico (at the request of J. Bruce Stevenson) I gave J. T. Stockdale and the Bisbee Surveyors (contacted by Bob Hewlett) detailed instructions for targeting additional control points in the immediate State of Maine area, so that at some future date, if required for mill construction, mine control, or legal work, topographic maps could be prepared at a scale as large as 1" = 80', at a contour interval of 2'. This was done with the reasoning that Sierra could obtain this data at a bargain price, since the plane would be in the area anyway, and the cost would only involve a few additional exposures. In spite of my detailed instructions, J. T. became confused and didn't get the job done completely. Part of the problem lies in the fact that J. T. cannot read a topographic map and thus cannot really perform this type of work--a fact that had only been hinted at previously. At my request, Bob Hewlett asked the Surveyors to work on the targeting.

Upon my return from Mexico I found that they had still not completed the task because they were attempting to survey in the targets with a transit--a procedure that was absolutely against my instructions. This lack of attention to my instructions has caused a three day job to stretch into a two weeks job. Additionally, J. T. called Cooper and told them to delay flying the area. At first I thought that I may not have made my instructions clear; however, Charlie Escapule, who had only heard them in passing, understood them completely.

I talked with Homer Thomas of Cooper Aerial Survey this morning and he said that cloud conditions in the Tombstone area would have prevented

To: Mr. Richard F. Hewlett
Page 3

August 26, 1973

flying the job until this week anyway. So the confusion on the aerial targets has not held us up any longer than would have been caused by uncontrollable weather conditions. The targets are now set, and Cooper plans to fly the photography the first part of the week, weather permitting. Thus, prior to the deadline date of September 1, the technical work will be well under way, the work will be on a continuing basis, and an affidavit of labor for the aerial photography, my work in the area to date, and Kenyon Richard's work, can be filed.

In this manner, the work requirement for the 1973 assessment year and the 1974 assessment year will be completed in a well planned, continuous and effective effort. The State and Federal Mining Law (Refer to Laws and Regulations Governing Mineral Rights in Arizona, by Victor H. Verity, Department of Mineral Resources, State of Arizona, pages 40, 41 and 42), will be satisfied and expenditures made in this manner will test effectively the potential of the district, and result in discoveries, if indeed there is any economic mineralization to be discovered.

The other alternative to the above would be to proceed with "make-work" assessment type drill holes located arbitrarily and solely to satisfy the legal requirements. The cost of this work would be the same as the sequential technical program we agreed on, but any positive results would be by the mearest luck. I would strongly recommend against this type of make-work project, as it is just this type of activity that Tombstone Mineral Reserves, Incorporated dissipated their funds on.

It would have been impossible to perform any bulldozer or drill work on the T.M.R. Claims until this coming week, as the bulldozer was in need of or undergoing repair work, until the mid part of the week of August 19, and the air-track drill rig was involved in the State of Maine area and the T.M.R. rotary rig was not in operable condition to that time. The reason for this was the lack of necessary funds to get these various pieces of equipment mobilized at the proper time.

Al Smith planned his vacation shortly after your departure, a fact that I was unaware of until the day of his departure. No funds were available in Tucson for paying the first month's rental on the air-track and compressor, or for any other purpose for that matter. Thus, until Al returned and funds were transferred from New York, the project was in "limbo" for anything that required cash outlay, which would include tractor repairs, lumber, drill rigs, and sample containers, etc. All of these items could have been on stream at least two weeks earlier had the necessary cash been available.

To: Mr. Richard F. Hewlett
Page 4

August 26, 1973

In fact, Arizona Cedar Rapids Company was very incensed that they were not able to make delivery of the air-track drill and compressor as had been discussed at our meeting of July 20th. I was in close contact with your brother, Bob, on these matters, but as neither of us had access to cash there appeared to be nothing that could be done except to wait the cash and authority from New York. This lack of operating cash necessitated a great deal of time spent in telephone calls and duplicate activities that otherwise would have been unnecessary and allowed for more productive work.

I have had three lengthy meetings with Charlie Escapule to try and determine what his most pressing problems have been and how to resolve them. As a result of these meetings Charlie has identified these problems and I think future operations of Tombstone will proceed more smoothly and on schedule. These problems in order of importance are:

1. Lack of operating cash infused at the proper time.
2. No prevenative maintenance and spare parts to make repairs when mechanical breakdowns occur.
3. Too few men to do the required work.
4. Salary or pay schedules that are not in line with those prevalent with competitive employers.

It is obvious that point 1 is the real solution to points 2 through 4. We worked out a parts and equipment list, and pay-roll schedules as well as additional personnel requirements. We estimated that \$25,000 was needed to meet his immediate requirements for operation. This amount was wired from New York August 7th, and this cash has alleviated the above mentioned problems.

Regarding the delays on the T. M. R. rotary drill rig, Bob Hewlitt was unable to prepare and get signed the necessary contract with T. M. R. until Friday, August 17th. By written directions to Charlie Escapule (copy of that memo available at your request) were to have the drill rig ready to drill two test holes on Monday, August 20th. Because of the delay in signing the contract the drill rig was not ready to do any drilling on my arrival on the afternoon of the 20th and certain critical parts still had to be delivered before it would be in operation.

Regarding physical work on the T. M. R. Claims, I directed Charlie Escapule the afternoon of August 20th to have the newly hired scraper operator dress

To: Mr. Richard F. Hewlett
Page 5

August 26, 1973

up all roads in the T. M. R. area. The reason for this was two-fold: 1. To show some type of surface activity in the area; and 2. To give better access for the technical geologic mapping and geochemical surveys and drill work. I assume that this work has proceeded as per my directions.

Enclosed with this letter (as Attachment 2) is a planning calendar on which I show my projected activities over the next six months. This schedule was prepared in the early part of August, before we had equipment delays because of the lack of operating cash. The activities scheduled for the mid and later part of August are delayed for the reasons mentioned above and thus the scheduling, should you wish to proceed on them, will have to be set forward by about two weeks.

My present plans call for placing aerial photo panels in the Keeney Pass area this coming week so that this area can be flown prior to September 1, for assessment work purposes on that block of Claims.

I infer by your written note of August 24, expressing disappointment, that you are somehow unhappy with my performance. I can assure you that I have performed to the best of my ability under the circumstances imposed upon me. The hours that have appeared on my billings are actually less than I have put in on the project. You have also noted, I am sure, that I have reduced my daily rate, commensurate with the length of the project, to \$125 per day--certainly a fair rate, I think. My time has, in part, been taken up with managerial functions in trying to coordinate and trouble-shoot on the Tombstone project, in addition to performing purely geologic tasks. If this is, at present, contrary to your wishes, I will in the future confine my activities to technical geologic matters.

Best personal regards,

James A. Briscoe

JAB:nb

JAMES A. BRISCOE

Exploration Geologist

To: Mr. R. F. Hewlett, President
Sierra Mineral Management

6418 Santa Aurelia
Tucson, Arizona 85715
(602) 885-1790

ATTACHMENT 1

Thursday, August 9, 1973

Maintainance work on field vehicle. Project 105 summary. T.C. to N.Y. - funds have been transferred to Arizona Cedar Rapids account as per my directions. The drill is to be delivered to Tombstone on Monday, August 13. Work on Great American Property map. T.C. from Al Smith. T.C. to Bob Hewlett, - he doesn't know how to get in contact with Nick Caruso. Quit at 6:30 P.M. T.C. from Chas. Escapule 7:15 to 7:30 - updated him on the delivery of the drill rig, and cash for operating expenses and repairs at Tombstone. Necessary operating cash has been unavailable up to this date, but cash should be transferred to his account no later than Monday.

Friday August 10

Miscellaneous office work on Project 105 up to 12:45. Personal business 12.50 P.M. to 2:00 P.M. Arrive S.M.M. office at 2:15 P.M. Go over various matters with Al Smith regarding Tombstone project. Pick up check for expenses and professional services. Talk with Bob Hewlett & Al Smith Re: Seth Horne ground contract in S. Tombstone area. Conference call between J.A.B. & Al Smith in Tucson, Bob Hewlett, Bisbee, and J. Bruce Stevenson, New York City. Unanimous decision not to accept the terms of the Seth Horne contract as proposed (complete memo regarding decisions and reasoning of this conference call available at your request). Arrive at Blake Moffitt & Towne and pick up drill sample containers. To color classics to pick up photos for report on the Mueheim ground in Bisbee.

Saturday August 11

Dictate S.M.M. letters and reports. T.C. from Bob Hewlett - wanted to know when Sutti arrives, also related further conversations with Seth Horne. Horne still adamant to this point, but somewhat mollified.

Two forty five P.M., leave for airport to pick up Martin Sutti. Mix up on plane schedules & he doesn't arrive until about 4:30. Register him at the Manaco. Dinner that evening and go over Tombstone maps and data until about 11:30 P.M.

Sunday August 12, 1973

Leave for Tombstone tour with Martin Sutti at 9.15 A.M. Brief visit to Tombstone until about 1:00 P.M., then drive on to Bisbee to have lunch with Mr. & Mrs. Bob Hewlett, accompanied by J.T. Stockdale. Tour of Bisbee area after lunch. Then return to Tombstone for another two hours. Return to Tucson 8:30 P.M.

Monday August 13

Leave for examination of Milagros, Zacatecas Mexico silver mine belonging to Mr. Martin Sutti, in company with Martin Sutti.

Monday August 13, through Friday August 17 spent in Mexico. Returned to Tucson, Friday August 17, leaving the airport at 7:00 P.M. A detailed report of this trip is in preparation. The trip was requested by J. Bruce Stevenson.

Saturday August 18

Half a day spent in transcription and organization of Mexico trip notes.

Sunday, August 18

Preparation of rough draft of Milagros report, 7:00 A.M. to 8:30 P.M.

Monday, August 20

T.C. from Al Smith RE: core Boards, on same conversation talked with Nick Caruso Re. his trip to Nevada and my impressions of the Milagros area. In P.M. drop sample off at Hawley & Hawley. Drive to Tombstone, arriving at 4:10 P.M. Go over work with Chas. Escapule & J.T. Stockdale. Bull Dozer is still down but should be ready to work about mid week. T.M.R. rotary drill rig still not ready to go, contrary to my directions because contract wasn't signed with them until Friday August 17. Wrote directions Re: sample shipment to assayer and placing aerial photo targets. Directed Chas. Escapule to start roadwork with scraper in T.M.R. area the next day. Scraper had been down because of lack of spare parts until this date.

Time-Saver

JAMES A. BRISCOE
EXPLORATION GEOLOGIST
6418 SANTA AURELIA
TUCSON, ARIZONA 85715
(602) 885-1790

LETTER

IN REFERENCE TO:

AIRMAIL **HAND DELIVERED**
FIRST CLASS MAIL INTER-OFFICE

FOR **Mr. Dick Hewlett, President**
Sierra Mineral Management
Tucson, Arizona

HOW TO USE THIS

DAY/TIMER

Time-Saver

LETTER TO SAVE TIME

Type or write your reply in the space below. Then mail the white copy to us and keep the pink copy for your files. You'll save time and effort and we'll have your answer much faster! Thank you

MESSAGE

DATE **Tuesday August 28, 1973**

With this letter is transmitted to you one colored copy of the drafted map showing property status in the Great American area, Swisshelm Mountains, Cochise County, Arizona.

James A. Briscoe

REPLY

BY

DATE

BY

TOMBSTONE MINERAL RESERVES

Escapule, J.
Hillman, C.
Scraper - 60 hrs. @ \$35.00 per hr. \$2000.00
Dozer - 60 hrs. @ \$45.00 per hr. \$2700.00
Road work done in Sec. 27, 28, 33, 34. Work completed August 31, 1973. C.B.E.

TOMBSTONE DEVELOPEMENT CO.

Labor - \$455.00
Rig Rental - \$475.00
Fuel & Oil - \$89.76
Bits - \$146.10
Assaying - \$1260.00
Driller - Waterson - Helper - McNeely
TRACK RIG 3" bit
Total hole depth 903
Work completed prior to August 31, 1973 C.B.E.
Work done on 18 claims East of Tombstone - Sec.

HORN PROPERTY

Labor - \$756.00
Fuel - \$180.00
Mud Gel - \$40.00
Sampling @ \$700.00
Repair parts for Rig - \$330.00
Bits - \$425.00
Driller - Henderson, T. - Helper - Henderson
ROTARY RIG 4 3/4" bit
Total hole depth 510'
Tot. cost \$2,431 ÷ 510' = \$4.76/foot
Work done in Sec. 30. Work completed August 31, 1973. C.B.E.

HORN PROPERTY

Labor - \$222.00
Fuel - \$82.25
Bits - \$92.00
Sampling - \$273.00
Rig Rental - \$122.25
Driller - Henderson, T. - Helper - Henderson, G.
ROTARY RIG 4 3/3" bit
Total hole depth 195'
Tot. cost 791.5 ÷ 195' = 4.05/foot
Work done in Sec. 36. Work completed August 31, 1973. C.B.E.

HONY PROPERTY

Labor - \$373.60

Fuel - \$80.00

Rig Rental - \$380.00

Sampling - \$1029.00

Bits - \$151.50

$$\text{Tot. } 2,815.50 \div 733' = \$2.75/\text{foot}$$

Work done in Sec. 36. Work completed August 31, 1973. CBE.

TRACK RIG Driller - Waterson - Helper - McNeely
Total hole depth 733' 3" bit

$$\begin{aligned} \text{Total Drill costs} & \div \text{Total Costage} = \text{cost/foot} \\ \$5,238 & \div 1,438 = \$3.64 \end{aligned}$$

Time-Saver

JAMES A. BRISCOE
EXPLORATION GEOLOGIST
6418 SANTA AURELIA
TUCSON, ARIZONA 85715
(602) 885-1790

LETTER

IN REFERENCE TO: **Keany Pass and
Tombstone, Bisbee, Swisshelm Color
Aerial Photography**
AIRMAIL FIRST CLASS MAIL INTER-OFFICE

FOR **Dick Hewlett, President
Sierra Mineral Management
4741 E. Sunrise Dr.
Tucson, Arizona 85715**

HOW TO USE THIS

DAY/TIMER

Time-Saver

LETTER TO SAVE TIME.

Type or write your reply in the space below. Then mail the white copy to us and keep the pink copy for your files. You'll save time and effort, and we'll have your answer much faster! Thank you.

MESSAGE

FOLD

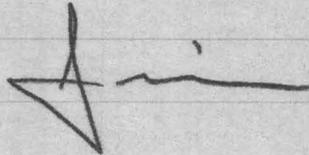
Dear Dick:

DATE **September 11, 1973**

FOLD

I checked with Homer Thomas of Cooper Aerial Survey today about the Tombstone area photographs. They have all been shot and shipped off to the processors. They expect the negatives to be returned in a day or so. Cooper will number the negatives and check the coverage. They then ship them back to the processor to make prints. Thomas expects that we should have the prints back in about 10 days from today. V.T.N. Inc. of Irvine California says they should have color proofs of the Keany Pass area back to me in a few days. After I approve the color balance, they will make prints of the job. I estimate the two jobs should be done about the same time.

Best regards



FOLD

FOLD

BY

REPLY

DATE

BY

September 11, 1973

Mr. R. F. Hewlett, President
Sierra Mineral Management
4741 East Sunrise Drive
Skyline Bell Aire Plaza
Tucson, Arizona 85718

Dear Dick:

On Saturday, September 8, an examination was made of the Tombstone area operations. Messrs. Charles and Ernest Escapule were guides for this tour. Of course, a one day inspection visit cannot fully acquaint anyone with all the facets of the proposed operations. The tour, however, did alert me to your general proposed plan. I see nothing wrong with the overall picture, but would like to offer the following suggestions which are based on examination of present test work and field inspection.

1. Dump Sampling:

Attached to this letter is a sampling procedure which will allow for a quick analysis for the silver contained in a dump. The system allows for a dump to be segregated into areas which can then be sampled and tonnages calculated.

Dumps already known to carry some values should be the first tested. This would allow for a known ore feed to the plant prior to the start of milling operations.

It is suggested that at least 100,000 tons should be proven prior to the start of milling. The program should not take over three months to accomplish.

2. Screening Plant:

An adequate screening plant should be immediately constructed and operated. At least 10,000 tons of mill feed should be stockpiled for subsequent treatment.

The operation of this plant, prior to actual milling, would work out the most adequate production methods.

All screened materials should be stockpiled either at dump or mill site. This would allow for subsequent weighing and blending (if necessary) prior to milling.

Mr. R. F. Hewlett
Sierra Mineral Management
Page Two

September 11, 1973

3. Assaying of Products:

The assay office should immediately be completed. Analysis of ores at the job site would save considerable dollars plus giving more adequate control of sampling operations.

4. Milling Plant:

The cyanide plant with added ore feed bins should be installed as it was at Whitehall, Montana. Space should be left for added wet screening, cyclone CCD circuit and an additional grinding mill. The flow-sheet with minor changes and location of equipment is correct for testing the Tombstone area silver ores.

5. Open Pit Prospecting:

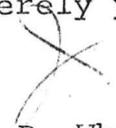
Areas around old stopes might contain sufficient values to allow for treatment. As old prospectors say, "Look for elephants where elephants have been before," It is suggested that prospecting around the old stopes of the main mines could be quite productive.

With the Tombstone Exploration holdings tied up, your company can develop long-range plans.

The main thing right now is to do the work for getting the dumps properly sampled and prepare the mill for operation. Once money is being generated, everyone feels better.

I strongly recommend that other mine work or geologic exploration be held to a minimum until the work outlined in the preceding paragraph is done.

Sincerely yours,


John B. White
Post Office Box 8
Inspiration, Arizona 85537

JBW:ma

JAMES A. BRISCOE
EXPLORATION GEOLOGIST
6418 SANTA AURELIA
TUCSON, ARIZONA 85715
(602) 885-1790

LETTER

IN REFERENCE TO: **Drafting crosssection
of the Tombstone area at
1" = 1,000.**

AIRMAIL FIRST CLASS MAIL INTER-OFFICE

FOR **George Smith**

HOW TO USE THIS

DAY/TIMER

Time-Saver

LETTER TO SAVE TIME.

Type or write your reply in the space below. Then mail the white copy to us and keep the pink copy for your files. You'll save time and effort and we'll have your answer much faster! Thank you

MESSAGE

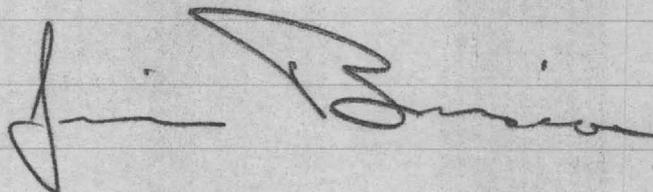
DATE **September 12 1973**

Dear George;

Please draft a crosssection at a scale of 1"=1,000 feet along the line A - A'.

This should be done on grid line mylar which I will provide. Please start the highest elevation 2 inches below the top of the sheet to provide margin.

On the left and right sides of the crosssection, show a vertical elevation with 1,000 increments. Please letter this in LeRoy.



REPLY

BY

DATE

BY

mountain states research & development

a division of Mountain States Mineral Enterprises, Inc. P. O. BOX 17960, INTERSTATE 10 & VAIL RD., TUCSON, ARIZONA 85731 (602) 792-2800

September 19, 1973

Mr. James Briscoe
6418 Santa Aurelia
Tucson, Arizona 85715

Dear Jim,

This will confirm our verbal proposal of this date covering a simulated percolation dump (or heap) leach test on a screen sized portion of silver ore from the Tombstone area. For this test we would leach either 1-ton of ore in one of our 2 ft. diameter x 10 ft. high columns, or 2-tons of ore in two of these columns operating in series, to simulate a 20 ft. high heap.

Estimated costs are based on 1-day sampling and loading, 1 day unloading and sampling, with a 10-day leaching period. Leach solutions would be measured, sampled and assayed daily for silver to determine extraction rate vs. time.

On the foregoing basis, estimated costs are as follows:

For a single column test \$2,800
For a double column test \$3,800

The foregoing estimates cover labor, assaying, data assembly, report writing, supervision, and a rental charge of \$30/day per single column, \$50/day for two columns.

Inasmuch as your initial tests on similar material have shown around 80% extraction in 4 days, you may wish to reduce the leaching period to under 10-days, depending on day to day results. Each day's reduction of leaching time under 10-days would reduce the above cost by approximately \$110/day for a single column test and by \$190/day for the double column arrangement.

You would be billed only for actual time spent on this project including assay charges, in accordance with Schedule "R". In any case, we would not exceed the estimated totals without your authorization.



R.B. BHAPPU, P.E.

Mr. James Briscoe
6418 Santa Aurelia
Tucson, Arizona 85715

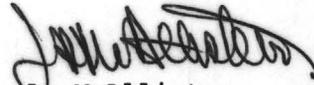
September 19, 1973

Work will be conducted in strict confidence. Any patentable ideas that might be developed will be assigned to the Sponsor.

We are in a position to proceed immediately with the project upon receipt of your written authorization and the sample for testing.

We will look forward to working with you on this interesting project.

Sincerely yours,
MOUNTAIN STATES
RESEARCH AND DEVELOPMENT



J. A. McAllister
Vice President and
Assistant General Manager

JAM:crm

MOUNTAIN STATES RESEARCH & DEVELOPMENT, INC.

SCHEDULE R

ACCOUNTING PROCEDURE

973

For Research & Development, and other Home Office services performed by CONTRACTOR in accordance with the AGREEMENT to which this Schedule is attached, in the Home Office or in the field, CONTRACTOR shall charge OWNER with the cost incurred by CONTRACTOR as set forth below.

1. Employees' Compensation. Wages and salaries on an hourly rate basis plus an allowance of twenty-five percent (25%) as compensation to CONTRACTOR for payroll insurance and taxes, holidays, vacations, sick leave, medical insurance, group life insurance and other welfare expenses for such time as is devoted to the work by CONTRACTOR'S General Manager and clerical employees in the Home Office or in the field.
2. Transportation of personnel in interest of the job.
3. Subsistence and other expenses of personnel while traveling or at the job site.
4. Consulting Services and expenses.
5. Reproducing and Duplicating services and materials, such as blueprints, photostats, photographs, ditto, mimeograph, printing and binding, together with drafting room and office stationery, materials and supplies.
6. Communications such as long distance telephone calls, telegrams, teletypewriter messages, cablegrams and radiograms.
7. Miscellaneous and other expenses incurred in direct performance of the work, including but not limited to freight, express, postage, and assaying.
8. An Allowance equal to eighty percent (80%) of Item 1 above to cover CONTRACTOR'S general overhead such as permanent office rent, telephone switchboard service, local telephone calls, use of permanent office furniture, machinery and equipment, maintenance of organization ready to serve and all other expenses incurred by CONTRACTOR in conducting its business that are not created by or properly chargeable to a specific job.
9. Fee for Profit of eight percent (8%) of the sum of Items 1 and 8.
10. For work performed by Laboratory personnel invoicing will be at a flat rate of \$22.00 per hour. This includes MSRD fee for profit and also includes the cost of consumable supplies.
11. Cost or Rental of Special Equipment per agreement.

MARCO
SOILS AND FOUNDATION ENGINEERS, INC.
139 N. SIXTH AVENUE
TUCSON, ARIZONA 85701

CHARLES E. MARTIN, P.E.
President

COMPLETE MATERIALS TESTING
AND FOUNDATION DESIGN
PHONE 623-6208

September 29, 1973

Mr. James A. Briscoe
6418 Santa Aurelia
Tucson, Arizona 85715

RE: Leach Bed Design
Tombstone Project

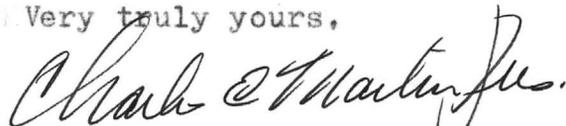
Dear Sir:

As you requested, we hereby submit a proposal for the Engineering services for the above referenced project.:

1. Research Environmental Impact for Cyanide Leaching Process.....	\$ 320.00
2. Soil Investigation for Leach Bed design.....	1,160.00
(a) Drilling and Sampling on Site	
(b) Laboratory testing for bearing capacity of sub-soil	
(c) Permeability testing for Leach Bed design	
(d) Analysis and Report of recommendations	
3. Design of Leach Bed.....	980.00
(a) Thickness of Mat	
(b) 1' Contour Topographic Survey of Site	
(c) Design and grading plan of site	
(d) Design Collection Basin	
4. On Site Stake out for Grading.....	320.00
5. Construction Inspection of Site Preparation.....	500.00
(Estimated, 5 days @ \$100.00/day)	
Total.....	<u>3,280.00</u>

If this meets with your approval, please have the original signed and returned for our files.

Very truly yours,


Charles E. Martin, P. E.

Authorized Representative

MARCO SOILS & FOUNDATION ENGINEERS

JAMES A. BRISCOE
EXPLORATION GEOLOGIST
6418 SANTA AURELIA
TUCSON, ARIZONA 85715
(602) 885-1790

Time-Saver

LETTER

IN REFERENCE TO: Copy - mylar-
of State of Maine Area
1" = 200' 5' contour int.
topog. map prep. by Cooper Aerial
AIRMAIL FIRST CLASS MAIL INTER-OFFICE
Hand delivered to Sierra Office

FOR **John Beder**
Sierra Mineral Management
4741 E. Sunrise Drive.
Tucson, Arizona 85716

HOW TO USE THIS
DAY/TIMER
Time-Saver LETTER TO SAVE TIME.
Type or write your reply in the space below. Then mail
the white copy to us and keep the pink copy for your files.
You'll save time and effort, and we'll have your answer
much faster! Thank you.

MESSAGE

FOLD DATE **October 4, 1973** FOLD

Dear John:

With this letter are delivered one mylar full black line master copy (topography only) of the State of Maine area covered in two sheets. I have also had a blackline copy of this master made as per your request.

Additional master mylar copies can be made from the scribe-coat master on permanent file at Cooper Aerial Survey.

Very truly yours

James A. Briscoe

FOLD FOLD

BY

REPLY

DATE

BY

STATEMENT

MARCO

SOIL & FOUNDATION ENGINEERS

139 N. 6TH AVE., TUCSON, ARIZONA

TELEPHONE 623-6208

DATE November 7, 1973

Mr. James Briscoe
6418 Santa Aurelia
Tucson, Arizona 85715

JOB NO. 730907

DATE	DESCRIPTION	TOTAL
11-7-73	6 Hydrometer Tests @ \$ 24.00 ea.....	\$ 144.00

JAMES A. BRISCOE
EXPLORATION GEOLOGIST
6418 SANTA AURELIA
TUCSON, ARIZONA 85715
(602) 885-1790

LETTER

IN REFERENCE TO: Statement
Marco Soil and Foundation
Engineers

AIRMAIL FIRST CLASS MAIL INTER-OFFICE

FOR

Mr. Al Smith
Sierra Mineral Management
4741 E. Sunrise Drive
Tucson, Arizona 85716

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LETTER TO SAVE TIME.

Type or write your reply in the space below. Then mail the white copy to us and keep the pink copy for your files. You'll save time and effort and we'll have your answer much faster! Thank you

MESSAGE

DATE December 7, 1973

Dear Al:

Enclosed is the bill for six Hydrometer Tests which at Dick's request I had Marco Soil & Foundation Engineers run on the soil in the Fox Ranch area at Tombstone. The total bill for this is \$144.00 which is the amount Mr. Martin and I agreed on prior to running the tests. I hope we can get this bill paid up as soon as possible.

Mr. Martin is writing a letter report which I will forward to Dick shortly.

Best regards,


James A. Briscoe

BY

REPLY

DATE

BY

Time-Saver

JAMES A. BRISCOE
EXPLORATION GEOLOGIST
6418 SANTA AURELIA
TUCSON, ARIZONA 85715
(602) 885-1790

LETTER

IN REFERENCE TO **Bill for soil sampling analysis of Tombstone leach pad location at Fox Ranch--6 hydrometer tests.**
AIRMAIL FIRST CLASS MAIL INTER-OFFICE

FOR **Mr. Richard F. Hewlett, President**
Sierra Mineral Management
4741 East Sunrise Drive
Tucson, Arizona 85716

HOW TO USE THIS

DAY/TIMER

Time-Saver

LETTER TO SAVE TIME.

Type or write your reply in the space below. Then mail the white copy to us and keep the pink copy for your files. You'll save time and effort, and we'll have your answer much faster! Thank you.

MESSAGE

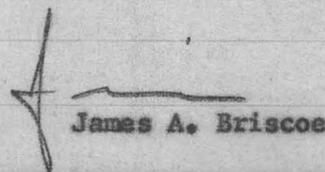
Dear Dick:

DATE **November 23, 1973**

Enclosed are copies of the six hydrometer tests run on the soil samples from the Fox Ranch area. These are the samples which you requested me to take and test when we were considering heap leaching of low-grade Tombstone ores in the Fox Ranch area. As indicated by Mr. Charles Martin, head of Marco Engineers, these tests indicate to him that the area could be compacted so that an impermeable base for a leach pad could be constructed by using the normal desert soil present with the possible addition of some soil cement and compaction with the loaded scraper or possibly a sheeps-foot compactor.

As there is no written report with these data sheets, I have requested Mr. Martin to send us a very brief letter indicating ^{how} what he interprets the meaning of these hydrometer tests.

Best regards,


James A. Briscoe

REPLY

DATE

BY

File: Sierra Mineral Management Corp.

MB

FILE MEMO

Re: Telephone Call Monday morning approximately 7:30 AM, December 10, 1973(?)

from Mr. Dick Hewlett, President, Sierra Mineral Management Company

Dick's call was totally unsuspected and at an hour much earlier than was his usual habit. I had talked with him the previous night regarding his request that I meet with Mr. Jack Bush of Placer AMEX in Tucson and take him on a tour of the Tombstone Project and also visit the Muheim ground with them. This was in order that Placer be aware of Sierra's activities in case a future joint venture with Placer would be in order. Further, Dick was interested in having Placer work toward acquiring the Muheim ground which Occidental Petroleum is negotiating with the Muheim's for. Dick mentioned he had been having little success in negotiations with Muheim and felt that Placer with their company record might have greater success. Sierra Mineral Management would then take a 10% working interest in the Muheim Project if negotiations were successful.

During this phone call Dick mentioned that he had been giving consideration to asking me whether I would be interested in conducting a dump exploration program in the Southwest for Pan Continental Mining Company. He said that Dan Cook who handles the Harriman finances is quite intrigued with the possibilities of such a program. Dick envisions

Page 2 File Memo

that five dump areas could be located somewhere in the Southwest, these dumps including both tailings, piles and unprocessed mine waste dumps similar to those at Tombstone. If five substantial areas of dumps could be located, Dick envisions that a profit, ~~mf~~ after operating expenses, of approximately \$2,000,000 could be made from processing this material. He envisions a semi-portable milling plant using either flotation or cyanide CCD processing. This plant could be assembled in a period of two weeks or less and could, of course, be moved in approximately the same period of time.

Based on my interest in the project, Dick suggests that I work on it for a fee plus percent of profits realized. He suggested that I give him a figure for percent of total profits. My retort was that I was interested but that I felt that he had been generous in the past and I would just as soon have him name a figure which I would probably be agreeable to. We agreed to both consider this proposal and would meet and discuss it Monday December 10. He suggested that I should spend full time on the project and start at ^Bodi, California, which has substantial dumps and old reports suggest that possibly \$100,000,000 in metal values still remain in the ground. I agreed that I would probably be able to

Page 3 File Memo

leave for Bodi the afternoon of Monday the 10th.

December 7, 1973

Mr. Richard Hewlett
President
Sierra Mineral Management Company
4741 E. Sunrise Drive
Tucson, Arizona 85715

Re: Pan Continental Mining Company
Proposed Trailer-mounted Sampling
Laboratory for Milagros Project

Dear Dick:

Enclosed with this note are two folded blueprint plans for the portable sample processing lab which I have suggested for use in processing samples on the Milagros Project, Zacatecas, Mexico. Mr. Bill Lehmbeck, Manager, Hawley & Hawley, Division Skyline Laboratories, and Mr. Ed Post, President, Skyline Laboratories, are responsible for the interior laboratory design while Porta-Structures of Tucson have drawn up the plans as per Skyline's specifications and designed the trailer structure housing the lab facilities. Both Mr. Lehmbeck and Mr. Post have designed and worked in similar labs while they were employed with the U.S.G.S. on the heavy metals program in the late sixties and, subsequently, as part of Skyline Laboratories for use by clients in Alaska and Honduras. I have worked with them closely on the enclosed design and although there may be a few minor modifications that can be made before the unit is ready for construction, I think this design will meet all the requirements for which it is intended.

Mr. Lehmbeck has inquired from various laboratory equipment dealers as to the availability of laboratory size crushers and pulverizers in Mexico and has found that there is no source for this type of equipment in Mexico save the possibility of somehow finding and acquiring used equipment that would be applicable. Chances of this, I feel, are rather slim. It is also doubtful whether there are any manufacturers of light trailer type structures in Mexico, although given sufficient time I'm sure that some Mexican truck body manufacturer could probably come up with a reasonable facsimile. However, I would anticipate that this might be a long drawn out process. All things considered, I think it would still be best to construct this unit in the United States and then import it by whatever necessary means into Mexico. In this way you would be assured of a completion date for the laboratory.

Mr. Lehmbeck has not assembled a complete equipment list with prices, however, he estimates that crushers, pulverizers, splitters, etc., sufficient for processing 200 pound samples with a maximum size of approximately 4 inches will run four to five thousand dollars and installation and trailer will run probably another four to five thousand dollars bringing the total cost to approximately \$10,000 for the sampling trailer.

With a slight modification of the floor plan of this sampling lab, space for diamond core splitting and processing can be obtained. With this addition the sampling lab will be adaptable for any type of drilling project or mine dump evaluation project. This would include splitting of diamond core and rotary or hammer drill cuttings, pulverizing them and preparation of an assay pulp which can then be shipped via air or Greyhound to the nearest reliable laboratory. Thus, even should the Milagros Project terminate prematurely, I think this unit would be invaluable in other mine evaluation projects which you envision in the near future. This is particularly true of your proposal for evaluating mine dumps and tailing ponds in the southwestern U.S.A. As we have seen from the Tombstone Project, collection and accurate processing of large bulk samples is an absolute necessity for evaluation of projects of this type.

Acquisition of necessary crushing equipment and construction of the laboratory facility will take three month or less from the decision date.

With best personal regards,

James A. Briscoe

Enclosures

JAB/md

Time-Saver

JAMES A. BRISCOE
EXPLORATION GEOLOGIST
6418 SANTA AURELIA
TUCSON, ARIZONA 85715
(602) 885-1790

LETTER

IN REFERENCE TO: Borrowed Library
Material

AIRMAIL FIRST CLASS MAIL INTER-OFFICE

FOR Mr. Richard Hewlett
President
Sierra Mineral Management
4741 E. Sunrise Drive
Tucson, Arizona 85715

HOW TO USE THIS

DAY/TIMER

Time-Saver

LETTER TO SAVE TIME.

Type or write your reply in the space below. Then mail the white copy to us and keep the pink copy for your files. You'll save time and effort, and we'll have your answer much faster! Thank you.

MESSAGE

DATE December 12, 1973

FOLD

Dear Dick:

This afternoon when I picked up my check, I borrowed from your library the California Bulletins noted on Attachment I with this letter. I also borrowed the topographic indexes for Nevada and California in relation to my pending trip to Bodi, California. I will return these data upon completion with them or whenever you have need of them.

Very truly yours,

James A. Briscoe

FOLD

FOLD

BY

REPLY

DATE

BY

PLACER AMEX INC.

December 19, 1973

Mr. James A. Briscoe
6418 Santa Aurelia
Tucson, Arizona 85715

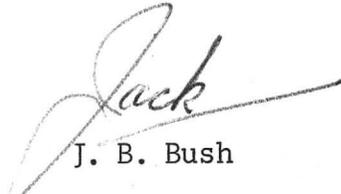
Dear Jim:

I have been thinking some more about the two plays at Silver Bell and Pinto Valley, that you mentioned to Chris and me a couple of weeks ago. Both of these situations are based on very interesting geological concepts which I am sure we would all like to see tested out with some deep drilling. However, at the present time we seem to have our budget pretty well tied up on other projects so we won't be able to consider your properties now.

I am sending the Bisbee data and the two photos back to Dick. We certainly appreciate your time in showing us Bisbee and Tombstone. Hope we can get together again one of these days.

All the best for the holiday season.

Sincerely,


J. B. Bush

JBB:ea

1974

January 3, 1974

Mr. Richard F. Hewlett
President
Sierra Mineral Management
4741 E. Sunrise Drive
Tucson, Arizona 85716

Re: Trailer Sampling Lab Data and Sampling of Deposits

Dear Dick:

Enclosed is a copy of the full text of a talk by Robert G. Garwood of Placer AMEX Inc. given to the A.I.M.E. Spokane subsection, and also a report in the Mining Record of the same talk. Garwood's address is the best general guide to exploration for "no seeum gold, silver, mercury deposits" that I have come across. His most important points are those regarding the sampling and geologic evaluation of prospect areas. I think this is where most companies have fallen down, and it is probably the reason that more Carlin type deposits have not been discovered.

Since large bulk samples are necessary to proper evaluation of prospects of this nature, I think that the trailer mounted sampling lab would make possible the taking of large samples in the field for prospect evaluation, something that is generally not feasible if the total sample has to be sent several 100 miles to the assay lab. Use of the trailer sampling lab would probably enhance our chances of discovery of low grade deposits by decreasing the chances of inadvertently passing over a good prospect.

Also enclosed with this letter is an equipment list for the portable lab which I received recently from Skyline Labs. With installation of this equipment, the total cost of the lab will be approximately \$10,000, including \$4,200 for the trailer and interior: desks, sinks and lab benches.

Best regards,

James A. Briscoe

Enclosures
JAB/mdf

January 7, 1974

Mr. Richard F. Hewlett
President
Sierra Mineral Management
4741 E. Sunrise Drive
Tucson, Arizona 85716

Re: Keany Pass Project and PANCO Mine Dump-Tailings
Exploration Project

Dear Dick:

Since the inception of your Tailings Exploration Program, I think we can take another look at the Keany Pass area in this light. As you may recall when we staked this land a couple of years back, we could not obtain the Colosseum Mine as it lay on patented ground. The Colosseum Mine is located on a breccia pipe and has been mined in the past for its gold content. It is reported that in the deeper mine workings the copper content increases. At the time we staked our Keany Pass claims the immediate area around the breccia pipe was being explored for its deep seated molybdenum potential. Apparently this drilling project was not successful as there was no indication of activity over the last year or so when I visited the area in August of this year.

There was a mill at the Colosseum Mine and I would estimate in a very rough manner, there is 20 - 30,000 tons of tailings in the tailings' pile. Further, there is approximately 50,000 tons of dump material in various dumps around the mine. Thus, there is by rough approximation 100,000 tons of tailings and broken dump material in the immediate vicinity of the Colosseum Mine. Further, there is probably another 100,000 tons of dump material at the various workings in the old Ivanpah Mining area which part of our Keany Pass claims cover. Considering the above, I think the area has some potential for mine dump-tailings processing. There may also be potential for putting the Colosseum Mine back into production, though the normal sequence of sampling and geologic evaluation would have to be followed. Obviously the Colosseum Mine property would have to be acquired and negotiations for the remainder of the property in the Ivanpah District (interior to our Keany Pass claims) would have to be undertaken.

This sounds like a project which PANCO might be interested in. If this is the case I would suggest that PANCO work towards acquiring the necessary remaining property and joint venture with 1971 Minerals Limited so as to form a consortium which would investigate the potential for processing existing mine dumps and also explore for additional reserves within both claim areas. In this manner the K.P. claims which are now in jeopardy because of delinquent assessment

work, could be validated by applicable technical work pursuant toward the total project objectives. The investment in this area by 1971 Minerals Limited is approximately \$7,000. This suggested joint operation would protect that investment while giving both investing groups a shot at mine dump-tailings production.

If the above sounds of interest to you let me know and I will pursue it further.

With best personal regards,

James A. Briscoe

JAB/md

STANFORD UNIVERSITY

STANFORD, CALIFORNIA 94305

DEPARTMENT OF APPLIED EARTH SCIENCES

Economic Geology
Environmental Geoscience
Mineral Economics
Mining Engineering
Mineral Processing
Extractive Metallurgy

January 8, 1974

James A. Briscoe
6418 Santa Aurelia
Tucson, Arizona 85715

Dear Jim,

Enclosed are the U-2 internegatives for the Tombstone area, and also a reference map of the coverage I am interested in from your photography. The reference map has some field numbers on it, which you can ignore.

I hope the internegatives will be useful to you. It is important to tell the processor that these were made from copies, and not from originals, so as to avoid having the prints reversed. I would like to have the internegatives returned when you are finished with them.

Good luck.

Yours very truly,

Roger

Roger A. Newell



consolidated inc.

ENGINEERS ARCHITECTS PLANNERS

2301 CAMPUS DRIVE, IRVINE, CALIFORNIA 92664 (714) 833-2450 (P.O. BOX 1890, NEWPORT BEACH, CALIFORNIA 92660)

January 14, 1974

Mr. James A. Briscoe
6418 Santa Aurelia
Tucson, Arizona 85715

Dear Jim:

Reference is made to your letter of November 29, 1973, and our subsequent telephone conversation regarding the aerial photography and photogrammetric mapping of your Milagros Project near Zacatecas, Mexico.

We have reviewed your requirements and the project maps you sent, and it would appear that color aerial photography of your overall 800 square mile area would require approximately 300 exposures at a scale of 1" = 2000', considering normal 60% overlap and 30% sidelap between strips. I feel that you should budget about \$3,500.00 for the aerial photography and processing of the color negatives. The cost of making one set of LogEtronic color contact prints, one set of black & white contact prints, and a photo index map showing the relative location of the individual contact prints would probably run about \$2,100.00 additional. If you decide to have this photography mosaicked and reproduced at a scale of 1" = 500' in the form of Cronaflex film positives or Cronapaque reproductions, I feel that you should budget the sum of about \$10,000.00 for this phase of the work. To summarize, the color aerial photography and mosaic compilation, along with delivery of the related reproductions will probably run you in the neighborhood of \$15,600.00

Tot = 5,600

1 = 166'

You had also requested a quotation for compilation of topographic maps at a scale of 1:2000 with one (1) meter contour interval covering areas 1 and 2, which were outlined in green. We would recommend that these areas be photographed at a scale of 1:15,000. Six exposures - a total of five stereoscopic models will be required to cover the area. It will also be necessary for you to target six control points, one approximately at each corner of the area, plus two across the middle of the area and establish horizontal and vertical control on these points. The horizontal control will have to close about 1:20,000 and the vertical control should be accurate within one-half foot. We would then extend this basic control by means of analytical aerial triangulation and establish six horizontal and vertical control points on each stereoscopic model. The topographic maps will be compiled directly at a scale of 1:2000 with a one meter contour interval using our first-order Wild A-10 stereoscopic plotters. The topographic maps will be scribed and reproduced on .004" Cronaflex

January 14, 1974

Mr. James A. Briscoe
Tucson, Arizona

film for final delivery. The cost for mapping areas 1 and 2, based on your furnishing the necessary aerial photography and field control surveys is \$7,970.00.

1" = 500'
You also requested a price for mapping areas 3 through 7 at a scale of 1:6000 with a two (2) meter contour interval from photography at a scale of 1:24,000. After checking the size of these areas, it would appear that it would be to your advantage to have all five areas flown separately at a scale of 1:25,000.

Area 3 would require 3 exposures, 2 stereoscopic models, and 6 horizontal and vertical control points, one at each corner of the job plus two across the middle. The cost for compiling the topographic map of this area and delivering finished map sheets would run \$2,650.00.

Area 4 can be covered with 4 exposures, 3 stereoscopic models at a scale of 1:25,000, and it would be necessary to establish six horizontal and vertical control points. The cost of topographic maps and delivery of finished sheets will be \$4,500.00, based on your furnishing the aerial photography and field control.

Area 5 will require 6 exposures, 5 stereoscopic models at a scale of 1:25,000 and it will be necessary to establish 6 horizontal and vertical control points on this area similar to the foregoing areas. The cost of the topographic maps based on your furnishing the photography and field control will be \$6,000.00.

Area 6 can be covered in one stereoscopic model, 2 exposures, at a scale of 1:25,000. The area requires 4 horizontal and vertical control points and the topographic mapping will run \$2,000.00.

I am unable to give you a quotation on area 7 since you were not able to furnish a map and I do not know the configuration of the area.

Jim as you suggested, I am returning your project maps on which I have indicated on an overlay the approximate layout of the stereoscopic models and location of the required control points.

I hope that this will furnish you with the information you need.

*Gr. 15, 150
Areas 3-6
Total*

January 14, 1974

Mr. James A. Briscoe
Tucson, Arizona

I apologize for my delay in getting this information to you, but your inquiry was received at a time when we were extremely busy in the office.

Very truly yours,

DUDLEY _____

Dudley W. Line
Vice President
Photogrammetric Division

DWL/md

Enclosures.

January 18, 1974

Mr. Richard F. Hewlett, President
Sierra Mineral Management Co.
4741 E. Sunrise Drive
Tucson, Arizona 85716

Dear Dick:

Enclosed is a xeroxed copy of the letter I recently received from Roger Newell. Enclosed with the letter is a map showing his area of interest within the Tombstone Mining District for which he would like to obtain copies of the color aerial photography flown by Cooper. This comprises approximately one third of the photographs from Cooper or approximately 30 photos. The cost of reproduction will be approximately \$210 for these photos. As per our conversation this morning, I will go ahead and have these photos reproduced and send them to Roger.

Best personal regards,

James A. Briscoe

Enclosure

JAB/mdf

January 18, 1974

Mr. Richard F. Hewlett, President
Sierra Mineral Management Co.,
4741 E. Sunrise Drive
Tucson, Arizona 85716

Dear Dick:

Enclosed is a copy of a letter I received today from VTN regarding my suggested aerial photographic program for the Milagros project. You may recall that I suggested flying 800 sq. miles with color air photos to serve as base maps for further geologic reconnaissance, exploration and mine development within the area. I had hopes that this photography would be usable for drawing topographic maps at a future date when those were required. VTN apparently ~~does~~ not think that is a feasible idea and has suggested a much more extensive and expensive program than I had envisioned. As you will note in paragraph two of Mr. Line's letter the total cost of the photography would be in the range of \$5,600 for an average cost of \$7 per sq. mile - quite a reasonable cost, I think. He also estimates the cost of constructing controlled photo mosaics from the photography at a scale of 1" = 500' to be about \$10,000. I don't think that in the foreseeable future this type of mosaic would be necessary for this project and, therefore, I think, this cost can be disregarded.

My original purpose was to fly photographs usable originally for geologic reconnaissance but also so that they could be used later for topographic mapping when areas requiring topography were delineated, thus, cutting the necessity of reflying the area. This estimate negates that cost saving potential and, therefore, I think, the photographs for geologic reconnaissance purposes can be flown by a much cheaper method. For geologic purposes a Hasselblad 70 mm camera can be used and there is a fellow that I have been recently working with here in Tucson who has such a setup. He has the ability to take stereo color coverage which is comparable in quality to the 9 x 9 cameras at a cost considerably below that quoted by VTN. His cost for negatives, color processing of the color negatives and printing 8 x 10 enlargements at a scale of 1" = 2,000' would be about \$900 versus VTN's estimate of at least \$2,100. Aircraft time and his time would be additional to this; however, again I think, considerably less than the cost of flying the job with a 9 x 9 mapping camera. Should the Milagros program again become viable, I would suggest that this would be the route to go.

Should the program to put the Milagros-El Astro Tunnel Mine into production, get back on stream, then I think good detailed topographic maps are a necessity and paragraph three in Mr. Line's letter probably indicate realistic costs for

preparing a one to two thousand scale, one meter contour interval map which I think would be the requisite scale for detailed surface mapping exploration and underground work. The same can be said for his cost estimates for areas 3 thru 6 which would include respectively Tostona, El Cabazon, La Adventurera, El Morro and Los Vibores.

Since obviously there is no point in doing anything until your negotiations with Sutti have come to some kind of head, I will keep the maps and estimates in my files until you have need of them.

Very truly yours,

James A. Briscoe

Enclosure
JAB/mdf

January 18, 1974

Mr. Richard F. Hewlett, President
Sierra Mineral Management Co.
4741 E. Sunrise Drive
Tucson, Arizona 85716

Dear Dick:

Enclosed is a xeroxed copy of the letter I recently received from Roger Newell. Enclosed with the letter is a map showing his area of interest within the Tombstone Mining District for which he would like to obtain copies of the color aerial photography flown by Cooper. This comprises approximately one third of the photographs from Cooper or approximately 30 photos. The cost of reproduction will be approximately \$210 for these photos. As per our conversation this morning, I will go ahead and have these photos reproduced and send them to Roger.

Best personal regards,

James A. Briscoe

Enclosure

JAB/mdf

January 21, 1974

Mr. Richard F. Hewlett
President
Sierra Mineral Management
4741 E. Sunrise Drive
Tucson, Arizona 85716

Re: Bodie Trip Photo Portfolio

Dear Dick:

Enclosed with this letter are two copies of the photos that I took on my Bodie trip. These photos and their explanations should be appended to the earlier report on that trip which I sent you a week or two back.

Also I received, a day or two back, a copy of the assay returns from two samples which I took on that trip. I think Skyline Labs sent to you the original copy. These samples are labelled B-1 and T-1. B stands for Bodie and T stands for Tonopah. The Bodie sample converted to ounces runs 0.093 gold and 1.37 oz. silver and at today's prices at \$130 gold and \$4 silver, this is worth \$12.09 in gold and \$5.48 silver, for a total value per ton of \$17.57. The sample of the Tonopah tailings at the same gold and silver values is worth \$1.30 in gold and \$6.52 in silver for a total value of \$7.82. Certainly if these values apply for large tonnages of the sampled material then both the tailings at Tonopah and the mine dumps at Bodie have potential for further economic recovery.

Best personal regards,

James A. Briscoe

Enclosures
JAB/mdf

Time-Saver

JAMES A. BRISCOE
EXPLORATION GEOLOGIST
6418 SANTA AURELIA
TUCSON, ARIZONA 85715
(602) 885-1790

LETTER

IN REFERENCE TO:

File: P-101

Colosseum Mine, Keaney Pass Project
Clark Mtns., San Bernardino Co.

AIRMAIL FIRST CLASS MAIL INTER-OFFICE

FOR Mr. Richard F. Hewlett
President
Sierra Mineral Management
4741 E. Sunrise Drive
Tucson, Arizona 85716

HOW TO USE THIS

DAY/TIMER

Time-Saver

LETTER TO SAVE TIME.

Type or write your reply in the space below. Then mail the white copy to us and keep the pink copy for your files. You'll save time and effort, and we'll have your answer much faster! Thank you.

MESSAGE

Dear Dick:

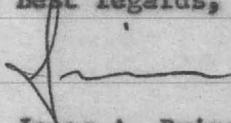
DATE January 22, 1974

I finally located a summary report on the Colosseum Mine, which I had been looking for for sometime.

This summary report contains information dating back to 1931 and shows vein assays varying from 3.89 oz. gold to 0.02 oz. gold. Their two dump samples taken in 1945 ran 0.15 and 0.20 oz. gold. In 1949 it was concluded that there is a possibility of developing a considerable tonnage of low grade gold ore (0.17 oz. gold) within the breccia pipe. Tonnage calculations suggest that there may be 75,000 tons of ore blocked out in the various workings with an average grade of about 0.17 to 0.18 oz. gold. At today's approximate price heading toward \$150/oz., this would mean 75,000 tons of material valued at approximately \$27 per ton - not a bad figure for a start.

Considering our expenditure to date in the Keaney Pass area, I would strongly suggest, as per my previous letter, a joint venture between 1971 Minerals Limited and PANGO to jointly explore the Colosseum Mine and the other claims at Keaney Pass.

Best regards,



James A. Briscoe

REPLY

BY

DATE

BY

February 15, 1974

Seidman & Seidman
3003 North Central Ave.
Phoenix, Arizona
85012

Dear Sirs:

The following is a list of the statements owed to us by Pan Continental Mining Company, 4741 E. Sunrise Dr., Tucson, Arizona 85718, as of December 31, 1974, and still outstanding:

December 1 - 15, 1974	-	\$ 944.33
December 15 - 31, 1974	-	<u>1,730.74</u>
Total	.	\$2,675.07

This information is provided to you per their instructions. If we can be of further assistance, please contact us.

Sincerely,

James A. Briscoe

MDF/mdf

Permanent Record
SOUTHWESTERN CO.
7510 WEST 100TH AVE.
DENVER, CO. 80231

Mr. Bill Brammer
Attorney-at-Law
DeConcini, McDonald & Brammer
Tucson, Arizona

Re: Delinquent Consulting Fee Payment
Sierra Mineral Management

Dear Bill:

As we discussed in our telephone conversation of last Thursday, I am going on the seventh month of delinquency in a consulting fee bill from Sierra Mineral Management of Tucson, Arizona. I have talked repeatedly with the various partners involved in this operation and have received promises of imminent payments of this bill, however, so far nothing has come through. They were supposed to call me this morning regarding a date as when payment would be made, however, I received no call. Thus, I think it best that you write to them on my behalf some type of warning letter so that, if necessary, we can begin proceedings.

As I mentioned during our telephone conversation, various limited partnerships and shell type companies are involved. These include: Pan Continental Mining Company (PANCO) and 1971 Minerals Limited. However, the parent company is Sierra Mineral Management and to avoid confusion, I think it best that we attack only Sierra and make no mention of the other entities so that we don't become embroiled in dickering as to whom I was doing the work for. An Associate, Mr. Kenyon Richard, with whom I was working on the same project has had the same difficulty in getting his fees paid and he is presently joining action against Sierra Mineral Management.

The total amount of this bill is \$3,405.60, part of which has been pending since December 15, 1973, and the total amount has been pending since February 15, 1974. I would suggest that a letter be sent to Mr. Richard Hewlett, President - Sierra Mineral Management, Inc., 4741 East Sunrise Drive, Tucson, Arizona 85716, and copies to his partners in New York. These are: Mr. J. Bruce Stevenson; Stevenson, Bishop, & McCredie; 122 East 42nd St., New York, New York 10017. I think that this letter should be sent by certified mail with a return receipt requested as I think their general ploy in this type of instance is to say the letter never reached them. As they claim they are getting funds in the first part of this month, I would suggest that we set some kind of a limit such as five days for payment.

Permanent Record
SOUTH WORTH CO.
Mr. Bill Brammer
Page 2

As I understand from our telephone conversation, you will bill me on an hourly basis for your efforts. Let's hope that maybe a short nasty letter will jar them into payment, though I doubt it.

If you need any further information, you can contact me through my office number. Thanks for the help.

Best regards,

James A. Briscoe

JAB/ss



LETTER

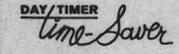
JAMES A. BRISCOE
EXPLORATION GEOLOGIST
6418 SANTA AURELIA
TUCSON, ARIZONA 85715
(602) 885-1790

IN REFERENCE TO:

AIRMAIL FIRST CLASS MAIL INTER-OFFICE

FOR Mr. Al Smith
Sierra Mineral Management
4741 E. Sunrise Dr.
Tucson, Arizona 85716

HOW TO USE THIS



LETTER TO SAVE TIME.

Type or write your reply in the space below. Then mail the white copy to us and keep the pink copy for your files. You'll save time and effort, and we'll have your answer much faster! Thank you.

MESSAGE

DATE March 30, 1974

FOLD

Dear Al:

Enclosed is a bill from Marco Soil & Foundation Engineers for the soil tests run at Tombstone to determine the feasibility of a heap leach operation. This bill has been pending for over 5 months and should be paid immediately. I'd like to remind you of the bill from X VTN of Irvine, Calif. for color aerial photography on the Keany Pass project, California. That work was performed over ~~xxxxxx~~ ago 7 months ago and has not been paid yet. I would also like to see some payment on my bill.

BY

REPLY

DATE

BY

SIERRA MINERAL MANAGEMENT

R. F. HEWLETT
President

4741 EAST SUNRISE DRIVE
SKYLINE BEL AIRE PLAZA
TUCSON, ARIZONA 85718
602/299-9736

May 2, 1974

Mr. James A. Briscoe
6418 Santa Aurelia
Tucson, Arizona 85715

Dear Mr. Briscoe:

I deeply regret our failure to pay your statements on the Milagros project. Your file has been sent to New York for payment.

I realize that our friendship has suffered and I can only say that I am deeply sorry.

When you are paid, please return to my office all data, maps, photographs, etc., for Tombstone and the data, reports, etc., from Milagros to the New York office in care of Bruce Stevenson.

Best personal regards.

Sincerely yours,



R. F. Hewlett

RFH:sc

6550 E. Miramar XXXXXXXXXXXXXXXXXXXX

May 6, 1974

Mr. Richard Hewlett, President
Sierra Mineral Management
4741 E. Sunrise Drive
Tucson, Arizona 85718

Dear Dick:

Thank you for your letter of May 2, 1974, regarding my past due billings to Sierra Mineral Management. As in most of my previous work for you, I reduced my fee to less than that generally charged to other clients, and further put in more hours than I actually charged for. In fact for a good percentage of this particular bill I performed the work for you instead of another client for whom I would have made substantially more money. I could understand some minor delay in payment of this account, however, such a long delay is extremely burdensome to me as I already have had bills to meet in relation to the work.

I have been holding the Tombstone data in my files more from a lack of any directions from you as to what your desires for it were, rather than to insure payment of my account. The Milagros data has been somewhat in limbo as neither Kenyon Richard or I were sure whether you wanted any formal report on Milagros. As per your direction I will ship all of my Milagros files to New York in care of Mr. Bruce Stevenson. Please be aware, however, that I have not prepared any formal analysis of the Milagros area with the exception of my preliminary report on my first trip in August of 1973. The Tombstone files will be returned to you here in Tucson.

I don't feel the above will jeopardize our friendship and hope you do not either. Collection of my business accounts is merely a necessity of business life and I hope you will regard it as such. I look forward to collaborating with you on both a business and social basis as the circumstances may dictate.

Best personal regards,

James A. Briscoe

JAB/mdf

1971 MINERALS

Invites You As An Honored Guest

To The

Opening Ceremony

Of Our

TOMBSTONE MINT

MAY 24, 1974

TOMBSTONE, ARIZONA

R.S.V.P.

10:00 A.M.

(602) 299-9736

TOMBSTONE TERRITORIAL MINT

Friday, May 24, 1974

- 10:00 AM: Opening Ceremony at Mill
- A. Tour of raw ore supply
 - B. Tour of Milling Facility
 - 1. Raw ore bins
 - 2. Crushing and grinding
 - 3. Classification
 - 4. Dissolving of gold and silver in solution
 - 5. Separation of waste rock and solution in thickeners
 - 6. Waste rock (tailings) disposal
 - 7. Precipitation of gold and silver with zinc dust
 - 8. Melting of gold-silver precipitates into Dore' bullion
 - 9. Pouring of silver bars
- 1:00 PM: Gold-Silver Luncheon at Wagonwheel
- A. Introduction
 - B. "History of the Tombstone Mining Camp", Ernest B. Escapule and Wayne Winters
 - C. "Cabeza de Vaca", by Ted DeGrazia
- 3:00 PM: Tour of the Tombstone Mining District
- 5:30 PM: Dinner at Oriental
- 7:00 PM: Vigilantes at the Oriental
- 8:00 PM: "State of Maine Ball" at the Casino (Original 1880 costume ball)

Saturday, May 25, 1974 - TOMBSTONE MINT DAY

- Morning: Free to shop around town
- 11:00 AM: Historama Schefflein Hall
- 12:00 PM: "Wild Bunch Luncheon" at the Wagonwheel
- 2:30 PM: "Wild Bunch Presentation" O.K. Corral
- A. Shoot-out at O.K. Corral
 - B. Others
- 3:30 PM: Judging of Silver Jewelry
- 4:30 PM: Ranch barbecue at the San Pedro River
- 8:00 PM: Entertainment at the Crystal Palace Saloon, Lucky Guss, Johnny Ringo and Al Bar

"Strolling Mariachias"
(Featuring "Doc")

File: Sierra Mineral Management

DECONCINI McDONALD & BRAMMER, P.C.
ATTORNEYS AT LAW
901 LAWYERS TITLE BUILDING
199 NORTH STONE AVENUE
TUCSON, ARIZONA 85701

EVO DeCONCINI
JOHN R. McDONALD
J. WM. BRAMMER, JR.
RICHARD M. YETWIN
JOHN W. LOVELL

TELEPHONE
623-3411
AREA CODE 602

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

July 8, 1974

Sierra Mineral Management, Inc.
4741 East Sunrise Drive
Tucson, Arizona 85716

Attn: Richard Hewlett, President

Re: James A. Briscoe - Southwestern Exploration
Associates

Dear Mr. Hewlett:

Please be advised that this office represents James A. Briscoe and his firm Southwestern Exploration Associates. Mr. Briscoe has informed us that your company is indebted to him in the sum of \$3,405.60 for work done by him for you in the capacity of a consulting geologist. Mr. Briscoe states that a portion of the work was done prior to December 15, 1973, and that the balance of the work was completed by February 15, 1974.

Mr. Briscoe informs me that he has had several discussions with your firm concerning payment of his bill, and that despite your repeated promises that he would be promptly paid, he has not yet received a payment. Accordingly, he felt it appropriate to have me contact you concerning this matter.

In an effort to terminate this matter as amicably as possible, Mr. Briscoe suggested that I write you this letter prior to taking any action to collect the debt. Hopefully, this is all that will be necessary. However, in the event that the sum above mentioned is not received by this office or by Mr. Briscoe on or before July 15, 1974, I have been instructed to take such action as is necessary to collect the debt. As I said, payment may be made through this office or directly to Mr. Briscoe, but it must be received on or before Monday, July 15, 1974.

Very truly yours,

DeCONCINI McDONALD & BRAMMER, P.C.

J. Wm. Brammer, Jr.

JWB:jp

cc: Mr. James A. Briscoe
Mr. J. Bruce Stevenson

C
O
P
Y

DECONCINI McDONALD & BRAMMER, P.C.

EVO DECONCINI
JOHN R. McDONALD
J. WM. BRAMMER, JR.
RICHARD M. YETWIN
JOHN W. LOVELL

ATTORNEYS AT LAW
901 LAWYERS TITLE BUILDING
199 NORTH STONE AVENUE
TUCSON, ARIZONA 85701

TELEPHONE
623-3411
AREA CODE 602

September 25, 1974

Robert A. Hewlett, Esq.
GENTRY, McNULTY & BOROWIEC
Copper Queen Plaza
P. O. Box 87
Bisbee, Arizona 85603

Re: Briscoe v. Sierra Mineral Management

Dear Mr. Hewlett:

C
O
P
Y
Please find enclosed a copy of a Praecipe requesting the Clerk to dismiss the above action with prejudice. My client has received the payment which he agreed to take pursuant to the terms of my letter dated August 19, 1974, even though your client paid late. The original has been lodged with the Clerk and the case should now be dismissed. If you have any questions please let me know.

Very truly yours,

DeCONCINI McDONALD & BRAMMER, P.C.

J. Wm. Brammer, Jr.

JWB:jp

Enclosure

cc: James A. Briscoe ✓

Wilson
ERASABLE FINISH
Chiontium
COTTON FIBER

SMM
Covers

6550 E. Miramar

XXXXXXXXXXXXXXXXXX

November 13, 1974

Mr. Richard F. Hewlett, President
Sierra Mineral Management
4741 E. Sunrise Drive
Tucson, Arizona 85716

Dear Dick:

Enclosed are xeroxed copies of two documents I have received as forwarded mail through your office concerning the KP claims located in the Clark Mountains, San Bernardino County, California. You may recall that these are the 133 Lode Claims which were located by Tony Lane for Sierra at my suggestion.

I don't know what you wish to do with regard to these claims; however, I did think it was important to bring it to your attention.

Best regards,

James A. Briscoe

JAB/ss
Enclosures

DAY/TIMER

Time-Saver

JAMES A. BRISCOE
EXPLORATION GEOLOGIST

~~6113 SANTA AURELIA~~ 6550 E. Miramar Dr.
TUCSON, ARIZONA 85715
(602) 885-1790

LETTER

*File: Sierra
Mineral report*

IN REFERENCE TO:

Past due bill - Sierra

AIRMAIL FIRST CLASS MAIL INTER-OFFICE

FOR Mr. Charles Martin
MARCO SOIL & FOUNDATION ENGINEERS
139 N. 6th Ave., Tucson, Arizona

HOW TO USE THIS

DAY/TIMER

Time-Saver

LETTER TO SAVE TIME.

Type or write your reply in the space below. Then mail the white copy to us and keep the pink copy for your files. You'll save time and effort and we'll have your answer much faster! Thank you

MESSAGE

DATE Nov. 21, 1974

Dear Charlie:

After a long and hard effort, enclosed please find a check from Sierra Mineral Management DBA Tombstone Territorial Mint. Please cash

this immediately.

If any further problems, let me know

REPLY

BY

DATE

BY

File Sierra Mineral Mgmt file

DAY/TIMER
Time-Saver

JAMES A. BRISCOE
EXPLORATION GEOLOGIST

~~XXXXXXXXXXXX~~ 6550 E. Miramar Dr.
TUCSON, ARIZONA 85715
(602) 885-1790

LETTER

IN REFERENCE TO: Transmittal of all old Sierra Mineral Mgmt. data used in preparation of reports.

AIRMAIL FIRST CLASS MAIL INTER-OFFICE
HAND DELIVER

FOR Mr. John Beder
Geologist
Sierra Mineral Management
4741 E. Sunrise Dr.
Tucson, Arizona 85716

HOW TO USE THIS

DAY/TIMER *Time-Saver* LETTER TO SAVE TIME.

Type or write your reply in the space below. Then mail the white copy to us and keep the pink copy for your files. You'll save time and effort, and we'll have your answer much faster! Thank you.

MESSAGE

DATE November 21, 1974

FOLD

Dear John:

With this letter I transmitt all remaining data belonging to Sierra Mineral Management or associated companies. It is my understanding that all bills to Marco Engineering, or others ^{to} whom I subcontracted work during engineering studies for Sierra or associated companies have been paid, and I accept no additional responsibility for their bills.

Your signature below indicates agreement to the above, and that you have examined the above mentioned data and have found it complete.

Very truly yours

James A. Briscoe
James A. Briscoe

John R. Beder

John Beder
Representing Sierra Mineral Management
and associated companies.

BY

REPLY

DATE

BY

JAMES A. BRISCOE
EXPLORATION GEOLOGIST
6418 SANTA AURELIA
TUCSON, ARIZONA 85715
(602) 885-1790

LETTER

IN REFERENCE TO:

*File, Sierra
min. report
comp.*

AIRMAIL FIRST CLASS MAIL INTER-OFFICE

FOR **John Beeder**
Sierra Mineral Management
4741 E. Sunrise Dr.
Tucson, Arizona 85716

HOW TO USE THIS

DAY/TIMER

Time-Saver

LETTER TO SAVE TIME

Type or write your reply in the space below. Then mail the white copy to us and keep the pink copy for your files. You'll save time and effort and we'll have your answer much faster! Thank you

MESSAGE

DATE **Dec. 20, 1974**

Dear John;

Enclosed are some state topographic maps I recently ran across.

I think these are index maps for the topographic maps you have in your files.

Any material of this nature that I run across in my files I'll send along as I find it.

Best wishes for the Holidays

Very truly yours

[Signature]
James A. Briscoe

REPLY

BY

DATE

BY

Please reply to:
3003 NORTH CENTRAL AVE.
PHOENIX, ARIZONA 85012
602/248-8188

Mr. J. A. Briscoe
6418 Santa Aurelia
Tucson, Arizona 85715

Client: Pan Continental Mining Co.

Our auditors, Seidman & Seidman, are engaged in an examination of our financial statements. In connection therewith, please furnish them with the following information as of December 31, 1973 :

- (1) Itemized statement of our indebtedness to you:
 - (a) On open account - indicating discount terms
 - (b) On notes and acceptances - indicating maturity dates and interest arrangements, if any
- (2) Details of guarantees or collateral security for the indebtedness
- (3) Details of our open orders with you for the purchase of merchandise for future delivery
- (4) List of your goods left with us on consignment or memorandum
- (5) Any other information that may be helpful to them

Please mail your reply directly to Seidman & Seidman. A stamped addressed envelope is enclosed for your convenience.

Very truly yours,

Pan Continental Mining Co.
Company
4741 E. Sunrise Dr
Tucson Ar 85718
City and State
J. Seidman

NOTICE OF DELINQUENT UNSECURED PROPERTY TAXES
COUNTY OF SAN BERNARDINO - STATE OF CALIFORNIA
JOHN A. GARTNER, COUNTY TAX COLLECTOR
HALL OF RECORDS, SAN BERNARDINO, CALIFORNIA 92415 - PHONE (714) 383-2165
 For the FISCAL YEAR JULY 1, 1974 TO JUNE 30, 1975.

BRISCOE, JAMES A
 4741 E SUNRISE DR
 TUCSON AZ 85718

DESCRIPTION

THE POSSESSORY INTEREST AND ALL
 OTHER RIGHT TITLE AND INTEREST IN
 AND TO LAND AND IMPROVEMENTS
 THEREON DESCRIBED AS KP NO 1 THRU NO 29
 31, 33, 35, 37, 39, 41, 43, 45 AND 47
 NO 49 THRU NO 70, 88 AND 90 THRU
 NO 123, NO 129, 130 AND 136 THRU NO 145
 NO 156 THRU NO 181 LODE CLAIMS SEC 5
 6, 7, 8, 9, 17 AND 18 TP 17N R 13E

THE TAXES ON PROPERTY DESCRIBED
 WERE DELINQUENT AUG. 31 AT 5 P.M.
 A PENALTY OF 6% HAS NOW ATTACHED.
 ADDITIONAL PENALTIES OF 1% PER
 MONTH WILL ATTACH ON DEC. 3.

A CERTIFICATE OF LIEN MAY BE FILED
 UPON ALL PERSONAL OR REAL PROPERTY
 OWNED OR ACQUIRED BY THE DELINQUENT
 TAXPAYER (SEC. 2191.3 AND 2191.4 REVENUE
 AND TAXATION CODE).

YOUR CANCELLED CHECK IS YOUR BEST RECEIPT. KEEP THIS PORTION FOR YOUR RECORDS.

THIS TAX IS NOW DELINQUENT

FINAL NOTICE

BEFORE SEIZURE AND SALE

The Tax Collector may **SEIZE AND SELL**
 your property if payment is not made at once

Sec. 2914 Revenue & Taxation Code

PLEASE DISREGARD THIS NOTICE IF
 YOUR TAXES HAVE BEEN PAID SINCE
 AUGUST 31.

1974

TAX RATE AREA	PARCEL
5625	0056 022 03

UNSECURED

1974

TAX RATE AREA	PARCEL
5625	0056 022 03

BRISCOE, JAMES A

**DETACH STUB.
 RETURN
 WITH YOUR
 REMITTANCE**

TOTAL TAX	\$ 963.86
6% PEN.	57.83
TOTAL	1,021.69

DATE PAID _____

CHECK # _____

TOTAL TAX	\$ 963.86
6% PEN.	57.83
TOTAL	1,021.69

MAKE REMITTANCE PAYABLE TO:
 COUNTY TAX COLLECTOR
 COUNTY OF SAN BERNARDINO
 HALL OF RECORDS
 SAN BERNARDINO, CALIFORNIA 92415

1975

105

Tombstone

6550 East Miramar Drive XXXXXXXXXXXXXXXXXXXX

January 15, 1975

Messrs. Tom Schloss and Dwight E. Lee
FAMCO
767 5th Ave.
New York, New York 10022

Re: Tombstone Mining District

Dear Tom and Dwight:

After our conversation of last week I happened to run across an article in Paydirt magazine regarding the Tombstone District. Enclosed with this letter is a xerox copy of the article for your interest.

Best regards,

James A. Briscoe

Enclosure

JAB/mdf

2025 RELEASE UNDER E.O. 14176



Time-Saver

File # P-105

JAMES A. BRISCOE
EXPLORATION GEOLOGIST

~~6108 SANTA AURELIA XX~~ 6550 E. Miramar Dr.
TUCSON, ARIZONA 85715
(602) 885-1790

HAND DELIVER

LETTER

IN REFERENCE TO: Submittal of mylar orig.
maps to accompany Oct. 16, 1973
report on the Tombstone Dist.

AIRMAIL FIRST CLASS MAIL INTER-OFFICE

FOR Tony Cook, Geologist
Sierra Mineral Management
4741 E. Sunrise Dr.
Tucson, Arizona

HOW TO USE THIS

DAY/TIMER

Time-Saver

LETTER TO SAVE TIME.

Type or write your reply in the space below. Then mail
the white copy to us and keep the pink copy for your files.
You'll save time and effort, and we'll have your answer
much faster! Thank you.

MESSAGE

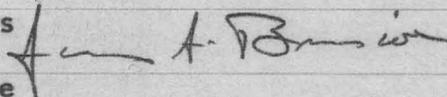
DATE June 13, 1975

Dear Tony: Enclosed please find the following maps:

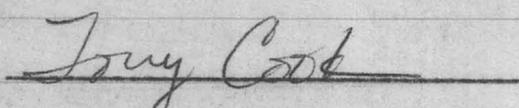
1. Geologic and Alteration Outcrop Map of the State of ~~Maine~~ Maine Mine Area.
2. Land Status overlay map for the above 1" = 200'.
3. Land Status map of the Tombstone Mining Dist., Scale 1" = 2,000'.
4. Explanation for the Geologic map (item 1 above).

Your signature indicates that the above mentioned maps were transmitted to you
and recieved in good condition.

Very truly yours



James A. Briscoe



Tony Cook June 1975

July 8

FOLD

FOLD

BY

REPLY

DATE

BY

JAMES A. BRISCOE
EXPLORATION GEOLOGIST
~~BOX SANTA AURELIA~~ 6550 E. Miramar Dr.
TUCSON, ARIZONA 85715
(602) 885-1790

LETTER

IN REFERENCE TO **Submittal of mylar orig. maps to accompany Oct. 16, 1973 report on the Tombstone Dist.**

AIRMAIL FIRST CLASS MAIL INTER-OFFICE

HAND DELIVER

FOR **Tony Cook, Geologist**

**Sierra Mineral Management
4741 E. Sunrise Dr.
Tucson, Arizona**

HOW TO USE THIS

DAY/TIMER

Time-Saver

LETTER TO SAVE TIME

Type or write your reply in the space below. Then mail the white copy to us and keep the pink copy for your files. You'll save time and effort and we'll have your answer much faster! Thank you

MESSAGE

FOLD

DATE **June 13, 1975**

FOLD

Dear Tony: Enclosed please find the following maps:

1. Geologic and Alteration Outcrop Map of the State of ~~Maine~~ Maine Mine Area.
2. Land Status overlay map for the above 1" = 200'.
3. Land Status map of the Tombstone Mining Dist., Scale 1" = 2,000'.
4. Explanation for the Geologic map (Item 1 above).

Your signature indicates that the above mentioned maps were transmitted to you and recieved in good condition.

Very truly yours

James A. Briscoe

James A. Briscoe

Tony Cook

Tony Cook June +1975

July 8

FOLD

FOLD

BY

REPLY

To Tony Cook

DATE

7/8/75

Enclosed is your copy of this receipt for the maps you picked up at 4:15 PM this afternoon.

J. A. Briscoe

BY



LETTER

JAMES A. BRISCOE
 EXPLORATION GEOLOGIST
~~6408 SANDY LUREN XXXX~~ 6550 E. Miramar Dr.
 TUCSON, ARIZONA 85715
 (602) 885-1790

HAND DELIVER

IN REFERENCE TO: Submittal of mylar orig.
 maps to accompany Oct. 16, 1973
 report on the Tombstone Dist.
 AIRMAIL FIRST CLASS MAIL INTER-OFFICE

FOR Tony Cook, Geologist
 Sierra Mineral Management
 4741 E. Sunrise Dr.
 Tucson, Arizona

HOW TO USE THIS
 DAY-TIMER
Time-Saver LETTER TO SAVE TIME.
 Type or write your reply in the space below. Then mail
 the white copy to us and keep the pink copy for your files.
 You'll save time and effort and we'll have your answer
 much faster! Thank you

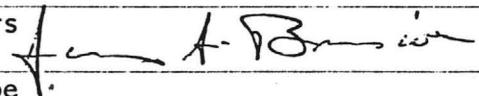
MESSAGE

DATE June 13, 1975

Dear Tony: Enclosed please find the following maps:

1. Geologic and Alteration Outcrop Map of the State of ~~MAINE~~ Maine Mine Area.
2. Land Status overlay map for the above 1"= 200'.
3. Land Status map of the Tombstone Mining Dist., Scale 1" = 2,000'.
4. Explanation for the Geologic map (item 1 above).

Your signature indicates that the above mentioned maps were transmitted to you and recieved in good condition.

Very truly yours

 James A. Briscoe

Tony Cook June 1975

BY

REPLY

DATE July 5, 1975

Dear Tony: The above has been waiting your arrival for about a month. I called Dick once about it also. I will be out of town for some period of time. However if you'd like to pick up the maps, please call my office and make arrangements with someone to be here. They are rolled up with my original letter of transmittal. If you'll show them this, they'll turn the mylar maps over to you.


 James A. Briscoe

1977

1978

FILE

*Tombstone
Progress & Com. S. P. etc.*

6 Nov. 1978

Jim Kennedy P418

RESUME

REVIEWED

AUG 5 1979

By _____

E. W. "Al" Watterson
P.O. Box 185
Goldfield, Nev. 89013
Telephone: 702-485-6312

General outline covering my experience in the field of mining, mills, surveying and heap-leach process.

1941 - 1973:

Various experience as aerial tramway operator; hardrock miner; mill operator; machinist; surveyor (highway, land, sub-division); inspector on same projects; Project engineer. A six year hiatus spent in the U. W. Navy, Honorable Discharge. Further details furnished on request.

*Next state
up to party's
chooses.*

*Pine Creek
U.S. (now
Carbide)*

*6 years
Navy
Com. front
Dormin
& many small
mines*

*Ammonada
Damm
& Ball Mill
Com. S. - Jan 79
Groves
Crushing & Silica*

1973 - 1977 - Sierra Metals, Inc. Hdqtrs., Tucson Ariz. I was employed on four different projects in Ariz., Colo., & Nev. My duties included: Driller, Mill construction foreman, Mine foreman, Mine superintendent. Specialty - Heap leaching: construction of pads, ponds, plants, haul roads, open pit, dump removal & loading pads. Resigned to accept more responsible & lucrative position.

1977 - 1978 - HMC Inc., Goldfield, Nev. Mine superintendent; Heap leaching project. Duties included all of the above, plus the construction of plants, both zinc & carbon, construction & supervision of the Lab, A.A. machine, equipment needed and records pertaining to same. Personnel for mining, equipment use, lab and experimental work, both employment and removal, if needed.

This project has been closed due to the lack of sufficient financial backing. I am, therefore, available for employment, either as mine superintendent, permanent or consultant on a temporary basis for heap leaching projects.

Education: High school graduate. special seminars in the use of asphalt, cement, materials. Trigonometry course - 10 weeks, Nev. State Hwy. Dpt. Diesel school, Usn., 3 months; Grad. 36 years on the job training.

Expert at working with clay, sand shale & hardrock. Compaction specialist gained through experience with Highway construction and Pad construction for the Heap leaching process. Proficient in planning, expediting work schedule, & handling a crew to achieve hourly output, maximum, delay, minimum. I have the required certificates for mine safety, first aid, and all others required by OSHA, MESA and other branches of the U.S. Govt.

I feel that I am well endowed with that rare commodity known as common sense. Should a problem arise that I do not know how to solve, I am ready to go to a higher authority for instruction and/or information that, if it can offer a solution, can at least point the area in which to search for one.

I seem to work best under pressure or when facing ~~xxx~~ difficult decisions.

Continued

My past history indicates that, with few exceptions, I have been promoted to a supervisory position by proving to my employer my ability via performance.

I am available for employment that is appropriate to most of the experience listed above. Preference being the heap leaching projects and/or mine superintendent. Location is open to suggestion, however, the west is preferred.

Personal: I am in excellent health; eyesight - o.k., hearing, o.k. no illnesses during the past 20 years.

Married: no children at home, wife willing to travel and also willing to take care of extra-curricular paper work, if needed.

Please call: collect if desired, for references or further information as to ability.

E. W. (Call) Watterson

$$\$ 275 \times 6 = \$ 1,650$$

200/day 5086.89 - 25 days / just to break
even not incl.
our overhead.

at our present profit margin of 4.8%

1,650

$\$ 0.048$ profit/gross dollar

$5,086.89 \div 0.048 = \$ 105,958.$
necessary to break even on
Willard's fee

$$30,000 / \text{year} \div 12$$

$$2,500 / \text{month} \div 4.33 = 576.92$$

$$18,200 = 1,516 / \text{month} \div 4.33 = \underline{350.}$$

$$226.92 / \text{mo}$$

12:33 -

What are your record keeping abilities

What " " drinking habits

" " long term goals

Pombatom -

Cripple Creek

Mine Super. - much help with plant
sampling.

1978
(NOV?)

TELEPHONE MESSAGE

No 002665

SOUTHWESTERN EXPLORATION ASSOCIATES
4500 E. S ~~ROAD~~ WAY, SUITE 14
TUCSON, ARIZONA 85712

MESSAGE FOR

JAB

DATE CALL RECEIVED

11/29

TIME

10:50

WHO CALLED

Dr. A. J. Greenbaum

FIRM

CITY, STATE

try

PHONE

684-423316

AREA CODE

RETURN CALL, DATE, TIME

WILL CALL AGAIN, DATE, TIME

CALL TAKEN BY

[Signature]

MESSAGE

P - Wants
Price schedule

684-2207 try second

TELEPHONE MESSAGE

No 002667

SOUTHWESTERN EXPLORATION ASSOCIATES
4500 E. SPEEDWAY, SUITE 14
TUCSON, ARIZONA 85712

MESSAGE
FOR

Jim

DATE CALL RECEIVED

TIME

11/29/78

12:24

WHO CALLED

Dr. Greenbaum

FIRM

CITY, STATE

PHONE

AREA CODE

684-2207

316

RETURN CALL, DATE, TIME

WILL CALL AGAIN, DATE, TIME

CALL TAKEN BY

Judy

MESSAGE

Please return call

TELEPHONE MESSAGE

No 002669

DATE CALL RECEIVED

TIME

1/29

1:15

WHO CALLED

Kyle

FIRM

CITY, STATE

PHONE

AREA CODE

RETURN CALL, DATE, TIME

WILL CALL AGAIN, DATE, TIME

CALL TAKEN BY

[Signature]

SOUTHWESTERN EXPLORATION ASSOCIATES

4500 E. SPEEDWAY, SUITE 14

TUCSON, ARIZONA 85712

MESSAGE
FOR

JAB

MESSAGE

Chase Manhattan wants
current financial
June 30 report
Mr Collins

Re: Greenbaum project

June 30 or year end
needs authorization

6:28

1. Sig Cards

2. SEA - TMD

\$ 5,000

3. Hewlet -

a. Re-type w/ qualifications
& report for sensitivity of
Vancouver Exchange.

b. Stock. to JAB

Karvin Lake Ltd. Vancouver

4. matrix
Thunderwood Resources

Rench Resources Ltd (Vanc. Exchange)

Funds

1.5 at end of Feb.

5

March

10

April

6. Randsburg for thru
someone else will come in
on it.

Till Feb. - exclusive
w/ A.J. till

John Clarke - Dr.

Ref. Roy Becken, Robertson Resources
Groups

Rep. Roth child groups

Barry Spack

Will hit Scottsdale 2 PM

Call 9-10 to confirm.

Sig Card

514-684-2641

Rene Forement

TC #

7:57

To: J. René Paie ment
Montreal Canada
514-684-2641

Request that he wire money
to our account to be
set up tomorrow rather than
~~to~~ mail.

Dr. G. will confirm
~~that~~ from Bay Spack's
office tomorrow

Confirm take up him

3304066

DRIVERS LICENSE NO.

J120617

STATE

 OPER. CHAUF.

MILITARY

 EQUIPMENT REPAIR ORDER

YOU ARE REQUIRED TO CORRECT THE FAULTY OR ILLEGAL EQUIPMENT AS INDICATED BY THE CHECK (X) MARK IMMEDIATELY. PLEASE RETURN THIS CARD WITHIN 5 DAYS TOGETHER WITH PROPER CERTIFICATION OF INSPECTION AND APPROVAL.

DRIVER
COPY

SOUND EX CODE

A2

NAME

FIRST

MIDDLE

LAST

JAMES AUSTIN BRISCOE

ADDRESS

TOWN

STATE

4500 E. SPEEDWAY #14 TUCSON A2

SEX

WEIGHT

HEIGHT

HAIR

EYES

ORIGIN

BIRTH DATE

M 195 6' BLM BRN W 7-30-41

BUSINESS ADDRESS

TOWN

STATE

OWNER

TOWN

STATE

REGISTRATION

PLATE NO.

YEAR

STATE

VEH

YEAR

MAKE

TYPE

TND-813 79 A2 X CHEVY S/W

DATE

LOCATION

2/11/77 OF TUCSON ON I-10 MP NO. 227

TIME

1750 NOTICE: IF EQUIPMENT IS NOT REPAIRED THE VEHICLE SHALL NOT BE OPERATED. A. R. S. 28-981

APPROX SPEED

DRIVER'S SIGNATURE

LAWFUL SPEED

X

28-924	HEADLAMP		28-952	BRAKES	
28-925	TAIL LAMP		28-954	HORN NOT WORKING	
28-926A	REFLECTORS		28-955	DEFECTIVE MUFFLER	
28-927	STOP LAMP		28-956	MIRROR	
28-929	CLEARANCE LAMP		28-957	WINDSHIELD WIPER	
28-939	TURN SIGNAL		28-960	WARNING DEVICES	

OTHER

WARNING FOR UNSAFE LANE USAGE

VIOLATING SECTION 28-729.1
THIS WARNING IS ISSUED TO YOU AS A COURTESY AND TO REMIND YOU TO DO YOUR PART IN PROMOTING SAFETY ON OUR HIGHWAYS BY CLOSELY OBSERVING OUR TRAFFIC LAWS.

OFFICER

DIST.

NO.

J. Lewis 8-1 2201

State of Arizona
Department of Public Safety



IBM 994257

NOTICE

THIS CERTIFICATION OF CORRECTION OR ADJUSTMENT OF ILLEGAL OR FAULTY EQUIPMENT MUST BE MAILED OR DELIVERED TO THE ARIZONA DEPARTMENT OF PUBLIC SAFETY WITHIN 5 DAYS.

CERTIFICATION OF ADJUSTMENT: I certify that the equipment on the motor vehicle described herein as indicated by check (X) mark has been tested and/or adjusted, and upon this date complies with the requirements of the motor vehicle laws of Arizona.

Firm
Name

Address

Date

197

Signed

PLACE
1ST CLASS
STAMP
HERE

STATE OF ARIZONA
DEPARTMENT OF PUBLIC SAFETY
POST OFFICE BOX 6638
PHOENIX, ARIZONA 85005

- AJ: some kind of side agreement which I attended to. And my attorney here is drawing up for performance and for penalty. Beyond that he says it would be awfully hard for them to perform the only out that they would have is if something is going on that is being cleared that they can tie this to. You follow me.
- JAB: Yeah, right. If it is already in the works you mean partially down the....
- AJ: Right you are. So in any rate to make a long story very short, it is not important to me one way or the other. I want you to be prepared that if we need to ship into second, into another firm and group of people, of course that is the direction we need to take.
- JAB: OK.
- AJ: We only need money to do the work. Who the individuals are, as long as they are responsible people, we don't care.
- JAB: Absolutely.
- AJ: As far as the overall picture It happens that I do know the people that are involved in the second phase but as far as I care, as long as they are capable people and responsible, the money is coming in the right direction. I don't care as long as the money is there for the work to be done.
- JAB: OK. Well, I understand what you mean and I certainly agree with that.
- AJ: So that's it. I was going in and press forward and see what Barry can do to activate that last phase as far as the consolidation is concerned and set a time limit, of say Wednesday at outside, and outside for you to receive that, and if not Barry and I will get together and divorce the situation and go on forward.
- JAB: OK. Now, the only hang up I can see is that Dick Hewlett is of course headed for Grand Island with the idea.....
- AJ: There won't be a hang up, don't worry about that. If he needs something, we will have it. Don't worry about it.
- JAB: OK, fine. I was going to tell you something else and I can't think of what it was. Oh well, can't be too important.
- AJ: OK. The Escapuls are coming up to look at your ...
- JAB: Office facilities and kind of discuss in general at least what we are interested in doing.
- AJ: OK. Have you had an opportunity to talk with Mr. Kelly Mine or Mr. #4?
- JAB: I can't get a hold of the Kelly Mine guy and quite frankly I simply haven't had an opportunity to get hold of Mr. #4. As a matter of fact I tried to get a hold of the Kelly Mine fella and he still is incommunicado someplace.
- AJ: Let me mention to you something that has happened and if you know of anything of these districts and these entities you will understand and appreciate a lot more. I have available to me two houses that are listed on, let's say different exchanges, and they have been an alluding to for quite some time for us to get into bed together. Gas programs or something. I had about a better part of a half an hour restricted to that subject between here and London and what I would like to do when we get a little further along and know each other a little bit better here on this program sit down and talk to you about the possibility of that entity for a little bit better, a little bit more respect for financing for some programs. OK.
- JAB: OK, sounds good. I think now is certainly the time to do that.
- AJ: Yes, it certainly is. And that is basically why they brought it up. There are really two entities. One of them I am terribly attracted to, very tight, very clean, quite respectable, headed by a couple of peers of London and what they wanted to do is make a comfortable exchange. What I was thinking about doing is tying a program of yours together with something that is asset production with mine, underwriting, floating and financing both based on the combination of

the two where we both benefit. At least that was the strain of conversation.

JAB: OK, sounds good to me. Let me know when you get to that point...

AJ: It is highly premature but what I was thinking about, is next time you and I get together I will bring it up for sure and we will chat about it a bit. All right, when will you be talking to me regarding Hewlett's advances with our chaps in Nebraska?

JAB: Well, what we had decided to do and I think I mentioned this to you, but I am not sure so let me do it, to either you or Barry. I was going to ship him a check for \$6,000 to carry with him to Nebraska and then they would pick an escrow agent of the farmer's choice and then deposit that in an escrow account to be transacted on when indeed you have got your final say of approval on that contract.

AJ: I think that is acceptable as long as they don't cash that check cause I am going to ask you to pay our way.

JAB: Yeah. Well, I suspect that the escrow agent is probably going to want to cash that, don't you think?

AJ: I think that if you put Barry in the middle of it and simply substitute a few legal words in that interim would give you adequate time to receive that (inaudible) and that way you would..... that check would be substituted by the wire upfront. OK. Then Dick can go ahead and put that check in his pocket and bring it back to you. Either way, even if you had to pay it, you will be handed back the money either from Canada or Maine, doesn't make any difference. Any way that is a very important part of the whole program because if we don't perform on that they are going to be very uneasy as far as the total picture is concerned.

JAB: Agreed and I can cover that check myself.

AJ: Well, you know where I am at. And I have told you before that is covered it simply a matter of picking up the telephone. I want these people to perform based on their verbal obligation to me. If they don't perform, based on their verbal obligation to me, it tells me where they are at. I have no binding contract to them, the only obligation that is involved would be for me to return the \$5,000 which is involved which I would be delighted to do and simply substitute one of three entities that I have secured. It really doesn't make a hell of a lot of difference to me.

JAB: At any rate whatever necessitates on that check we will cover it.

AJ: You bet, you bet we will. So you gave Dick a check to carry in his pocket?

JAB: Yes. We decided that it would be a bit cumbersome to get the wires. Quite frankly they had such a bad experience with 71 Minerals and Bruce...

AJ: Hell, you have got what is left in the bank down there.

JAB: We have \$4,000 on hand...

AJ: Don't concern yourself with the god damn thing. When it comes to that kind of money.... In fact, the next time we meet what we ought to do is to get some less formal condition and kind of create a little account between us that we can go ahead and work with on these programs.

JAB: Well it is no problem.

AJ: You waste some much time on the telephone between the \$7.50 they charge you to wire the thing, \$150 talking on the phone talking about this, the interest is so cumbersome for a little 3 or 5 or \$10,000 it is hardly worth the (inaudible)

JAB: That is true.

AJ: It is a funny world, isn't it?

JAB: Yeah. But I think that that check will make them comfortable and that is kind of why I was worried about the wires and so forth because that gives the kind of magical thing that Bruce likes to play.

AJ: As soon as you do your thing as to the outcome, if you will reach for me. I am fine definitely. I am laying down one rig and if that gets laid down on time I am coming down there probably Tuesday or Wednesday. So I am in hopes of hearing from you between now and Tuesday or Wednesday with some kind of a rise out of it all.

JAB: So you will be at this number for the next five or six days. I'll let you know what happens, if anything does. Whatever happens I will let you know.

AJ: I will leave you one statement in closing. The chaps in Canda get a little raunchy so whatever the raunchiness is you can derive from that whatever you care do, write it down on a piece of paper and let me know about it on a later date. Fair enough?

JAB: Sounds good.

AJ: You take care.

JAB: Talk to you later.