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**Vol.9, Bk.9**

**TOMBSTONE**

**Mining District**

**Cochise Co.**

**Arizona**

**Correspondence**

**1986-1988**

1986

People yet to call  
on Tombstone

- ① Dave Lowell
- ② Get back w/ Gerhard Westra to see if he's read report
- ③ Gila Mines
- ④ Gold Basin Group Inc.
- ⑤ Ranchers
- ⑥ Mr Powers at Homestake
- ⑦ Marathon Resources.
- ⑧ Joe Rankin - St Joe Am.
- ⑨ Joe Bach - Urangesellschaft  
Ref. JC# 2726
- ⑩ Art Meyer - Rocky Mtn Energy.
- ⑪ Santa Fe Int.
- 12 J.R. Simplot
- 13 St. Joe Am.

personal injury and property damage with combined limits of one hundred thousand dollars (\$100,000) per occurrence, with all insurance costs to be charged to GROUP as cost of the project, and BRISCOE shall furnish GROUP with certificates of insurance evidencing such coverage and waiver of subrogation against GROUP. BRISCOE will hold harmless and indemnify GROUP from and against any and all claims, losses or liabilities arising from injury to any employee of BRISCOE or to any other person, or arising from damage to or loss of property, caused by any act or omission of BRISCOE, their subcontractors or their respective agents and/or employees.

Loss of or damage to BRISCOE'S equipment and supplies shall be borne by and be the sole loss of BRISCOE.

IX.

GROUP may cause claims to be staked or land to be leased or purchased by or through BRISCOE for the purpose of conducting mineral exploration and/or mineral development. BRISCOE agrees with respect to any claims so staked or land leased or purchased by or through BRISCOE that BRISCOE will promptly notify GROUP of all details pertinent to the staking of such claims or the purchase or leasing of such lands and that BRISCOE will assign and quitclaim such claims or lands to GROUP upon their request.

## People who want

### four of property

1. R. J. Worsfield - Am Cu & Ni  
be in Az. between Mar. 1 & 15th  
will call when he gets here
- ② Bob Whately - mid march - Needs  
proposal on business terms.
- ③ Goldfields - on Feb. 23
- ④ Cominco - Scott Monroe - Mike  
Heys - will probably be down at end  
of march.
- ⑤ ~~the~~ Sunshine Mining - Gene  
Schmidt, Kellogg Id. - will  
be out mid march.

#### VII.

BRISCOE shall furnish GROUP monthly and quarterly reports setting forth the progress and results of exploratory work performed by BRISCOE hereunder and shall at reasonable intervals furnish GROUP copies of any data pertaining to the work which can be conveniently copied. GROUP shall have access at all reasonable times to any lands and/or mineral properties acquired for its benefit and to all of BRISCOE'S records and data pertaining to work thereon. Within thirty (30) days after the termination of this agreement, GROUP shall be provided copies of all information acquired by BRISCOE hereunder including all maps, data, and reports which have not theretofore been forwarded, together with a final report summarizing the results of BRISCOE'S exploration hereunder.

#### VIII.

It is the intent of the parties hereto that BRISCOE is retained and employed by GROUP only for the purpose and to the extent set forth in this agreement, and their relation to GROUP shall, during the period of BRISCOE'S employment and services hereunder, be that of an independent contractor and not as an employee, agent, partner, or any other representative of GROUP. BRISCOE shall not be considered under the provisions of this agreement or otherwise as having an employee status or as being entitled to participate in any plans, arrangements, or distributions of GROUP pertaining to or in connection with any pension, stock, bonus, profit sharing, or similar benefits for their regular employees. All personnel utilized hereunder shall be employees of BRISCOE and not of GROUP, and BRISCOE shall comply with and maintain full coverage under applicable workmen's compensation laws, employer's liability or occupational disease laws, and the safety laws of the states in which work may be performed and shall carry contractor's and manufacturer's public liability insurance with a reputable insurance carrier covering

# Reports yet to be sent out

- ① Parker Gay - send to for Aero mag est.
- ② Find out from Geometrics whether we can get access to their data.
- ③ Jonathan Dukhamm P.D.
- ④ Mike Palowski P.D.
- ⑤ Stan Holmes P.D.
- ⑥ Bill Cole - Mapco
- ⑦ Arny Kers Mc Gee
8. Pat Costin Rio Algon
9. Santa Fe Int. - Will have to find out who's in charge of mins dept.
10. Ranchers

11.

therefrom by GROUP and shall be subject to periodic audit upon request by GROUP at their own expense. BRISCOE shall maintain such account books and records for a period of two years from the date any cost is incurred and shall make such account books and records available to GROUP at any reasonable time and from time to time within such two year period.

## VI.

GROUP shall advance to BRISCOE the sum of \$200,000 payable to "BRISCOE Northern Nevada Trust Account". BRISCOE shall deposit the funds so remitted to the account and, as custodian of such funds, shall make disbursements therefrom only in accordance with an approved Plan and budget for project costs and expenditures as incurred and for advances to BRISCOE for anticipated project expenses (other than for services rendered by BRISCOE). All disbursements from the account shall be supported by expense receipts (in the case of such advances) or by vouchers, receipts, or by BRISCOE'S billings. Billings to GROUP by BRISCOE shall be made at monthly intervals upon the completion of services rendered by BRISCOE for such period. BRISCOE shall forward a monthly statement of costs and expenditures, which statement shall itemize all costs and expenses. When applicable, copies of invoices and proof of payment shall accompany the summaries furnished GROUP. Upon receipt of such statements, GROUP shall, within fifteen (15) days, remit to BRISCOE the total funds expended during the billing period payable to the account. Upon termination of this agreement, any funds remaining in the account after discharge of all project obligations shall be returned to GROUP.

All capital items acquired for the benefit of GROUP hereunder and owned at the termination of this agreement shall be disposed of or provision made for their disposition in a manner approved by GROUP. Any proceeds from such disposal or disposition shall be remitted to GROUP.

# Changes to chart

- ① Hunt - Talked w/ Bill Carlson
  - ② AMAX
  - ③ Noranda - No money - Too costly at present.
  - ④ Uranerex - John Peterson  
No money - must con. on  
hi grade U targets
  - ⑤ Boliden - Bruce Winfield -  
not in position to take on  
a large grass roots proj.  
West Min
  - ⑥ Ast 5 - Likes project very much  
much potential for many  
metals - But no cash  
would like to be kept  
top to date increase  
of change of company  
finances
  - ⑦ Billiton Int. - Dave Brown, new  
mgs. excited about  
proj.
- ~~8. MEX C~~

GROUP as set forth in Paragraph II above.

In addition to the foregoing, BRISCOE shall have authority to negotiate land and/or mineral acquisitions for the benefit of GROUP; provided, however, that BRISCOE shall not incur obligations for such acquisitions without first obtaining the approval of GROUP.

The parties hereto recognize that rapid decisions with respect to land and/or mineral acquisitions, exploration work and other matters may be required at times making it impractical for BRISCOE to provide written recommendations, and it is understood and agreed that verbal communication followed by written confirmation may be utilized from time to time by BRISCOE and GROUP, as may be applicable.

#### IV. IV.

BRISCOE shall have no authority to sell or otherwise dispose of or encumber any property acquired for the benefit of GROUP without the written consent of GROUP.

#### V.

It is recognized that certain costs incurred by BRISCOE may be charged on a prorated basis, and BRISCOE shall keep accurate records of expenses and other charges paid or incurred by BRISCOE with respect to such prorated charges. All references to specific sums in this agreement or in the exhibits attached hereto shall be deemed to refer to United States dollars.

BRISCOE shall keep account books in accordance with established accounting practices, showing in detail all expenses and other charges paid or incurred for the benefit of GROUP under this agreement. These account books and supporting vouchers and other data may from time to time be inspected and extracts made

# **Tombstone Silver Mines Inc.**

**Tombstone:**  
**P.O. Box 715**  
**Tombstone, Az 85638**

**Scottsdale:**  
**8238 E. Indian School Rd.**  
**Scottsdale, Az 85251**

**Corporate & Administration:**  
**P.O. Box 11509**  
**650 W. Georgia St.**  
**Vancouver, V.C. Canada V6B 4N7**

January 10, 1986

Mr. James Briscoe  
5701 E. Glenn Street  
Suite 120  
Tucson, Arizona 85712

Dear Jim:

At the request of the Chairman of the Board of Directors of Tombstone Silver Mines, Inc., I am writing this letter to help clarify our position regarding your geological report and our payment for the report.

As you are aware, we all met at your home in Tucson in August to ascertain our cost to complete the geological report and our cost to pay off all of our existing and anticipated bills. We were very concerned that we have sufficient funds to meet all of our obligations.

You assured us at the time that your best estimate of the total cost of your report, as to your labor, would be \$14,000. Your bill exceeds that amount by over \$15,000.

We are not presently in a position to pay you the \$17,070 billed in your statement of November 22, 1985.

Your November 22 bill includes \$12,625 for your professional services. I informed you in mid-December that we anticipated receiving funds from our gravel operation. I was hopeful that by January 1, we would have sufficient funds to make a payment. However, Charlie has not been able to produce as anticipated and his costs have been higher than anticipated. I have instructed Charlie to pay the December 27th bill for bookkeeping as soon as possible.

As we, to date, have not received a final signed report from you, we will make no payment until the report is received to our mutual satisfaction.

It is our position that we should not be billed for any additional time, on your part, to complete the report.

Mr. James Briscoe  
January 10, 1986  
Page Two

It appears to us that some of the hours that have been billed to Tombstone Silver Mines, Inc. are not for professional services and professional work. We therefore request as to the hours billed as professional services since August of 1985, that these hours be itemized as to exactly what professional work was done, on what day and for the amount of time. We do not feel that it is proper for us to pay for time spent on non-professional items, such as travel, instructional meetings, etc. We expect to pay only for "professional" work time done in the preparation of the geological report.

After further review of your geological report, it is the opinion of the majority of the Board of Directors that as the report stands, it would not be acceptable for any underwriting nor suitable for presentation to the Vancouver Stock Exchange.

Please call me upon receipt of this letter.

Most sincerely,



Edmund T. Allen, III

ETA/jh

cc: David A. Thomas  
David Howard  
William Grace  
Les Peterson  
Charles Saunders  
Charles Escapule  
Louis Escapule

114-1

# James A. Briscoe & Associates, Inc.

Exploration Consultants:

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

James A. Briscoe  
Registered Professional Geologist

Thomas E. Waldrip, Jr.  
Geologist/Landman

*Certified 523 907  
523 908  
523 909*

January 13, 1986

Edmund T. Allen, III  
P. O. Box 32672  
Phoenix, AZ 85064

RE: Return of lease #s 11-2305500, 11-2305500, 11-2305600,  
11-2305700, 11-2305800, and reminder for necessity to file  
lease applications on Type B claims in Section 16, on  
February 13

Dear Ned:

I am transmitting the above referenced state lease paperwork,  
which require an affidavit of performance of annual assessment  
work by January 30, 1986. In light of our failure to receive  
payment or reimbursement of funds advanced for fees, expenses,  
etc., it is impossible for us to continue work for TSM, Inc.  
until the situation is corrected.

I take this opportunity to remind you also that lease  
applications must be filed on the Type B mining claims put in on  
the state sections surrounding TSM property, no later than  
February 13, 1986.

Very truly yours,



James A. Briscoe

JAB/ms

cc: David A. Thomas  
Charlie Escapule

To avoid payment of penalty and interest, payment must be IN OFFICE OF State Land Department ON or BEFORE the DUE DATE. Date of POSTAL STAMP will not be accepted as time of payment.

E 1/2 Lot 9  
E 1/2 NE 1/4 NE 1/4

TOMBSTONE SILVER  
MINES INC  
P O BOX 715  
TOMBSTONE AZ 85638

STATE OF ARIZONA  
STATE LAND DEPARTMENT  
1624 WEST ADAMS - 4TH FLOOR  
PHOENIX, ARIZONA 85007  
10-0304

11	2305500
KIND, ENTRY	LEASE OR C. P. REFERENCE NO.

STATEMENT  
INCLUDE ABOVE  
NO's WITH PAYMENT

SEC	TOWNSHIP	RANGE

ACCOUNT NO GRANT FUND SUB		BILLING DESCRIPTION	RATE	ACRES	\$ AMOUNT
10	030 04	RENTAL MINERAL		13.40	15.00

CERTIFICATE OF PURCHASE
\$ UNPAID BALANCE

BILLING PERIOD					
FROM			TO		
MO	DAY	YR	MO	DAY	YR
01	30	86	01	29	87

DATE BILLED		
MO	DAY	YR
10	31	85

DATE DUE		
MO	DAY	YR
01	30	86

TOTAL ACRES
13.40

TOTAL AMOUNT
\$ 15.00

IF PAYMENT IS MADE ON OR BEFORE THIS DATE → PAY THIS AMOUNT

AMOUNT DELINQUENT SUBJECT TO PENALTY & INTEREST

PENALTY & INTEREST	DISTRIBUTION

5% PENALTY OF RENTAL.	\$	
TOTAL RENTAL AMOUNT PLUS PENALTY.	\$	
* INTEREST PER ANNUM ON RENTAL. AMOUNT	\$	
AND PENALTY - NUMBER OF DAYS DELINQUENT ( )	\$	
TOTAL AMOUNT DUE INCLUDING PENALTY AND INTEREST	\$	
CASH RECEIVED	\$	
BALANCE DUE OR OVERPAYMENT	\$	
TOTAL PENALTY & INTEREST	\$	

\* INTEREST SET BY TREASURER UNDER ARS 37-288. ANY PROTEST OF THIS RENTAL AMOUNT MUST BE IN WRITING, RECEIVED BY THE STATE LAND DEPARTMENT WITHIN 30 DAYS FROM THE DATE BILLED.

To avoid payment of penalty and interest, payment must be IN THE OFFICE OF THE State Land Department ON or BEFORE the DUE DATE. Date of POSTAL STAMP will not be accepted as time of payment.

W 1/2 Lot 9  
W 1/2 NE 1/4 NE 1/4

TOMBSTONE SILVER  
MINES INC  
P O BOX 715  
TOMBSTONE AZ 85638

STATE OF ARIZONA  
STATE LAND DEPARTMENT  
1624 WEST ADAMS - 4TH FLOOR  
PHOENIX, ARIZONA 85007  
10-0305

11	2305600
KIND, ENTRY	LEASE OR C. P. REFERENCE NO.

SEC	TOWNSHIP	RANGE

STATEMENT  
INCLUDE ABOVE  
NO's WITH PAYMENT

ACCOUNT NO GRANT FUND	SUB	BILLING DESCRIPTION	RATE	ACRES	\$ AMOUNT	
10	030 04	RENTAL MINERAL		18 28	15	00

CERTIFICATE OF PURCHASE
\$ UNPAID BALANCE

BILLING PERIOD					
MO	FROM DAY	YR	MO	TO DAY	YR
01	30	86	01	29	87

DATE BILLED		
MO	DAY	YR
10	31	85

DATE DUE		
MO	DAY	YR
01	30	86

TOTAL ACRES
18 28

TOTAL AMOUNT
\$ 15 00

IF PAYMENT IS MADE ON OR BEFORE THIS DATE → PAY THIS AMOUNT

AMOUNT DELINQUENT SUBJECT TO PENALTY & INTEREST

PENALTY & INTEREST	DISTRIBUTION
\$	

5% PENALTY OF RENTAL.	\$		
TOTAL RENTAL AMOUNT PLUS PENALTY.	\$		
* INTEREST PER ANNUM ON RENTAL. AMOUNT	\$		
AND PENALTY - NUMBER OF DAYS DELINQUENT ( )	\$		
TOTAL AMOUNT DUE INCLUDING PENALTY AND INTEREST	\$		
CASH RECEIVED	\$		
BALANCE DUE OR OVERPAYMENT	\$		
TOTAL PENALTY & INTEREST	\$		

\* INTEREST SET BY TREASURER UNDER ARS 37-288. ANY PROTEST OF THIS RENTAL AMOUNT MUST BE IN WRITING, RECEIVED BY THE STATE LAND DEPARTMENT WITHIN 30 DAYS FROM THE DATE BILLED.

To avoid payment of penalty and interest, payment must be made in the OFFICE OF the State Land Department ON or BEFORE the DUE DATE. Date of POSTAL STAMP will not be accepted as time of payment.

E 1/2 Lot 10  
E 1/2 NW 1/4 NE 1/4

TOMBSTONE SILVER  
MINES INC  
P O BOX 715  
TOMBSTONE AZ 85638

STATE OF ARIZONA  
STATE LAND DEPARTMENT  
1624 WEST ADAMS - 4TH FLOOR  
PHOENIX, ARIZONA 85007  
10-0306

11	2305700
KIND ENTRY	LEASE OR C P REFERENCE NO

SEC	TOWNSHIP	RANGE

STATEMENT  
INCLUDE ABOVE  
NO's WITH PAYMENT

ACCOUNT NO GRANT FUND	SUB	BILLING DESCRIPTION	RATE	ACRES	\$ AMOUNT	
10	030 04	RENTAL MINERAL		18.31		15.00

CERTIFICATE OF PURCHASE
\$ UNPAID BALANCE

BILLING PERIOD					
MO	DAY	YR	MO	DAY	YR
01	30	86	01	29	87

DATE BILLED		
MO	DAY	YR
10	31	85

DATE DUE		
MO	DAY	YR
01	30	86

TOTAL ACRES
18.31

TOTAL AMOUNT
\$ 15.00

IF PAYMENT IS MADE ON OR BEFORE THIS DATE → PAY THIS AMOUNT

AMOUNT DELINQUENT SUBJECT TO PENALTY & INTEREST

PENALTY & INTEREST	DISTRIBUTION

5% PENALTY OF RENTAL.	\$	
TOTAL RENTAL AMOUNT PLUS PENALTY.	\$	
* INTEREST PER ANNUM ON RENTAL AMOUNT	\$	
AND PENALTY - NUMBER OF DAYS DELINQUENT ( ) \$	\$	
TOTAL AMOUNT DUE INCLUDING PENALTY AND INTEREST	\$	
CASH RECEIVED	\$	
BALANCE DUE OR OVERPAYMENT	\$	
TOTAL PENALTY & INTEREST	\$	

\* INTEREST SET BY TREASURER UNDER ARS 37-288. ANY PROTEST OF THIS RENTAL AMOUNT MUST BE IN WRITING, RECEIVED BY THE STATE LAND DEPARTMENT WITHIN 30 DAYS FROM THE DATE BILLED.

To avoid payment of penalty and interest this payment must be made to the OFFICE of the State Land Department ON or BEFORE the DUE DATE. Date of POSTAL STAMP will not be accepted as time of payment.

W 1/2 Lot 10  
W 1/2 NW 1/4 NE 1/4

TOMBSTONE SILVER  
MINES INC  
P O BOX 715  
TOMBSTONE AZ 85638

STATE OF ARIZONA  
STATE LAND DEPARTMENT  
1624 WEST ADAMS - 4TH FLOOR  
PHOENIX, ARIZONA 85007

11	2305800
KIND ENTRY	LEASE OR C. P. REFERENCE NO.

10-0307

STATEMENT  
INCLUDE ABOVE  
NO'S WITH PAYMENT

SEC	TOWNSHIP	RANGE

ACCOUNT NO		BILLING DESCRIPTION	RATE	ACRES	\$ AMOUNT
GRANT FUND	SUB				
10	030 04	RENTAL MINERAL		18.07	15.00

CERTIFICATE OF PURCHASE
\$ UNPAID BALANCE

BILLING PERIOD					
FROM			TO		
MO	DAY	YR	MO	DAY	YR
01	30	86	01	29	87

DATE BILLED		
MO	DAY	YR
10	31	85

DATE DUE		
MO	DAY	YR
01	30	86

TOTAL ACRES
18.07

TOTAL AMOUNT
\$ 15.00

IF PAYMENT IS MADE ON OR BEFORE THIS DATE → PAY THIS AMOUNT

AMOUNT DELINQUENT SUBJECT TO PENALTY & INTEREST

PENALTY & INTEREST	DISTRIBUTION

5% PENALTY OF RENTAL.	\$	
TOTAL RENTAL AMOUNT PLUS PENALTY.	\$	
* INTEREST PER ANNUM ON RENTAL AMOUNT AND PENALTY - NUMBER OF DAYS DELINQUENT ( ) \$	\$	
TOTAL AMOUNT DUE INCLUDING PENALTY AND INTEREST	\$	
CASH RECEIVED	\$	
BALANCE DUE OR OVERPAYMENT	\$	

\* INTEREST SET BY TREASURER UNDER ARS 37-288. ANY PROTEST OF THIS RENTAL AMOUNT MUST BE IN WRITING, RECEIVED BY THE STATE LAND DEPARTMENT WITHIN 30 DAYS FROM THE DATE BILLED.

AFFIDAVIT OF PERFORMANCE OF ANNUAL ASSESSMENT WORK  
AND MINING ACTIVITY

STATE OF ARIZONA ) ss  
County of \_\_\_\_\_ )

Arizona State Lease No. \_\_\_\_\_

\_\_\_\_\_, being first duly sworn, deposes and says:  
Name of Lessee or Agent

That he is a citizen of the United States and more than twenty-one years of age, resides at \_\_\_\_\_ County, Arizona, and is lessee of, or lessee's authorized agent of record for State Mineral Lease No. \_\_\_\_\_, and is personally acquainted with the \_\_\_\_\_ (number) mining claim(s) held under said lease.

ASSESSMENT WORK

That between the \_\_\_\_\_ day of \_\_\_\_\_, A.D. 19\_\_\_\_, and the \_\_\_\_\_ day of \_\_\_\_\_, A.D. 19\_\_\_\_, at least \$ \_\_\_\_\_ worth of work and improvements were done and performed upon said lease area, not including the original location work of said claim(s). Such work and improvements were made by, or at the expense of the owners of said lease, for the purpose of complying with the laws of the State of Arizona, pertaining to assessment or annual work, (at least One Hundred Dollars worth of work for each claim) and; (Give names and addresses of miners or other workman or firm who worked the claims).

were the men or firm employed by said owner and labored upon said claims, did said work and improvements, the same being as follows, to-wit:  
(Describe work done)

MINING ACTIVITY

That records of all mineral, rock or earth material removed from said lease area during the last lease year have been filed with the Arizona State Land Department and proper royalty credited or paid thereon, or does hereby certify under the penalty of perjury, that no mineral, rock or earth material has been removed from said lease area during the lease year.

I certify that the foregoing is a true and correct statement of the work performed, of improvements made, and of mining activity, of my knowledge.

\_\_\_\_\_  
Signature

STATE OF ARIZONA )  
County of \_\_\_\_\_ ) ss

Subscribed and sworn to before me this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_,

My Commission Expires: \_\_\_\_\_

\_\_\_\_\_  
Notary Public

# James A. Briscoe & Associates, Inc.

Exploration Consultants:

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

James A. Briscoe  
Registered Professional Geologist

Thomas E. Waldrip, Jr.  
Geologist/Landman

*Certified Mail #498 523 920*

January 14, 1986

Edmund T. Allen III  
P. O. Box 32672  
Phoenix, AZ 85064

RE: Your letter of January 10, 1986, concerning pending monies due James A. Briscoe & Associates, Inc.

Dear Ned:

I was surprised at the content of your letter, considering our one hour, seven minute telephone conversation on Friday, January 10. In the interest of settling your concerns, I will try to go through your letter paragraph by paragraph. I would like to have this settled amicably so that we can continue with the work ahead, without undue interruption.

When we met at the James A. Briscoe & Associates, Inc. office in my home in Tucson in August, I carefully explained to you and Dave Thomas that writing a report such as you requested was akin to a basic research project, and costs were almost impossible to estimate accurately. Thus, I proposed a consulting retainer-ship, which we later signed an agreement to, that should take up the slack, should there be any less time required in the report for myself or more time required than I had anticipated. In this manner, I was able to give you my lowest discount rate of \$31.50/hour. Compared with other professional rates, I think that this was eminently fair. At that time, Dave Thomas made the comment that he was used to paying a firm fixed fee for reports such as this. I looked directly at him and said "Dave, I would never ever sign a contract for preparation of a report like this on a firm fixed fee basis". Had I known what a chaotic state both the basic data, ore reserves, bookkeeping, land position, etc., etc., the state of Tombstone Silver Mines, Inc. was in, I certainly would have not given such a low estimate as to the time required for report preparation. In fact, as later events would unfold, there were no economic mineral deposits either drilled out or conceptualized on the property at that time. Had I reported on the drilled out ore reserves or then known indications of ore, there would have not been the remotest possibility of anybody investing further

Edmund T. Allen, III  
January 14, 1986  
Page 2 of 5

money in the project. Instead, I used various information, maps and data (my personal property), none of which has ever been paid for by TSM, Inc., combined with research, careful interpretation of color aerial photographs, geologic mapping and other technical work to determine that geological parameters identified during the study suggest that there is good potential for an economically viable mineral deposit to be discovered within the boundaries of the TSM land at Tombstone. Beyond that, I designed and made a cost estimate for an exploration program, and made recommendations for additional property acquisitions, as well as exploration in other portions of the district. The knowledge that I have brought to bear gives TSM, Inc. a unique opportunity window within the district, which will close if not acted upon in a timely manner. The ideas that I have proposed to you, I believe, are on the cutting edge of our current understanding of silver deposits in this environment. In fact, I checked my ideas with Dr. John Guilbert, Professor of Geochemistry at the University of Arizona, regarding the mobility of silver. His new book, which will not be published until February of this year, in the section on silver ore bodies, will describe some of the ideas that I independently arrived at.

During the work on this report, I was asked to make comments on other subjects such as the viability of the Commonwealth Mine at Pearce, as well as land problems, bookkeeping problems, and mine plan problems. A possible mine plan was designed for the low grade ores on the TSM property, using a combination of mine contractor and in-house mine staff, uncommon in the industry, but one which resulted in a substantial decrease in capital and mining costs, and commensurate increase in projected profitability. Interestingly, after the submittal of my report, a large mining project was announced, using a similar philosophy with similar resulting lowered capital costs and increased profitability. The preparation of such a proposed mine plan was not considered when the initial report proposal was made. However, all management personnel at Tombstone Silver Mines, Inc. were informed that this projected mine plan was a necessity and was underway.

In your third paragraph you state that I assured you at the time that our costs would be \$14,000. To reiterate again, what I said was that I would make a best efforts attempt to prepare the report for that cost. TSM was fully aware at all times of the total expenditure of time involved, through our timely billing procedures. The report that was written required substantially more research than was conceived of by myself (and possibly the TSM, Inc. management) because there was no indication of viable reserves drilled or geologically indicated after I became

James A. Briscoe & Associates, Inc.  
Tucson, Arizona

Edmund T. Allen, III  
January 14, 1986  
Page 3 of 5

familiar with the situation. As you are well aware, a great deal of time was spent "consulting" rather than on research and report writing on various aspects of the TSM Inc. operation. We only billed once for the \$1,365/month consulting fee, that from May 15 to June 15. For the six months subsequent, the cost would have been \$8190 - none of which was billed per se, but rather included in the "report" billing for professional fees.

I informed all parties early on that the property situation - that being that the TSM property was completely surrounded by state land controlled by Interstrat, Inc. - was untenable with a viable mining operation. I worked extensively with you, as did Tom Waldrip, to rescue this land situation - something that I believe we may have accomplished in the last three months of the year. Without that rescue, which in itself involved and does involve unique land law interpretation and mitigation, it would not be possible to operate viably on the TSM land position. A significant portion of my time was spent in discussing this situation with the various TSM, Inc. management officials, as well as Tom Waldrip. This time was lumped in my professional bill, which has all been allocated to the report, and because it was such an intrinsic operation during the report preparation, I did not attempt to segregate that time, nor was there any indication from any one that I should do so.

Regarding the first paragraph on the second page of your letter, I have never included any non-professional items in my bill. Travel was only undertaken for the purpose of accomplishing a professional goal, never for entertainment or vacation. I am not sure what you refer to when you talk about "instructional meetings", all meetings and telephone conversations I ever had with any member of TSM, Inc. were purely business in nature, and as such, were billable at professional rates. Where possible, I combined personal travel to accomodate TSM business meetings, resulting in significant convenience and cost savings to TSM, Inc. I and other staff members were also available on a frequent basis after or before office hours, for which no additional charge was made.

Concerning the second paragraph on page two - the format of the report. Starting in May, I asked TSM, Inc. for an example of the format they would like me to follow in the report. This was promised on a weekly basis, including up to the time of our meeting on Friday, November 29. At that time, Dave Thomas described to me that he would put his thoughts down on tape and send them to me. Further, he was to have met with me on several different occasions to review the report format. Neither the report format, nor any written suggestions or verbal suggestions on tape, nor meetings have ever been forth coming. The report

Edmund T. Allen, III  
January 14, 1986  
Page 4 of 5

as it stands, meets all of the legal criteria prescribed by the Vancouver Stock Exchange. As I have described to you before, what was necessary was to come up with a viable geologic evaluation and economic mine plan that suggests the TSM mining property at Tombstone has potential for discovery of "ore" from which profitable metal production can be made. You have that in hand. If you have a different format in mind, then please send that to me, and the report can be put in that format. I will charge you our agreed hourly rates plus reproduction and related costs for doing so. However, I have no intention of researching further, various formats the report can be put in and submitting these one after another at no cost to TSM, until you finally choose one that TSM, Inc. may like.

As per our contract, all overages can come out of the last year of the contract, which in general terms means that it would run for four years, rather than five, at our agreed upon rate. That was the purpose at the onset, since we all knew that the precise costs could not be accurately calculated.

In the interest of progressing on the project, I would propose the following:

- \* An initial \$5,000 payment to JABA, Inc. no later than January 25 (30 days after our agree upon payment for this amount on December 15).
- \* A payment of \$2,554.50 per month over the next six months plus whatever interest might accrue, to retire the remainder of the bill.
- \* Collateral to insure payment of the above.
- \* Continuation of our retainer agreement, with payment for further service made in advance.

When I have received the first installment of \$5,000 - as well as an example of the format you would like the summary report for the Vancouver Stock Exchange to be in, I will commence work on the preparation of such a summary format. Depending on your required changes, I don't believe that such a summarized format, as prescribed by law, will take very long to prepare or cost very much. However, I would make no estimate of such cost.

Edmund T. Allen, III  
January 14, 1986  
Page 5 of 5

I look forward to working with you, and will proceed with all due haste if the above matters can be resolved. I believe the TSM property at Tombstone has good potential, and I may be able to suggest other approaches to financing your project.

Very truly yours,



James A. Briscoe

JAB/ms

cc: David A. Thomas  
David M. Howard  
William Grace (sent to ETA for distribution)  
Les Peterson (sent to ETA for distribution)  
Charles Saunders (sent to ETA for distribution)  
Charles Escapule  
Louis Escapule

4/17/86 TC  
1:15 - 46

1:

Seth Horn

Clyd Davis :

Gallium -

Base Metals - floor sup

\$1,5 mm ~~at~~ plant at Apex.

Take samples -

Bye  
Tom Henery -

Clyd Davis

387A adm. Bldg

Bye

PO Box 84602

(801) 378-4444

## ELARES MINERALS CONSULTANTS

LEE R. STOISER  
CONSULTING GEOLOGIST

11510 OLYMPIA DR.  
HOUSTON, TEXAS 77077  
(713) 531-9472

January 31, 1986

Mr. James Briscoe  
James Briscoe & Associates  
5701 E. Glenn St., Suite 120  
Tucson, AZ 85712

Dear Jim:

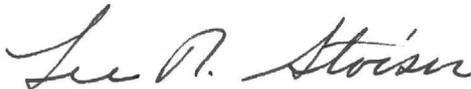
I very much enjoyed our meeting in Tucson on January 28th. As soon as I receive the requested additional information on the Blossom mine near Searchlight, Nevada, and on the silver prospect near Tombstone, Arizona, we will determine whether either precious metals property area warrants further interest. At this junction both are geologically interesting; the Blossom for Au-Ag and the Tombstone area for Ag-Au open pit potential.

I have sent off for geochemical analysis 11 rock samples from the Tombstone area. We do not expect to have the results from them for at least seven days. After we have reviewed the analyses and your exploration suggestions and property terms, we will get in touch again regarding our interest in the Tombstone project.

Enclosed is my personal check for \$30.00 to cover the purchase of the AGS book on gold deposits and for express mail shipment of the data requested plus the said book.

Again, thank you for your time and efforts to bring the Blossom mine to our attention, the field trip to Tombstone, and your kind hospitality during my visit. My kind regards, too, to Tom Wsldrip for the information he provided during my visit. Please send the requested data to my Elk City address unless I advise otherwise in the next few days.

Yours sincerely,



Lee R. Stoiser

TEW

# James A. Briscoe & Associates, Inc.

Exploration Consultants:

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

James A. Briscoe  
Registered Professional Geologist

Thomas E. Waldrip, Jr.  
Geologist/Landman

February 14, 1986

Lee Stoiser  
Alotta Resources, Inc.  
c/o The Elk City Lodge  
P. O. Box 143  
Elk City, ID 83525

RE: Transmittal of Tombstone information - exploration proposal  
on the Mustang Vein - and proposal to explore Tombstone on  
a district-wide basis

Dear Lee:

Enclosed are two reports prepared for my clients - the James Stewart Company, Seth Horne, President, and the Tombstone Development Company, regarding the UNC Silver Metal Analysis Probe (UNC Silver MAP) channel sampling of the trenches that we visited during your trip to Tucson. Subsequent to my report, Tombstone Development Company lost interest in the project, and deeded some 500 claims and state land to James A. Briscoe & Associates, Inc. in September of 1985. We hold clear title to the unpatented mining claims detailed on our district-wide property map in the pink color.

I am also sending to you my report on the district prepared for the Tombstone Development Company, as well as an updated bibliography for the district, which I think is quite complete, updated historical chart showing silver prices from 1865 through 1983, and excerpts from a more recent report on the district. I have also included some cross-sections from various published sources, which tend to illustrate various aspects of what I believe probably happened at Tombstone. Included is a cross-section and very brief summary of the Constancia Mine, Chanarcillo, Chile, from which I understand by our conversation you have visited. The geologic environment appears to be very similar to that at Tombstone - and when you consider that the basal part of the Bisbee Formation consists of three different limestones - the six foot, the twelve foot, and the Blue Limestone, underlain by the coarsely clastic Glance Conglomerate, there is more similarity to the Verde Tuff, the Negro Limestone, the Ahuesado Tuff, the Delirio Limestone and Constancia Tuff at Chanarcillo.

Lee Stoiser  
February 14, 1986  
Page 2 of 4

I have also made a new sketch cross-section for you showing my interpretation of the sub-surface cut at right angles through the Mustang Vein, along the northern trench, which we visited. I drew this at 1" = 2,000', the same scale as the property base map.

The Tombstone district is associated with the 72 to 63 m.y. old Tombstone caldera. The old district lies just outside the caldera structure, while the State of Maine Mine, the Mustang Vein, the Charleston Mine and many other prospects lie within the caldera. In the vicinity of the Mustang Vein, I suspect that the Uncle Sam Tuff - a rhyolitic ignimbrite - was possibly originally up to 3,000 feet thick. On my cross-section, I have suggested that only perhaps 500 or less feet remain to cover the underlying Bisbee Formation. The overlying tuff has been eroded. Prior to erosion, however, silver as well as gold and probably zinc would have been soluble in the high sulfate environment, and would have leached progressively down to the water table, migrating downwards as erosion progressed, much like a chalcocite blanket. A high-grade enrichment zone should lie below the permanent water table and zone of oxidation. This I have projected to be 600 feet below the current surface, since that is approximately where it lies in the main part of the district. The current water table is higher, but in the shallow drilling that we did a year ago, we did not penetrate sulfides when the water table was intersected. I am not sure that grades similar to the Constancia Mine might not be intercepted in this zone of enrichment - but maybe you have some ideas on this. Where the veins intersect the basal limestone units of the Bisbee Formation, as well as the Paleozoic Limestone below, significant replacement bodies of lead, zinc, copper, silver and gold should result. None of these ideas have previously been recognized or tested anywhere in the district.

I would propose the following exploration program to test the Mustang zone:

#### EXPLORATION PROPOSAL

##### Low Grade - Open Pitable

- > Detailed surface mapping
- > Cut 5 gallon (50 to 100 pound) channel samples along the same channels assayed by UNC Silver MAP, and assay for Au, Ag, Pb, Zn Cu and Mo

Lee Stoiser  
February 4, 1986  
Page 3 of 4

- > Drill anomalies with + 200' - 45 degree airtrack holes - sampled every 5'
- > Determine ore reserves (including sericite co-product at Charleston Lead Mine), cost out mine plan using contractor for mining, centralized engineering and geology

#### High Grade (Potential Bonanza Grade) Underground

- > Drill at least four 1,500' to 2,000' reverse circulation rotary holes to intersect sulfide zone and penetrate it to at least 200' and to penetrate the base of the Bisbee Formation and the upper Paleozoic section, within the Mustang Vein
  - > Sampling every 5'
  - > Coreboards constructed from cuttings
  - > Assay for precious and base metals
- > If reverse circulation holes encounter significant mineralization, then:
  - > Drill diamond drill holes to measure ore. Perhaps reverse circulation drilling will be sufficient to measure ore - if so diamond drilling will only be necessary to get geology and rock mechanics data
- > If no significant alteration and mineralization are encountered, the project may be terminated.

The only gold assay I have was taken from the silicified breccia pipe, which you and I visited just before going to the Charleston Lead Mine. The sample assayed 0.04 ounces gold. I have included the summary of detailed sampling done by Phelps Dodge in 1915, at the State of Maine Mine, which is in the same general environment as the Mustang Vein. This sampling shows surface depletion with enrichment on the 200 foot level, as well as some information on the gold content. Sulfides were not encountered at the State of Maine Mine.

I believe the Tombstone district has very substantial potential. We continue to learn more about it with each new field trip, and, in fact, Tom Waldrip identified a new breccia pipe showing strong silicification in an area far removed from those previously identified, while doing field work last week. We also have additional silicified vein zones which appear to have potential for gold, though they have not been sampled.

Lee Stoiser  
February 14, 1986  
Page 4 of 4

I would suggest approaching Tombstone on a district-wide study basis. Although some small groups have blocked out land positions, I think that all property might be consolidated under the right circumstances. The details are too voluminous for a short letter, but if you agree with my evaluation of potential for the district, we can discuss the particulars in person.

I look forward to hearing from you.

Very truly yours,



James A. Briscoe

JAB/ms

Fumeroles above  
Mustang Vein

Maar (Phreatic) Explosions

Fumeroles above veins

Projected paleosurface of the  
Uncle Sam tuff inside the  
Tombstone Caldera

Total tuff thickness before  
erosion perhaps 3,000'

Mustang Vein

600'

+ 10% pyrite with Ag, Au,  
Pb & Zn - Ag, Au, & base  
metals leach & are re-  
precipitated below the  
water table

Bisbee red beds pervasively  
hornfelsed - + 1 oz. Ag  
along vein zones

Uncle Sam rhyolite ignimbrite

Bisbee Formation

Enriched zone below  
permanent water table

Blue Limestone

+ 50 oz. Ag  
1 oz. Au

Permanent water table  
& base of oxidation <  
600' below present  
surface

Glance Conglomerate

Paleozoic limestone

Large, intensely altered  
Au, Ag, Cu, Mo, Pb & Zn  
bearing fluidized breccia  
pipe zone 1,500' x 4,000'  
with porphyry Cu alteration  
+ 1,000' in depth - 2,000'  
before the section

Multi-phase quartz  
monzonite porphyry

No where mapped on surface, but  
present in deep drill holes

Cross-section through the N. trench  
Mustang Vein

J. A. Briscoe & Assoc., Inc Property  
Tombstone Mining District  
Cochise County, Arizona

Maar (Phreatof) Explosions

fumeroles above Mustang vein

fumeroles above veins

Projected Tule Surface  
Of the Uncle Sam  
tuff inside the  
Tombstone Caldera  
Total tuff thickness  
perhaps 3,000'

Mustang vein  
± 10% pyrite w/  
Ag, Au, Pb & Zn  
- Ag, Au, & base  
metals leach  
& are re-ppt  
below the H<sub>2</sub>O  
table

Bisbee red beds pervasively  
hornfelsed - ± 1 oz Ag along  
vein zones

Uncle Sam rhyolite ignimbrite

Bisbee formation

Blue limestone

Glauco conglomerate

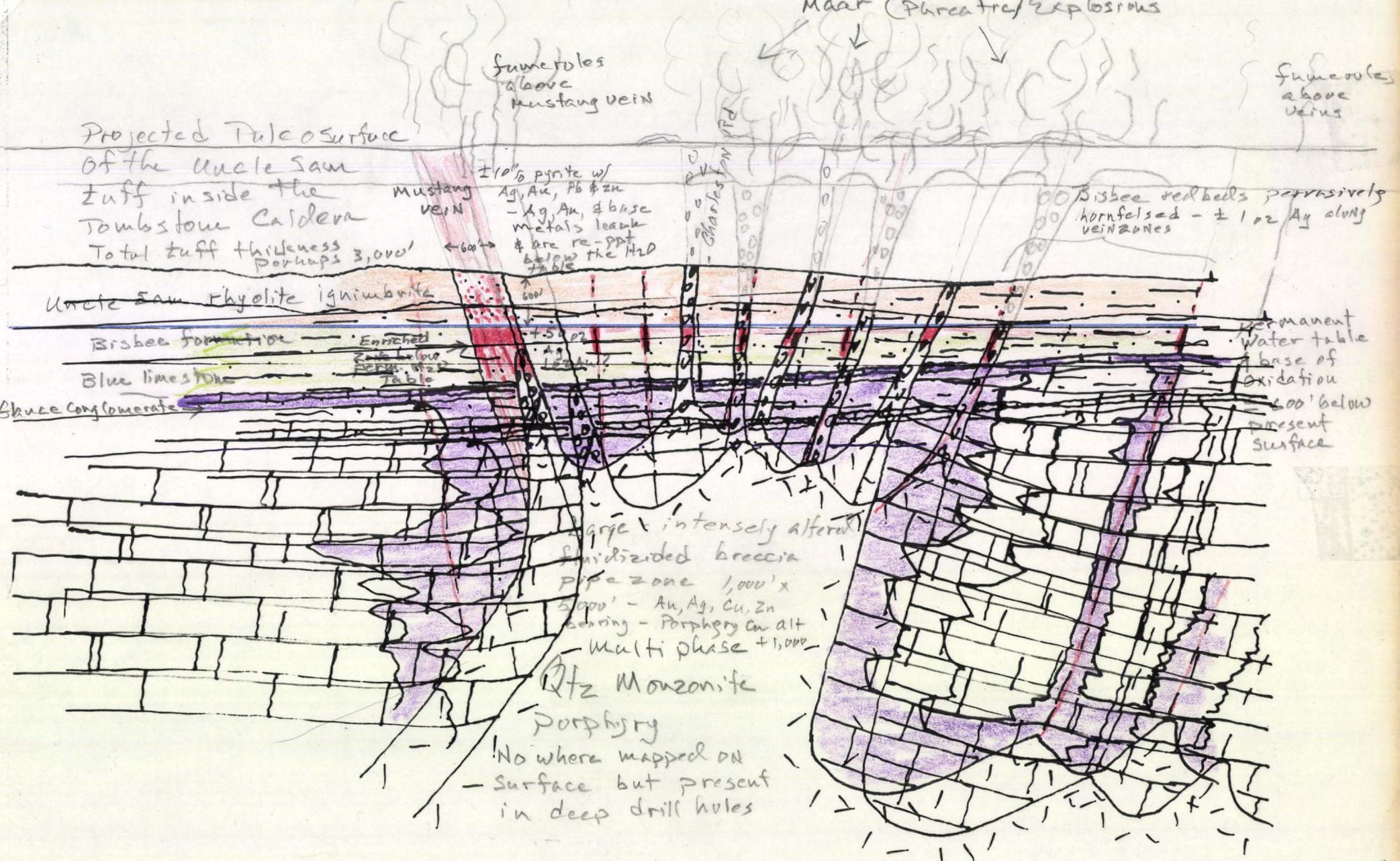
Enriched  
zone below  
ferrous H<sub>2</sub>O  
table

Permanent  
water table  
base of  
oxidation  
600' below  
present  
surface

Large & intensely altered  
fluidized breccia  
pipe zone 1,000' x  
5,000' - Au, Ag, Cu, Zn  
bearing - Porphyry Cu alt  
- Multi phase + 1,000'

Qtz Monzonite  
porphyry

No where mapped on  
- surface but present  
in deep drill holes





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286-M

3/19/84  
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160 AC

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AREA OF UNPATENTED  
MINING CLAIM AWAITING  
PATENT LOCATED ON  
STATE GROUND

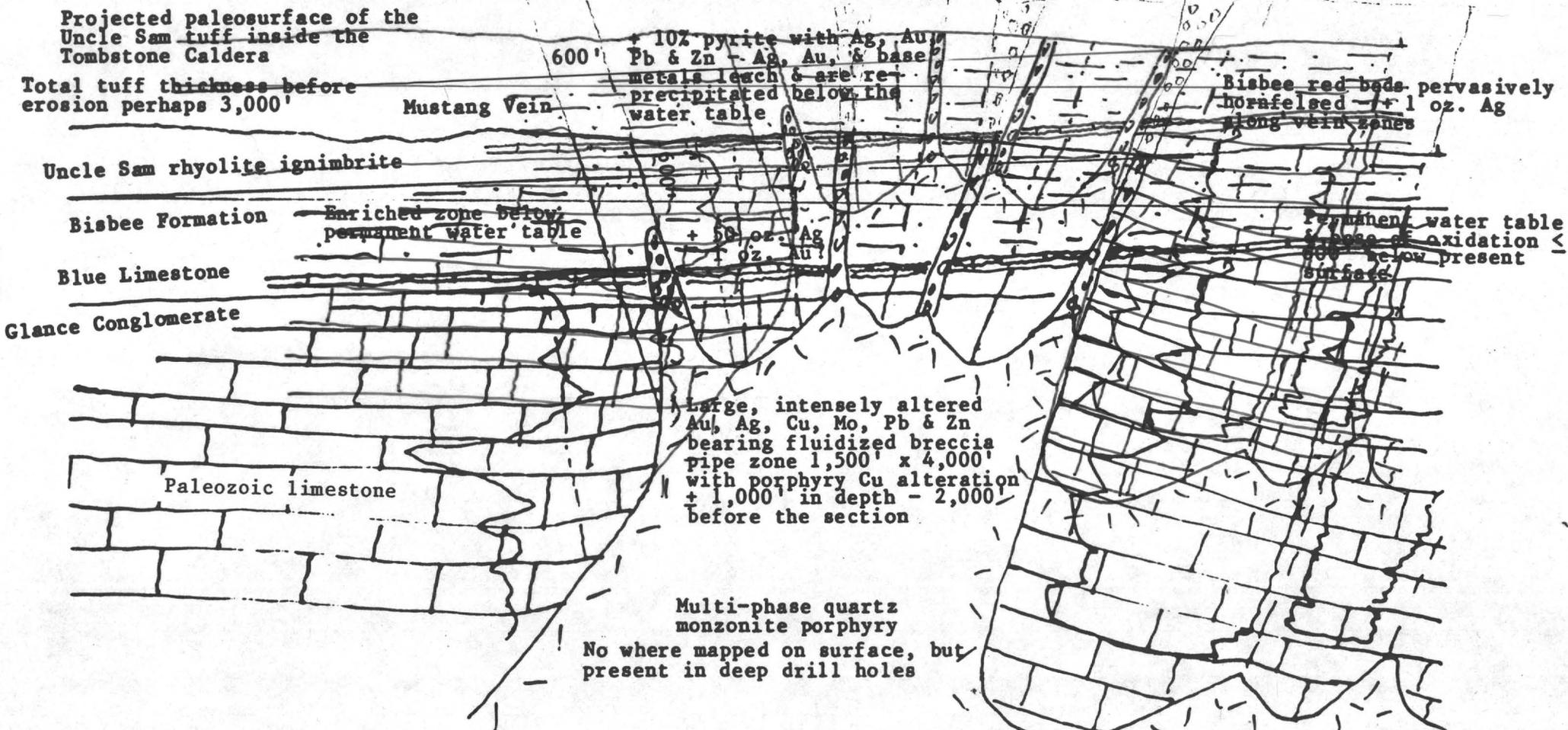
- GOLD REEDS 43
- BALD EAGLE 43
- BUFFALO 43
- NORTH STAR 43
- EVENING STAR 43
- MT. CARSON 43



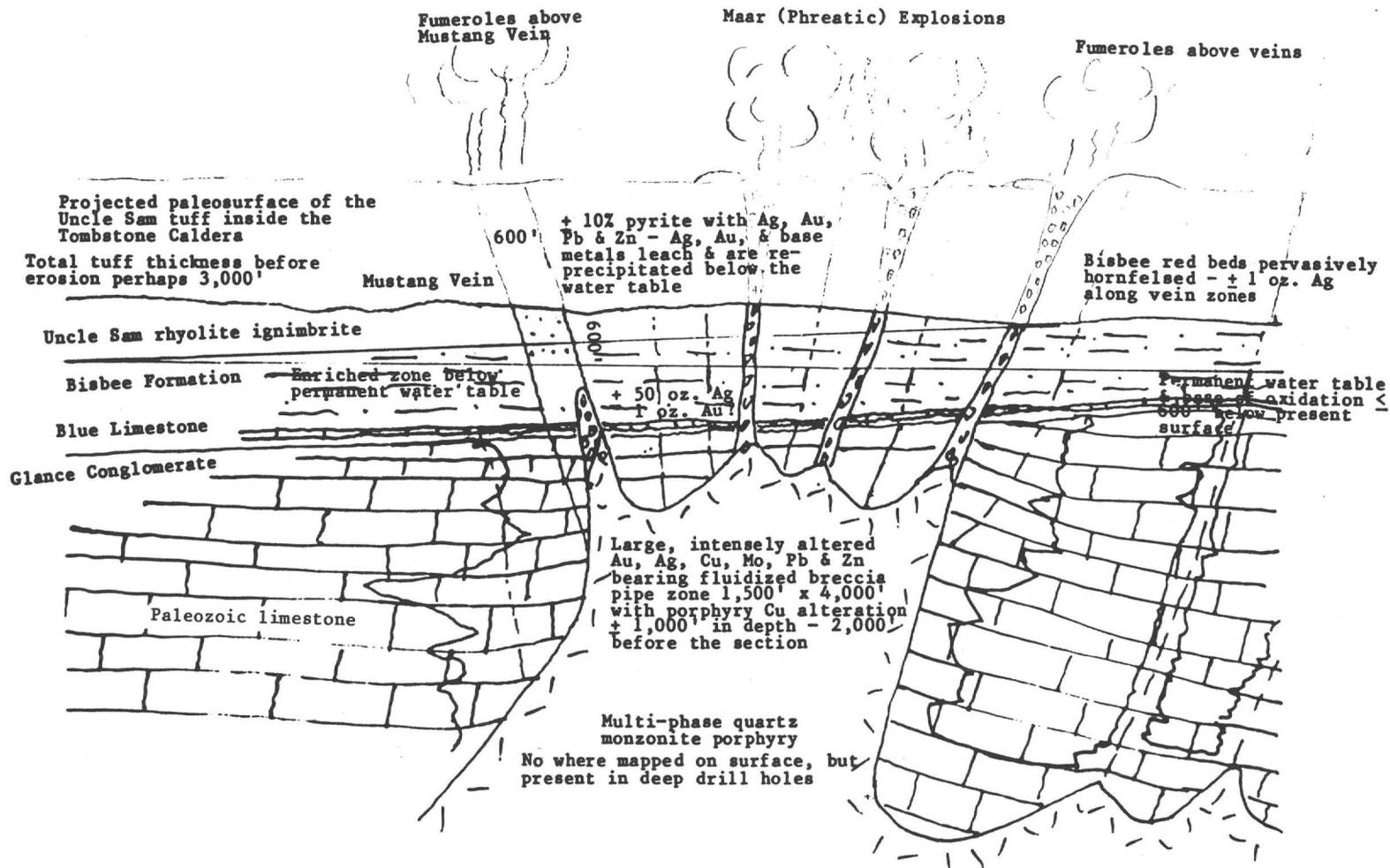
Fumeroles above  
Mustang Vein

Maar (Phreatic) Explosions

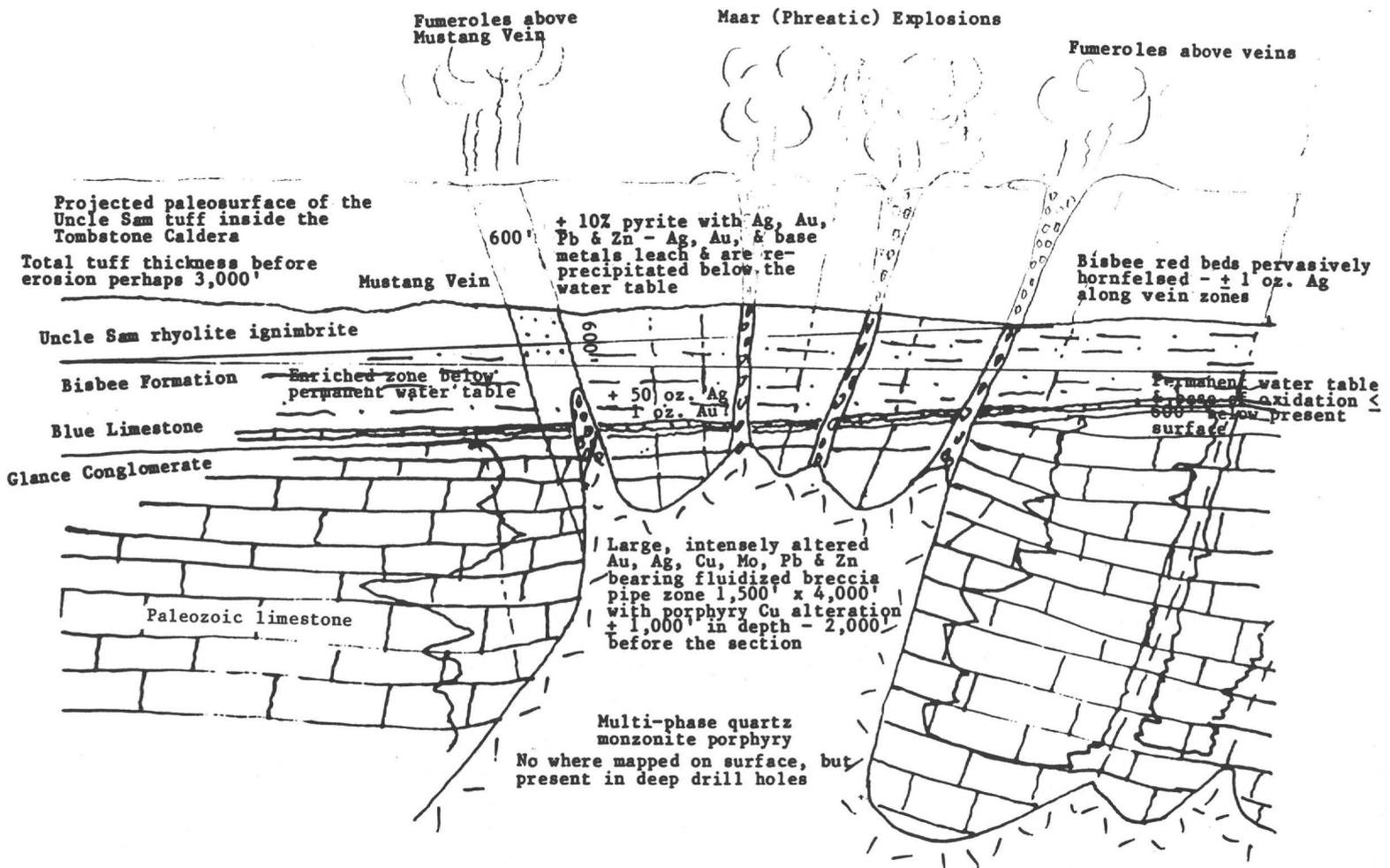
Fumeroles above veins



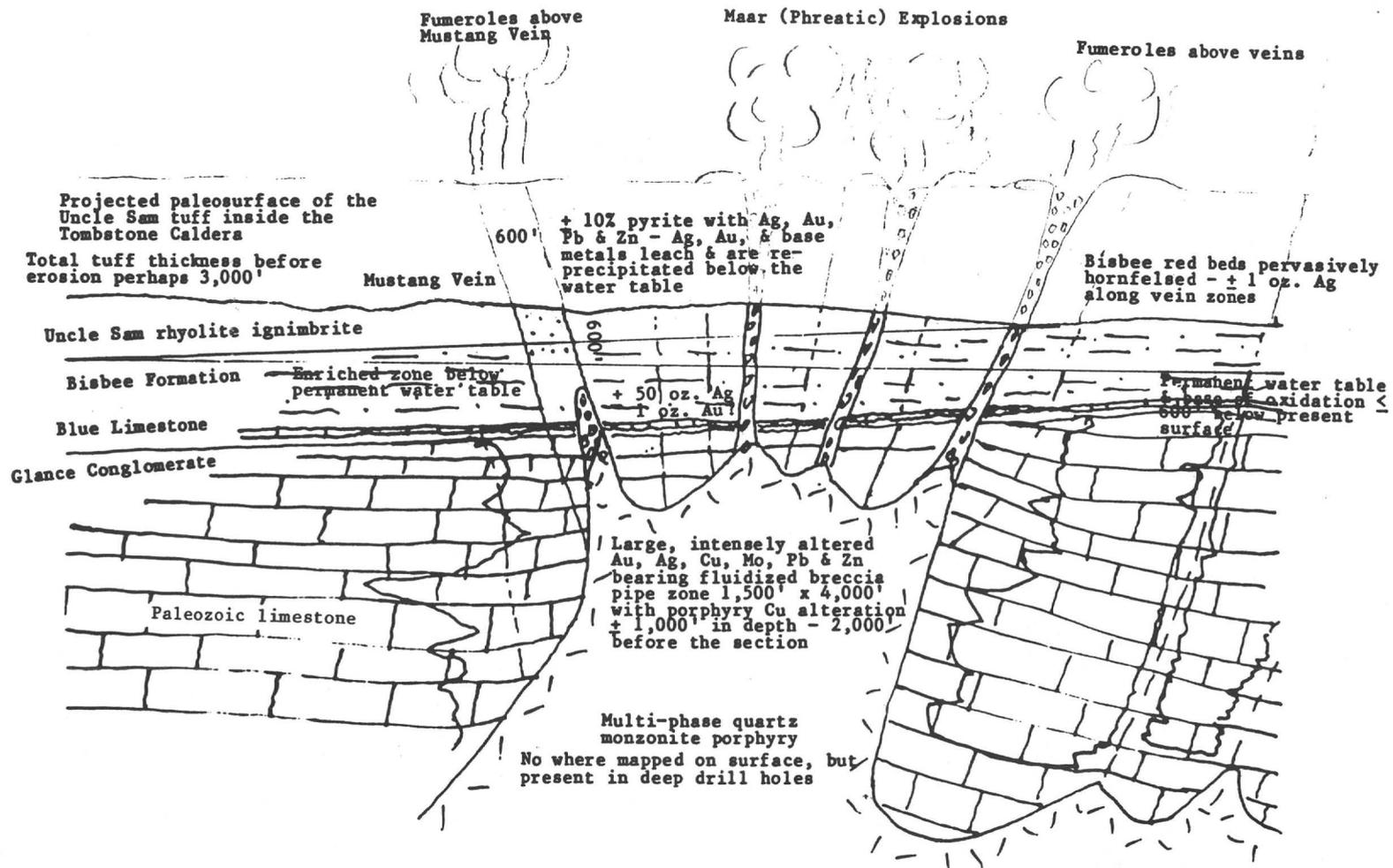
Cross-section through the N. trench  
Mustang Vein  
J. A. Briscoe & Assoc., Inc Property  
Tombstone Mining District  
Cochise County, Arizona



Cross-section through the N. trench  
Mustang Vein  
J. A. Briscoe & Assoc., Inc Property  
Tombstone Mining District  
Cochise County, Arizona



Cross-section through the N. trench  
Mustang Vein  
J. A. Briscoe & Assoc., Inc Property  
Tombstone Mining District  
Cochise County, Arizona



Cross-section through the N. trench  
Mustang Vein  
J. A. Briscoe & Assoc., Inc. Property  
Tombstone Mining District  
Cochise County, Arizona

Fumeroles above  
Mustang Vein

Maar (Phreatic) Explosions

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Projected paleosurface of the  
Uncle Sam tuff inside the  
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erosion perhaps 3,000'

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600'

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metals leach & are re-  
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Uncle Sam rhyolite ignimbrite

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1 oz. Au

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Glance Conglomerate

Paleozoic limestone

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pipe zone 1,500' x 4,000'  
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before the section

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monzonite porphyry

No where mapped on surface, but  
present in deep drill holes

Cross-section through the N. trench  
Mustang Vein

J. A. Briscoe & Assoc., Inc Property  
Tombstone Mining District  
Cochise County, Arizona

# James A. Briscoe & Associates, Inc.

Exploration Consultants:

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

James A. Briscoe  
Registered Professional Geologist

Thomas E. Waldrip, Jr.  
Geologist/Landman

February 26, 1986

Burt Applegath  
Alotta Resources, Ltd.  
1312 Odlam Drive, NE  
Albuquerque, NM 87108

RE: Transmittal of proposed deals on the James Stewart Company property, the James A. Briscoe & Associates, Inc. property, and the Alanco property in the Tombstone Mining District, Cochise County, Arizona

Dear Mr. Applegath:

I talked with Lee Stoiser yesterday, and he suggested that I send this deal outline to you to save his time.

I have outlined what I think might be acceptable to the various parties, as well as allow the maximum exploration input by Alotta Resources, Ltd. Further, I believe that if we work quickly to finalize these agreements, the remainder of the district could be quickly consolidated.

The greater Tombstone Mining District is part of a Laramide (72 to 63 m.y.) caldera, with at least three, and possibly more, porphyry copper centers. The porphyry centers have silver/gold halos around them, with associated lead/zinc mineralization. The old district, which was partially exposed by erosion, but still has not been thoroughly explored, has had substantial production. The other targets in the district covered primarily by this property package have been protected from erosion, and have potential for disseminated open-pitabile silver/gold mineralization, as well as bonanza grade silver/gold mineralization at depth. A base metal co-product is also likely on the deeper ores.

I am enclosing a photographically reduced property map of the district, at a scale of 1" = 10,000'. I have placed a transparent overlay on this in which I have colored, in red, the current James A. Briscoe & Associates, Inc. property. The James Stewart Company ground is emphasized in green, and the Alanco property shows clearly through the overlay in yellow.

Burt Applegath  
February 26, 1986  
Page 2 of 2

Let me know if you have any questions or comments regarding this.

Very truly yours,



James A. Briscoe

JAB/ms

Enclosure

cc: Lee Stoiser

SUMMARY

Total Acreage included would be:

JABA, Inc.	13,320	acres
James Stewart Co.	3,002	acres
Alanco	6,960	acres
	<u>23,282</u>	acres or 36.4 sq. miles

	Cash Commitment =====	Work Commitment =====	Total =====
<u>1st 6 months (3/1/86 to 8/31/86)</u>			
1. James Stewart Company:			
*Cash	\$ 10,000		
*Work \$10,000/month on month to month basis for 6 months		\$ 60,000	
2. JABA, INC.:			
*Cash	\$ 10,000		
*Work \$10,000/month on month to month basis for 6 months		60,000	
3. Alanco:	-0-	35,000	
	-----	-----	
	\$ 20,000	\$155,000	\$175,000
			-----
<u>Next 4 months (9/1/86 to 12/31/86)</u>			
1. James Stewart Company	\$ -0-	\$ 25,000	
2. JABA, Inc.	-0-	60,000	
3. Alanco	-0-	35,000	
	-----	-----	
	\$ -0-	\$120,000	\$120,000
			-----
- - - - - 2nd Year - - - - -			
<u>Next 8 months (1/1/87 to 8/31/87)</u>			
1. James Stewart Company			
*Cash	\$ 10,000		
*Work \$20,000/month on month to month basis for 8 months		\$160,000	
2. JABA, Inc.			
*Cash	10,000		
*Work \$20,000/month on month to month basis for 8 months		160,000	
3. Alanco			
*Cash	10,000		
	-----	-----	
	\$ 30,000	\$320,000	\$350,000
			-----
<u>Next 4 months (9/1/87 to 12/31/87)</u>			
1. James Stewart Company	\$ -0-	\$ 25,000	
2. JABA, Inc.	-0-	60,000	
3. Alanco	-0-	35,000	
	-----	-----	
	\$ -0-	\$120,000	\$120,000
			=====
			\$765,000
- - - - - 3rd Year, etc. - - - - -			

For the following years, repeat the above for Year 2

SUMMARY

Expenditure in 21 months = \$765,000 ÷ 21 = \$36,429/month

For 2 years, ratio of cash to work =  $\frac{50,000}{715,000} = 7\%$

For 2 years, ratio of cash to total program =  $\frac{50,000}{765,000} = 6.5\%$

THE JAMES STEWART COMPANY DEAL

Includes 157 unpatented lode claims - approximately 2,500 acres  
 6 patented lode claims - approximately 50 acres  
 State leases - approximately 452 acres  
 -----  
 3,002 acres

1. \$10,000 on signing or  $\frac{10,000}{3,002} = \$3.33/\text{acre}$
2. James Stewart Company will clear title to the Mustang Vein area.
3. Alotta Resources, Inc. will do \$10,000/month of work on a month to month basis (\$60,000/year), during the 1st year. In the 2nd year and beyond, \$20,000 per month (\$120,000) shall be done.
4. Alotta Resources, Inc. will start next assessment year work September 1, 1986, and finish by December 31, 1986.

----- 2nd Year -----

5. Starting January 1, 1987, Alotta will make the following lease payments:

January 1,	\$ 1,000	
February 1,	1,000	
March 1,	1,000	
April 1,	1,000	
May 1,	1,500	
June 1,	1,500	
July 1,	1,500	
August 1,	1,500	
September 1,	start assessment work	
October 1,	assessment work	\$25,000
November 1,	assessment work	
December 31,	complete assessment work	
	-----	-----
Cash	\$10,000	Work \$25,000

----- 3rd Year & Beyond -----

January 1, 1988, start sequence over.

After completion of the assessment work obligation occurring on September 1 of any year, the lease option shall be on a month to month basis. Alotta may cancel on 30 days notice.

6. When \$750,000 shall have been spent on the James Stewart property, Alotta shall have earned a 50% interest in the property, and future expenditures shall be shared equally. Except that either partner may take dilution if it doesn't contribute. If either partner is diluted to 15% interest, their interest shall convert to a carried interest of 15% Net Profits, or 5% NSR, whichever is greater.

THE ALANCO DEAL

The Alanco property consists of the Ray Group of 128 claims, the Star Group of 134 claims, and the Cab Group of 86 claims, for a total of 348 claims. The Cab group overlays a short portion of the Mustang Vein, and a portion of the Robbers Roost breccia pipe area, and is thus desirable. The Star and Ray claim groups are of less interest. However, the entire claim group of approximately 6,960 acres would be included in the deal outlined below:

1. Alanco would grant to Alotta, a 90 day exploration period in return for Alotta completing the 1984-85 assessment on the Cab Group - \$8,600.
2. Another 90 day option would be granted for completion of the assessment on the Ray and Star group - \$26,200.
3. If Alotta Resources wishes to retain the option on the property beyond August 31, it will obligate to completing the 1986/87 assessment work on the entire group (\$35,000) between September 1, 1986 and December 31, 1986.

- - - - - 2nd Year - - - - -

4. Starting January 1, 1987, Alotta will make the following lease payments:

January 1,	\$ 1,000		
February 1,	1,000		
March 1,	1,000		
April 1,	1,000		
May 1,	1,500		
June 1,	1,500		
July 1,	1,500		
August 1,	1,500		
September 1,	start assessment work		
October 1,	assessment work	\$35,000	
November 1,	assessment work		
December 31,	complete assessment work		
	Cash \$10,000		Work \$35,000

- - - - - 3rd Year & Beyond - - - - -

January 1, 1988, start sequence over.

After completion of the assessment work obligation occurring on September 1 of any year, the lease option shall be on a month to month basis. Alotta may cancel on 30 day notice.

5. When \$250,000 shall have been spent on the Alanco property, Alotta shall have earned a 50% interest in the property, and future expenditures shall be shared equally. Except that either partner may take dilution if it doesn't contribute. If either partner is diluted to 15% interest, their interest shall convert to a carried interest of 15% Net Profits or 5% NSR, whichever is greater.

THE DEAL FOR JAMES A. BRISCOE & ASSOCIATES, INC. PROPERTY

All properties of James A. Briscoe & Associates, Inc. within the Greater Tombstone Mining District shall be included. The properties include 592 unpatented mining claims - approximately 11,840 acres, and approximately 1,480 acres of State ground, for a total of approximately 13,320 acres.

1. \$10,000 on signing (\$.75/acre) which includes all land and all data owned by JABA, Inc.
2. JABA, Inc. will have a 6 month contract @ \$10,000/month, plus long distance telephone, food, travel & lodging, and other applicable pass-through expenses to do technical work (includes JAB, TEW, and MAS). Should Alotta cease work at Tombstone prior to 6 months, the remaining contract would be transferred to any other Alotta/Tundra project.
  - a. \$5,000/month JAB + TF&L, etc. for 175 hours/month  
 \$4,000/month TEW + TF&L, etc.     "     "     "     "  
 \$1,000/month MAS
  - b. For next three years (assuming project continues), JABA, Inc. would do 80% of the geotech work under the supervision of Lee Stoiser, on the project at the same rate plus inflation escalator (de-escalator) based on Consumer Price Index.
3. Alotta would Do \$10,000 worth of work per month, month to month, in work on JABA, Inc. State and Federal mining claims. In the 2nd year and beyond, work should be \$20,000 per month, anywhere in the District
4. Alotta would start assessment work September 1, 1986, and complete by December 31, 1986.

----- 2nd Year -----

5. Starting	January 1, 1987	- \$ 1,000	lease payment	
	February 1,	1,000		
	March 1,	1,000		
	April 1,	1,000		
	May 1,	1,500		
	June 1,	1,500		
	July 1,	1,500		
	August 1,	1,500		
	September 1,		start assessment work	
	October 1,		assessment work	\$60,000
	November 1,		assessment work	
	December 31,		complete assessment work	
		Cash \$10,000		Work \$60,000

----- 3rd Year & Beyond -----

January 1, 1988, start sequence over.

After completion of the assessment work obligation occurring on September 1 of any year, the lease option shall be on a month to month basis. Alotta may cancel on 30 days notice.

6. JABA, Inc. shall share equally with Alotta on all other properties in the District until such time that Alotta shall have expended \$250,000. From that time forth, JABA, Inc. and Alotta shall share costs and ownership on a 50/50 basis, but Alotta shall be operator. Either partner may take dilution if it shouldn't contribute. If either partner is diluted to 15% interest, their interest shall convert to a carried interest of 15% Net Profits or 5% NSR, whichever is greater.

TEW

# James A. Briscoe & Associates, Inc.

Exploration Consultants:

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

James A. Briscoe  
Registered Professional Geologist

Thomas E. Waldrip, Jr.  
Geologist Landman

HAND DELIVERED

March 6, 1986

M. Seth Horne, President  
James Stewart Company  
3033 N. Central  
Phoenix, AZ

RE: Proposed deal with Alotta Resources, Ltd.

Dear Seth:

In February, I met with Mr. Lee Stoiser, consulting geologist for Alotta Resources/Tundra Gold Ltd., an aggressive Canadian group who are spending large amounts of money in the United States, looking for gold and silver deposits.

I described Tombstone to him, and stimulated his interest, so we spent the afternoon in the district, going over the Charleston Lead Mine area. He has recommended Tombstone and the Charleston Lead Mine area to his boss, Mr. Burt Applegath. I proposed the attached deal to he and Applegath. I had hoped to have some response before our meeting today, but Lee has been sick with the flu, and as I write this, I have had no decision from them regarding my proposed deal.

Of course the deal parameters are subject to your approval as well as theirs. However, I tried to structure something that was both fair and would insure their diligent exploration on the project. I believe my proposal meets the criteria of both you and the mining company. However, if you don't agree, I will communicate your ideas to them, or you may do so yourself.

I have also proposed that Tom Waldrip and I handle not less than 80% of the geologic details, under Lee Stoiser's command, since we are particularly familiar with all aspects of the district. This has important benefits to you, since we can insure that all of the data as well as drill cutting samples, etc. will be

M. Seth Horne  
March 6, 1986  
Page 2 of 2

preserved for use by the James Stewart Company, should they terminate the agreement before making a discovery. We have experienced much difficulty in obtaining this vital data in deals with other clients and other companies in the last few years. It is particularly important since as you know, important discoveries sometimes take numerous tries.

Please review my proposal and give me your thoughts on it.

Very truly yours,



James A. Briscoe

JAB/ms

Attachment

# James A. Briscoe & Associates, Inc.

Exploration Consultants:

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

James A. Briscoe  
Registered Professional Geologist

Thomas E. Waldrip, Jr.  
Geologist/Landman

HAND DELIVERED

March 6, 1986

M. Seth Horne, President  
James Stewart Company  
3033 N. Central Avenue  
Phoenix, AZ

RE: Progress at Charleston on B.L.M. meeting, re-staking Jared claims, and re-monumentation and maintenance of other claims

Dear Seth:

Tom Waldrip, Steve Halbert, and myself attended the public discussion meeting (Scoping Session in bureaucrat language) held by the U. S. Bureau of Land Management in Tucson, the evening of January 8. Tom Waldrip attended the session in Sierra Vista at 7 p.m. in the evening, January 9. In both sessions, we introduced the notion encapsulated below:

"... The proposed park area bisects almost exactly the center of the Tombstone caldera, which has great potential for precious and base metal discovery and production. This area should be jointly studied by the U. S. Geological Survey, Arizona Geological Survey, U of A Geosciences Department, and James A. Briscoe & Associates, Inc., as well as the B.L.M., before any mineral withdrawals are made.

The park area should be left open to mining entry. Indian sites, fossil sites, and scenic areas should be preserved within reason. Mining would probably be underground and waste material could be transported outside the park. Any disturbance would be confined to a small mine area, perhaps 1/2 to 1/4 mile in size, which would be attractively landscaped and maintained."

M. Seth Horne  
March 6, 1986  
Page 2 of 4

Almost every other element of the people present wanted complete withdrawal from mining. The representative from the Nature Conservatory wanted as little human access as possible, and preferably none.

The Bureau of Land Management did express that they wanted to acquire the Charleston Dam withdrawal area between the land grants. Tom Waldrip has recently discovered additional mineralization in this area, which may be of importance. We recommend that the James Stewart Company acquire this land if possible. As we suspected, the B.L.M. also has its eye on the adjacent land - yours and others.

Subsequent to the Bureau of Land Management meeting, I talked with Dr. John Guilbert of the U of A Geosciences Department, who expressed a willingness and interest to make a cooperative study, using the U of A resources and student personnel, assuming funding were available. I then talked with Dr. Larry Fellows, Director of the Arizona Geological Survey, who said he would write a letter to the B.L.M. directly. I talked with Larry approximately two weeks ago, and he was still in the process of preparing the letter, which I have still not received. However, he did say that he had word directly from the B.L.M. that the withdrawal would be railroaded through, regardless. However, we are still trying, and I hope to get some type of written response from the B.L.M. shortly, as well as from Larry Fellows' office.

Tom Waldrip has talked twice with Tenneco - two different offices - regarding your interest in purchasing the Rad Crow patented claim, which lies adjacent to the Charleston Lead Mine pit. They are trying to determine who has jurisdiction over the claim - the Denver office or the Bakersfield office. We have not yet heard back from them, but will keep trying on this front also.

All of the Jared claims have been re-staked at this time. Location documents still have to be filed with the county and the B.L.M. offices, with appropriate fees, however. Confusion in the original staking, i.e., surveying mistakes, etc., resulted in creation of fractions. Also, some posts have been removed by unknown parties in ensuing years. Thus, it took Tom much longer than he originally estimated since the posts were not in their mapped location. It has actually taken longer to re-align the Jared posts than it would have if we had started from scratch. However, in order to maintain as much continuity of title as is possible under the circumstances, we felt it best to put the old Jared posts in their intended positions. The operation has taken approximately \$4,000 in time and expenses.

James A. Briscoe & Associates, Inc.  
Tucson, Arizona

M. Seth Horne  
March 6, 1986  
Page 3 of 4

This \$4,000 cannot be used for assessment work, but we have allocated as much move and de-move, food and lodging, etc. as possible to apply towards the assessment work. This means that the total required expenditures this year will be approximately \$28,560 rather than \$24,560.

We have received an expression of interest from a Canadian company - Alotta Resources/Tundra Gold Ltd., which is the subject of a separate letter with proposal. They are particularly interested in the Mustang Vein.

Tom's field work shows that the James Stewart Company owns the Mustang claim area, not Dennis V. Abbl/purchased from Robert Frederico. Further, Tom has found a fraction (unclaimed) lying along the Mustang Vein that measures approximately 175' by 600' long. He is staking it now. We will secure the area as much as possible, and then get a legal opinion as to how to dispose of Dennis Abbl. It may require a suit to get Abbl off the land. However, if you come to an agreement with Tundra Gold, I think exploration should proceed, since we believe you do have clear title to claims on the ground.

Tom is continuing to re-post claims. Approximately 2/3 of the posts are down, and 1/3 of the posts are so termite eaten as to require complete replacement. Further, the law requires each post to be clearly marked - they aren't so marked at present. Therefore, Tom is marking them with embossed metal tags (similar to the paper examples attached), secured to the post with 6 self-threading screws. Much work will be required to vandalize these tags - - and vandalism continues to be a problem. Tom is also posting and marking the patent corners since these markings are either gone or difficult to read.

Tom has identified many fractions and problems with the other claims related to errors in the original survey. He is correcting these as he goes, but it is time consuming. When he has completed re-surveying and posting, we feel that we should mark each claim corner with a paper target and fly aerial photography, so that we can determine the position of each post. We will then be able to re-align these as necessary, and amend the claims with the courthouse and B.L.M. records, as may be required. This we feel is the least expensive procedure for setting the claims aright.

You may have noted that in the last three weeks we have lowered Tom's hourly rate from \$37.50 to \$25.00. This is because some of the work is simply manual labor in erecting and marking the posts. However, there is not enough of that to justify an assistant at a lower rate. Therefore, we have lowered our fees

James A. Briscoe & Associates, Inc.  
Tucson, Arizona

M. Seth Horne  
March 6, 1986  
Page 4 of 4

to what we believe an appropriate range. When Tom goes back to 100% technical work, his fees will revert to the \$37.50/hour fee.

We will keep you updated as changes occur.

Very truly yours,



James A. Briscoe

JAB/ms



MEMO

TO: J. A. Briscoe  
FROM: M. A. Stewart  
DATE: March 11, 1986

RE: Your question as to how most efficiently through accounting we could keep track of the James Stewart Company Arizona State Land Department filings

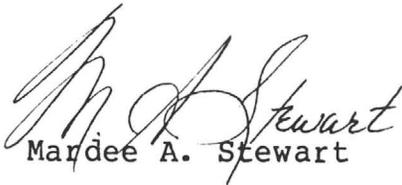
Jim,

In conjunction with Tom's proposal to Steve Halbert of March 11, regarding managing, filing and processing record keeping on State of Arizona Prospecting Permits and Applications, I would suggest the following itemization be established in conjunction with that work.

1. We open a new checking account in Tucson at the branch of whatever bank the James Stewart Company uses in Phoenix, entitled James Stewart Trust, with signators of myself, you, and Tom for purposes of writing checks to the Arizona State Land Department for filings.
2. On the Apple II Plus computer with the BPI General Ledger software, set up journals to keep track of deposits to the account and checks written on the account:
  - a. Asset accounts would only include the checking account.
  - b. Liability accounts would reflect deposits made by the James Stewart Company to the checking account in Phoenix.
  - e. Expense accounts would list by Prospecting Permit number, those that the James Stewart Company currently hold.
3. After Tom has organized and scheduled the Permits and Applications, their due dates and the amount required for the filing, we can provide JSC with a two week notice of the monies required, giving them sufficient time to deposit funds to the checking account, sending me a copy of the deposit slip. Should I have not received the deposit slip for one reason or another by the date due, we could deposit sufficient funds to cover the check to the State Land Department, and reimburse our account from the Trust checking account when the funds are available. This would insure that no Permit or Application were presented without sufficient funds.

4. Once a month, after receipt of the bank statement, I would post all transactions to the BPI system, obtain a full set of printed journals itemizing deposits and checks written, and send those journals to the accounting office of JSC for incorporation into their journals.

My feeling<sup>h</sup> that through these means, the computer would keep complete track of all filings on each Permit or Application individually, even should JSC choose to have Tom maintain filings on State lands on other projects in Arizona.

  
Mardee A. Stewart

/ms

# James A. Briscoe & Associates, Inc.

Exploration Consultants:

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

James A. Briscoe  
Registered Professional Geologist

Thomas E. Waldrip, Jr.  
Geologist/Landman

March 11, 1986

Steve Halbert, Esq.  
James Stewart Company  
3033 N. Central Avenue  
Phoenix, AZ

RE: Request to manage, file and process record keeping on State of Arizona Prospecting Permits and Applications, Tombstone Mining District, Cochise County, Arizona

Dear Steve:

During our work at Tombstone, you continue to process Applications and Prospecting Permits on Arizona State grounds in the Tombstone area. I am frustrated since I cannot plan for upcoming deadlines, nor know exactly when assessment work is to be done.

I would propose streamlining how we handle the state land red tape, and would like your input.

I propose we handle future filing and top filings of State Prospecting Permits for the Tombstone area, and maintain all records on current outstanding Prospecting Permits (08-89049 & 08-92276 are the ones that I am currently aware of).

Change of operational control will be easily accomplished by simply sending me any records on State lands currently under application or permit in the Tombstone area. I will handle the rest, and see that you are kept informed as to the status on each parcel and our thoughts on each. Should top filings be necessary, these can be performed by mail easily from here in Tucson.

Your input would be to keep us informed of any changes or correspondence from the state, should we not be able to accomplish this through direct correspondence with State officials, and secondly, to provide necessary bonding through your bonding agent.

For any Prospecting Permits or Application fees, I might also propose we establish a trust checking account here in Tucson, from which checks could be drawn for filing fees, rentals, etc. We could provide you with a computer print out of the activity within the account each month through our current bookkeeping software. Our time and expenses would be billed according to our current format.

Steve Halbert, Esq.  
March 11, 1986  
Page 2 of 2

Hopefully, Steve, this will remove a burdensome matter from your hands, and allow us to perform our job more efficiently at Tombstone. Should you wish, we would also be happy to handle and maintain filing on State lands on other projects you might have in Arizona.

I believe this would be both a cost effective measure for Mr. Horne, and a proper division of labor, allowing you to concentrate on other important business or legal matters.

Respectfully,

  
Thomas E. Waldrip, Jr. (Sxes)

TEW/ms

MEMO

TO: James A. Briscoe  
FROM: Thomas E. Waldrip, Jr.  
DATE: March 11, 1986

RE: Weekly progress report, week of March 3, 1986;  
re-monumentation and maintenance of James Stewart Company  
Apache lode mining claims, Charleston area, Tombstone  
Mining District, Cochise County, Arizona

Jim:

This shall be the first of weekly progress reports on my maintenance of the James Stewart Company lode claims in the Charleston area. An excellent summary of my work to date was hand delivered to Mr. Seth Horne at his office on March 7, 1986, by yourself.

During the week, work continued on the northern one-half of the James Stewart Company Apache claim group, north and east of their patented claims at Charleston. At this time, all but 10 (ten) posts have been located on the original claim group in the area. These being apparently removed by vandalism.

Currently, an additional three (3) claims shall be located on identified fractions, around the boundary, between the Apache claims and other lands of differing governmental ownership. One new claim will be located interior to the Apache group to cover an apparent staking oversight during original Apache surveying work. This oversight resulted in a fraction being created between Apache claims with differing orientations, within the area of the Mustang claim (Dennis V. Abbl - owner?).

Work on this area has been speeded up by better access, but access has also allowed other parties to remove or vandalize many of the claim monuments, creating much more work to pull in lines from known claim monuments, and to replace missing or removed posts. Coupled with this fact, less than 10% of old claim monuments contain enough original identifiable information to adequately identify its designation. Therefore, much time is spent just figuring out and surveying lines to adequately determine what monument you are dealing with, what monuments are missing, and then determining if fractions do or do not exist.

Earlier I mentioned the Mustang claims. These claims, during the week, have now been surveyed as to monument positions, flagged, and examined as to their effect on the senior Apache claims. I am convinced that the two junior Mustang claims of Dennis Abbl are in total overlap with the senior Apache claims. My previous cursory examination of Cochise County assessment records indicated previous claims of the same name were not being maintained at the time of the Apache claim location, and,

TEW/JAB MEMO 111-1  
March 11, 1986  
Page 2 of 2

therefore, at this time, with what information is known, I am convinced that Stewart Mines controls the Mustang vein. More detailed record checks must be done, and await to be made, prior to ultimate commitment by myself as to my final decision. At this point, I am very positive!

Working during the up-coming week, weather permitting, shall concentrate upon the following:

1. Finish posting the north one-half of the Apache claims;
2. Check on any fractions on the east side of the Apache claims, and other claims of differing ownership;
3. Pull public survey lines to east side of Apache claim group (no public survey monuments are known in the area);
4. Erect major flagging post points on known or surveyed public monuments;
5. Finish locating three new claims and any other fractional boundary claims along exterior boundary of Apache claims;
6. Continue working south toward Tombstone-Charleston highway on Apache claims, re-monumenting, flagging and marking (tagging) posts;
7. Erect new location notice posts upon each claim; and
8. Time permitting, collect mercury and soil samples at each claim monument.

At the conclusion of the week, it is hoped to have between 75% and 80% of all work accomplished on the Apache claims, and approaching a 40% figure on project completion.

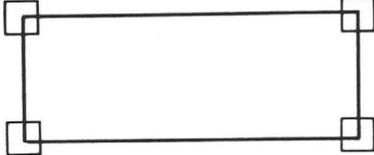
*Thomas E. Waldrip, Jr.*

Thomas E. Waldrip, Jr.

TEW/ms

SE CORNER OF # _____	SW CORNER OF # _____
POST # 4 OF 6	POST # 3 OF 6
NE CORNER OF # _____	NW CORNER OF # _____
POST # 6 OF 6	POST # 1 OF 6
<p>WARNING: REMOVAL OF THIS POST COULD RESULT IN A \$100. FINE OR 6 MONTHS IN JAIL OR BOTH. IF THERE IS ANY QUESTION PLEASE CONTACT: (602) 721-1375 • (602) 326-7237</p>	

<p>SOUTH / EAST SIDE / END CENTER # _____</p> <p>POST # 5 OF 6</p>
<p>NORTH / WEST SIDE / END CENTER # _____</p> <p>POST # 2 OF 6</p>
<p>WARNING: REMOVAL OF THIS POST COULD RESULT IN A \$100. FINE OR 6 MONTHS IN JAIL OR BOTH. IF THERE IS ANY QUESTION PLEASE CONTACT: (602) 721-1375 • (602) 326-7237</p>

<p>DISCOVERY POST OF _____ #</p>  <p>THE DISCOVERY POST LOCATION WITHIN THE CLAIM BOUNDARY IS DENOTED BY AN X.</p>
<p>WARNING: REMOVAL OF THIS POST COULD RESULT IN A \$100. FINE OR 6 MONTHS IN JAIL OR BOTH. IF THERE IS ANY QUESTION PLEASE CONTACT: (602) 721-1375 • (602) 326-7237</p>

Ten

# James A. Briscoe & Associates, Inc.

Exploration Consultants:

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

James A. Briscoe  
Registered Professional Geologist

Thomas E. Waldrip, Jr.  
Geologist/Landman

March 13, 1986

Seth Horne, President  
James Stewart Company  
3033 N. Central  
Phoenix, AZ

RE: Transmittal of Tom Waldrip progress report for week of  
March 3, 1986, and comments on the proposed purchase of the  
Rad Crow claim

Dear Seth:

Transmitted with this letter is Tom Waldrip's progress report for last week. He gives reasons why he believes you control the Mustang vein, previously thought to be held by Robert Federico and later purchased by Mr. Dennis Abbl. We will continue to work for clarification on this situation.

As per our telephone conversations of this afternoon, I checked the acreage of your patented ground and found the total to be 113.09 acres. When Tom did the courthouse research on this, it was listed in the ownership of Wallace O. Tanner, owning 23/24ths and Kelly Johnson owning 1/24th in the Cochise County Courthouse records in 1981.

I also checked the size of the Rad Crow claim, and found it to be 20.65 acres. The spring lies only about 200 feet northeast of the southwest end line of the claim. The spring yields water all year long, but the fracture zone that it appears to be coming from trends south up a small canyon where an old well (perhaps +50 years old) has water in it, as well as water seeping out in the creek bed the last time I was there. This lies on your mining claims, which fall within the state land in section 36. This apparent water source combined with your well, seems to suggest less urgency in obtaining the Rad Crow as a water source. A detailed geologic map showing the Rad Crow and the surrounding area has yet to be done. However, I don't feel the potential on it is particularly high. On the other hand, it abutts the Bald Eagle claim, and is surrounded by unpatented ground belonging to you. Thus, if mining were to commence in the immediate vicinity, it could be a hinderance to access and freedom of motion. Further, should a large amount of water be pumped in the vicinity, it is conceivable that the spring could be dried up. I am not sure what the legal consequences of that would be, but Tenneco could possibly bring a cease and desist order against such pumping.

Seth Horne  
March 13, 1986  
Page 2 of 2

Tenneco wants us to make the first offer, and as I mentioned, they would like some type of a mineral royalty. I think perhaps 1/2 of 1% Net Smelter Return (NSR) might be reasonable. However, initially I think that I would try and get it without any royalty attached to it whatsoever. The adjacent land grant, according to the BLM news releases had an average value per acre of \$610.60. Based on that price, your patented land would have a value of \$72,716. I would initially offer \$200 to Tenneco, for a total of \$4,130, without any perpetual royalties. and see what they say.

Let us know what you would like to do. and we will proceed.

I am enclosing examples of our post tags, in paper, which I forgot to include with the letter I delivered to you last Friday. The tags we are using at Charleston are exactly like this, but in heavy aluminum on which we scratch the post numbers and other details so that they will stay permanently. I estimate these tags should probably last 100 years if they are not vandalized. The paper tags will last three to five years, but the ink used to annotate on them bleaches rapidly in perhaps a year or two. Thus, we are not using them.

Very truly yours,



James A. Briscoe

JAB/ms

Enclosure

cc: Steve Halbert  
Thomas E. Waldrip, Jr.

## MEMO

TO: JAB/MAS  
 FROM: TEW  
 DATE: March 17, 1986

RE: Expense summary schedule - annual work schedule for James A. Briscoe & Associates, Inc. State of Arizona Prospecting Permits, Tombstone Mining District, Cochise County, Arizona

Jim & Mardee,

For sake of keeping a schedule of anticipated annual work commitments and expenses to be forthcoming, please be advised of the following Prospecting Permit renewals, rentals and fees at Tombstone:

Renewal Date	Permit #	Acres	Legal	Sec- tion	Town- ship	Range	Work Commit.	Rental Fee
03/18/86	08-83770	320.00	NE1/4,N1/2S1/2	29	20S.	22E.	\$6,400	\$370
04/08/86	08-83922	240.44	N1/2NW1/4,SE1/4	30	20S.	22E.	4,820	290
07/03/86	08-91639	80.00	S1/2SE1/4	19	20S.	22E.	800	50
10/ /86	08-87063	237.76	Lot 2,SW1/4, NW1/4SE1/4	8	20S.	22E.	4,740	287

As of this date, a decision was reached not to reapply for another year on P.P.# 08-83770 for lack of rental and fees. Further, an Application would not be forthcoming until sufficient funds become available. Work which was going to be applied to this P.P.# 08-83770 will now be split between P.P.#'s 07-83922 and 08-91639. Therefore, sufficient funds should be budgeted to cover necessary rental and filing fees per renewal dates above.

Since we are building on a weak house of cards, it will first be necessary to determine if James A. Briscoe & Associates, Inc. can obtain bonding for the above renewing permits with Tucson Realty. Should this not be possible, I suggest we try to obtain bonding elsewhere. This bonding will be necessary prior to further decisions on progressing on renewal activities, and changes of permittee status from Tombstone Development Company to James A. Briscoe & Associates, Inc. with the State Land Department. Immediate actions are necessary, as Etna, Tombstone Development's bonding agent, presently is requesting a yearly financial statement or cancellation of bonds. Should cancellation occur, the State would require immediate bonding or cash in lieu of bond to cover the required bond. Without bonding or cash coverage, immediate loss of permits would occur. The state might also require immediate reclamation of drill and trench sites by the permittee. Should permittee be unable to perform necessary reclamation, the State possibly would perform said with, with proper recourse against permittee of record, the Tombstone Development Company.

Thomas E. Waldrip, Jr.

TEW/ms

MEMO

TO: James A. Briscoe  
FROM: Thomas E. Waldrip, Jr.  
DATE: March 18, 1986

RE: Weekly progress report, week of March 10, 1986;  
Re-monumentation and maintenance of James Stewart Company  
Apache lode mining claims, Charleston area, Tombstone  
Mining District, Cochise County, Arizona

Jim,

During the week, field work was halted during much of the week because of inclement weather (rain on Monday, most of Tuesday, and Friday). This led to a total or partial loss of field time for these days. Consequently, only Wednesday, Thursday and Friday afternoon were spent in the field, much of this time hampered by strong winds and low temperatures.

A goodly amount of field work was accomplished, through. This included:

1. Flagging, posting, tagging and correcting one line mile of Apache claim posts.
2. Scouting out and flagging claim posts near roads of the Horne group between rain showers.
3. Locating by survey and erecting flagging posts on all important public survey monuments, and also a number of unsurveyed monuments.

NOTE: Work on the latter point was brought about by the fact that topographic control is so hard to accurately ascertain in the area. It became apparent that in order to qualitatively pinpoint fractions, better base survey control tied to the public survey was necessary (public survey control is virtually non-existent in most of the area). Many survey points (1/4 corners, section corners, etc.) important to the Stewart Mines mining claims have not, therefore, been located to some degree of accuracy. This should greatly speed up and help to more accurately determine if fractions do or do not exist between Stewart Mines claims and those of other parties or legal subdivisions. Work remains to find several other survey points, but these will be done in conjunction with remaining claim work as most remaining points lie along claim lines.

As mentioned earlier, weather played a big part in activities for the week. During the weekend, early part of the week, and Friday I used the time both here in Tucson and Tombstone to build the inventory of expendable field items. Work included:

MEMO TEW/JAB  
Project 111-1  
March 18, 1986  
Page 2 of 2

1. Painting lath and 2" x 2" claim monuments to be used in the field and readying these items for field use (Tucson).
2. Pre-tagging posts which will be used in the field for monuments known to be missing or which are being located (Tombstone).
3. Upkeep and maintenance of field vehicle and trailer (Tombstone - no charge to client)

Little of this work was scheduled in my goals for the week. Therefore, work schedule for completion during this past week remains unfinished and shall be concentrated upon during the up-coming week, or until finished. Items done during the week will benefit up-coming work on the Hone lode claims, and should help improve my work schedule there.

Thomas E. Waldrip, Jr.

TEW/ms

# James A. Briscoe & Associates, Inc.

*TEW*

Exploration Consultants:

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

James A. Briscoe  
Registered Professional Geologist

Thomas E. Waldrip, Jr.  
Geologist/Landman

March 19, 1986

M. Seth Horne, President  
James Stewart Company  
3033 N. Central Avenue  
Phoenix, AZ 85012

RE: TEW MEMO March 18, 1986

Dear Mr. Horne:

Enclosed herewith is a copy of Tom Waldrip's progress report for the week of March 10, for your records.

If you have any questions or concerns, please do not hesitate to call me.

Sincerely,



James A. Briscoe

JAB/ms

Enclosure

cc: Steve Halbert, Esq.

MEMO

TO: James A. Briscoe  
FROM: Thomas E. Waldrip, Jr.  
DATE: March 24, 1986

RE: Progress report week of March 17. Apache claim group, Charleston area, Tombstone Mining District, Cochise County, Arizona

Jim,

Weather improved during the latter part of the week, from rain on Monday and Tuesday, to unseasonably higher temperatures on Friday. Field work progressed nicely during the three field days worked.

During the week, the Apache claim group was finished in total. This means that every claim monument is in place or has been replaced. Corner and end-center monuments have lath attached and are flagged. Each claim monument, including all but 8 discovery posts have been tagged with aluminum claim tags. Location notices have been replaced on all claims, save for four claims being on Horne claim lines, and will be finished with them. New discovery posts for each claim have been erected at some distance from the appropriate end-center post, which was not the case during original location. These posts will be used when all claims are amended in the future.

Work also progressed on finding four more public survey points, and flagging these (around Section 36 and 30). In conjunction with this work, several points of the "Suiter" group claims were flagged, during times that I was in the area.

Claim work during the forthcoming week will concentrate primarily on the Horne claim group in and around Section 25, as per Apache work described above, until supplies of posts run out. I will then return to Tucson (Thursday or Friday) to ready more posts (paint, tag, etc.) for future work.

Thomas E. Waldrip, Jr.

TEW/ms

TEW

# James A. Briscoe & Associates, Inc.

Exploration Consultants:

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

James A. Briscoe  
Registered Professional Geologist

Thomas E. Waldrip, Jr.  
Geologist/Landman

April 2, 1986

Seth Horne, President  
James Stewart Company  
3033 N. Central  
Phoenix, AZ 85012

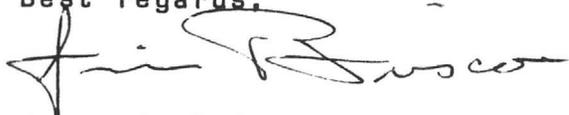
RE: Progress report for week of March 17

Dear Seth:

Attached please find Tom's progress report to me for the work he accomplished in Tombstone for the week of March 17, for your files.

Should you have any questions, please do not hesitate to call me.

Best regards,



James A. Briscoe

JAB/ms

Attachment

MEMO

TO: James A. Briscoe  
FROM: Thomas E. Waldrip, Jr.  
DATE: April 2, 1986

RE: Weekly progress report, March 24, 1986, remonumentation and staking activities, Horne Claim Group, Charleston area, Tombstone Mining District, Cochise County, Arizona

Jim,

During the preceeding week, my remonumentation activities for Wednesday through Friday concentrated on the Horne claim group in Sections 24 & 25, Township 20 South, Range 21 East.

This weeks activities proceeded well, with near perfect weather temperatures above normal in the mid to upper 80's).

Efforts were concentrated on the north/south claim lines in Section 24. At this date, of the 5 north/south claim lines, one has been completed; one lacks 6 points (monuments) from being completed; one line is flagged and tagged but lacks new discovery posts (18 total); one line is flagged but lacks many posts and needs to be tagged; and the furtherest line to the west has yet to be worked on. Additionally, the west side line or discovery line for Horne claim no.'s 19 through 23 and 158 has been posted and tagged, along with portions of Horne 12, 13, 17, 156 and 157, the latter 5 claims being flagged only.

Field work for the upcoming week will be scheduled around painting and preparing additional claim monuments and flagging lath as these supplies were near depletion at the end of last week. Certain claim monuments will also be pre-tagged prior to returning to the field to hopefully speed up future field work.

The actual field work during the upcoming week will concentrate on finishing the remaining portion of the 5 north/south lines in Section 24 (referred to above).

Work at weeks end should have progressed to a point of near completion of these lines. With completion of these lines about 65% of the claim remonumentation project will be accomplished. It is anticipated that without major problems or unforeseen weather changes, my anticipated completion date for the project of May 1st will be reached on schedule.

Tom

TEW/ms

Tew

# James A. Briscoe & Associates, Inc.

Exploration Consultants:

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

James A. Briscoe  
Registered Professional Geologist

Thomas E. Waldrip, Jr.  
Geologist/Landman

April 3, 1986

Seth Horne, President  
James Stewart Company  
3033 N. Central  
Phoenix, AZ

RE: Weekly progress report, March 24, 1986

Dear Seth:

Attached please find Tom's weekly report for the week of March 24 for your files.

Should you have any questions, please do not hesitate to call me.

Sincerely,



James A. Briscoe

JAB/ms

Attachment

cc: Steve Halbert, Esq.

MEMO

TO: James A. Briscoe  
FROM: Thomas E. Waldrip, Jr.  
DATE: April 7, 1986

RE: Weekly report, week of March 31, 1986, Horne Claim Group remonumentation, Charleston area, Tombstone Mining District, Cochise County, Arizona

Jim,

Dwindling supplies of painted claim posts and lath required spending a majority of my time during the week in readying more of these supplies. Approximately 125 claim posts and 200 lath were painted during the early part of the week. Of the 125 newly painted claim posts, roughly one-half were then pre-labeled with filled out aluminum claim tags. These tagged posts were then sorted into groups, labled to positions along lines, and bundled accordingly for future use (these posts include new discovery posts to be offset off the end-center position of old claims, end-center and corner posts for claim monuments known to be missing, and/or for those claims with rock monuments).

Friday, April 4, was spent in the field. During the morning, most of the work concentrated on finishing claim lines previously started, but not finished to date on the Horne claims in Section 24. This included posting 18 new "offset" discovery posts and finishing monumentation of 6 posts on a line where the battery screw-drivers ran out of "juice" the previous Friday.

Work Friday afternoon, however, was less satisfying. After much effort to locate claim monuments on the far west side line of the claim group, I resolved that there was indeed no posts (monuments) there, and to my satisfaction, I believe none were ever monumented in the field, as no surveying stakes or rock monuments were found, as has been the case on every other line, save for one, worked to date. All Friday afternoon was spent surveying in a new line and marking the position of the 19 claim monuments to the best of my ability (emphasis added!). This area is highly dissected by inflow streams to the San Pedro River, and brush is moderate to thick. These items lead to many sighting problems and may well make this one of the hardest lines in the area to post. A majority of another man day's work will be required to finish the line.

As eluded to in the paragraph above, one other line has been found with a number of posts missing. To be exact, 22 out of 32 posts. This is the far eastern line of the Horne claim group. To date it has not been monumented either. Of the 10 posts found along the line, all were at odd distances to correct field position of a normal sized Federal lode claim of 1,500' by 600 feet. Review of my notes and recollection places known field

TEW/JAB MEMO  
PROJECT 111-1  
April 7, 1986  
Page 2 of 2

identified monuments as being 330 feet apart. This would be the proper size for a type "B" mining claim located on State grounds. Being that this claim line lies along a section line and the next adjacent section is State ground, that all the posts on the line are unmarked, and that it appears that these posts are of longer dimensions than most wooden Horne claim monuments, I strongly suspect that this Horne line was not monumented either at the time of claim location. The remaining posts, however, I believe represent claim monuments of an unknown period of time on the adjacent state lands. Nevertheless, survey line stakes have been found along this line of the type used elsewhere on the Horne group, leading me to reserve final judgement.

During the upcoming week, my schedule will be to finish monumenting the two Horne side lines mentioned and discussed above. With that accomplished, I hope, weather permitting, to work south into Section 25, and maybe complete work on a majority of the 26 remaining Horne claims in that area. Completion of such would amount to an 80% to 85% achievement of my goal of having all claim monuments erected, tagged and flagged in the field for future amendment and aerial targeting purposes.

Thomas E. Waldrip, Jr.

TEW/ms

Ken

# James A. Briscoe & Associates, Inc.

Exploration Consultants:

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

James A. Briscoe  
Registered Professional Geologist

Thomas E. Waldrip, Jr.  
Geologist/Landman

April 8, 1986

M. Seth Horne, President  
James Stewart Company  
3033 N. Central Avenue  
Phoenix, AZ

Re: Transmittal of Tom Waldrip's weekly progress report for the  
week ending April 4, 1986

Dear Seth:

Attached please find Tom's above referenced progress report for  
activities at Tombstone last week.

Should you have any questions, please do not hesitate to call  
me.

Best regards,



James A. Briscoe

JAB/ms

Attachment

cc: Steve Halbert, Esq.

Tew

# James A. Briscoe & Associates, Inc.

Exploration Consultants:

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

James A. Briscoe  
Registered Professional Geologist

Thomas E. Waldrip, Jr.  
Geologist/Landman

April 19, 1986

M. Seth Horne, President  
James Stewart Company  
3033 N. Central Avenue  
Phoenix, AZ

RE: Weekly progress report, week ending April 11, 1986

Dear Seth:

Enclosed please find Tom's progress report for last week for your files.

Should you have any questions, please do not hesitate to call me.

Best regards,

James A. Briscoe

JAB/ms

Enclosure

cc: Steve Halbert, Esq.

MEMO

TO: James A. Briscoe  
FROM: Thomas E. Waldrip, Jr.  
DATE: April 14, 1986

RE: Weekly progress report, week of April 7 - Remonumentation of Horne claims, Charleston area, Tombstone Mining District, Cochise County, Arizona

Jim,

Re-monumentation work during the week at Tombstone went very well! Three and one-half days were spent in the field, resulting in a near completion of work on the Horne claim group. In general, 85 monuments (over 4 3/4 miles of line) were tagged. Only 10 of these monuments were pre-existing or correctly monumented at the time of my work. Forty monuments were totally missing or never located originally. Thirty-five rock monuments were found and posted with a wooden stake. Few, if any, of the rock monuments meet the correct height parameters for claim monumentation of three feet minimum height. Additionally, 18 new discovery posts were located, offset off of the corresponding end-center posts. Totaling up, 93 posts were used during the week, cutting deeply into supplies of newly painted claim posts.

In geographical terms, claim end-lines on the east and west of the group were completed during the early part of the week. Thursday, during an hiatus from work on the Horne claims, I scouted out 27 points on the Stewart and Suiter claim groups, north of the mine. Work on Friday concentrated on the west and middle diagonal lines in the Section 25 area.

Work during the upcoming week will concentrate upon three fronts. Namely; appropriation of additional claim posts and preparing them for the field (painting and pre-tagging). Secondly, completing remaining work in and around the perimeter of the Horne group in the west and monumenting the Horne claims in the northeast area. Thirdly, time remaining, concentrate on flagging and then posting the Stewart and Suiter groups in and around the Charleston Mine. Approximately 90% of claim monumentation work should be completed by weeks end.

Thomas E. Waldrip, Jr.

TEW/ms

# James A. Briscoe & Associates, Inc.

Exploration Consultants:

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

James A. Briscoe  
Registered Professional Geologist

Thomas E. Waldrip, Jr.  
Geologist/Landman

Registered Mail # *P498-523918*

April 25, 1986

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

RE: Request for Recording - Jared Claim Group

Dear County Official:

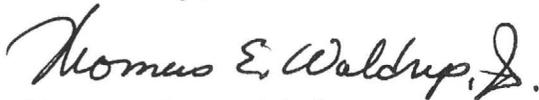
Please find enclosed 37 Notices of Location for the Jared lode claims, which we request you record in your official County records.

The Jared claims were located during February, 1986. for Jamaes Stewart Company, Phoenix, Arizona, in the Tombstone Mining District of Cochise County.

A check in the amount of \$185.00 has been included to cover necessary recording fees. Also, please find a self-addressed and postage-paid envelope to return recorded documents to us.

Your attention to, and timely return of, our recorded documents would be appreciated, as time is running short to file with the Bureau of Land Management, due to my tardiness.

Sincerely,



Thomas E. Waldrip, Jr.

cc: Steve Halbert  
James A. Briscoe

Enclosures

# James A. Briscoe & Associates, Inc.

Exploration Consultants:

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

James A. Briscoe  
Registered Professional Geologist

Thomas E. Waldrip, Jr.  
Geologist/Landman

Registered Mail # *P498-523 917*

April 25, 1986

United States Department of the Interior  
Bureau of Land Management  
Arizona State Office  
P. O. Box 16563  
Phoenix, AZ 85011

RE: Request for filing - Jared Claim Group

Dear B.L.M. Official:

Pursuant to Title 43, Section 3833.1-2(b) et seq. please find enclosed 37 Notices of Location for the Jared lode claims.

The Jared claims were located throughout February, 1986, for the James Stewart Company, Phoenix, Arizona, in the Tombstone Mining District of Cochise County.

A check in the amount of \$185.00 has been included to cover necessary filing fees.

Due to circumstances beyond our control, county recorded documents have ~~been~~<sup>not</sup> been, as yet, returned from the Cochise County Recorder's office. Therefore, as you will note, copies of Location Notices are unrecorded. These documents have been sent in order to meet recording requirements. Upon immediate receipt of the recorded documents from the Cochise County Recorder, copies will be forwarded to your office.

Sincerely,



Thomas E. Waldrip, Jr.

cc: Steve Halbert, Esq.  
James A. Briscoe

Enclosures

# James A. Briscoe & Associates, Inc.

Exploration Consultants:

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

James A. Briscoe  
Registered Professional Geologist

Thomas E. Waldrip, Jr.  
Geologist/Landman

STATEMENT DATE: APRIL 25, 1986  
CLIENT: JAMES STEWART COMPANY  
PROJECT: 111-1 TOMBSTONE

PAGE 1 OF 1

**PROFESSIONAL FEES**

STANDARD RATES WITH VOLUME DISCOUNT

WEEK ENDING	HOURS->	J. A. BRISCOE \$37.5/HR	T. E. WALDRIP \$37.5/HR	M. A. STEWART \$15.0/HR	TOTAL HOURS	TOTAL CHARGES	TOTAL CATEGORY CHARGES
04/25/86	HOURS->	29.50	32.25	0.30	62.05	2320.13	
	TOTAL HOURS->	29.50	32.25	0.30	62.05	2320.13	
	TOTAL CHARGES->	1106.25	1209.38	4.50		2320.13	2320.13

**VEHICLE CHARGES**

**OFFICE EXPENSES**

XEROXING THROUGH BILLING	0.00	
LONG DISTANCE TELEPHONE THROUGH BILLING	2.71	
POSTAGE THROUGH BILLING	0.00	2.71

**EQUIPMENT RENTAL**

**MISCELLANEOUS EXPENSES**

04/25/86 AZ BLM NOTICES OF LOCATION/JARED	185.00	
04/25/86 COCHISE CO RECORDER	185.00	370.00

AMOUNT DUE THIS BILLING	2692.84	2692.84
PREVIOUS BALANCE DUE 04/18/86		3712.65
		6405.49

ESTIMATED CONTRACT AMOUNT	28560.00
LESS 10/18/85 BILLING	-254.86
LESS 12/13/85 BILLING	-2400.78
LESS 12/27/85 BILLING	-772.70
LESS 01/17/86 BILLING	-2929.00
LESS 01/31/86 BILLING	-3354.40
LESS 02/07/86 BILLING	-2287.65
LESS 02/14/86 BILLING	-1406.40
LESS 02/21/86 BILLING	-1329.02
LESS 02/28/86 BILLING	-1238.88
LESS 03/07/86 BILLING	-1508.20
LESS 03/14/86 BILLING	-1418.56
LESS 03/21/86 BILLING	-1493.99
LESS 03/28/86 BILLING	-1388.81
LESS 04/04/86 BILLING	-1474.05
LESS 04/11/86 BILLING	-1744.53
LESS 04/18/86 BILLING	-1967.92
LESS 04/25/86 BILLING	-2692.84

TO BE COMPLETED -1102.59

# James A. Briscoe & Associates, Inc.

Exploration Consultants:

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

James A. Briscoe  
Registered Professional Geologist

Thomas E. Waldrip, Jr.  
Geologist/Landman

STATEMENT DATE: MAY 1, 1986  
CLIENT: TOMBSTONE SILVER MINES, INC.  
PROJECT: 114-1 CONSOLIDATED STATEMENT

	DEBIT	CREDIT	BALANCE
PREVIOUS BALANCE DUE			19536.34
INTEREST ON BALANCE	293.05		19829.39
CURRENT BILLING			
LAND	0.00		19829.39
BOOKKEEPING	179.24		20008.63
CONSULTING	0.00		20008.63
	=====	=====	=====
TOTAL BALANCE DUE			20008.63

STATEMENT DATE: APRIL 25, 1986  
 CLIENT: TOMBSTONE SILVER MINES, INC.  
 PROJECT: 114-1 BOOKKEEPING

BOOKKEEPING FEES

WEEK ENDING		@\$15/HOUR	@\$25/HOUR	TOTAL HOURS	TOTAL CHARGES	TOTAL CATEGORY CHARGES
04/04/86	HOURS->	0.30	0.00	0.30	4.50	
04/11/86	HOURS->	0.00	0.00	0.00	0.00	
04/18/86	HOURS->	0.00	0.00	0.00	0.00	
04/25/86	HOURS->	6.50	2.00	8.50	147.50	
TOTAL HOURS->		6.80	2.00	8.80	152.00	
TOTAL CHARGES->		102.00	50.00		152.00	152.00

OFFICE EXPENSES

LONG DISTANCE TELEPHONE CALLS THROUGH BILLING	6.34	
XEROXING THROUGH BILLING	16.10	
POSTAGE THROUGH BILLING	4.80	27.24
AMOUNT DUE FOR BOOKKEEPING		179.24

MEMO

TO: James A. Briscoe  
FROM: Thomas E. Waldrip, Jr.  
DATE: May 1, 1986

RE: Proposed purchase of Rad Crow patented mining claims by James Stewart Company, Charleston area, Tombstone Mining District. Cochise County, Arizona

Jim,

Pursuant to your request, please find following information regarding the Rad Crow patented mining claim:

Owner: Tenneco West, Bakersfield, California  
Person to Contact: Joe Goldenstern  
Telephone Number: (303) 987-6200  
Address: P. O. Box 27-F  
Lakewood, CO 80227  
Land Department Head: Steve Wagner

Location of Claim: Sections 25 & 26. T. ~~20~~<sup>20</sup>S., R. 21E.,  
G. & S. R. B. M.

Mining District: Tombstone  
County: Cochise  
State: Arizona

Mineral Survey #: 2130

Estimate value of land in area: \$300/acre

Claim value: \$6,200

During earlier conversations with Joe and Steve, there was a suggestion that Tenneco would desire to have a minor overriding royalty to be retained by Tenneco. I would suggest against this, even should additional monies have to be paid to acquire the land. No exceptions to title are known. Make sure water rights and mineral rights come with the surface domain title. I believe there is a grazing lease outstanding on the area. This lease should be respected throughout its term.



Thomas E. Waldrip, Jr.

TEW/ms



BRUCE BABBITT  
GOVERNOR

Arizona  
State Land Department

1624 WEST ADAMS  
PHOENIX, ARIZONA 85007



OFFICE OF  
STATE LAND COMMISSIONER

100-1

*Mardee  
Nothing Planned  
standby Return  
letter Thanks  
Am*

*Ans  
5/6/86*

May 2, 1986

James A. Briscoe  
5701 E. Glenn St. #120  
Tucson, Arizona 85712

RE: 08-83922

Dear Mr. Briscoe:

In regard to your exploration plans for the above referenced prospecting permits, please be reminded of the required filing of a Plan of Operations. Unless being conducted under an existing approved plan, your renewal period exploration program must first be approved by the department.

Should you have already received a Plan of Operations form, please note that the enclosed form has been revised. All future plans should address these revisions.

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

Sincerely,

*Michael Rice*

Michael Rice  
Natural Resource Planner  
Nonrenewable Resources & Minerals

MJR/plp  
Encl.

CERTIFIED MAIL #

May 5, 1986

Mr. Jack Brannam  
P. O. Box 1074  
Tombstone, AZ 85638

RE: NOTICE OF TRESPASS

Dear Mr. Branham:

Pursuant to our title work, we note that according to the Arizona Office of the Bureau of Land Management records, you have attempted to locate the lode mining claims described in the attached Exhibit on valid senior lode mining claims, previously located by the James Stewart Company.

This letter is written to put you on notice that you are in trespass as to the grounds covered by the lode mining claims described in the attached Exhibit A. On behalf of James Stewart Company, I request that you either abandon said claims or quit claim them to the James Stewart Company.

The James Stewart Company will vigorously defend its exclusive rights to possession of the area and mineral rights covered by their senior, valid lode mining claims.

Addressing your concerns regarding claims monuments, I emphatically state they were purchased in 1980 by the James Stewart Company, and the ground monumented by its employees. The monuments are personal property of said company. These monuments, as such, can be moved, used or removed only at the direction of the James Stewart Company or its agents. Any past or present use by yourself or others was not authorized! Future appropriation, vandalism, removal or use, other than as intended as Jared lode claim group boundary or location monuments, shall be prosecuted to the fullest extent of the law.

Should you have any questions regarding this matter, please contact me at the address or telephone number indicated on this letterhead.

Sincerely,

Steve Halbert, Esq.

SH/ms

Attachment

EXHIBIT A  
NOTICE OF TRESPASS

Claims located: September 2, 1983

Claim owner: Jack Brannham

Claim Name and Number	County		B.L.M. Serial Number	Claim Location
	Book	Page		
Koyote #1	1703	181-182	209341	SW1/4 Sect. 5, T.21S., R22E. G.&S.R.B.M.
Koyote #2	1703	183-184	209342	SW1/4 Sect. 5, T.21S., R22E. G.&S.R.B.M.
Koyote #3	1703	185-186	209343	SW1/4 Sect. 5, T.21S., R22E. G.&S.R.B.M.
Koyote #4	1703	187-188	209344	SW1/4 Sect. 5, T.21S., R22E. G.&S.R.B.M.
Koyote #5	1703	189-190	209345	SW1/4 Sect. 5, T.21S., R22E. G.&S.R.B.M. SE1/4 Sect. 6, T.21S., R22E. G.&S.R.B.M.
Koyote #6	1703	191-192	209346	SE1/4 Sect. 6, T.21S., R22E. G.&S.R.B.M.
Koyote #7	1703	193-194	209347	SE1/4 Sect. 6, T.21S., R22E. G.&S.R.B.M.
Koyote #8	1703	195-196	209348	SE1/4 Sect. 6, T.21S., R22E. G.&S.R.B.M.
Koyote #9	1703	197-198	209349	SE1/4 Sect. 6, T.21S., R22E. G.&S.R.B.M.

# James A. Briscoe & Associates, Inc.

Exploration Consultants:

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

James A. Briscoe  
Registered Professional Geologist

Thomas E. Waldrip, Jr.  
Geologist/Landman

May 6, 1986

M. Seth Horne, President  
James Stewart Company  
3033 N. Central Avenue  
Phoenix, AZ

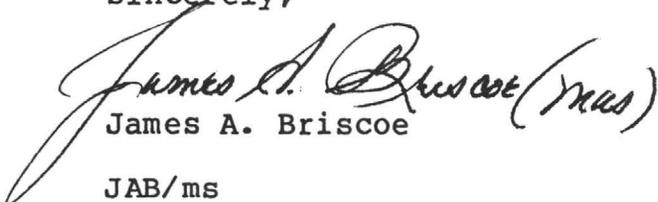
RE: Weekly progress report for week of April 14

Dear Mr. Horne:

Attached please find a copy of Tom's progress report for the week of April 14, on the remonumentation of the claims in the Charleston area.

If you have any questions, please do not hesitate to call me.

Sincerely,

  
James A. Briscoe

JAB/ms

cc: Steve Halbert, Esq.

Enclosure

MEMO

TO: James A. Briscoe  
FROM: Thomas E. Waldrip, Jr.  
DATE: April 24, 1986

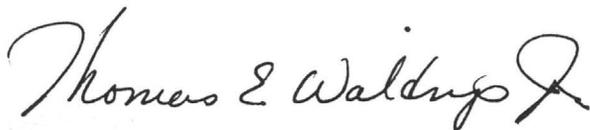
RE: Weekly progress report, week of April 14, remonumentation of James Stewart Company's claims, Charleston area, Tombstone Mining District, Cochise County, Arizona

Jim,

Re-monumentation field work during the week at Tombstone was delayed in part to several factors. Namely, more claim monuments were being readied for field use (painting) and claim papers and maps were prepared, awaiting filing with the Cochise County Recorder's office

During Thursday and Friday, field work efforts were directed toward finding the remaining survey monuments of the Suiter claim group and flagging these points. Several points were also posted, as time permitted. All but three corner monuments have now been located for this group.

Weekly work schedules as planned (Memo of April 14, 1986) were changed as the budget for this year's work was drawing low. As such, efforts will concentrate on finishing work on the Suiter claims, reporting, and wrap up work in accords with filing assessment documents and annual work reports.



Thomas E. Waldrip, Jr.

TEW/ms

TEW

# James A. Briscoe & Associates, Inc.

Exploration Consultants:

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

James A. Briscoe  
Registered Professional Geologist

Thomas E. Waldrip, Jr.  
Geologist/Landman

REGISTERED MAIL # *PA98 525 916*

May 7, 1986

United States Department of the Interior  
Bureau of Land Management  
Arizona State Office  
P. O. Box 16563  
Phoenix, AZ 85011

RE: Forwarding county recorded Location Notices - Jared claim group

Dear B.L.M. Official:

Pursuant to correspondence sent to your office on April 25, 1986, please find enclosed Cochise County Recorded Notices of Location for the Jared lode mining claim group, located February, 1986.

In the correspondence to you of April 25, unrecorded Notices were sent to your office to meet filing deadlines, as recorded Notices had not been returned from the County.

Your understanding and attention to this matter is appreciated. Thank you.

Sincerely,

  
Thomas E. Waldrip, Jr.

TEW/ms

Enclosure

cc: Steve Halbert, Esq.

May 8, 1986

John C. Lacy, Esq.  
240 N. Stone Avenue  
Tucson, AZ 85701

RE: James Stewart Company Unpatented Lode Claims, Tombstone  
Mining District, Cochise County, Arizona

Dear John:

Pursuant to consulting work for the James Stewart Company now in progress by James A. Briscoe & Associates, Inc., we would like to consult with you on how to best handle some problems which are involved with ~~the~~ particular claims, per Attachment 1, attached hereto.

We wish to have certain legal questions or methods of procedure answered via your written opinion so that we may proceed with our work.

Initially, I would like to determine your retainer fees to proceed with this work, and what time frame we are talking about to accomplish the task. Secondly, under our commitments to our client, I would like to determine the estimated fees to undertake the requested written legal opinions. Thirdly, should it be necessary, I would like to determine an appropriate meeting time in which to further discuss the matters at hand.

Sincerely,

Thomas E. Waldrip, Jr.

TEW/ms

Attachment

cc: Steve Halbert, Esq.

ATTACHMENT 1

John, prior to proceeding with the context of the problems, I would like briefly to explain the generalities involved with the claims, to the best of my knowledge. The claims are held by James Stewart Company. The James Stewart Company is a privately held company. All claims are held in trust, I believe, by several individuals, with close relations to M. S. Horne, President of Stewart Construction Company, with offices at 707 Mayer Central Building, 3033 N. Central Avenue, Phoenix, Arizona 85012, Attention: Steven M. Halbert, Esq., Assistant to the President.

James Stewart Company controls the mineral rights to 181 unpatented mineral lode mining claims (refer to Attachment 2), ← the greatest majority being of fullest acreage, plus other assorted Prospecting Permits on State lands and patented mineral claims in the Charleston Sub-district of the main Tombstone Mining District (please refer to Attachment 3 for more precise ← location). There are few, if any, conflicts presently, save those with a Mr. Dennis V. Abbl (Mustang claims), Mr. Jack Brannam (Koyote claims), and Knox-Arizona Corporation's claims on State lands. The only other parties present in the area are Ben Lindsey (fee simple patented surface lands), Tenneco West's Spanish Land Grant, various other fee simple mineral/surface patented grounds (now exchanged with the B.L.M.), and several other mineral claimants.

Mr. Horne has, over the past 18 to 20 years, expended large sums of exploration funds in copper exploration with encouraging but uneconomical results in the area of the claim groups. Within the last three years, Jim Briscoe and myself have undertaken, on a consulting basis, to perform exploration on Mr. Horne's claims. Our initial work indicates excellent potential for future surface production of precious metals from veins associated with the much deeper porphyry copper mineralization. Our work has and will continue to concentrate on these outcropping vein areas.

Recently published accounts of a potential land swap by Tenneco and the Bureau of Land Management to create a wild life preserve along the San Pedro River (see Attachment 4) has spurred us to ← resurrect our past concerns regarding Mr. Horne's chain of title problems with his unpatented claims. This was further reinforced by the Bureau of Land Management when in early October of 1985, they identified that the entire Jared Group was invalid due to non-compliance with filing yearly assessment work in 1982 and 1983 (refer to Attachment 5). Therefore, our ← request to you on your written opinion on how to proceed legally in resolving problems identified to date in regard to the unpatented claims.

I feel there are many problems with the various claims as encapsulated in my questions on lode mining claims following. Many years have passed since original claim location in many cases. Information is spotty at best and I have done my best to fill in the gaps and then outline the problems herein. I have stayed away from individual claim problems and concentrated on generalizing the problem under broad categories. Generally, the following is clear:

1. Most legal descriptions of claims are within standards acceptable in the industry and plot well to maps. Some information is missing, however.
2. Almost to a claim, discovery posts are described as being the same as one or the other of the claim's end-center posts.
3. It appears that insufficient valuation of discovery work was performed on claims located prior to 1978. Records indicate drill holes of 10 feet or more in depth per claim were drilled, but drilling costs amounted to something much less than \$100.00 per claim.
4. Discovery work affidavits were apparently not filed with the County Recorder for pre-1978 located claims. Drilling was done to cover discovery work requirements.
5. No claim maps were filed with the County as per 1978 Arizona Revised Statute changes for previously located claims.
6. Assessment work may or may not have been filed for all years prior to 1979.
7. Claim activity by other parties prior to and subsequent to location of James Stewart Company claims is uncertain.
8. Some claims have side lines in excess of 1,500 feet.
9. It appears some claims are wider than 300 feet on either side of the claim center line, as measured at right angles to the claim center line.
10. It appears some claims have unequal distances from their center line to corresponding side lines.

11. Some claims have shorter boundaries due to claim monuments being placed at political ground change boundaries instead of being placed at coordinate intersects to create parallelogram type claims. Thus, no extralateral rights are obtained.
12. Many claim posts are missing.
13. Several new lode claims have been located or relocated on James Stewart Company claims.
14. Several new third party lode claims have been located in areas of James Stewart Company's senior claims, which were not invalidated until recently by the Bureau of Land Management, at a point in time after the location of the third party claims.

The questions for which I am requesting your written legal opinions are:

1. Unpatented Mining Claims - Maps, Monuments & Miscellaneous. All questions assume a valid mineral discovery has been made, however, reality suggests otherwise.
  - A. Claim monuments - under Arizona Revised Statutes is a 4 inch diameter x 5 foot plastic pipe a proper claim monument? Is a 2 inch x 4 inch x 5 foot wooden post? Is a 2 inch x 2 inch x 5 foot wooden post? Note: Trade specifications of wooden post width and thickness somewhat less. Are rock monuments less than 3 feet in height valid?
  - B. Should the position of discovery monuments be on a corner or end-center on pre-existing Federal 1978 claims which are to be amended?
  - C. Is there a required claim map filing for pre-1978 Federal claims in Arizona with the County?
  - D. Use of common discovery posts (end-center posts) for pre-1978 Federal claims in Arizona - is this a correct means of posting the discovery for each claim?
  - E. Junior claim discovery posts located within pre-existing interior senior claims or patented claims of same ownership - are these valid locations or not?

- F. Is it a good idea to blanket amend all lode claims of a group which were located prior to 1976, in order to be sure of their validity, taking into account that chains of title are uncertain, location of claim was questionable and location work may not have been performed or filed properly?
- G. Notification of mineral trespass - third party junior claims - form, letters, etc.; Is this letter (Attachment 6) sufficient? Is there any liability to James Stewart Company? ←
- H. What proceedings should be followed - should claimants refuse to vacate claims under mineral trespass?
- I. Claim amendment - do you have an approved form? If not, is Attachment 7 sufficient? ←
- J. If lode claims are larger than 1,500 feet x 600 feet, should this claim be amended to that size or relocated as a new claim? If amended, assuming a pre-1978 claim, we ideally would amend dimensions to the original discovery point would we not (assuming no interim 3rd party location)?
- K. Assuming a fraction created in (J.) directly above, should a contiguous claim be undersized, can this contiguous claim be expanded to cover the maximum area possible by amendment or should a new claim be located (assuming no interim 3rd party location)?
- L. Assuming a fraction created in (J.) above of larger size than can be covered in (K.) directly above, one is left with only locating a new claim, is he not (assuming no interim 3rd party locator)?
- M. Taking the parameters in (J.) above, but assuming an interim 3rd party location but with his discovery being within the valid area of the 1,500 foot x 600 feet senior claim, how should the excess acreage be handled?

- N. Taking M. directly above, how do we determine where the 3rd party lode location is under the current Arizona Revised Statutes (notice of location on corner of claim - no reference to discovery point)? This point has direct repercussions on how to handle (J.) above in reference to fractions created by oversized senior claims. If a lode claim located after 1979 has its Notice of Location on the center line (law states it should be on corner), how does this affect the claim validity?  
*does*
- O. Assuming a parallelogram type lode claim 1,500 feet x 600 feet with all claim corners being right angles, the maximum end-line distance is 600 feet (300 feet to either side of the center line). On the other hand, claim corners as determined by end and side lines can be at a greater or lesser angle than 90 degrees creating a situation where the end-lines approach or exceed 1,500 feet. Three questions come to mind:
1. Under this latter condition, assuming parallel side and end lines, is there any reason that the end-lines cannot be longer than 600 feet (assuming that as measured at right angles from the claim center line that each side line is no further than 300 feet distance)?
  2. It is possible to make end-lines parallel and longer than 1,500 feet in a parallelogram type claim (keeping sidelines at 1,500 feet or under)? Is it a valid assumption that when the end-line becomes greater than 1,500 feet in length that they would then exceed the maximum length for side lines (1,500 feet) and would be in turn referred to as side lines, causing the locator to keep any exterior boundary line under 1,500 feet in length (again assuming a maximum distance of 300 feet to any side line as measured at right angles to the center line)?
  3. Is it proper to assume that the maximum distance from either claim side line to the claim center line (300 feet) can be measured at right angles to the claim center line (vein), no matter the angle of the claim end lines, or must the locator measure the

distance from the claim center line to the claim side lines at an angle equal to and by a line drawn parallel to the claim end lines, in which case this line cannot exceed 300 feet (right angle line would be less than 300 feet)?

- P. Does the claim center line need to be equal distance from either claim side line or is it also proper to have a center line of a greater or lesser distance to the corresponding claim side line so long as the side line distance is no further than 300 feet distant from the claim center line (i.e., can one side be 300 feet and the opposite side line distance be say 200 feet)? How does this affect the placement of end-center claim monuments?
- Q. Is there any reason not to peacefully enter onto patented, fee simple grounds, Land Grants, State grounds or other claimants claims, etc. to erect claim boundary monuments in order to make a claim in the shape of a parallelogram so that end lines will be parallel to each other, and thus to obtain extralateral rights to cropping vein mineralization within your validly located claims.?
- R. Under the new Arizona location laws, can a Location Notice be posted on the corner post, or should a separate monument be erected? Is a description to the location (discovery) point necessary? Is it not true that a discovery can be made anywhere within the interior boundary of the claim? Therefore, the discovery point does not need to be on the center line of the claim does it?
- S. Under Arizona Statutes in effect, circa 1929, was there a requirement to perform location work? If a discovery pit was dug for location work, was there a requirement to file notice (affidavit) of performance of discovery work with the County Recorder? Should an affidavit have been necessary but not filed, what effect would this have on the claim validity? Can the claim be amended to acquire these rights? If this claim should be interior to the exterior boundaries of in lieu selections (State grounds) what would this mean in relationship to maintaining title? If an unpatented mining claim is lost for whatever

reason within the boundaries of State land, does the State then acquire the mineral and surface rights or do they have to request these tracts from the B.L.M.? Assuming a break in chain of title, can a new mineral location be made in the area of the old mining claim?

T. Under current Federal/State regulations, when does a claim become invalid, assuming the following:

1. Improper location - pre-1976 location - incorrect amount of discovery work? Non-recording of such?
2. Non-reporting to B.L.M. of yearly assessment work - post 1979 *claims?*
3. Should a claim located under the provisions of the FLPMA be invalid for whatever reason under the law, but not yet having its case file closed by the B.L.M., do we assume a valid claim until such closure notification or does the ground actually come upen at the time of failure by the senior claimant to provide proper location or work evidence?
4. Assuming a junior claim located prior to a closure of a senior claim's case file, with the junior's location post interior to the exterior boundary of the senior's claim, does a valid location by the junior locator exist, assuming failure by the senior locator to provide evidence of yearly assessment work to the B.L.M.? Would this also apply if the senior claimant relocates a junior claim or should he terminate his claims first, and then re-locate?
5. Should the junior claim, next above, be invalid, may the junior locator amend his claim after case file closure of the senior claim by the B.L.M. to obtain a clear chain of title to his junior claim (assuming no intermediate location)?
6. Should a junior claimant validly locate a claim, with parts in conflict with a senior claim (see #4 directly above for senior claim conditions), are these junior claims conflicting parts validly located? If not,

Attachment 1  
Page 8 of

may the junior claim be amended after senior case file closure by the B.L.M. to acquire conflicting overlaps within the boundary of the senior claim (assuming no intermediate claim location).

Your attention and response to the above matters will be appreciated.

Thomas E. Waldrip, Jr.

TEW/ms

ATTACHMENT

CERTIFIED MAIL #

May 6, 1986

Mr. Dennis V. Abbl  
P. O. Box  
Wilcox, AZ

RE: NOTICE OF TRESPASS

Dear Mr. Abbl:

James Stewart Company is owner and locator of a number of unpatented lode mining claims in the Tombstone (Charleston sub-district) Mining District, Cochise County, Arizona.

As such, during our current title work, we note that according to the Arizona office of the Bureau of Land Management records, you have attempted to locate the lode mining claims described in the attached Exhibit A on valid senior lode mining claims, previously located by the James Stewart Company.

This letter is written to put you on notice that you are in trespass as to the grounds covered by the lode mining claims described in the attached Exhibit A. On behalf of the James Stewart Company, I request that you either abandon said claims or quit claim them to the James Stewart Company.

James Stewart Company will vigorously defend its exclusive right to possession of the area and mineral rights covered by our senior, valid, lode mining claims.

Should you have any questions regarding this matter, please contact me at the address or telephone number indicated on this letterhead.

Thank you for your cooperation.

Sincerely,

Steve Halbert, Esq.

SH/ms

Attachment

EXHIBIT A

Claims located: October 3, 1983  
Claim owner: Dennis V. Abbl  
Notice of Trespass

Claim Name & Number	County Book	Page	B.L.M. Serial Number	Claim Location
Mustang #1	1708	489	A-MC-209430	E1/2 Sect. 25, T.20S.,R.21E., G.&S.R.B.M.
Mustang #2	1708	491	A-MC-209431	E1/2 Sect. 25, T.20S.,R.21E., G.&S.R.B.M.

WEDNESDAY, JULY 31, 1985, DENVER, COLORADO 80206

*\$24 per year, 50 cents per copy*

Tew

# James A. Briscoe & Associates, Inc.

Exploration Consultants:

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

James A. Briscoe  
Registered Professional Geologist

Thomas E. Waldrip, Jr.  
Geologist/Landman

REGISTERED MAIL #P176 202 180

May 8, 1986

Michael Rice  
Natural Resource Planner  
Arizona State Land Department  
1624 West Adams  
Phoenix, AZ 85012

RE: Cancellation/release of Bond for 08-77664 - response to  
correspondence of November 27, 1985

Dear Mr. Rice:

Pursuant to your request to furnish geologic information per  
Arizona Revised Statutes Title 27, Section 252, on cancelled  
prospecting permit 77664, please find following what information  
is known:

1. One diamond drill hole exists and was drilled during  
the period of the referenced permit (see map of what is  
believed to be the approximate location of the drill  
hole, Attachment 1).
2. From incompleated driller daily logs, it appears the  
hole is 2,260 feet in total depth. The hole is of  
various diameters, as per the following chart:

Footage (Feet)		Drill Type	Size	Drilled	
From	To			From	To
0	- 19	Rotary rock bit	6 1/4"	7/22/80	- ?
19	- 500	Diamond core	NC	?	- ?
500	- 1073	Diamond core	NX	?	- 8/11/80
1073	- 2260	Diamond core	Nx	8/17/82	- 9/15/82

Michael Rice  
Arizona State Land Department  
May 8, 1986  
Page 2 of 3

3. Capped steel surface casing is present of unknown depth (19ft?) of 4 inch O.D. size. Further casing may be present, but records are unclear.
4. An unimproved trail from the Charleston Road to the site drill pad and shallow water pits are at the drill site.
5. The drill hole was collared in surface alluvium with no known geologic logs existing to date. Limestone and shales were reported in one daily drillers report at unknown footage below 804 feet.
6. No known geophysical work was performed directly on the drill hole.
7. Some 19 multi-element (A.A.?) assays exist for various intervals in the drill hole. Please refer to Attachment 2.
8. Currently, we as consultants are unsure as to the complete existence or non-existence of core for this hole.

We, as geologic consultants, are very much bewildered by the content and lack of reporting of scientific information, especially in light of exploration funds expended. Much of our work, therefore, has been remedial in nature since the beginning of our involvement with the client, the James Stewart Company, in mid-1984. We do not wish to see a perpetuation of this situation. Your understanding for lack of information provided your office is appreciated. Hopefully a change provided by our exploration philosophy will result, and future work will be more informative!

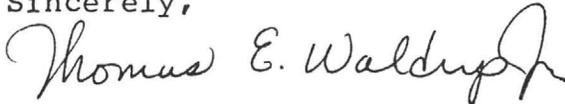
As geologic consultants for James Stewart Company, we would like to see that any exploration efforts detailed herein remain confidential until further exploration is performed. Should this situation, in your opinion, create an exception to the release of the restoration bond (08-77664), please see that an agreement is drawn up for our clients (James Stewart Company) signature which can postpone any restoration and relieve their past surety agent, wherein obligations so accrued would transfer to James Stewart Company's current bond for prospecting permit #08-92276, which covers the corresponding area of past work activities.

Michael Rice  
Arizona State Land Department  
May 8, 1986  
Page 3 of 3

Per telephone conversations with you, Mike, both by Steve Halbert during mid-December, 1985, and myself, yesterday, you indicated information supplied herein would be kept confidential for the longevity of the current permit and subsequent mineral leases covering the area. We wish this to be the case. Should a mineral lease not be forthcoming, I would request that information be kept confidential for the maximum protracted period of two years after termination of the current permit.

Thank you for your help, patience, and cooperation in these matters.

Sincerely,



Thomas E. Waldrip, Jr.

TEW/ms

Enclosures

cc: Steve Halbert, Esq.



ATTACHMENT 1

23

24

19

20

26

25

30

29

Chocleston Lead Mine

Water

36

31

32

DRILL HOLE # 10

Lindsey Ranch

Ruins

Ruins

Ruins

Ruins

Ruins

Ruins

1

6

5

Prospects

Prospects

Prospects

Prospects

Prospects

Prospects

AQUEDUCT

TEL

GARDEN CANYON 10 MI.

10'

R. 21 E. R. 22 E

● INTERIOR—GEOLOGICAL SURVEY WASHINGTON D. C.—1965

31°37'30"

**COPPER STATE ANALYTICAL LAB., INC.**

DNYANENDRA A. SHAH  
ARIZONA REG. NO. 8888

REGISTERED ASSAYER  
P. O. BOX 7517  
TUCSON, ARIZONA 85725

710 E. EVANS BLVD  
PHONE 602-884-5811  
884-5812

James Stewart Co.  
Attn: Harvey Hays  
707 Mayer Central Bldg.  
3033 N. Central Ave.  
Phoenix, AZ 85012

JOB # 001454  
RECEIVED 8/27/82  
REPORTED 9/3/82  
INVOICE # C 1775

Box

SAMPLE NUMBER	Au ppm	Ag ppm	Cu ppm	Pb ppm	Zn ppm	Mo ppm
Hole 10						
7 1128-1137	0.04	11.6	0.16%	0.21%	2.10%	12
16 1211-1220	<.01	0.4	12	20	40	
24 1282-1291	0.01	0.5	14	194	500	
25 1291-1300 at 1292	0.01	0.7	20	106	0.60%	
27 1309-1318	<.01	1.8	0.16%	782	0.17%	
28 1318-1328	<.01	0.7	264	0.21%	0.98%	
36 1392-1401-A	<.01	0.7	38	44	55	22
36 1392-1401-B	<.01	0.9	112	0.12%	0.53%	
37 1401-1410	<.01	0.3	22	20	50	
43 1456-1465	0.01	<.2	18	14	54	
45 1475-1484	<.01	<.2	16	12	62	
47 1491-1503	<.01	<.2	15	12	40	
49 1513-1522	<.01	<.2	22	28	114	
61 1623-1632	<.01	1.2	116	491	810	30
62 1632-1642	<.01	0.2	30	40	26	

REGISTERED ASSAYER  
CERTIFICATE NO. 8888  
Dnyanendra Amrutlal Shah  
SIGNED  
Arizona U. S. A.  
3-82

1 ppm = 0.0001%

1 troy oz./ton = 34.286 ppm

1 ppm = 0.0292 troy oz./ton

\* Gold and Silver reported in troy oz. per 2,000 lb. ton.

# COPPER STATE ANALYTICAL LAB., INC.

DNYANENDRA A. SHAH  
ARIZONA REG. NO. 8888

REGISTERED ASSAYER  
P. O. BOX 7517  
TUCSON, ARIZONA 85725

710 E. EVANS BLVD  
PHONE 602-884-5811  
884-5812

James Stewart Co.  
707 Mayer Central Bldg.  
3033 N. Central Ave.  
Phoenix, AZ 85012  
Attn: Harvey Hays

JOB# 001493  
RECEIVED 9/17/82  
REPORTED 9/27/82  
INVOICE# C 1825

*#10 HOLD*

SAMPLE NUMBER	Pb ppm	Cu ppm	Zn ppm			
Box						
75	42	20	48			
100	62	20	160			
125	34	20	64			
135	32	18	50			



*Handwritten notes:*  
Copper  
34 ppm

1 ppm = 0.0001%      1 troy oz./ton = 34.286 ppm      1 ppm = 0.0292 troy oz./ton  
\* Gold and Silver reported in troy oz. per 2,000 lb. ton

Tew

# James A. Briscoe & Associates, Inc.

Exploration Consultants:

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

James A. Briscoe  
Registered Professional Geologist

Thomas E. Waldrip, Jr.  
Geologist/Landman

REGISTERED MAIL # P176 202 179

May 9, 1986

Michael Rice  
Natural Resource Planner  
Arizona State Land Department  
1624 West Adams  
Phoenix, AZ 85012

RE: Cancellation/release of bond for 08-83771 and 08-84101 -  
response to correspondence of November 27, 1985

Dear Mr. Rice:

Pursuant to your above referenced correspondence, please find following a resume of drilling activities and resulting studies related thereto. Data is somewhat meager, as economic conditions have deteriorated substantially since holes were drilled. Subsequent exploration funds were delegated to other projects of merit instead of originally anticipated priorities of logging and assaying. Our delinquency is thus explained as to the amount of data provided.

GENERAL DATA - The following data applies to all drill holes:

1. All holes were drilled dry with air.
2. All holes were surfaced cased to 5 feet in depth and capped with plastic caps.
3. All holes were 4 3/4 inches in diameter of variable depths and inclination (most being vertical).
4. All holes were drilled using an Atlas-Copco Roc-604 air track drill. No road access or drill site construction was necessary. Access was from pre-existing roads and trails.
5. One quarter gallon drill cutting splits were retained per each five foot interval drilled.
6. Cuttings from each hole were glued to a "coreboard" at a scale of 1" = 10', using a coarse, fine and panned fraction.

7. Drill cuttings were "assayed" with a UNC Silver MAP unit (x-ray fluorescence) for silver mineralization. All holes indicated detectable silver mineralization. All results, however, were in the range of minimum detectability for the machine (less than 1.5 oz. Ag/ton) at the time readings were taken. This was an orientation survey for high grade mineable zones. Results were negative, and thus, were not retained. For quantitative purposes, a longer reading interval would be required.
8. No geophysical or geochemical logs have been made by the Permittee.
9. One fenced trench exists in the area of 08-84101 (see map, Attachment 1).

The following holes were drilled per each permit area (please refer to the attached map for drill hole location):

Prospecting Permit 08-84101 (Section 19, T.20S., R.22E., G.&S.R.B.M.):

Drill Hole TDC #11 - Vertical, 90 feet deep  
TDC #11 was collared in intensely sericitized and silicified porphyry, probably the Laramide-Uncle Sam Tuff, and remained in this rock to the bottom at 90 feet. Variable amounts of limonite and hematite after pyrite were noticeable as well as black manganese oxides near the bottom of the hole. No sulfides were encountered.

Drill Hole TDC #12 - Vertical, 95 feet deep  
TDC #12 was collared in intensely argillized and silicified porphyry, probably the Laramide-Uncle Sam Tuff. It remained in this rock to the bottom at 95 feet. Variable amounts of hematite and limonite after pyrite were noticeable in the cuttings. as were black manganese oxides, particularly towards the base of the hole. No sulfides were intercepted.

Drill Hole TDC #13 - Vertical, 95 feet deep  
TDC #13 was collared in strongly argillized porphyry - probably Laramide-Uncle Sam Tuff, and remained in this rock type to the bottom at 95 feet. Variable mounts of limonite and hematite after pyrite and manganese oxides were noticeable in the cuttings. No sulfides were intersected.

Michael Rice  
Arizona State Land Department  
May 9, 1986  
Page 3 of 4

Drill Hole TDC #14 - Vertical, 95 feet deep  
TDC #14 was collared in moderately to intensely argillized porphyry, probably the Laramide-Uncle Sam Tuff, and remained in that rock to the bottom at 95 feet. Variable amounts of limonite and hematite after pyrite, as well as black manganese oxides towards the bottom of the hole were noticeable in the cuttings. but no sulfide minerals were intersected.

Drill Hole TDC #15 - Minus 70 degrees (20 degrees off vertical), 120 feet deep on incline  
TDC #15 was drilled in a southeasterly direction at approximately right angles to a silicified zone in intensely altered Uncle Sam Tuff. It intercepted this rock type throughout its depth of 120'. Variable amounts of limonite and hematite after pyrite were noticeable in the cuttings. but no sulfide minerals were intersected.

Prospecting Permit 08-83771, Section 29, T.20S., R.22E.,  
G.&S.R.B.M.:

Drill Hole TDC #1-A - Vertical, 120 feet deep  
TDC #1-A was collared in weakly altered Cretaceous Bisbee Sediments and remained in this formation to a total depth at 120 feet. Variable amounts of limonite and hematite after pyrite were noticeable in drill cuttings. Sulphides (pyrite) were first encountered at about 100 feet in depth. Within the oxidized zone, the sediments were moderately to noticeable bleached from their normal maroon color. The unbleached maroon color predominates in the sulphide zone.

Drill Hole TDC #1-B - Vertical, 120 feet deep  
TDC #1-B was collared in weakly altered Cretaceous Bisbee Sediments and remained in this Formation to total depth of 120 feet. Variable amounts of limonite and hematite after pyrite were noticeable in drill cuttings. Sulphides were first encountered at 85 feet. Within the oxidized and sulphide zones, the sediments were moderately to noticeable bleached from their normal unaltered maroon color.

Drill Hole TDC #2 - Vertical, 120 feet deep  
TDC #2 was collared in very weakly altered Cretaceous Bisbee Sediments and remained in this formation to a total depth of 120 feet. Noticeable manganese oxide filled fractures in the upper 10 feet of the hole but gave way to only weakly bleached rock for the next 50 feet, with varying amounts of limonite and hematite + manganese

Michael Rice  
Arizona State Land Department  
May 9, 1986  
Page 4 of 4

oxides. Fresh, unaltered sediments were encountered below  
60 feet.

The Permittee of past referenced Prospecting Permit (08-84101) is currently Permittee of record (08-91639) covering the same area of work/exploration thereon discussed herein. We would like to see that any exploration efforts performed to date and detailed herein, remain status quo, until further exploration is performed. Should this situation, in your opinion, create an exception to the release of the restoration bond for Prospecting Permit 08-84101, please see that an agreement is drawn up for Permittee's signature, which can postpone any restoration and release Permittee from past surety agent, wherein, obligations so accrued would transfer to Permittee current bond for Prospecting Permit (08-91639).

Respectfully, we would request any information supplied, herein, be kept confidential for the maximum protracted period possible for Prospecting Permit 08-84101, or through the longevity of Prospecting Permit #08-91639.

Results for Prospecting Permit 08-83771 may be handled at your discretion.

Thank you for your patience and cooperation in these matters.

Sincerely,

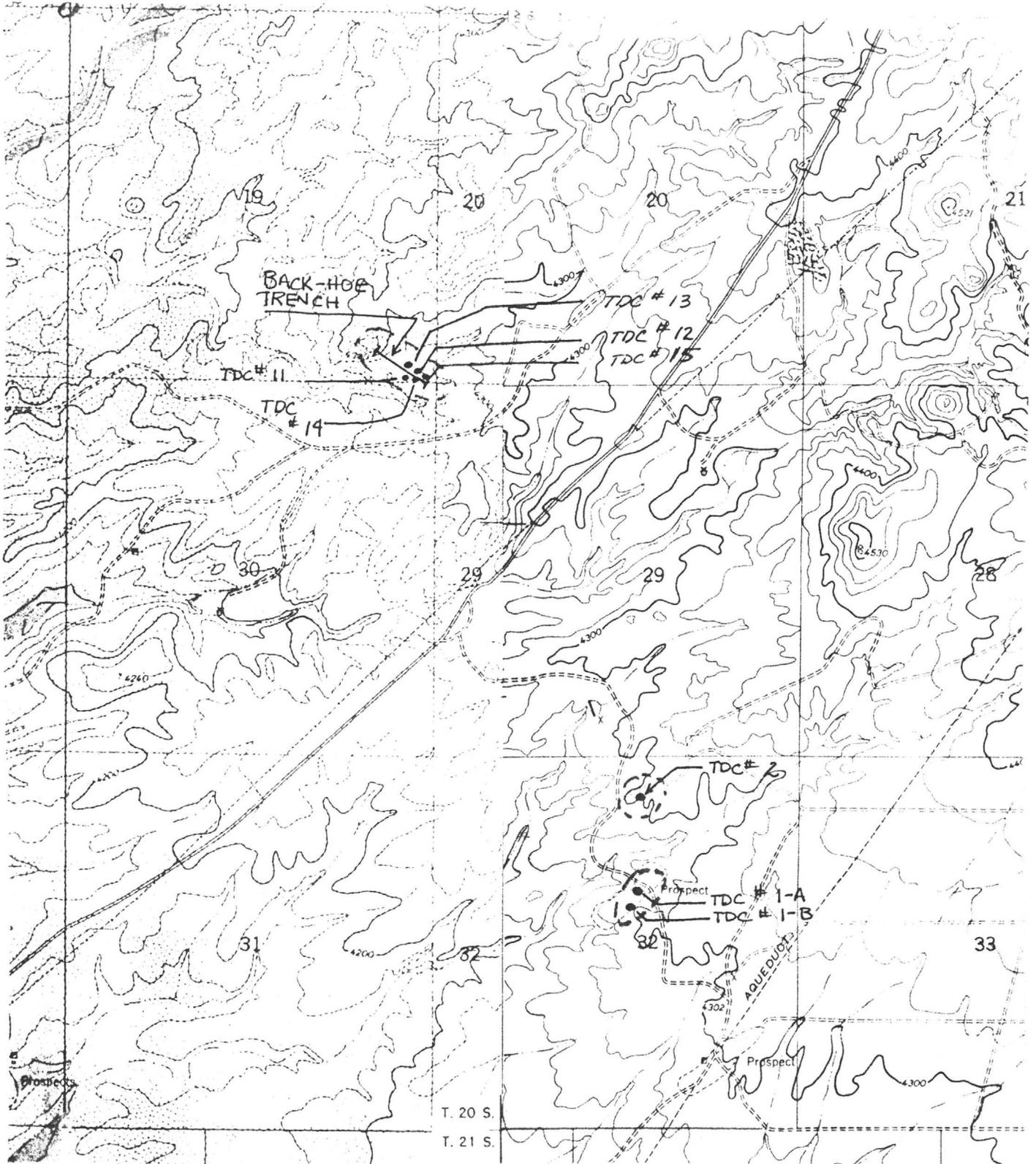
JAMES A. BRISCOE & ASSOCIATES, INC.

Thomas E. Waldrip, Jr.  
Land Manager

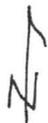
TEW/ms

Enclosure

ATTACHMENT 1



SCALE 1" = 2000'  
1:24,000





BRUCE BABBITT  
GOVERNOR

Arizona  
State Land Department

1624 WEST ADAMS  
PHOENIX, ARIZONA 85007

*Letter  
5/27/86.*



OFFICE OF  
STATE LAND COMMISSIONER

May 15, 1986

James A. Briscoe  
5701 E. Glenn St. #120  
Tucson, Arizona 85712

Re: Permit Cancellation 08-83770

Dear Mr. Briscoe:

In order to complete the above referenced cancellation(s) and initiate the bond release process, would you please forward the following information:

1. The location, hole diameter, and total depth of all drill holes.
2. A legible copy of all lithologic, gamma, and electric logs. The lithologic log must also identify lithologic boundaries.
3. The location of disturbed areas including constructed access.

As provided by statute, the drill hole information will be kept confidential for a period of one year. Should you so desire, you may request that we keep the information confidential for one additional year.

Sincerely,

Michael Rice  
Natural Resource Planner  
Nonrenewable Resources  
and Minerals  
255-4628

MJR/plp

# James A. Briscoe & Associates, Inc.

Exploration Consultants:

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

James A. Briscoe  
Registered Professional Geologist

Thomas E. Waldrip, Jr.  
Geologist/Landman

May 15, 1986

Mr. M. S. Horne, President  
James Stewart Company  
3033 N. Central Avenue  
Phoenix, AZ

RE: Letter report on the 1985-86 assessment work for the  
Charleston Lead Mine area, Tombstone Mining District,  
Cochise County, Arizona, with recommendations for future  
work

Dear Mr. Horne:

The following summary report with attached letters will  
summarize our assessment work activities for this year, and  
include recommendations for further work.

## SUMMARY AND CONCLUSIONS

The James Stewart Company first acquired claims in the  
Charleston Lead Mine area circa 1967. Unpatented claims include  
the following groups:

the Apache claims,  
the Horne claims,  
the Stewart claims,  
the Suiter claims,  
the Jared claims,

totaling 163 unpatented claims. The Jared group was restaked in  
February and March of 1986, because they were declared invalid  
by the Bureau of Land Management as a result of a clerical error  
in which assessment documents for the Jared group failed to be  
included for the assessment year 1982. The patented claims  
include the Kit Carson, Evening Star, North Star, Buffalo, Gold  
Reeds, and the Bald Eagle.

There is also 451.77 acres of State land held under Prospecting  
Permit. It is anticipated that an offer will be made for the  
patented Rad Crow claim, which now is owned by Tenneco.

The claims were originally located on geophysical and other anomalies, which suggested a deep-seated porphyry copper deposit. Indeed, Asarco (The American Smelting and Refining Company) in the early 1970's, drilled three holes, one of which bottomed at 5,000 feet below the surface, centered on the Robbers Roost breccia pipe. These holes penetrated a porphyry copper system (indicated by alteration and rock and mineral type). Copper values were unfortunately too low and too deep to be economic. The James Stewart Company has drilled several additional deep holes (plus 1,500 feet), without intersecting any values that would be ore grade at that depth. All past exploration has been done for deep-seated copper beneath the volcanics, which were mistakenly thought to be post-mineral. For this reason, little or no surface sampling or geology has been done.

Briscoe, in 1982, identified the Tombstone caldera - a large volcanic feature some eight miles in diameter, with which all mineralization at Tombstone and Charleston appears to be genetically related. The James Stewart Company property at Charleston appears to be interior and adjacent to the southeast quadrant of the caldera. Within the property boundaries, coalescing rhyolite domes (Bronco rhyolite) showing strong phyllic alteration are covered by andesite breccias of Silverbell-type. Overlying these are Uncle Sam welded rhyolite tuff units. These rock types host lead, zinc, silver, gold, vanadium bearing veins, almost undoubtedly peripheral to the porphyry copper systems. Approximately 150 small mines and prospects lie within the State Prospecting Permit, which covers Section 36, Township 20S., Range 21E. These prospects are primarily located in the southeast quarter of the section.

Recent geologic work on ore mineralization related to calderas suggest this is a good environment for disseminated as well as vein-type gold and silver deposits. Silver assays taken last year with the UNC Silver MAP (portable x-ray fluorescence assay unit) in the Charleston open pit and along the Mustang vein, disclosed wide zones of about two ounce silver, fifty feet below the surface, that might form open-pitable ore bodies.

The potential for disseminated or even vein-type precious metal mineralization on the James Stewart Company ground has not been tested by modern exploration techniques, except within the Charleston Lead Mine pit and along the Mustang vein.

Unfortunately, assessment work performed by James A. Briscoe & Associates, Inc. over the last three years, has been done on remedial - emergency work - including:

1. Recovering plus 1,000 boxes of vandalized core from previous drill work.
2. Remonumenting, and in the case of the Jared's, relocating, the claims.

This work has been a necessity, but except for the UNC Silver MAP assay work reported in 1984, it hasn't added any technical knowledge concerning the mineral potential of the claims.

However, because of my familiarity with the Tombstone District in general and the gross aspects of the geology on the James Stewart Company ground, I believe there to be potential for the following:

1. Disseminated precious metal deposits possibly mineable by open pit.
  - a. Silver mineralization is most likely.
  - b. There is lower potential for primarily gold deposits, but there could be significant gold associated with silver mineralization.
  - c. There also is potential for gold veins associated with the rhyolite domes.
2. There may be potential for shallow, underground, mineable precious metal veins as follows:
  - a. Silver with lead and zinc as at the Charleston Lead Mine, with by- or co-product sericite.
  - b. By-product gold with the silver, lead, zinc veins.
  - c. Gold veins in or under the rhyolite domes.
3. There also may be deep underground potential as follows:
  - a. Silver, lead, zinc peripheral to the porphyry copper mineralization.
  - b. Gold associated with the rhyolite domes.

I believe that potential for precious metal mineralization, particularly in the near-surface should be tested. Small, but profitable, open-pit and underground precious metal mines (primarily gold at the current time) are opening up all over the

western United States. If near-surface ore bodies occur in the Charleston area, a relatively inexpensive exploration program should find them, and it might be possible to install a small mine and recovery system (including exploration costs) for \$700,000 to \$1 million. If larger bodies of ore grade mineralization are located, additional money should be available from a variety of sources.

Unfortunately, the past exploration data for deep-seated porphyry copper mineralization is almost valueless in looking for near-surface precious metals. However, any work done in near-surface precious metal exploration, will be useful in identifying any deep-seated porphyry copper potential should copper prices ever rise. Substantial copper price rises appear very unlikely in the next 15 to 25 years.

#### RECOMMENDATIONS

It is recommended that the following work be done to accomplish the following goals:

1. Make a mineral discovery (mineable under current conditions), or
2. Determine that the potential for making an economic mineral discovery is so remote as to have no financial merit.

#### General Cash Expenditure Outline.

1. Expend all Prospecting Permit work requirement for the five year permit period, in 1986, to generate \$35,400 in exploration funds.
2. Spend the 1986-87 Federal requirement between September 1 and December 31, 1986.
3. Expend the next two years Federal assessment requirement in August/September of 1988-89.
4. Apply for State mining leases on the State land to drastically reduce holding costs.
5. Drop all Federal claims that don't show confirmed economic mineralization.

Steps 4 and 5 can be accomplished by spending the State and Federal required money for technical work.

If a small but economic ore body lies near the surface (say 50 feet or less in depth), it may be possible to discover it and get it into production for less than \$1 million. If a larger and/or deeper zone exists, it still may be discovered at low cost and capital to get it into production may be available from a variety of sources.

Protection of the claims, assessment work and exploration expenditure, as well as guesstimated amounts for a drilling program and development program are summarized below. More detailed cost projections and critical path analysis charts for the suggested work is contained as Attachments.

#### Work Recommendations

##### A. To be done between May 1986 and December 31, 1986:

	Work Cost	Cumm. Total
	-----	-----
1. Complete posting		
2. Confer with mining attorney regarding problems with claims		
3. Prepare geologic maps using color air photos		
4. Sample 150 mine dumps	\$ 42,791	\$ 42,791
\$27,753 of this work would go toward holding the State Prospecting Permit for 5 years		
-----		
Decision Point		
-----		

##### B.

1. Do geochemical sampling program on State land		
2. Interpret results and design shallow drill program	\$ 26,462	\$ 69,223
-----		
Decision Point		
-----		

C.

1. Stake fractions
2. Draw 1" = 500' true claim map
3. Amend claims
4. Execute initial shallow drill program and evaluate results \$ 51,027 \$120,250

-----  
Decision Point  
-----

D.

1. Execute ore reserve drilling program
2. Calculate ore reserves \$110,000 \$230,250

-----  
Decision Point  
-----

E.

1. Construct mine and recovery plant
2. Start production \$500,000 \$730,250

-----  
Rationale

The exploration on the James Stewart Company Charleston ground has been hampered by lack of long range planning and goal setting. In this letter report, Tom Waldrip and I have tried to set up some long range goals and exploration planning for a program which will test the near-surface and possibly intermediate depth mineral potential for precious metal on the James Stewart ground. The goals of this exploration program are:

1. Make a mineral discovery (mineable under current conditions), or
2. Determine that the potential for making an economic mineral discovery is so remote as to have no financial merit.

If the initial portions of the program prove negative, then the property in all good conscience can probably be dropped - unless there is something on the horizon that would suggest a metals price change - particularly for copper. If results are encouraging, subsequent phases of the program can be undertaken with more enthusiasm. As mineralization is proved up on the State land, we can seek a 20 year mineral lease, which will substantially reduce holding costs, as well as allowing mining if an ore body should be delimited. It is possible that the State will not award such a lease unless mining is actually contemplated in the short term, but we can continue to evaluate this as the program progresses. As more information is gathered, each mining claim can be evaluated, and those which show no potential can be dropped, also reducing the long-term holding costs. In this manner, we can progress towards developing a viable mining property, either to be operated by the James Stewart Company, a joint venture partner, or possibly a lease-purchasor.

I have suggested expending a larger amount of money more rapidly by doing all of the required State prospecting work requirement in one year. This will make our efficiency greater as it negates the need to move and de-move several times, as well as giving us a greater continuity of effort and thought concerning the exploration. However, I know that you are concerned about the time value of money and the cost in that regard, of performing this work any sooner than necessary. To answer these concerns, I have run through some calculations on the computer which can be seen on Attachment 1. If we do as I have suggested - that is - spend the State assessment work in one larger program covering the five year requirement, and also spend the next assessment years work to evaluate the Federal claims as part of the program, we:

1. Would hopefully get a mineral lease, and
2. Be able to drop off some of the Federal claims.

In Attachment 1 you can see this will save \$15,600 over a five year period. However, going through a ten year period, the savings will be approximately \$77,000. In Attachment 2, we have constructed some computer tables showing the interest that would be earned on the \$36,000 if it were expended over the five year life of the Prospecting Permit, vs. all in one year. If you will refer to this table, it suggests that unless you can make at least 12% on your money (tax shelter implications are not included in this chart), then I think that we would save more money going with my plan, even in the first five years. Certainly more would be saved over the ensuing five years.

James Stewart Company  
May 15, 1986  
Page 8 of 9

A perhaps more intangible and philosophical point is that you have invested money on the property, which I think that we can say conservatively has been approximately \$1 million. Theoretically, the lack of progress on the property is costing you \$75,000 to \$100,000 or more per year, depending on the hypothetical interest rate charged. Thus, it appears to me that if we can expend my relatively small proposed exploration budget and make some real progress towards getting mining underway at Charleston, we stand to save your past invested money. However, if we continue spending only the minimum assessment work every year, a great percentage of that money is lost in move and de-move charges, and gearing up mentally and physically to continue the exploration program. It isn't impossible, but it is inefficient. Further, the Arizona law does require claims to be monumented. Since only 13% of the original monuments on your claims were still standing at the beginning of our program in February, 1986, it is obvious that vandals, animals and weather take their toll on the monuments. Thus, we will be spending an ever larger percentage each year to assure ourselves that the monuments are in place and the claims are not subject to attack by the government or environmentalists wishing to enlarge the new San Pedro River preserve, or competitors such as Jack Branham.

In order to more fully illustrate my proposed program, I have constructed Attachment 3, which is my more detailed recommendation for the lowest cost, most efficient job procedure to attain our goal, which is:

1. Make a mineral discovery (mineable under current conditions), or
2. Determine that the potential for making an economic mineral discovery is so remote as to have no financial merit.

Attachment 3 was derived from my critical path analysis computer program chart of the James Stewart Company State land exploration program prepared on May 15, 1986, and also a critical path analysis entitled "Monument, Amend, and Clear Title, JSC State Land", accompanying Tom Waldrip's letter report to me, Attachment 5.

The exact sequence of these activities in some cases is personal preference or judgement call. What I have tried to do is pick out the most important activities and postpone those that won't help us reach our goal of either making a mineral discovery or determining that one probably cannot be made.

James A. Briscoe & Associates, Inc.  
Tucson, Arizona

James Stewart Company  
May 15, 1986  
Page 9 of 9

In Attachment 5 - a Memo from Tom Waldrip to me - he explains details regarding the Jared claim relocation and its alledged conflict with Jack Branham's claims - we believe Jack Branham's nuisance claims have no merit. Attachment 6 is a letter to Jack Branham for Steve Halbert's signature, or yours, whichever you prefer, if you wish to do so. Attachment 7 is a proposed letter to John Lacy, requesting a cost estimate for his services and asking specific questions regarding problems with the various unpatented mining claims.

We hope that this will enable you to understand the relatively complex details concerning the present work, and our suggestions for future work. We feel it is important to get all of this down on paper for the record, so that when we or anyone else who might be doing future work on the Charleston ground, will have a starting point and a clear understanding of what has been done in the past.

I would be happy to review any specific details with you at your convenience.

Very truly yours,

James A. Briscoe

JAB/ms

Attachments

Attachment 1

HORNE EXPLORATION PROPOSAL 5/15/86

STATE LAND

X 451.77 acres of state land  
 \$10.00 per acre 1st 2 years  
 = \$4,517.70 per year  
 X 2  
 = \$9,035.40

Then  
 X 451.77 acres of state land  
 \$20.00 per acre for last 3 years  
 = \$9,035.40  
 X 3  
 = \$27,106.20  
 \$36,141.60 Total in 5 years

FEDERAL LAND & STATE LAND

	Federal	+	State	=	Total
1985/86	\$ 16,300	+	\$ 4,517.70	=	\$ 20,817.70
1986/87	16,300	+	4,517.70	=	\$ 20,817.70
1987/88	16,300	+	9,035.40	=	\$ 25,335.40
1988/89	16,300	+	9,035.40	=	\$ 25,335.40
1989/90	16,300	+	9,035.40	=	\$ 25,335.40
	\$ 81,500	+	\$36,141.60	=	\$117,641.60
1990/91	\$ 16,300	+	\$ 4,517.70	=	\$ 20,817.70
1991/92	16,300	+	4,517.70	=	\$ 20,817.70
1992/93	16,300	+	9,035.40	=	\$ 25,335.40
1993/94	16,300	+	9,035.40	=	\$ 25,335.40
1994/95	16,300	+	9,035.40	=	\$ 25,335.40
	\$ 81,500	+	\$36,141.60	=	\$117,641.60
1985-1995	\$163,000	+	\$72,283.20	=	\$235,283.20

If a surface sampling program for near surface precious metals ore bodies were done, and:

1. Mineral leases were obtained on the State land,
2. The Federal mining claims were reduced to only those with mining potential - say from 163 to 85,

then the following holding costs might be incurred:

	Federal	+	State	=	Total	Cumm. Total
1985/86	\$ 16,300*	+	\$36,141.60	=	\$ 52,441.60	\$36,141
1986/87	16,300	+	-0-	=	16,300.00	52,442
1987/88	16,300	+	-0-	=	16,300.00	68,742
1988/89	8,500	+	-0-	=	8,500.00	77,242
1989/90	8,500	+	-0-	=	8,500.00	85,741
			Apply for State mineral lease			
	\$ 65,900	+	\$36,141.60	=	\$102,041.60	

\* Has been expended

Saving \$15,600

<Potential for Lease/joint venture after geologic work and surface sampling is complete.>

Attachment 1, Continued

	<u>Federal</u>	+	<u>State</u>	=	<u>Total</u>
			(\$2,300 + \$1/ acre rent [(\$451.77)])		
1990/91	\$ 8,500	+	\$ 2,751.77	=	\$ 11,251.77
1991/92	\$ 8,500	+	\$ 2,751.77	=	\$ 11,251.77
1992/93	\$ 8,500	+	\$ 2,751.77	=	\$ 11,251.77
1993/94	\$ 8,500	+	\$ 2,751.77	=	\$ 11,251.77
1994/95	\$ 8,500	+	\$ 2,751.77	=	\$ 11,251.77
	<u>\$ 42,500</u>	+	<u>\$13,758.60</u>	=	<u>\$ 56,258.85</u>
or for the 10 years	<u>\$108,400</u>	+	<u>\$49,900.20</u>	=	<u>\$158,300.45</u>

Thus savings over the next 10 years will be:

Current State and Federal assessment work projected from 1985 to 1995, less proposed mineral exploration and reduction of Federal acreage and State mineral lease =

$$\begin{array}{r}
 \$235,283.20 \\
 - \quad 158,300.45 \\
 \hline
 = \$ 76,937.75 \text{ saved}
 \end{array}$$

For time value of the \$36,141.60 expended now, vs over 5 years see Attachment 2

ASSUMING \$36,141.60 IS CURRENTLY AVAILABLE, THE FOLLOWING TABLES SHOW THE INTEREST EARNED ON THE REQUIRED STATE PROSPECTING PERMIT EXPENDITURE IF STRETCHED OVER THE LIFE OF THE PERMIT VERSUS SPENDING IT ALL IN THE FIRST YEAR.

@8% INTEREST	TOTAL CASH AVAILABLE	LESS ANNUAL REQUIRE.	DOLLARS LEFT	COMPOUNDED INTEREST @ 8%	TOTAL DOLLARS @ YEAR END
1985/86	36141.60	4517.70	31623.90	2529.91	34153.81
1986/87	34153.81	4517.70	29636.11	2370.89	32007.00
1987/88	32007.00	9035.40	22971.60	1837.73	24809.33
1988/89	24809.33	9035.40	15773.93	1261.91	17035.84
1989/90	17035.84	9035.40	8000.44	640.04	8640.48*

@10% INTEREST	TOTAL CASH AVAILABLE	LESS ANNUAL REQUIRE.	DOLLARS LEFT	COMPOUNDED INTEREST @ 10%	TOTAL DOLLARS @ YEAR END
1985/86	36141.60	4517.70	31623.90	3162.39	34786.29
1986/87	34786.29	4517.70	30268.59	3026.86	33295.45
1987/88	33295.45	9035.40	24260.05	2426.00	26686.05
1988/89	26686.05	9035.40	17650.65	1765.07	19415.72
1989/90	19415.72	9035.40	10380.32	1038.03	11418.35*

@12% INTEREST	TOTAL CASH AVAILABLE	LESS ANNUAL REQUIRE.	DOLLARS LEFT	COMPOUNDED INTEREST @ 12%	TOTAL DOLLARS @ YEAR END
1985/86	36141.60	4517.70	31623.90	3794.87	35418.77
1986/87	35418.77	4517.70	30901.07	3708.13	34609.20
1987/88	34609.20	9035.40	25573.80	3068.86	28642.65
1988/89	28642.65	9035.40	19607.25	2352.87	21960.12
1989/90	21960.12	9035.40	12924.72	1550.97	14475.69*

@14% INTEREST	TOTAL CASH AVAILABLE	LESS ANNUAL REQUIRE.	DOLLARS LEFT	COMPOUNDED INTEREST @ 14%	TOTAL DOLLARS @ YEAR END
1985/86	36141.60	4517.70	31623.90	4427.35	36051.25
1986/87	36051.25	4517.70	31533.55	4414.70	35948.24
1987/88	35948.24	9035.40	26912.84	3767.80	30680.64
1988/89	30680.64	9035.40	21645.24	3030.33	24675.57
1989/90	24675.57	9035.40	15640.17	2189.62	17829.80*

@16% INTEREST	TOTAL CASH AVAILABLE	LESS ANNUAL REQUIRE.	DOLLARS LEFT	COMPOUNDED INTEREST @ 16%	TOTAL DOLLARS @ YEAR END
1985/86	36141.60	4517.70	31623.90	5059.82	36683.72
1986/87	36683.72	4517.70	32166.02	5146.56	37312.59
1987/88	37312.59	9035.40	28277.19	4524.35	32801.54
1988/89	32801.54	9035.40	23766.14	3802.58	27568.72
1989/90	27568.72	9035.40	18533.32	2965.33	21498.65*

\*TOTAL INTEREST AT YEAR'S END PER INTEREST RATE NOTED IN UPPER LEFT HAND CORNER OF EACH TABLE

## Attachment 3

## RECOMMENDED JOB LIST

	Total	Cumm. Total
	-----	-----
1. A. Complete posting and proof of labor	\$ 2,672*	\$ 2,672
B. Postpone staking fractions until after geologic work		
2. A. Prepare list of problems with mining claims and get opinion from John Lacy	3,920	6,592
B. Postpone amending claims unless John Lacy advises it		
3. Send cease and desist letter to Jack Branham and then pay no attention to him	343	6,935
4. Sample and assay mine dumps	14,293**	21,228
5. Map ore bearing dumps and calculate tonnage	5,240**	26,468
6. Plot assays of dump samples on 1" = 200' overlays	1,680**	28,148
7. Do check assays on Silver MAP results in Charleston Lead Mine	8,073*	36,221
8. Enlarge color air photo coverage to 1" = 200', do geologic and alteration map, and compile on computer (CAD)	6,540**	42,761

\* Applicable towards Federal work

\*\* Applicable towards State Prospecting  
Permit work requirement - \$27,753 against  
total requirement of \$36,141.60

-----  
DECISION POINT #1

If results are discouraging, the project can be terminated and the properties allowed to run their term and then return to the State and Federal governments. If results are encouraging, the program should continue. If the results are very positive, it may be possible to get mineral leases on the State

land, thus lowering holding costs. Also, the results can be presented to a mining company for a joint venture, lease, etc.

---

9.	Do geochemical and mercury soil gas survey on the State land	\$ 5,592	\$ 48,353
10.	Do rock chip channel assay survey on the State land	9,670	58,023
11.	Contour results of 9 & 10	5,600	63,623
12.	Interpret results and design drill program and make recommendations	5,600	69,223

---

DECISION POINT #2

- A. If negative - terminate project
- B. If positive
  - 1. Apply for mineral lease if not obtained at Decision Point #1
  - 2. Submit for joint venture, lease option, or other, or
  - 3. Raise equity capital, and
  - 4. Plan and execute shallow drilling program
  - 5. Ammend claims worth holding and drop those not worth holding
  - 6. Consider patent application for those claims of best mineral potential

---

13.	Stake fractions and file papers	1,810	71,033
14.	Draw true 1" = 500' claim map	2,325	73,358
15.	Prepare claim amendments, post in field, and file with county and B.L.M.	6,892	80,250

16. Execute drill program - 5,000' @ \$6/foot  
airtrack, assay and supervise \$ 30,000? \$110,250

17. Calculate result and make recommendations 10,000? 110,250

-----  
DECISION POINT #3

A. If negative, terminate and drop claims

B. If positive, repeat steps 1 through 6  
in Decision Point #2

-----  
18. Execute reserve drill program - 17,000'  
@ \$6/foot 100,000 210,250

19. Calculate results and make recommendations 10,000 220,250

-----  
DECISION POINT #4

A. If negative, quit

B. If positive:

1. Design small mine and heap leach

2. If very large, sell or joint  
venture, or raise large amount  
of capital for production

-----  
20. Place into production 500,000 720,250

# James A. Briscoe & Associates, Inc.

Exploration Consultants:

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

James A. Briscoe  
Registered Professional Geologist

Thomas E. Waldrip, Jr.  
Geologist/Landman

REGISTERED MAIL # *P176 202 181*

May 27, 1986

Michael Rice  
Natural Resource Planner  
Arizona State Land Department  
1624 West Adams  
Phoenix, AZ 85012

RE: Cancellation/release of bond for PP #08-83770, response to  
correspondence of May 15, 1986

Dear Mr. Rice:

Pursuant to your above referenced correspondence, please be  
directed to Permittee's 1985 Summary Report (on file in your  
office) for pertinent and requested information.

Data contained therein is somewhat meager. Economic conditions  
have deteriorated substantially since the holes were drilled.  
Subsequent exploration efforts were delegated elsewhere instead  
of the originally anticipated and planned priorities of logging  
and assaying.

Results for Prospecting Permit #08-83770 may be handled at your  
discretion.

Respectfully,

JAMES A. BRISCOE & ASSOCIATES, INC.

*Thomas E. Waldrip, Jr.*

Thomas E. Waldrip, Jr.  
Landman

TEW/ms

11/1

# James A. Briscoe & Associates, Inc.

Exploration Consultants:

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

James A. Briscoe  
Registered Professional Geologist

Thomas E. Waldrip, Jr.  
Geologist/Landman

May 29, 1986

Steve Halbert, Esq.  
James Stewart Company  
707 Mayer Central Building  
3033 N. Central  
Phoenix, AZ

RE: Geology and Land Research, Volume VI, Book 4

Dear Steve:

Last Friday, we mailed to your offices a notebook exactly like the one enclosed. However, at that time, I had not yet paginated it nor labeled it properly to fit into the bound volumes you already have. Hence, the enclosed report is to replace the one you now have.

At your convenience, I would appreciate your returning the untitled volume to me for labeling, and keep this one with your other volumes.

Also enclosed is an index for all of the volumes, in the event that you do not have one.

Thank you for your time and attention.

Sincerely,

JAMES A. BRISCOE & ASSOCIATES, INC.

Mardee A. Stewart

/ms

Enclosure

TOMBSTONE MINING DISTRICT, COCHISE COUNTY, ARIZONA

Geology and Land Research Index

		Pages	
		From	To
VOLUME I: GEOTECHNICAL REPORTS (Geology reports, geochemistry, assays, geophysics, and correspondence directly related to geology)			
Book 1:	Charleston Mine Area . . . . .	1	- 185
Book 2:	" " " . . . . .	185	- 363
Book 3:	" " " . . . . .	364	- 588
Book 4:	Charleston Mine Area (State of Maine Mine Area). . .	589	- 781
Book 5:	State of Maine Mine Area . . . . .	782	- 855
Book 6:	L. Courtland Lee Thesis. . . . .	856	- 975
Book 7:	Roger A. Newell Thesis . . . . .	976	- 1194
VOLUME II: GEOLOGIC MAPS (not completed)			
VOLUME III: DRILLING LOGS, REPORTS AND ASSAYS (Drillers reports, correspondence related to drilling)			
Book 1:	Charleston Mine Area . . . . .	1	- 238
Book 2:	Charleston Mine and Vicinity . . . . .	239	- 384
VOLUME IV: MINING CLAIM LOCATION NOTICES (Claimants maps)			
Book 1:	James Stewart Claims . . . . .	1	- 184
Book 2:	Claim Groups, Miscellaneous Claimants. . . . .	185	- 512
Book 3:	" " " " . . . . .	513	- 697
Book 4:	" " " " . . . . .	698	- 946
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VOLUME V: ASSESSMENT RECORDS AND TITLE SEARCHES			
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VOLUME VI: MISCELLANEOUS LAND STATUS (Land maps - Federal, State, local, client indices, maps & assessor's plats, general correspondence and budgets, land status reports, schedules and expenditures)			
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# James A. Briscoe & Associates, Inc.

Exploration Consultants:

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

James A. Briscoe  
Registered Professional Geologist

Thomas E. Waldrip, Jr.  
Geologist/Landman

May 31, 1986

David Sawyer, Geologist  
U. S. Geological Survey  
MS 903, Box 25046  
Denver, CO 80225

David Sawyer, Geologist  
Antlers Ranch  
P. O. Box 310  
Creede, CO 81130

RE: Proposal for cooperative investigative work, Tombstone caldera, Tombstone Mining District, Cochise County, Arizona

Dear David:

To enlarge on our telephone conversation of yesterday, I would like to see if we could catalyze some earlier activity by the U. S. Geological Survey, specifically by you and/or Pete Lipman in studying the Tombstone caldera. The reason for this, as I described in our telephone conversation, is that the U. S. Bureau of Land Management has acquired the Boquillas y Nogales and San Rafael land grants, previously belonging to Tenneco, along the San Pedro River valley. This 67.8 square mile area, which approximately bisects the Tombstone caldera, will be a riparian wild life preserve. Hydrothermal alteration probably associated with porphyry copper systems occurs near Charleston, and possibly elsewhere within the reserve area. I think that at least as much effort in identifying the geologic parameters of the preserve, should be expended as the efforts for the ecological and anthropological, archeological, etc. aspects. The B.L.M. will be conducting a two year study of the reserve, to determine exactly how to manage it. I am enclosing some information from the B.L.M. with this letter.

As you know, I have been active in the Tombstone district on a sporadic basis for about 10 years, and have various clients within the district. One, the James Stewart Company, controls land immediately adjacent to the B.L.M. preserve. The James Stewart Company has spent a substantial amount of money over the last 25 years in the area, and has acquired a considerable amount of deep drill core which penetrates as deeply as 5,000 feet, penetrating both the Uncle Sam tuff and Bisbee section, bottoming in the upper Paleozoic within the Robbers Roost breccia pipe area. I have obtained permission from Mr. Seth Horne, President of the James Stewart Company, to provide any

David Sawyer  
U. S. Geological Survey  
May 31, 1986  
Page 2 of 3

and all information in their possession to qualified investigators of the U.S.G.S., the Arizona Geological Survey, and the University of Arizona. In addition to this information, I have a considerable accumulation either on my own or from other clients who are similarly disposed. Further, there is old Newmont drill core dating from the fifties that is still stored on the Tombstone Development Company ground, just south of the Tombstone townsite. I believe this would also be available to you. In general summary, the information available to you would include:

- \* Complete coverage of the Tombstone 15 minute quadrangle area in high quality, stereo coverage, color aerial photography at a scale of 1" = 2,000', flown in 1973, along north-south flight lines. This photography quality is such that enlargements to 1" = 100' can be made from it.
- \* High quality color stereo coverage over the State of Maine Mine area - approximately 10 square miles - two over flights, one at 1" = 2,000' and one at 1" = 500', flown in 1985. The 500 foot photography can easily be enlarged to 1" = 50'. This survey includes ground control and a photogrammetric map at 1" = 200', covering the entire State of Maine area, and 1" = 50' covering the central portion.
- \* All existing drill core from the Robbers Roost and Charleston Lead Mine area - recently re-boxed.
- \* All known existing geologic maps of the district, including a 1" = 200' recompilation map of the 1938 Butler Wilson Report, including underground workings.
- \* Some geochemical data from the State of Maine area, circa 1973.
- \* Access to geochemical sampling now underway in the Charleston Lead Mine area.

Dr.'s John Guilbert, John Sumner, and Dr. Larry Fellows, respectively from the University of Arizona and the Arizona Geological Survey, have expressed a preliminary interest in a cooperative study of the Tombstone district. I would of course be happy to cooperate in any fashion possible.

David Sawyer  
U. S. Geological Survey  
May 31, 1986  
Page 3 of 3

I am also including with this letter, a copy of a letter from Harald Drewes concerning an age dated sample on a previously unrecognized intrusive in the Tombstone area, for your interest.

Let me know what else can be done to get this underway. I look forward to the opportunity of working with you.

Very truly yours,



James A. Briscoe

JAB/ms

Enclosures

# James A. Briscoe & Associates, Inc.

Exploration Consultants:

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

James A. Briscoe  
Registered Professional Geologist

Thomas E. Waldrip, Jr.  
Geologist/Landman

May 31, 1986

Dr. John Gilbert  
740 W. Las Lomas  
Tucson, AZ 85705

Dear John:

Enclosed is a self explanatory letter posted recently to David Sawyer. I hope that you will still have an interest in pursuing a cooperative investigation at Tombstone, such as I have outlined to Dave.

Give me a call when you can.

Best personal regards,

  
James A. Briscoe

JAB/ms

Definitely. I'll be back in town  
after June 19 for the rest of June and  
all of July. I'll call.



# James A. Briscoe & Associates, Inc.

Exploration Consultants:

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

James A. Briscoe  
Registered Professional Geologist

Thomas E. Waldrip, Jr.  
Geologist/Landman

June 9, 1986

Wally Platt, Geologist  
Newmont Exploration Ltd.  
200 W. Desert Sky Road  
R.R. #6  
Tucson, AZ 85704

RE: Transmittal of UNC Silver MAP assays for the Robbers Roost breccia pipe - Charleston Mine area, Tombstone Mining District, Cochise County, Arizona

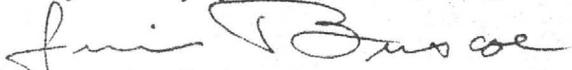
Dear Wally:

Enclosed with this transmittal letter are United Nuclear Corporation Metal Analysis Probe (UNC Silver MAP) portable x-ray fluorescence assays for the north trench and the south trench, which lie on property controlled by James A. Briscoe & Associates, Inc. Additionally, we have assays from the Mustang vein, which we believe to be entirely controlled by the James Stewart Company. I am also including assays from 17 drill holes, also taken by the Silver MAP. For the drill holes, the MAP analysis was done by holding plastic containers of drill hole cuttings over the MAP face scanner and reading them for 1 minute. I am also enclosing with this data, a color photographic reproduction of our property map covering this area. The James A. Briscoe & Associates, Inc. ground is shown in light pink, the James Stewart Company ground is shown in green with patented claims in brown, the Alanco ground in yellow, and ground controlled by the Escapule family in various shades of blue.

I will also submit to the Newmont preparation lab, drill hole cuttings representing the assay intervals showing +1 ounce silver, as indicated by the Silver MAP.

It is my understanding that you will be taking check samples from the same intervals of the trenches as assayed by the Silver MAP. Of course we will be interested in those results. Additionally, I would like to have the colored property map returned to me when you are through with it. The xerox copies of the MAP data you are welcome to keep for your files.

Very truly yours,



James A. Briscoe

JAB/ms

Enclosures

*Stew*

RECEIVED

JUN 16 1986

JAMES STEWART CO.

Rev. 6/19/86  
*JBB*

June 11, 1986  
Rt. 2, Box 542  
Sierra Vista, Az. 85635

James Stewart Company  
3033 N. Central Avenue  
Phoenix, Az. 85012

ATTENTION: STEVE HALBERT

Dear Sir:

I am very concerned about your act of trespassing to stake claims in the Tombstone Mining District. You have trespassed on nine valid claims with your claims called the "Jared". While some of the Jared Claims may be valid claims, you have willfully trespassed and staked over my valid claims known as Kyote #1 through Kyote #9. These claims lie on the whole SW $\frac{1}{4}$  boundary and 1500' N; the same on the SE $\frac{1}{4}$  of Sec. 6, 21S, 22E.

In other words, if someone had bothered to look, the existing stakes spoke for themselves, as well as the proper documentation on file in the County Recorder's Office and the BLM Office. If you wish to check for further information, you may check the BLM Office. The serial numbers for these claims are AMC209341 through AMC309349.

You were notified by telephone and now by certified letter - all the claims you have posted on this land are now at my disposal. If you are interested in these claims, you may purchase them reasonably, instead of trying the wrong approach of claim-jumping. Before your people trespassed, my markers were in very good shape, as witnessed by several very reliable people.

We hope no further action will be necessary with regard to the trespassing on the valid claims in question.

Sincerely,

*Jack Branham*

Jack Branham

# James A. Briscoe & Associates, Inc.

Exploration Consultants:

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

James A. Briscoe  
Registered Professional Geologist

Thomas E. Waldrip, Jr.  
Geologist/Landman

June 19, 1986

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

RE: Registered letter from Jack Branham, June 11, 1986

Dear Steve:

Tom and I have reviewed the letter from Jack Branham, which you gave to us during our trip to Tombstone yesterday. Tom feels there is no reason to take exception, because of Branham's letter, to the background and opinions which we transmitted to you in our reports of last month (contained in Volume VI, Book 4). As we mentioned yesterday, the situation because of the James Stewart Company failure to file assessment work for two years on the Jared claims, is far from clear. We really need some legal advice on this, and it could even require litigation to clarify it. However, at this point we feel that the James Stewart Company has at least as much right to the ground as does Branham, and probably more.

The most important thing for us to do next is to sample and geologically map the Jared area to determine whether there is any significant near surface precious metal mineralization there. The breccia pipes which we looked at yesterday (which Tom discovered during the Jared work), considerably increases my degree of enthusiasm about the area. I feel that we should proceed with my proposal to sample mine dumps and rock outcrops, as well as do geologic and alteration mapping.

Until we have definite technical encouragement vis-a-vi assays and geologic maps, we shouldn't spend any money arguing with Branham.

Please let me know what decisions have been reached at your earliest convenience.

Best regards,



James A. Briscoe

JAB/ms

For Filing  
P-111-01

# JAMES STEWART COMPANY

REAL ESTATE INVESTMENTS AND DEVELOPMENT

707 MAYER CENTRAL BUILDING

3033 NORTH CENTRAL AVENUE • PHOENIX, ARIZONA 85012

602-264-2181

June 16, 1986

Mr. James A. Briscoe  
James A. Briscoe & Associates, Inc.  
5701 East Glenn Street - Suite 120  
Tucson, Arizona 85712

Dear Jim:

Enclosed please find a copy of the written response made by Jack Branham regarding the Jared vis-a-vis the Kyote claims. Your advice in this matter is greatly appreciated.

Call me when you have had a chance to digest Jack's letter.

Sincerely,



Steven M. Halbert  
Asst. to M. S. Horne

SMH:ef  
Encl.

# James A. Briscoe & Associates, Inc.

Exploration Consultants:

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

James A. Briscoe  
Registered Professional Geologist

Thomas E. Waldrip, Jr.  
Geologist/Landman

June 20, 1986

M. Seth Horne, President  
Steve Halbert, Esq.  
James Stewart Company  
707 Mayer Central Building  
3033 N. Central  
Phoenix, AZ

RE: Telephone conversation of June 20, 1986

Dear Seth & Steve:

The James Stewart Company claims at Tombstone appear to be favorably situated within the recently recognized Tombstone caldera. Adjacent to and east and south of the Charleston Lead Mine occur what I believe to be coalescing rhyolite domes. Recent studies suggest this is a favorable environment for epithermal mineralization - possibly gold and/or silver. Further south on the south end of the new Jared claims, we have discovered a previously unrecognized area of intensely silicified breccia pipe material composed of silica and fragments of Bisbee group sediments, apparently brought up from depth. The general terrain is Bronco andesites. Several of the breccia pipes lie off the Jared claims on U. S. Department of Reclamation water withdrawal sites. These withdrawal sites are obsolete and should be brought back into the jurisdiction of the U. S. Bureau of Land Management, and would be locatable by federal mining claim. These breccia pipes could contain gold. In addition, there is a large, irregular area of red alteration in the andesites along the south edge of the James Stewart Company claims, and also in areas of federal water withdrawal sites.

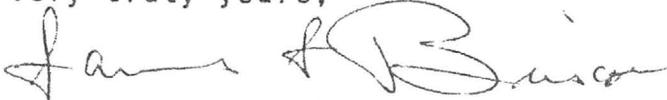
As a result of UNC Silver MAP assaying in the Charleston pit, done two years ago, we already have encouraging indications of silver mineralization there. Unfortunately, for most of the James Stewart Company claim area, we have essentially no surface information (i.e. assays or surface geology). Thus, I think it is most important to sample existing dumps and breccia pipes, as well as do geologic mapping to determine whether there are additional breccia pipes or areas of interesting mineralization so far overlooked. If we can get any encouraging gold assays, this would be exceedingly positive towards attracting interest by mining companies in your claims.

M. Seth Horne  
Steve Halbert  
James Stewart Company  
June 20, 1986  
Page 2 of 2

After monumentation is complete, I would suggest we proceed in picking up samples from the mining dumps on state land as time permits. Our time will be limited for the remainder of the summer, but we can devote some time to this effort. If we are able to collect and submit the samples for preparation by the Newmont sample prep laboratory, we can then send them in for assay starting September 1. It will probably take until mid- to late September before we get the assay results back, they will then have to be plotted and interpreted. We could then go on with the next phase of sampling, as time permits. All of this work would then be applicable to state or federal assessment work.

Using this proposed schedule for Phase I, which is a modification based on your \$5,000 increment expenditures, approximately \$30,000 in \$5,000 increments or less would be required, and is detailed on Attachment 1. As our field trailer, which has been located at Tombstone for the last year, will be used out of state on another project, our food and lodging costs will probably be increased somewhat.

Very truly yours,



James A. Briscoe

JAB/ms

Attachment

# ATTACHMENT 1

THE FOLLOWING IS A BEST EFFORTS ESTIMATE:

	Cost	Approximate Time Schedule
Phase I		
1. Complete posting and proof of labor	\$ 2,682	July, 1986
2. Sample and assay mine dumps \$14,293		
Map ore bearing dumps and calculate tonnage \$5,240		
Breaking it into \$5,000 increments:		
Pick up dump samples & assay		
A. Dump samples, assaying & letter report	5,000	Aug/Sept 1986
B. Dump samples, assaying	5,000	Sept/Oct 1986
C. Dump samples, assaying	5,000	Oct/Nov 1986
	\$15,000	
3. Map ore bearing dumps & plot reserves		
D.	5,000	December 1986
4. Plot assays of dump samples on 1" = 200' overlays & report	2,000	January 1987
5. Enlarge color air photos to 1" = 200', do geologic, mineralogic, alteration & structural geology on color air photo base	5,000	February 1987
6. CAD compile above & write interim report - completion of Phase I	3,000	March 1987
	\$30,000	

If results are encouraging, go on to Phase II

Folks: Write Pete directly if interested - WRD

U. S. GEOLOGICAL SURVEY  
BOX 25046, MS 913  
DENVER FEDERAL CENTER  
DENVER, COLORADO 80225  
(303) 236-1020

File: Tombafove MD.  
Cochise Co; Az  
Home file

M E M O R A N D U M

July 01, 1986

To: Interested folks  
From: Peter Lipman and David Sawyer  
Subject: Fall field conference: Mesozoic-Cenozoic volcanic and  
plutonic rocks of SE Arizona (Sept. 28 - Oct. 3)

Response to the proposed Arizona field conference has been enthusiastic, and about 20 people from the USGS, University of Arizona, Arizona Bureau of Geology, and Stanford University indicate probable participation. Tentative participation and availability of vehicles are listed on page 3; please keep us informed of pending changes. We will send any late details about route, accommodations, etc, in a final mailing in early September. We will use 4-wheel drive vehicles, make field lunches, and stay in inexpensive motels.

The late Sept time proposed for the conference is aimed to permit USGS participants to utilize either FY86 or FY87 funds, as available. Although the weather will be on the hot side, especially in the Tucson area, this date is preferred by about half the probable USGS participants for budgetary reasons.

The proposed conference is intended to visit critical areas of Jurassic to early Tertiary rocks where recent reconnaissance by Lipman, Sawyer, and others suggests further work would be productive (see tentative route). No detailed recent work has been done in most of these areas, and the conference necessarily will be exploratory rather than definitive.

Dave Sawyer is willing to show interested people around the late Cretaceous Silver Bell caldera and associated porphyry copper deposit on Sunday Sept. 27, the day before beginning of the main conference. This area, which is within about an hour's drive of Tucson and has already been visited by many of us, provides "ground truth" for some recon interpretations of areas that we will visit later. Let us know on the accompanying sheet if interested.



SE ARIZONA FIELD CONFERENCE: TENTATIVE ITINERARY  
(subject to change due to weather/participant interest)

[Sun (9/28): Pre-conference day trip to Silver Bell Mtns, led by D. Sawyer. Leave from Tucson early morning.]

Sun (9/28): Participants for main conference arrive in Tucson late in day; get together for dinner and planning session at motel (Franciscan Inn)

Mon (9/29): Tucson Mtns: caldera-filling Upper-K Cat Mtn Rhyolite and associated breccia of Tucson Mtn "Chaos"; intracaldera Amole pluton; Jurassic welded tuff previously interpreted as intrusive in Brown Mtn area. Overnight in Tucson (Franciscan Inn).

Tues (9/30): Thick Upper-K welded tuff of Salero Fm and enclosed blocks up to kilometers across interpreted by us as caldera fill, in eastern Santa Rita Mtns; Red Boy Rhyolite (welded tuff) and associated andesites also interpreted as caldera fill, and Ruby Star granodiorite interpreted as crystallized subcaldera magma chamber in Sierrita Mountains. Overnight back in Tucson (Franciscan Inn).

Wed (10/1): Outflow stratigraphy and inferred caldera sources for 3 petrologically distinct Jurassic welded tuff sheets in the Canelo Hills, Huachuca, and Mustang Mountains. Problem of local volcano-related vs regional stratigraphic significance of Glance Conglomerate. Overnight in Sierra Vista (Village Inn Motel).

Thurs (10/2): Inferred caldera setting for Upper-K Uncle Sam Porphyry (welded tuff) and associated Schiefflin Granodiorite in Tombstone Hills. Stratigraphy of Upper-K Sugarloaf Tuff, inferred caldera fragment (Jurassic?) containing large Paleozoic blocks in tuffaceous matrix, and relation to previously interpreted intricate regional thrusting in Courtland-Gleeson area. Overnight in Willcox (Travel Lodge)

Fri (10/3): Stratigraphic and structural features of upper part of thick Cretaceous volcanics in Dos Cabezas Mountains: interpreted intracaldera origin of pyroclastic breccias previously considered as intrusive, and relation to mineralized granitic stocks. Optional break in early afternoon, to return to Tucson airport in time for latest flights to Denver or San Francisco.

*Note Date*Tentative Participants:

		<u>Full conf.</u>	<u>Part conf.</u>	<u>Vehicle</u>
1.	P. Lipman, CRG, Denver	yes		yes
2.	D. Sawyer, CRG, Denver	yes		
3.	G. Izett, CRG, Denver	probable		
4.	K. Hon, BEM, Denver	yes		
5.	C. Thorman, CMR, Denver	probable		
6.	H. Drewes, CMR, Denver	yes		yes
7.	E. duBray, CMR, Denver	yes		yes
8.	K. Evans, CMR, Denver	yes		
9.	D. Bovie, BEM/CRG, Denver	probable		
10.	C. Nutt, BEM/CRG, Denver	probable		
11.	J. Pallister, IGP, Denver	yes		yes
12.	P. Muffler, IGP, Menlo	maybe		
13.	J. Hagstrum, BIG, Menlo	yes		
14.	R. Ayuso, EMR, Reston	yes		
15.	R. Criss, BIG, Reston	probable		
16.	C. Thornbur, IGP, Reston	probable		
17.	W. Duffield, IGP, Flagstaff		Tucson	yes
18.	S. Beard, CRG, Flagstaff		Tucson	
19.	D. Richter, CMR, Winston	maybe		yes
20.	R. Moore, IGP, Hawaii	yes		
21.	C. Fridrich, Stanford U	yes		
22.	W. Dickinson, U Ariz.		Canelo H	yes
23.	C. Krebs, U Ariz.		Canelo H	
24.	M. Klute, U Ariz.		Canelo H	
25.	S. Reynolds, Ariz B M&G	probable		yes

FRANK H. MURKOWSKI, ALASKA, CHAIRMAN

ALAN K. SIMPSON, WYOMING  
STROM THURMOND, SOUTH CAROLINA  
ROBERT T. STAFFORD, VERMONT  
ARLEN SPECTER, PENNSYLVANIA  
JEREMIAH DENTON, ALABAMA  
RUDY BOSCHWITZ, MINNESOTA

ALAN CRANSTON, CALIFORNIA  
SPARK M. MATSUNAGA, HAWAII  
DENNIS DeCONCINI, ARIZONA  
GEORGE J. MITCHELL, MAINE  
JOHN D. ROCKEFELLER IV, WEST VIRGINIA

ANTHONY J. PRINCIPI, CHIEF COUNSEL/STAFF DIRECTOR  
JONATHAN R. STEINBERG, MINORITY CHIEF COUNSEL  
STAFF DIRECTOR

# United States Senate

COMMITTEE ON VETERANS' AFFAIRS  
WASHINGTON, DC 20510

July 18, 1986

Mr. Tom Waldrip  
4426 E. Patricia  
Tucson, Arizona 85712

Dear Tom:

Enclosed please find a copy of S. 2442 which pertains to the establishment of a San Pedro Reparian National Conservation Area in Cochise County, Arizona. As you may recall, you requested a copy of this bill from me at the Bureau of Land Management meeting of June 11, 1986.

Please accept my apology for the delay in responding to your request; it was necessary for me to obtain copies of this request through our Washington office, thus a delay was created.

In the future, as additional information regarding the San Pedro National Conservation Area becomes available to me, I will promptly forward such information on to you. Thank you for your interest in the San Pedro River lands and if I may be of any further assistance to you, please do not hesitate to contact me.

Sincerely,

  
RANDOLPH L. DOWNER  
Assistant to  
Dennis DeConcini  
United States Senator

Enclosure  
RD/L



BRUCE BABBITT  
GOVERNOR

Arizona  
State Land Department

1624 WEST ADAMS  
PHOENIX, ARIZONA 85007

✓  
for  
9/13/86



OFFICE OF  
STATE LAND COMMISSIONER

August 21, 1986

James A. Briscoe  
5701 E. Glenn #120  
Tucson, AZ 85712

Re: 08-91639

Dear Mr. Briscoe:

In regard to your renewal year exploration efforts, please be reminded of the required filing of a Plan of Operation. Because plan approvals are limited to an operating period of one year or less, there is no plan on file which extends to include your renewal period operations. As such, you must submit the enclosed form prior to completing any additional work on the property.

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

Sincerely,

Michael Rice  
Natural Resource Planner  
Nonrenewable Resources  
& Minerals

MJR/plp  
enc.

**JIM KOLBE**  
5TH DISTRICT, ARIZONA

BANKING, FINANCE AND  
URBAN AFFAIRS  
COMMITTEE

COMMITTEE ON  
SMALL BUSINESS

SELECT COMMITTEE  
ON AGING



**Congress of the United States**  
**House of Representatives**  
**Washington, DC 20515**

*File: Tombstone MD  
Cochise Co., AZ  
Home  
Progress*

WASHINGTON OFFICE:  
1222 LONGWORTH HOUSE OFFICE BUILDING  
WASHINGTON, DC 20515  
(202) 225-2542

ARIZONA OFFICES:  
4444 E. GRANT ROAD, SUITE 125  
TUCSON, AZ 85712  
(602) 323-1467  
TOLL FREE: 1-800-824-7844

222 COTTONWOOD LANE, SUITE 113  
CASA GRANDE, AZ 85222  
(602) 836-6364

77 CALLE PORTAL, SUITE B-160  
SIERRA VISTA, AZ 85635  
(602) 459-3115

August 24, 1986

Jim Briscoe  
5701 E. Glenn #120  
Tucson, Arizona 85712

Dear Jim:

Thank you for attending the Tucson town hall meeting on July 12, 1986. I appreciate you coming to the town hall and sharing your ideas on the important issues facing the federal government today.

The discussions on Saturday were among the most wide ranging and stimulating that I have had at a town hall meeting. We had a lively dialogue about a number of subjects: the 1987 budget, tax reform, continued funding for the Central Arizona Project, and military and civil service retirement. International concerns- the Central America situation and the question of sanctions against South Africa- were the major topics.

As your representative, I will be facing some difficult decisions in the last few months of this session of Congress. Talking with you helps me make more informed decisions. Lets stay in touch about the issues before Congress. I always appreciate having your suggestions and ideas. Thanks again for taking the time from your weekend schedule to talk to me.

Sincerely,

*Jim Kolbe*  
Jim Kolbe  
Member of Congress

JK:Cj

# James A. Briscoe & Associates, Inc.

Exploration Consultants:

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

James A. Briscoe  
Registered Professional Geologist

Thomas E. Waldrip, Jr.  
Geologist/Landman

CERTIFIED MAIL # P 176 202 168

September 26, 1986

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

RE: Filing and Request for Recording of 1986 Annual Assessment documentation for the T.S., T.S.A., Apache, Horne, Stewart, and Suiter lode mining claim groups, Tombstone Mining District, Cochise County, Arizona

Dear County Official:

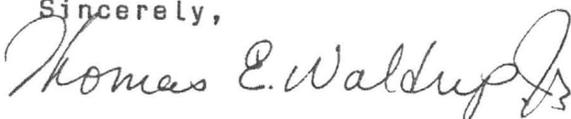
Please find enclosed the following documents to be recorded in your county:

1. Proof of Annual Labor document for the T.S. group of lode mining claims, owned by James A. Briscoe & Associates, Inc., consisting of 5 pages.
2. Proof of Annual Labor document for the T.S.A. group of lode mining claims owned by James A. Briscoe & Associates, Inc., consisting of 4 pages.
3. Proof of Annual Labor document for the combined Apache, Horne, Stewart and Suiter lode mining claim groups, owned by James Stewart Company, consisting of 6 pages (please note the Suiter Group consists of individually named claims).

A James A. Briscoe & Associates, Inc. check, #3942, in the amount of \$43.00 has been included to cover recording fees. After recording, please return the documents in the stamped and self addressed envelope provided.

Thank you for your time and attention.

Sincerely,



Thomas E. Waldrip, Jr.

TEW/ms

Enclosure: Proof T.S.  
Proof T.S.A.  
Proof Apache, Horne, Stewart & Suiter

S.A.S.E.  
5701 East Glenn Street, Suite 120/Tucson, Arizona 85712/602-721-1375  
JABA, Inc. check #3942

# James A. Briscoe & Associates, Inc.

Exploration Consultants:

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

James A. Briscoe  
Registered Professional Geologist

Thomas E. Waldrip, Jr.  
Geologist/Landman

CERTIFIED MAIL #P 314 383 316

October 21, 1986

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

RE: Request for recording Notices of Abandonment, <sup>T.S. & S.H.M.</sup> Lode Mining Claims

Dear County Official:

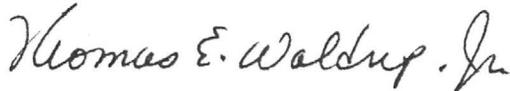
Please find enclosed the following documents to be recorded in your county:

1. T. S. Lode Claim Group - Notice of Abandonment (a portion of the claim group)
2. S.H.M. Lode Claim Group - Notice of Abandonment

A James A. Briscoe & Associates, Inc. check, #4003 in the amount of \$24.00 has been included to cover recording fees. After recording, please return the documents in the stamped and self addressed envelope provided.

Thank you for your time and attention.

Sincerely,



Thomas E. Waldrip, Jr.

TW/ms

Enclosure: T.S. Notice  
S.H.M. Notice  
JABA, Inc. Check  
S.S.A.E.

# James A. Briscoe & Associates, Inc.

Exploration Consultants:

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

James A. Briscoe  
Registered Professional Geologist

Thomas E. Waldrip, Jr.  
Geologist/Landman

October 27, 1986

Michael Rice  
Natural Resource Planner  
Arizona State Land Department  
1624 West Adams  
Phoenix, AZ 85007

RE: Prospecting Permit #08-87063 - Bond Release

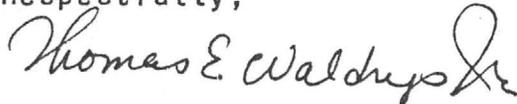
Dear Mike:

Pursuant to your correspondence of October 20, 1986, reference above prospecting permit, all information regarding drilling has been previously transmitted in report form accompanying our application for renewal in 1985, on this area (please refer to copy of Summary Report attached herewith).

In light of the declining silver price, our exploration funds directed toward assay work on these holes was directed elsewhere. However, semi-qualitative assay results were obtained using a UNC portable Silver MAP Assay Unit on drilled samples. All intervals assayed less than two ounces per ton (OPT) silver, with a majority being less than 1.00 OPT silver. This range of results falls within an area of lower detection for the UNC Silver MAP unit. Follow up fire assays on selected samples taken elsewhere suggest that this range of results using the Silver MAP are actually high, with fire assays indicating non-detectable results on all samples in this range.

In conclusion, our only results are negative, and of no interest.

Respectfully,



Thomas E. Waldrip, Jr.  
Geologist/Landman

TEW/ms

## SUMMARY REPORT

This report is filed in compliance with the annual exploration expenditure, and is made a part thereof, for Arizona Prospecting Permit number 09-87063, more particularly described as Lot 2, SW1/4, NW1/4 SE1/4, Sect. 8, Twp.20S., Rge.22E. G.&S.R.B.M., consisting of 236.76 acres. The cost of the geological, geochemical and geophysical studies directly applicable to the above described area exceeded \$2,400.00, and was paid for by the holders of subject permit, (see substantiation of expenditure, Attachment 2).

Work was performed over the entire permit area to evaluate, delineate, and extend, by scientific principles, suspected areas of valuable mineral content contained therein. The work for this assessment year consisted of, but was not limited to:

1. Geologic reconnaissance and mapping of alteration and rock types, leached capping and fracturing.
2. The drilling of 2 drill holes using a 4 3/4" down-the-hole hammer drill. Approximately 100% of the resulting rock cuttings were collected in a vacuum cyclone sampler. All the drill cuttings were collected from each 5' run, and the hole blown clean. The cyclone was then purged, and the sample split thru a Jones riffle splitter until a 1 quart sample size was obtained. This 1 quart sample was labeled and boxed for future reference and assay. Two vertical holes were drilled and sampled as described above. These were TDC #16, 125' deep; and TDC #17, 130' deep.
3. Cuttings from each hole were glued to a "Core Board" at a scale of 1" = 10', using a coarse fraction, fine fraction and a panned fraction. These cuttings were then examined under a binocular microscope and the rock and alteration characteristics of the hole logged.

This work was performed throughout the period from January 1 to March 9, 1985, by James A. Briscoe & Associates, Inc., 5701 E. Glenn St., #120, Tucson, Arizona 85712, telephone (602) 721-1375, agents for the holders of subject permit, under the direct supervision of James A. Briscoe, a Registered Professional Geologist for 14 years in the State of Arizona, (No. 9424) with degrees from the University of Arizona (B.S. Geology, M.S. Geology, 1967). Other persons performing work upon said permit area were:

Jeff Ritenhour, Driller,  
Bob Christman, Sampler and  
Charles Escapule, Owner  
All of Tombstone Silver Mines, Inc., P. O. Box 715, Tombstone, Arizona  
85638; and  
Daniel B. Adams, 2504 Sandler NE., Albuquerque, NM 87112

These basic findings to date have been determined from the studies:

### Drill Hole TDC #16 - Vertical:

TDC #16 was collared in weak to moderately altered Laramide-Uncle Sam Tuff. In outcrop and drill section, this porphyritic tuff is light gold to tan in color, and is limonitically stained. At 50' black, fresh unaltered, porphyritic Uncle Sam Tuff was encountered. This rock type remained to 105', wherein altered tuff, much like encountered in the upper part of the hole, was again encountered, to a total depth of 125'. No sulfides were observed in the hole.

### Drill Hole TDC #17 - Vertical:

TDC #17 was collared in weak to moderately altered porphyritic Uncle Sam Tuff. At 65' a vein zone was encountered. This zone is composed of strongly argillized Uncle Sam Tuff, showing moderate amounts of limonite/hematite after pyrite and black manganese oxides. The hole bottomed in this latter described altered vein material at 135'.

All technical work, maps, and results, are open to inspection by appointment at James A. Briscoe & Associates, Inc.'s office at 5701 E. Glenn St., #120, Tucson, Arizona 85712, attention, Mr. James A. Briscoe, President.

# James A. Briscoe & Associates, Inc.

Exploration Consultants:

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

James A. Briscoe  
Registered Professional Geologist

Thomas E. Waldrip, Jr.  
Geologist/Landman

CERTIFIED MAIL #P498 523 912

October 20, 1986

U. S. Department of the Interior  
Bureau of Land Management  
Arizona State Office  
Mining Claims Section  
P. O. Box 16563  
Phoenix, AZ 85011

RE: Filing of evidence of yearly assessment work for mining claims in Arizona for the 1986 calendar year

Dear B.L.M. Official:

Please find enclosed county recorded evidence of yearly assessment work for the calendar year of 1986, for the following claim groups:

CLAIM GROUP(S) NAME	TYPE OF DOCUMENT	CLAIM GROUP OWNER
1. T. S. Lode Claim Group	Proof of Labor	James A. Briscoe & Assoc., Inc.
2. T.S.A. Lode Claim Group	Proof of Labor	James A. Briscoe & Assoc., Inc.
3. Apache, Horne, Stewart & Suiter* Lode Claim Groups	Proof of Labor (contiguous claims combined as one document)	James Stewart Company

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

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

Thank you.

Sincerely,

*Thomas E. Waldrip, Jr.*

Thomas E. Waldrip, Jr.

TEW/ms

Enclosures: T.S. Proof  
T.S.A. Proof  
Apache, Horne, Stewart & Suiter Proofs



# James A. Briscoe & Associates, Inc.

Exploration Consultants:

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

James A. Briscoe  
Registered Professional Geologist

Thomas E. Waldrip, Jr.  
Geologist/Landman

CERTIFIED MAIL #P 176 202 173

October 30, 1986

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

RE: Forwarding the original 1986 county recorded assessment documentation for the Apache, Horne, Stewart and Suiter lode claim groups, owned by James Stewart Company, Tombstone/Charleston Project, Cochise County, Arizona

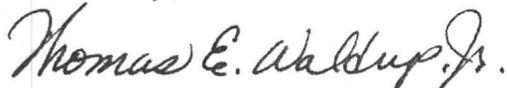
Dear Steve:

Please find enclosed for your company's records the originally recorded assessment documents for the 1986 calendar year for the following James Stewart Company claim groups:

1. Apache, Horne, Stewart & Suiter Claim groups. Proof of Labor (combined as one document), Tombstone/Charleston, Cochise County, Arizona

This document has been filed and recorded in the records of the appropriate county recorder's office, and is, concurrently with this correspondence, being forwarded to the assigned office of the Bureau of Land Management. To my knowledge, this completes all filing requirements for the 1986 calendar year on claims held by the James Stewart Company in the Tombstone Mining District.

Sincerely,



Thomas E. Waldrip, Jr.

TEW/ms

Enclosures: Apache, Horne, Stewart, Suiter Proof

# James A. Briscoe & Associates, Inc.

Exploration Consultants:

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

James A. Briscoe  
Registered Professional Geologist

Thomas E. Waldrip, Jr.  
Geologist/Landman

STATEMENT DATE: NOVEMBER 28, 1986

CLIENT: TOMBSTONE SILVER MINES, INC.

PROJECT: 114-1

	DEBIT	CREDIT	BALANCE
06/01/86 BALANCE DUE			20308.76
06/30/86 INTEREST FOR JUNE	304.63		20613.39
07/31/86 INTEREST FOR JULY	309.20		20922.59
08/26/86 BOOKKEEPING SERVICES	177.80		21100.39
08/31/86 INTEREST FOR AUGUST	313.84		21414.23
09/30/86 INTEREST FOR SEPTEMBER	321.21		21735.44
10/31/86 INTEREST FOR OCTOBER	326.03		22061.48
11/28/86 INTEREST FOR NOVEMBER	330.92		22392.40
TOTAL BALANCE CURRENTLY DUE			22392.40

F. E. Jas.  
Stewart Co.

# James A. Briscoe & Associates, Inc.

Exploration Consultants:

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

James A. Briscoe  
Registered Professional Geologist

Thomas E. Waldrip, Jr.  
Geologist/Landman

STATEMENT DATE: NOVEMBER 28, 1986  
CLIENT: JAMES STEWART COMPANY  
PROJECT: 111-1(S) TOMBSTONE-STATE GROUND

PAGE 1 OF 1

## PROFESSIONAL FEES

STANDARD RATES WITH VOLUME DISCOUNT

WEEK ENDING		J. A. BRISCOE \$37.5/HR	T. E. WALDRIP \$37.5/HR	M. A. STEWART \$15.0/HR	TOTAL HOURS	TOTAL CHARGES	TOTAL CATEGORY CHARGES
09/19/86	HOURS->	0.00	0.50	0.00	0.50	18.75	
09/26/86	HOURS->	0.50	2.75	1.50	4.75	144.38	
10/03/86	HOURS->	0.00	0.25	0.50	0.75	16.88	
10/17/86	HOURS->	0.25	0.00	0.00	0.25	9.38	
10/24/86	HOURS->	5.00	1.00	0.00	6.00	225.00	
10/31/86	HOURS->	1.25	6.50	1.00	8.75	305.63	
11/07/86	HOURS->	12.00	13.50	0.00	25.50	956.25	
11/14/86	HOURS->	0.75	1.50	0.00	2.25	84.38	
11/21/86	HOURS->	0.00	0.00	1.50	1.50	22.50	
11/28/86	HOURS->	0.00	0.00	1.00	1.00	15.00	
TOTAL HOURS->		19.75	26.00	5.50	51.25	1798.13	
TOTAL CHARGES->		740.63	975.00	82.50			1798.13

## VEHICLE CHARGES

11/06/86	3/4 TON/174 MILES @ \$.50/MILE + 1 DAY @ \$10/DAY	97.00	
11/06/86	ISUZU/165 MILES @ \$.45/MILE + 1 DAY @ \$10/DAY	84.25	181.25

## OFFICE EXPENSES

XEROXING THROUGH BILLING	10.15	
LONG DISTANCE TELEPHONE THROUGH BILLING	31.09	
POSTAGE THROUGH BILLING	12.31	53.55

## MISCELLANEOUS EXPENSES

09/26/86	COCHISE CO. RECORDER/FILING FEES	15.00	
10/27/86	AZ STATE LAND DEPT/RENEWAL	50.00	65.00

AMOUNT DUE THIS BILLING 2097.93 2097.93

# James A. Briscoe & Associates, Inc.

## Exploration Consultants:

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

James A. Briscoe  
Registered Professional Geologist

Thomas E. Waldrip, Jr.  
Geologist/Landman

STATEMENT DATE: NOVEMBER 28, 1986  
CLIENT: JAMES STEWART COMPANY  
PROJECT: 111-1 (F) TOMBSTONE-FEDERAL GROUND

PAGE 1 OF 1

### PROFESSIONAL FEES

#### STANDARD RATES WITH VOLUME DISCOUNT

WEEK ENDING		J. A.	T. E.	M. A.	TOTAL HOURS	TOTAL CHARGES	TOTAL CATEGORY CHARGES
		BRISCOE \$37.5/HR	WALDRIP \$37.5/HR	STEWART \$15.0/HR			
05/23/86	HOURS->	18.50	1.50	10.80	30.80	912.00	
05/30/86	HOURS->	3.50	2.00	0.80	6.30	218.25	
06/06/86	HOURS->	2.00	3.50	1.30	6.80	225.75	
06/13/86	HOURS->	3.00	2.75	0.00	5.75	215.63	
06/20/86	HOURS->	19.50	16.00	0.00	35.50	1331.25	
06/27/86	HOURS->	1.00	0.00	0.00	1.00	37.50	
07/04/86	HOURS->	0.00	0.00	0.00	0.00	0.00	
07/11/84	HOURS->	0.00	0.00	0.00	0.00	0.00	
TOTAL HOURS->		47.50	25.75	12.90	86.15	2940.38	
TOTAL CHARGES->		1781.25	965.63	193.50			2940.38

### VEHICLE CHARGES

06/17/86	ISUZU/188 MILES @ \$.45/MILE + 1/2 DAY @ \$10/DAY	90.00	
06/18/86	ISUZU/181 MILES @ \$.45/MILE + 1 DAY @ \$10/DAY	91.45	181.45

### OFFICE EXPENSES

XEROXING THROUGH BILLING	10.75	
LONG DISTANCE TELEPHONE THROUGH BILLING	27.53	
POSTAGE THROUGH BILLING	18.59	56.87

### EQUIPMENT RENTAL

### MISCELLANEOUS EXPENSES

05/31/86 WESTERN COLOR/REPRODUCTION	50.29	50.29
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AMOUNT DUE THIS BILLING 3228.99 3228.99



BRUCE BABBITT  
GOVERNOR

Arizona  
State Land Department

1624 WEST ADAMS  
PHOENIX, ARIZONA 85007



OFFICE OF  
STATE LAND COMMISSIONER

RECEIVED  
DEC 16 1986

*Conrad*  
*11/6/87*

JAMES STEWART CO.

December 12, 1986

James Stewart Company  
3033 N. Central, Suite 707  
Phoenix, AZ 85012

Re: 08-92276

Gentlemen:

In regard to your renewal year exploration efforts, please be reminded of the required filing of a Plan of Operation. Because plan approvals are limited to an operating period of one year or less, there is no plan on file which extends to include your renewal period operations. As such, you must submit the enclosed form prior to completing any additional work on the property.

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

Sincerely,

Michael Rice  
Natural Resource Planner  
Nonrenewable Resources  
& Minerals

MJR/plp  
Encl.

# James A. Briscoe & Associates, Inc.

Exploration Consultants:

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

James A. Briscoe  
Registered Professional Geologist

Thomas E. Waldrip, Jr.  
Geologist/Landman

STATEMENT DATE: DECEMBER 31, 1986

CLIENT: TOMBSTONE SILVER MINES, INC.

PROJECT: 114-1

	DEBIT	CREDIT	BALANCE
06/01/86 BALANCE DUE			20308.76
06/30/86 INTEREST FOR JUNE	304.63		20613.39
07/31/86 INTEREST FOR JULY	309.20		20922.59
08/26/86 BOOKKEEPING SERVICES	177.80		21100.39
08/31/86 INTEREST FOR AUGUST	313.84		21414.23
09/30/86 INTEREST FOR SEPTEMBER	321.21		21735.44
10/31/86 INTEREST FOR OCTOBER	326.03		22061.48
11/28/86 INTEREST FOR NOVEMBER	330.92		22392.40
12/31/86 INTEREST FOR DECEMBER	335.89		22728.28
TOTAL BALANCE CURRENTLY DUE			22728.28

1987

# James A. Briscoe & Associates, Inc.

Exploration Consultants:

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

James A. Briscoe  
Registered Professional Geologist

Thomas E. Waldrip, Jr.  
Geologist/Landman

CERTIFIED MAIL #P 314 383 320

~~October~~ February 21, 1986<sup>7</sup>

U. S. Department of the Interior  
Bureau of Land Management  
Arizona State Office  
Mining Claims Section  
P. O. Box 16563  
Phoenix, Arizona 85011

RE: Filing Notices of Abandonment for the T.S., S.H.M., M.M.,  
and B.H.A. Lode Mining Claim Groups

Dear B.L.M. Official:

Please find enclosed four (4) Notices of Abandonment for claims located in Arizona. Your attention should be directed to individual memos attached to each Notice for more specific information as to claims being abandoned.

Your attention and assistance to these matters is appreciated.

Sincerely,

*Thomas E. Waldrip, Jr.*

Thomas E. Waldrip, Jr.

TW/ms

Enclosure: Notices of Abandonment (T.S., S.H.M., M.M., B.H.A.)

# James A. Briscoe & Associates, Inc.

Exploration Consultants:

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

James A. Briscoe  
Registered Professional Geologist

Thomas E. Waldrip, Jr.  
Geologist/Landman

MEMO

TO: Arizona State Office, Bureau of Land Management  
FROM: James A. Briscoe & Associates, Inc.  
DATE: October 21, 1986

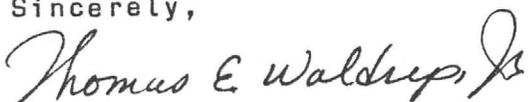
RE: T.S. Lode Claim Group, Tombstone Mining District, Cochise  
County, Arizona

Dear B.L.M. Official:

Please be notified that the following lode mining claims, T.S. #1 through #124, #180 through #529, and #63-A have been abandoned by James A. Briscoe & Associates, Inc., with offices at 5701 E. Glenn St., #120, Tucson, Arizona 85712. Necessary changes to your records should be made to reflect this abandonment. For reference purposes, refer to Attachment 1 to get appropriate corresponding B.L.M. Serial Numbers of claims enumerated. As will be noted, only a portion of the entire T.S. lode claim group is being abandoned. If there is a problem in this regard with the claim group, please contact Tom Waldrip at (602) 326-7237.

Thank you.

Sincerely,



Thomas E. Waldrip, Jr.

TEW/ms



EVAN MECHAM  
GOVERNOR

Arizona  
State Land Department

1624 WEST ADAMS  
PHOENIX, ARIZONA 85007



OFFICE OF  
STATE LAND COMMISSIONER

April 27, 1987

*Handwritten:* 5/29/87

**RECEIVED**  
MAY 1 1987

M.S. Horne  
3033 N. Central Ave. - Suite 707  
Phoenix, AZ 85012

**JAMES STEWART CO.**

Re: 08-95145 thru 08-95148

Dear Mr. Horne:

In regard to the above referenced permit applications, please be advised of the below listed permit conditions. Because they are sometimes easily overlooked, they are brought to the attention of all new applicants.

- 1) A permit application does not confer any exploration right to the property. The right to do so commences upon permit issuance.
- 2) That prior to initiating any work on the property, the permit holder must also have an exploration plan approved by the Department.
- 3) Unless accompanied by or made subject to an approved assignment through the Department, the sale of the permit will be deemed an unauthorized conveyance. The permit in such instances will automatically be cancelled.
- 4) That written permission from the State Engineer and Land Commissioner is first required for exploration on acreage under permit or lease to the State Highway Department.

Sincerely,

*Handwritten signature: Michael Rice*

Michael Rice  
Natural Resource Planner  
Nonrenewable Resources  
& Minerals  
(602) 255-4628

MJR/plp  
enc.

May 27, 1987  
Charleston Lead Mine Area  
Tombstone Mining District, Cochise County, Arizona  
Field trip of Quentin Macdonald and Tom Waldrip

We are proceeding to Tombstone in order to delineate areas for backhoe trench work in which we will collect samples after the trenching is done by Bob Smith on Monday or Tuesday, June 1, or 2, for the State Prospecting Permit in the north half of Section 36, Township 20 South, Range 22 East, Salt River Basin Meridian.

Starting mileage in the Subaru was 63307. Left Tucson at 9:30, after gassing up and getting to the freeway it was 10:20. Arrived in Tombstone 11:30. Stopped at the State of Maine mine and talked to Bailey Escapule for approximately 15 minutes and then proceeded to the Charleston Mine area to flag the east and west quarter sections of section 36. Upon doing that, we proceeded to the Charleston Lead Mine and collected two samples; sample #8020 was a grab sample of sulfide concentrates from around the Charleston Lead Mine to be assayed for gold and silver. The second sample was #8024, which was a grab sample of sphalerite and galena, collected from the waste dump north of the mine area. That sample also will be assayed for gold and silver to see if any silver or gold accompanies the sulfide mineralization.

It is May 28, 1987, time is 12:01, Charleston Lead Mine. We have just taken sample #1, which is in sample bag #7928, which is of a densely silicified area, probably a rhyolite flow of the Bronco rhyolite member, located approximately 600' east-northeast of the road where it makes a bend to go into the Charleston Lead Mine. This sample was a grab chip sample of a small outcrop area approximately 60 feet southwest of an old house structure.

Sample #2 is <sup>8</sup>6059, taken in a small prospect pit approximately 300 feet further west of the sample #1. It is in basically the same type of rhyolitic material. The pit is approximately 20 feet deep, and a sample was taken along the west side of the dump.

Sample #3 is 8021. This is almost due east of the Charleston Lead Mine, and almost due north of the water tower, approximately 1/2 way up the hill. We are in a ?rhyolitic dome intrusive, possibly just silicified Uncle Sam Tuff, from which a grab sample was taken from an outcrop, which is approximately 25 feet south of a younger andesite dike. The rock in the immediate area is ?dinditic manganese growth - some are in oxide cavities, and is composed of approximately 90% silica it appears.

May 29, 12:00, Charleston area.

Mapping the geologic rock contacts in the area and taking samples

Sample #8022, marked as #4 on the map. It lies approximately 150 feet east and just south of the road that is east of the main Charleston road that goes up to the Lead Mine, and just south of the road that leads up to the airport. Rock type is Bronco andesite, which is a purplish red color which has minor areas of iron oxide stain and bleaching. Probably due to hydrothermal activity. It will be noted that in general the andesites form areas of lower topographic relief, and that bold outcrops are generally fairly rare.

Sample #5 on the map, #8044, taken in a rhyolite outcrop, approximately 50 to 100 feet directly

west of the south side of the airport. This rhyolite is flow banded flesh pink in color and contains minor casts of iron oxides after pyrite. This outcrop is approximately 50 feet from a wash which contains a very altered andesite or andesitic material with many residual iron oxide casts after pyrite. The andesitic material is clay-rich?, possibly sericitic with moderate silicification.

Sample #6 on the map, bag #8026 is of an altered andesite which lies in a stream channel cut. The andesite is intensely bleached, has moderate silicification, and up to 1/2% iron oxide casts after pyrite.

Sample #7 on the map, bag #8025 is of altered andesitic material, contains a lot of iron oxide. The rock is almost red in color. Contains upwards of 1 to 3 possibly 5% iron oxide after pyrite, and it is located approximately 50 feet southwest along a stream channel from Sample #6.

Sample #9 on the map, #7985, appears to be altered andesite right at the crest of the little hill. This andesite appears to be possibly the very top of a rhyolite dome, with some of the andesitic material being very silicic in nature, almost appearing to be rhyolitic. The andesite in surrounding areas is very bleached with strong iron oxide coatings along fractures, which grades out into essentially unaltered rock, a few 10's of feet away.

Sample #10 on the map, Bag #8038, on the ground appears to be a very brecciated and bleached andesitic type material. The breccia fragments being composed of altered andesite with the matrix being a red hematitic like material. The sample position is approximately 1,000 feet south-southwest of the water tank tower at the apex of the hill.

# P-III-01 Tombstone STEWART MINES

COPPER STATE ANALYTICAL

**TRENCH  
SAMPLES**

**LAB, INC.**

REGISTERED ASSAYER

D.A. SHAH

AZ REG. # 8888

710 E. EVANS • TUCSON, AZ 85713

PH. (602) 884-5811



**STATE Prospecting Permit**  
**~~312~~ Sect. 36 T. 22 S R. 21 E.**

*Nh*

James A. Brisco \$ Asso.  
5701 E. Glenn #120  
Tucson, AZ. 85712

Job: 5594  
Received: 0605-876  
Reported: 06-18-876  
Sample No 13  
Elements: 10  
Invoice No.- C 7073

for Stewart Mines

Elements Units	Au PPM	Ag PPM	Cu PPM	Pb PPM	Zn PPM	Mo PPM
7928	<0.005	0.9	92	140	188	12
7985	<0.005	0.35	30	34	116	5
8019	<0.005	0.55	12	30	86	16
8020	<0.005	16.4	0.33%	8.4%	3.8%	9
8021	<0.005	0.6	17	171	236	6
8022	<0.005	0.5	12	134	144	7
8024	<0.005	48.6	0.86%	12.9%	10.2%	7
8025	<0.005	1.75	52	356	0.41%	5
8026	<0.005	0.55	26	194	480	4
8038	<0.005	0.5	16	34	92	10
8039	<0.005	0.75	56	42	80	4
8044	<0.005	0.6	16	56	126	3
8059	<0.005	12.65	210	2.85%	68	188

Elements Units	V PPM	As PPM	Sb PPM	HG PPB
7928	4	<1	0.5	130
7985	12	<1	<0.5	100
8019	<1	13	<0.5	140
8020	38	<1	8.5	120
8021	<1	<1	<0.5	11
8022	3	<1	1.5	20
8024	1	196	87.5	30
8025	18	<1	3.5	40
8026	1	<1	0.5	70
8038	1	<1	0.5	60
8039	2	<1	1.5	90
8044	1	<1	2.5	30
8059	<1	<1	44.5	50

-----END REPORT-----



# James A. Briscoe & Associates, Inc.

## Exploration Consultants:

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

James A. Briscoe  
Registered Professional Geologist

Thomas E. Waldrip, Jr.  
Geologist/Landman

FEDERAL EXPRESS #3014032420

July 1, 1987

M. Seth Horne, President  
James Stewart Company  
3033 N. Central Avenue  
Phoenix, AZ 85012

RE: Required 1986-87 federal assessment work on the Charleston property

Dear Seth:

I have reviewed all of our reports and correspondence back to December 30, 1985. These reports and correspondence are in your files, but for your convenience, I have listed them on Attachment 1, for your reference.

In the fall of 1985, we became aware of the intention of the U. S. Bureau of Land Management to trade B.L.M. land near Phoenix for the Tenneco land along the San Pedro River, which abuts your Charleston property. In fact, Steve Halbert, I and Tom attended a B.L.M. meeting relating to that swap in December of 1985. We opposed it because it withdraws all land within the San Pedro Reserve from mining activity, and we felt that the B.L.M. would try to enlarge the boundaries of the reserve and infringe on your Charleston mining claims. As of this date, the reserve is an accomplished fact, the B.L.M. has been flying aerial photography over the adjacent area, which includes your Charleston claims, they have been doing drilling (reported by the Escapules of Tombstone) just south of your property boundary for unknown reasons, and there are rumors in Tombstone that the state land department may exchange state land with the B.L.M. to enlarge on the San Pedro Reserve. This could effect your property. For your interest, I have enclosed an article from the Friday, June 19 Tucson Citizen, in which "more acquisitions" are mentioned. We believe that at some point the B.L.M. may challenge the validity of your claims.

M. Seth Horne, President  
JAMES STEWART COMPANY  
July 1, 1987  
Page 2 of 3

It was just such a concern about the validity of your claims that prompted us to recommend re-monumentation, marking and maintenance of your claim posts. During this work, which was the subject of various correspondence and meetings during March of 1986, we found only about 20% of your posts were in place, and none of them had appropriate and legal markings. During the field work of 1986, we, in part, rectified this situation, and recommended completion of this work. During our meeting of Friday, May 16 (refer to my letter of May 21, 1986), you indicated that you wanted to have no more work performed on the mining claim monumentation, and no further work has been done.

As a result of our March 7 meeting, you gave your "O.K." to proceed with monumentation of the claims, and an expenditure of \$28,560.00. We spent an additional \$4,844.28 or a total of \$33,404.28 - to get the claims into a semblance of a state of compliance with the mining law so that should the B.L.M. challenge them, you would not lose all of the Charleston property.

Of the total expenditure, \$29,404.28 could be used for assessment work, however, the excess over the \$16,300 required that year could not be carried forward into the 1986-87 assessment year.

Because of the additional 10 Jared claims staked by Tom Waldrip to cover fractions created by improper surveying in the original Jared claims, there are now 173 federal mining claims for which assessment work must be performed. I recommend that \$17,500 be expended on assessment for the 1986-87 assessment year.

Because of all the reasons that I have detailed in my numerous correspondence and reports to you (see Attachment), we still have insufficient geologic and geochemical data to target potential, near-surface ore bodies for a drilling program. As detailed in my letters of May 15 and 21, 1986, it is important that we obtain geologic and geochemical data so that we can design and execute a shallow, near-surface drilling campaign. If geology and geochem sampling is emphasized for the assessment work for this year, we may perhaps have enough information so that a shallow drilling campaign could be started in October and complete the 1987-88 assessment work on such drilling. If encouraging, this could lead to a lease with one of the numerous companies now exploring for gold and silver. Without such geologic and geochemical details reinforced by a shallow-hole drilling campaign, such a lease is unlikely.

M. Seth Horne, President

JAMES STEWART COMPANY

July 1, 1987

Page 3 of 3

If you would like us to complete the assessment work for the 1986-87 year, we would do so by geologic and alteration mapping and geochem sampling, and computer assisted drafting (CAD) of a base map so that data can be adequately portrayed. We would follow the general outlines of my May 15, 1986 proposal.

We already have commitments for work in August, so if you would like us to perform the work, it must begin immediately, or we will simply not have time to complete it.

If you wish us to proceed, please send us a retainer check for \$15,500 for our part of the work, and a \$2,000 check for Copper State Assay for analytical work.

Because of prior commitments made early this year, we only have a small amount of time available, and we must have an immediate answer as to whether you want us to proceed in order that we may complete the work. If we receive your retainer, we will start Monday, July 6.

Best personal regards,



James A. Briscoe

JAB/ms

Attachment

cc: Steve Halbert, Esq.

ATTACHMENT 1

References:

Letters and Letter Reports  
Concerning the James Stewart Company Charleston Project  
From December 30, 1985 to June 11, 1986

- #1. December 30, 1985: RE: San Pedro plan
- #2. March 6, 1986: RE: Deal with Alotta Resources
- #3. March 6, 1986: Hand delivered  
March 7: RE: Progress at Charleston on B.L.M. meeting, re-staking Jared claims, and re-monumenting and maintenance of other claims.
- #4. March 11, 1986: RE: Request to manage file and process State of Arizona prospecting permits (to Steve Halbert from Tom Waldrip).
- #5. March 11 - April 14: RE: Tom Waldrip weekly reports-six reports in all.
- #6. May 1, 1986: RE: Proposed purchase of Rad Crow claim.
- #7. May 15, 1986: RE: Letter report on 1985-86 assessment work for Charleston properties with 12 attachments.
- #8. May 21, 1986: RE: Update on May 15 letter report with four attachments.
- #9. June 11, 1986: From Jack Branham to the James Stewart Company: RE: Alleged over staking of his ground by the Jared claims.

# Outdoors

6C

Friday, June 19, 1987

Tucson Citizen

OUTDOOR EDITOR, BILL QUIMBY, 573-4840

PHOTO BY GARY GAYNOR



Tombstone

# James A. Briscoe & Associates, Inc.

Exploration Consultants:

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

James A. Briscoe  
Registered Professional Geologist

Thomas E. Waldrip, Jr.  
Geologist/Landman

CERTIFIED MAIL #P-589 416 410

October 8, 1987

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

RE: Filing and request for recording of 1987 Annual Assessment documentation for the T.S. and T.S.A. lode mining claim groups, Tombstone Mining District, Cochise County, Arizona

Dear County Official:

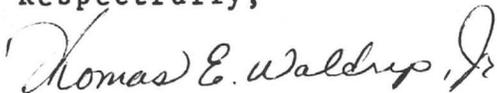
Please find enclosed the following documents to be recorded in your county:

1. Proof of Annual Labor document for the T.S. group of lode mining claims, owned by James A. Briscoe & Associates, Inc., consisting of 5 pages; and
2. Proof of Annual Labor document for the T.S.A. group of lode mining claims, owned by James Am Briscoe & Associates, Inc., consisting of 4 pages.

A James A. Briscoe & Associates, Inc. check, #5778 in the amount of \$30.00 has been included to cover recording fees. After recording, please return the documents to the address indicated on this letterhead.

Thank you for your time and attention.

Respectfully,



Thomas E. Waldrip, Jr.  
Geologist/Landman

TEW/ms

Enclosures: Proof T.S. and T.S.A.  
JABA, Inc. CK #5778 for \$30.00



*Pemberton  
Conn*

# James A. Briscoe & Associates, Inc.

Exploration Consultants:

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

James A. Briscoe  
Registered Professional Geologist

Thomas E. Waldrip, Jr.  
Geologist/Landman

CERTIFIED MAIL #P-589 416 414

October 31, 1987

U. S. Department of the Interior  
Bureau of Land Management  
Arizona State Office  
Mining Claims Section  
P. O. box 16563  
Phoenix, AZ 85011

RE: Filing of evidence of yearly assessment work for mining claims in Arizona for the 1987 calendar year

Dear B.L.M. Official:

Please find enclosed county recorded evidence of yearly assessment work for the calendar year of 1987 for the following claim groups:

1. T. S. lode claim group, Proof of Labor, owned by James A. Briscoe & Associates, Inc.
2. T.S.A. lode claim group, Proof of Labor, owned by James A. Briscoe & Associates, Inc.

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

Thank you for your time and attention.

Sincerely,

*Thomas E. Waldrip, Jr.*

Thomas E. Waldrip, Jr.  
Geologist/Landman

TEW/ms

Enclosures: T.S. and T.S.A. lode claim group Proof of Labor

# James A. Briscoe & Associates, Inc.

## Exploration Consultants:

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

James A. Briscoe  
Registered Professional Geologist

Thomas E. Waldrip, Jr.  
Geologist/Landman

November 5, 1987

Mr. N. Priestley  
INTERNATIONAL MINING FINANCE CORPORATION LTD.  
P. O. Box 2006  
Prudential Building  
112 Queen St.  
Auckland, NZ

RE: JABA, Inc. claims, Tombstone Mining District, Cochise  
County, Arizona, USA

Dear Mr. Priestley:

We are in receipt of your letter of October 28, 1987, concerning our TS 125-128 and TS 31-50 mining claims in the Tombstone area. We believe in the case of TS 31-50, you really mean the TSA claims 31 through 50.

We would be interested in either a joint venture or perhaps sale with retained royalty of these claims. Not knowing your approach to exploration within the mining district, we would be happy to consider any proposals you might wish to make concerning these claims.

We have extensive geologic information concerning the Tombstone District, which we would be happy to bring to the deal, should we agree on terms.

Thank you for your interest.

Very truly yours,



James A. Briscoe

JAB/ms

# INTERNATIONAL MINING FINANCE CORPORATION LIMITED

International Building 112 Queen St, Auckland NZ



P.O. Box 2006, Telephone 31-369. Cables: CHEMIN

28th October, 1987.

James A. Briscoe & Associates Inc.,  
5701 East Glenn Street,  
Suite 120,  
TUCSON, AZ 85712, U.S.A.

Dear Sirs,

According to information we have you are holding unpatented mining claims TS 125-128 and TS 31-50 in the Tombstone area.

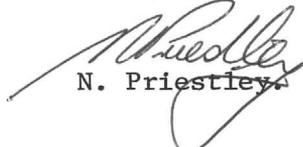
Would you please advise whether you would be interested in a joint venture or the sale of these claims and perhaps you could indicate what you have in mind.

We would welcome any data you have available on the property.

Many thanks.

Yours faithfully,  
INTERNATIONAL MINING FINANCE CORPORATION LTD.

MP

  
N. Priestley

# James A. Briscoe & Associates, Inc.

## Exploration Consultants:

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

James A. Briscoe  
Registered Professional Geologist

Thomas E. Waldrip, Jr.  
Geologist/Landman

CERTIFIED MAIL #P-589 416 414

~~DECEMBER 2,~~  
~~October 31,~~ 1987

U. S. Department of the Interior  
Bureau of Land Management  
Arizona State Office  
Mining Claims Section  
P. O. box 16563  
Phoenix, AZ 85011

RE: Filing of evidence of yearly assessment work for mining claims in Arizona for the 1987 calendar year

Dear B.L.M. Official:

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

Thank you for your time and attention.

Sincerely,

*Thomas E. Waldrip, Jr.*

Thomas E. Waldrip, Jr.  
Geologist/Landman

TEW/ms

Enclosures: T.S. and T.S.A. lode claim group Proof of Labor

13

1988

PROS  
Breb

MEMO

Rev. 3/14/88 JHB

TO: File  
FROM: TEW  
DATE: March 12, 1988

RE: Work activities, Tombstone Mining District, Cochise County, Arizona

During my meeting of March 10 with Bailey and Louie Escapule, several items were learned in relation to the TDC properties, including:

1. Although Charlie and Louie had visited with Bill Hight during mid-February, it is apparent that neither Homestake nor Santa Fe Minerals has been able to get a lease on the Tombstone Development Co. properties at Tombstone.
2. It was learned that Dusty Escapule has received financing to, again, begin mining in the Contention open cut, and a new, large front-end loader is on site to begin this work. I have no details, as the Escapules indicated they new very little about the situation.

COMMENTS:

It appears, however, that no exploration activities are being defined, and the actual operation will concentrate on the re-opening of the old Contention open cut to mine available ore on site. Louie indicated that he did not know how they could do this, both from the aspect that no reserves were know, and it was his understanding that no drilling would take place to enlarge ore reserves, other than those currently defined on the surface. Louie did not know, nor understand, how the investors could put money into this type of operation, especially in light of the fact that the current washing operations are apparently loosing money. Additionally, he felt that in order to go deeper, large amounts of material would have to be removed from the pit walls. Louie summed up the activities, and assumed that Dusty may be in a position dictated by the Tombstone Development Co. to either produce or give up the waste that he has.

Nothing apparently has been resolved in regards to the conflict on the Escapule's State of Maine area properties with Tombstone Silver Mines. Louie indicated that Bill Grace had called up and requested entry into the area to do assessment work in February, I believe it was, (I assume to do the assessment work on the State Prospecting Permits, which they have between the Patented claims), however, access was denied, which according to Louie,

MEMO/TEW to file  
March 12, 1988  
Page 2 of 2

their attorney has advised they could do and completely be in the right in denying access to the TSM people. The scenario seems to keep unfolding, but little progress seems to be made.

Thomas E. Waldrip, Jr.

TEW/mas

# INTERNATIONAL MINING FINANCE CORPORATION LIMITED

Prudential Building 112 Queen St, Auckland NZ



P.O. Box 2006, Telephone 31-369. Cables: CHEMIN

30th May, 1988.

James A. Briscoe & Associates, Inc.,  
5701 East Glenn Street,  
Suite 120,  
TUCSON, ARIZONA 85712, U.S.A.

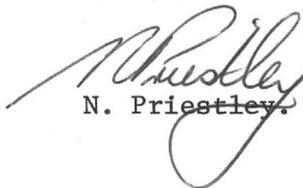
Dear Sirs,

We must apologise for the delay in reply to your letter of November 5th 1987, as we had hoped to be able to advise you when our geologists would be in your area. However in the first part of this year their commitments have been in other states.

We will be looking at the Tombstone area end July/early August and would welcome whatever information you have on your claims so it can be studied beforehand.

Please note that we are always interested in mining properties, also in providing finance for large and small precious metals operations, and would welcome proposals.

Yours faithfully,  
INTERNATIONAL MINING FINANCE CORPORATION LTD.

  
N. Priestley.

NP

PBR MINERALS, INC.

P.O. BOX 370

Tombstone, Arizona 85638

August 23, 1988

Mr. Fred Peel  
GEOCHEMICAL ENGINEERING  
274 Union Blvd., Ste. 460  
Lakewood, CO

Dear Fred:

Please find the following tonnage report from T.E.I. past production records.

These records were obtained from a hard copy generated by T.E.I.'s computer. Take note that there is no information pertaining to production from January, 1980 thru December, 1980. The production for 1980 was less than 50% of 1981's production, therefore this would represent an estimated 100,000 tons of ore processed.

Assuming that the production remained at the same rate as the first half of 1983, then the production rate from June 1983 thru June 1984 would be an additional 700,000 tons of ore processed.

We have the floppy disks that contain the production records for June 1983 thru June 1984, but unfortunately with our current computer system we are unable to retrieve these records. We have contacted the dealer that handles the type of computer that these records were generated on. The dealer will obtain the necessary software to convert these floppy disks to our current computer system.

I'm very confident that when this data is obtained it will reflect 800,000 tons of processed ore from June 3, 1983 thru June 4, 1984, instead of the estimated 700,000 tons.

These tonnage figures are based on belt scales that were placed between the crusher and the pelletizing unit.

Taking all of these figures into consideration, the gross volume of ore by T.E.I. was 2,109,245 tons processed.

T.E.I. in their endeavor to wash the tails and generate a marketable aggregate, processed approximately 40,000 tons of

Mr. Fred Peel  
Past Tonnage  
Page 2

this material. Thus leaving a remaining quantity of 2,069,245 tons of material prior to PBR Minerals,

During T.E.I.'s operation, there was an considerable amount of this material used for surfacing haul roads in the pit and waste dump areas. This amount could be as high as 180,000 tons of material that was used for surfacing during the operation under T.E.I., thus leaving 1,969,245 tons.

PBR Minerals, Inc. in washing the material, removed an estimated 125,000 tons from the T.E.I. leached stockpile. So therefore, there should be an estimated 1,844,245 tons remaining.

I feel very confident in these numbers and I'm sure that within the next week I will have documentation generated from the T.E.I. floppy's that will substantiate the total tonnage.

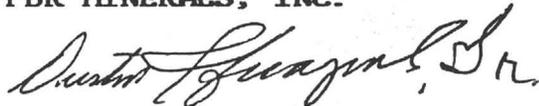
In using Cooper Aerial's volume calculations and Western Technology's weight calculation average of 122.6 pounds per cubic foot, the total tonnage would be 1,574,136.8 tons.

It appears to me that the tonnage should be in excess of Cooper's findings based on past production records that I have reviewed over the past few days. As soon as this information is retrievable by our computer, I will supply you with hard copies of this information.

I'm sure that you will have questions concerning this matter so please feel free to call me. If your work schedule is such that you cannot call during working hours, then you may call me at my home in the evening at (602) 457-3997.

Sincerely,

PBR MINERALS, INC.



Dustin L. Escapule, Sr.

### Total Tonnage

The following are records of tonnage mined at the Contention-Grand Central open pit mine from 1981 to the present.

DATE	ORE	MIDGRADE	WASTE
Jan 81	11,900	80	32,500
Feb 81	4,800	1,100	46,000
Mar 81	5,800	4,600	20,000
Apr 81	24,510	13,700	22,085
May 81	29,016	4,602	14,886
Jun 81	12,918	2,688	31,770
Jul 81	12,918	4,704	33,212
Aug 81	27,051	0	22,951
Sep 81	21,312	0	0
Oct 81	22,747	67,098	100,766
Nov 81	43,813	28,659	114,240
Dec 81	65,802	45,973	154,559
<b>TOTAL 81</b>	<b>282,587</b>	<b>173,204</b>	<b>592,969</b>
Jan 82	55,742	37,598	123,446
Feb 82	53,120	34,641	187,352
Mar 82	49,700	100,600	141,187
Apr 82	71,896	33,835	70,456
May 82	52,886	4,410	108,724
Jun 82	61,479	0	162,023
Jul 82	60,863	39,576	180,457
Aug 82	52,558	52,234	159,667
Sep 82	52,315	32,557	188,436
Oct 82	56,170	63,470	73,963
Nov 82	66,080	14,579	103,419
Dec 82	46,307	41,574	154,459
<b>TOTAL 82</b>	<b>679,116</b>	<b>455,074</b>	<b>2,246,558</b>
Jan 83	52,308	16,139	138,005
Feb 83	46,760	2,632	140,750
Mar 83	57,067	10,650	135,541
Apr 83	58,225	2,608	171,390
May 83	72,086	0	158,683
Jun 83	61,096	0	301,792
<b>83 TO DATE</b>	<b>347,542</b>	<b>32,029</b>	<b>1,046,161</b>
<b>TOTAL</b>	<b>1,309,245</b>	<b>660,307</b>	<b>3,885,688</b>
	=====	=====	=====

TOTAL TONNAGE MOVED FROM THE OPEN PIT: 5,855,240

File: Tombstone A.D.  
Cochise Co., AZ



JABA SERVICES DIV.  
6251 S. Tucson Blvd.  
Tucson, AZ 85706  
(602) 741-2348  
(FAX) 294-0983

REV. 9/29/88 JAB

September 13, 1988

Arizona Department of Water Resources  
Suite 100  
99 East Virginia  
Phoenix, AZ 85004

Dear Sir,

Per our phone conversation of last week, please find enclosed the notice of intention to drill exploration well(s).

Please find enclosed Articles of Amendment to the Articles of Incorporation of James A. Briscoe & Associates, Inc. This is to verify the claims listed on the application belonging to JABA Inc.

Enclosed also find check #~~7493~~<sup>26</sup> for \$~~10~~<sup>20</sup>.00.  
7495

  
Dan Moss  
Drilling Manager

CK # 7 ~~#493~~ IS VOID  
AND BEING RETURNED TO  
US:



EXPLORATION WELL(S)  
FILING FEE \$10.00

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

EXPLORATION WELL(S)

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

WELL/LAND LOCATION

1. Township T20 S N/S  
Range R22 E E/W  
Section 12

7. Number of wells 4  
(See Condition 3 on reverse)

11. Drilling firm:

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

1/4, 1/4, 1/4

8. Owner of land:  
USA  
Name

JABA Inc  
Name

Address

6251 S. Tucson Blvd  
Address

2. County Cochise

City State Zip

Tucson AZ 85706  
City State Zip

3. Applicant:

JABA, INC  
Name

9. DESCRIPTION OF WELL:

6251 So. Tucson Blvd  
Address

Diameter 4" inches

501  
DWR License Number

Tucson AZ 85706  
City State Zip

Depth 300' feet

12. Period well will remain  
in use — months.

4. Dan Moss  
NAME OF CONTACT PERSON

Type of casing None  
(If none, so state)

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

Phone 741-2348

10. Construction will start:

9 19 88  
Month Day Year

5. Owner of well:

Jaba Inc  
Name

Same  
Address

City State Zip

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

Mineral Exploration   
Geotechnical   
Cathodic Protection   
Grounding

DO NOT WRITE IN THIS SPACE  
OFFICE RECORD

File No. \_\_\_\_\_  
Filed \_\_\_\_\_ By \_\_\_\_\_  
Input \_\_\_\_\_ By \_\_\_\_\_  
Duplicate  
Mailed \_\_\_\_\_ By \_\_\_\_\_  
Registration \_\_\_\_\_  
AMA/INA \_\_\_\_\_  
W/S \_\_\_\_\_ S/B \_\_\_\_\_

Hole shall be  
cemented from  
one (1) foot below  
surface to 20 feet  
below surface as  
per DWR Rule  
R12-15-811

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

GENERAL INSTRUCTIONS

- Fill out this form in duplicate and mail to Department of Water Resources, Suite 100, 99 East Virginia, Phoenix, Arizona 85004.
- Proper filing fee of \$10.00 must accompany Notice.

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

DATE 9/16/88

Dean A Douglas  
Signature of Applicant

EXPLORATION WELL(S)  
FILING FEE \$10.00

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

EXPLORATION WELL(S)

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

WELL/LAND LOCATION

1. Township T20S N/S  
Range R22E E/W  
Section 13

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

11. Drilling firm:

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

1/4, 1/4, 1/4

2. County Cochise

8. Owner of land:  
USA  
Name

Address

City State Zip

Jaba Inc  
Name

6251 So. Tucson Blvd  
Address

Tucson AZ 85706  
City State Zip

501  
DWR License Number

3. Applicant:  
JABA Inc  
Name

6251 So. Tucson Blvd  
Address

Tucson AZ 85706  
City State Zip

9. DESCRIPTION OF WELL:

Diameter 4" inches

Depth 300 feet

Type of casing None  
(If none, so state)

12. Period well will remain  
in use \_\_\_\_\_ months.

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

4. Don Moss  
NAME OF CONTACT PERSON  
Phone 241-2348

10. Construction will start:  
9 19 88  
Month Day Year

5. Owner of well:  
JABA Inc  
Name  
Same  
Address  
City State Zip

DO NOT WRITE IN THIS SPACE  
OFFICE RECORD

File No.	_____
Filed	_____ By _____
Input	_____ By _____
Duplicate	_____
Mailed	_____ By _____
Registration	_____
AMA/INA	_____
W/S	_____ S/B _____

Hole shall be  
Cemented from  
one (1) foot below  
surface to 20 feet  
below surface as  
per DWR Rule  
R12-15-811

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

GENERAL INSTRUCTIONS

- 1. Fill out this form in duplicate and mail to Department of Water Resources, Suite 100, 99 East Virginia, Phoenix, Arizona 85004.
- 2. Proper filing fee of \$10.00 must accompany Notice.

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

DATE 9/16/88

Don A. Douglas  
Signature of Applicant

506933-2

AZ. CORP. COMMISSION  
FOR THE STATE OF AZ.  
FILED

ARTICLES OF AMENDMENT  
TO THE  
ARTICLES OF INCORPORATION  
OF

AZ. CORP. COMMISS  
FOR THE STATE OF

MAR 3 11 23 AM '88  
DATE APPEARED 3-27-88  
TERM DATE  
DATE TIME

JAMES A. BRISCOE & ASSOCIATES, INC.

FEB 29 4 36 PM

Pursuant to A.R.S. §10-061, the undersigned  
DATE TIME

corporation hereby adopts these Articles of Amendment to its  
Articles of Incorporation.

1. The name of the corporation (prior to Amendment) is James A. Briscoe and Associates, Inc. (the "Corporation").
2. The Amendment to the Articles of Incorporation adopted by the Corporation is as follows:

ARTICLE I  
The name of the Corporation is JABA, Inc.

3. The amendment specified in paragraph 2 above was adopted on February 26, 1988, by the act of the shareolders.
4. The number of shares of the Corporation outstanding at the time of such adoption was 1,000; the number of shares entitled to vote thereon was 1,000.
5. The number of shares voting for and against such amendment is as follows:

Number of Shares For:	1,000
Number of Shares Against:	-0-

DATED: Feb. 26, 1988

JAMES A BRISCOE & ASSOCIATES,  
INC.

By: James A. Briscoe  
President

001737

By: MARDEE A. STEWART  
Secretary

STATE OF ARIZONA )  
                          ) SS.  
COUNTY OF PIMA )

The foregoing instrument was acknowledged before me this 26th day of February, 1988, by JAMES A. BRISCOE President of James A. Briscoe & Associates, Inc., on behalf of said Corporation.

Jean L. Cushing  
Notary Public

My Commission Expires:  
3/14/91

STATE OF ARIZONA )  
                          ) SS.  
COUNTY OF PIMA )

The foregoing instrument was acknowledged before me this 26th day of February, 1988, by MARDEE A. STEWART Secretary of James A. Briscoe & Associates, Inc., on behalf of said Corporation.

Jean L. Cushing  
Notary Public

My Commission Expires:  
3/14/91

0122j

DESCRIPTION	AMOUNT
100/01 fee	20 00
for drilling	
permit at	
Tombstone	
GROSS AMOUNT	
DISCOUNT	
AMOUNT PAYABLE	

**JAMES A. BRISCOE & ASSOCIATES, INC.**  
 5701 E. GLENN #120 602-721-1375  
 TUCSON, AZ 85712

7495

SEPT. 16 19 88 91-2/1221

PAY TO THE ORDER OF ARIZONA DEPARTMENT OF WATER RES. \$ 20.00

Twenty and no/100-----DOLLARS



SPEEDWAY SWAN OFFICE (044)  
 P.O. Box 42110  
 Tucson, Arizona 85733

*Dean A. Douglas*

⑈007495⑈ ⑆122100024⑆

2014⑈7915⑈



JABA INC.  
2100 N. Wilmot Rd. #218  
Tucson, AZ 85712  
(602) 885-9141  
(FAX) 721-2768

CERTEIFIED MAIL #851 266 767

October 26, 1988

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

RE: Filing and request for recording of 1988 Annual Assessment documentation for the T.S., T.S.A. and S.H.M. lode mining claim groups, Tombstone and Swisshelm Mining Districts, Cochise County, Arizona

Dear County Official:

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

1. Proof of Annual Labor document for the T.S. group of lode mining claims, owned by JABA, Inc., consisting of 5 pages;
2. Proof of Annual Labor document for the T.S.A. group of lode mining claims, owned by JABA, Inc., consisting of 4 pages; and
3. Notice of Intent to hold document for the S.H.M. group of lode mining claims, owned by Westland Minerals Exploration Co. consisting of 3 pages.

A JABA, Inc. check #7742 in the amount of \$37.00 has been included to cover recording fees. After recording, please return the documents to the address indicated on this letterhead.

Thank you for your time and attention.

Respectfully,

Thomas E. Waldrip, Jr.  
Geologist/Landman

TEW/lc

Enclosure: Proofs T.S. and T.S.A.  
Notice of Intent S.H.M. P.O. #32  
JABA, Inc. ck #7742 for \$37.00

## BUDGET ESTIMATE

Estimate of Costs to Remonument and to Perform  
Geologic Sampling on T.S., T.S.A., and T.S.B.  
Lode Mining Claims in the Tombstone Mining District,  
Cochise County, Arizona.

November 21, 1988

## MOBILIZATION/DEMOBILIZATION (1 Field Day + Office Work)

Labor (89.5 hrs. @ \$35/hr. + 7.5 hrs. @ \$50/hr.) (See attached for detail)	\$ 3,260
Mileage (2 JABA Vehicles for 640 mi. ea. @ \$ .50/mi.)	320
Rentals (JABA Vehicles, equip. & living quarters for 1 travel day @ \$90/day)	106
Supplies (See attached list)	1,780
Contingency (based on 2% of labor)	65
	-----

Subtotal of Mobilization/  
Demobilization

\$ 5,531

## REMONUMENTING AND SAMPLING (11 Field Days)

Based on 1 line-mile/person/day for 21 line-miles

Labor (@ \$35/person/hr.)	
Remonumenting (100 hrs.)	\$ 3,500
Geologic Sampling (76 hrs.)	2,660
Field Preparation (22 hrs.)	770
Cooking/camp support (22 hrs.)	770

Subtotal of Labor \$ 7,700

Supplies (est. 2% of labor)	155
JABA Rental (Vehicles, equip. and living quarters)	1165
Mileage (30 mi./day @ \$ .50/mi.)	165
Food (@ \$15/person/day)	330
Telephone Calls (@ \$2/day)	25
Consumable supplies (propane)	75
	-----

Subtotal of Remonumenting and  
Sampling

9,615

Estimate of Total Project Cost

\$15,146 ✓

*OK*  
*Jan*  
11/23/88

MOBILIZATION/DEMOBILIZATION LABOR

Prepare claim tags, Location Notice	JKL ( <u>33.25</u> )	\$1,163.75
bottles, sample bottles and maps	TEW ( <u>7.00</u> )	350.00
(includes <u>4.75</u> hrs. to pick up claim bottles)	<i>This is for inventory item note charge on next page ①</i>	
Meetings and planning time	JKL ( <u>.75</u> )	26.25
	TEW ( <u>.50</u> )	25.00
Prepare budget (Incl. review, revise, type & print)	JKL ( <u>4.00</u> )	140.00
	JKL ( <u>2.00</u> ) C	70.00
	TEW ( <u>1.00</u> )	50.00
Pack 1-Ton, Jeep and Jeep trailer	JKL ( <u>4.00</u> )	140.00
	QCM ( <u>4.00</u> )	140.00
Drive to TMD (2 people for 4 trips @ 2 hr./trip)	JKL ( <u>8.00</u> )	280.00
	QCM ( <u>8.00</u> )	280.00
Set-up trailer and unload supplies	JKL ( <u>2.00</u> )	70.00
	QCM ( <u>2.00</u> )	70.00
Buy food, pack and store	JKL ( <u>1.50</u> )	52.50
	QCM ( <u>1.50</u> )	52.50
General Organization & Planning	JKL ( <u>2.00</u> )	70.00
Unload 1-Ton, Jeep and Jeep trailer on return - Inventory and store equipment and supplies	JKL ( <u>4.00</u> )	140.00
	QCM ( <u>4.00</u> )	140.00
	-----	-----
Totals	89.50	\$ 3,260

Note: Underlined hours indicate work already accomplished.  
C following the hour indicates computer time @ \$10/hr. additional  
cost.

*OK  
Jmw  
11/23/88*

## MOBILIZATION SUPPLIES

Claim tags (656 @ \$1.25 ea.)	\$	820
① Soil sample bottles (485 @ \$ .25 ea.)		120
① Location Notice bottles (171 @ \$ .25 ea.)		45
Labels for Location Notice bottles and soil sample bottles		3
Xerox copies of claim papers (221 @ \$ .10 ea.)		22
Claim posts (est. 1/3 of 656 = 220 posts @ 2.57/post)		565
Survey lath (est. 50 @ \$1.00 (?) ea.)		50
Screws for claim tags (656 tags x 6 screws ea. = 4,000 screws)		115
Flagging (4 rolls @ 2.50/roll)		10
Topofil string (4 rolls @ \$6.25/roll)		<u>25</u>
Total Cost of Supplies		\$ 1,780

*JH*  
*gpm* 11/23/88

RENTAL EQUIPMENT LIST

Equipment	Rate	Daily Charge
1-Ton	\$10/day	\$ 10
5/4-Ton	\$10/day	10
Jeep Trailer	\$ 5/day	5
Argosy Trailer	\$ 18/day/person	36
Makita drills (3)	\$ 5/day/unit	15
Hip chains (3)	\$ 5/day/unit	15
Transit (1)	\$10/day	10
Steiner Binoculars	\$ 5/day	5
		<u>\$106</u>

OK from 11/23/88

BUDGET FOR CASH REQUIREMENTS

Food (\$15/person/day for 12 field days)	\$ 360
Fuel (970 mi. @ 8 mpg & \$1.25/gal)	150
Propane	75
Total Cash Budget Estimate	\$ 585

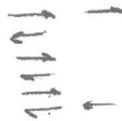
Breakdown of Mileage Estimate for Fuel Requirements:

Mobilization/Demobilization - 4 Trips for 2 vehicles @ 80 mi./trip = 640 miles *this I feel is an inflated figure?*

Field Miles - 30 mi./day for 11 days = 330 mi.

Total Mileage 640 + 330 = 970 mi.

(970mi./8mpg) \$1.25/gal. = \$150



8 x 80 = 640 ok

*OK  
from  
11/23/88*



JABA INC.  
2100 N. Wilmot Rd. #218  
Tucson, AZ 85712  
(602) 885-9141  
(FAX) 721-2768

December 7, 1988

CERTIFIED MAIL #991 413 953

U.S. Department of the Interior  
Bureau of Land Management  
Arizona Claims Section  
P.O. Box 16563  
Phoenix, AZ 85011

RE: Filing of evidence of yearly assessment work for mining claims in Arizona for the 1988 calendar year.

Dear B.L.M. Official:

Please find enclosed county recorded evidence of yearly assessment work for the calendar year of 1988 for the following claim groups:

1. T.S. lode claim group. Proof of Labor, owned by James A. Briscoe & Associates, Inc.
2. T.S.A. lode claim group, Proof of Labor, owned by James A. Briscoe & Associates, Inc.
3. S.H.M. lode claim group. Notice of Intent to hold, owned by John M. Guilbert.

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

Thank you for your time and attention.

Sincerely,

A handwritten signature in cursive script that reads "Thomas E. Waldrip, Jr.".

Thomas E. Waldrip, Jr.  
Geologist/Landman

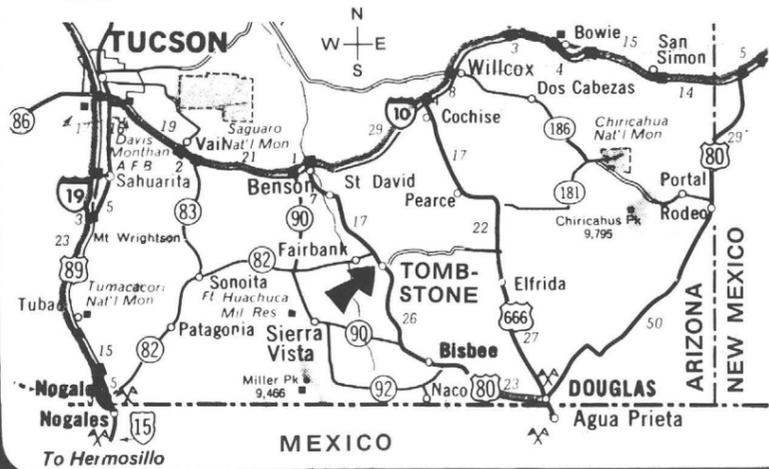
TEW/lc

Enclosures: T.S. and T.S.A. lode claim group Proof of Labor  
S.H.M. Notice of Intent to hold

cc: W.H. Hinks, Jr.  
G.M. Guilbert  
J.A. Briscoe

# AUCTION

## SILVER AND GOLD PROCESSING EQUIPMENT



AUCTION STARTS AT 10:04 A.M.  
**THURS., DEC. 8, 1988**  
 Tombstone, Arizona

Half-Mile SE of City at PBR Minerals  
 (Old Bisbee Hwy. off Allen St.)

FOR INFORMATION:  
 (602) 457-2282 or FAX (602) 457-3020  
 Tombstone, Arizona

**AIRLINES (Serving Tucson, Arizona)**  
 American ..... 1-800-433-7300  
 Delta ..... 1-800-221-1212  
 Braniff ..... 1-800 BRANIFF  
 Eastern ..... 1-800-327-8376  
 American West ..... 1-800-247-5692  
 Aero Mex ..... 1-800-237-6639

**RENT-A-CAR (Serving Tucson, Arizona)**  
 Avis ..... 1-800-331-1212  
 Budget ..... 1-800-527-0700  
 Hertz ..... 1-800-654-3131

**LODGING (Tombstone, Arizona)**  
 Lookout Lodge  
 (Best Western) ..... 602-457-2223  
 Tombstone Motel ..... 602-457-3478  
 Lariat Motel ..... 602-457-2272  
 Adobe Lodge ..... 602-457-3641

Return Address:  
 P.O. BOX 5133  
 LUBBOCK, TEXAS 79417

# AUCTION

## Silver & Gold Processing Equipment

Starting at 10:04 A.M. On  
**THURSDAY, DECEMBER 8, 1988**

IN HISTORIC  
**TOMBSTONE, ARIZONA**  
 Half-Mile Southeast of the City at PBR  
 Minerals (Old Bisbee Highway off  
 Allen St.)

INSPECTION DAYS:  
**DECEMBER 6 AND 7, 1988**

# AUCTION

## SILVER AND GOLD PROCESSING EQUIPMENT

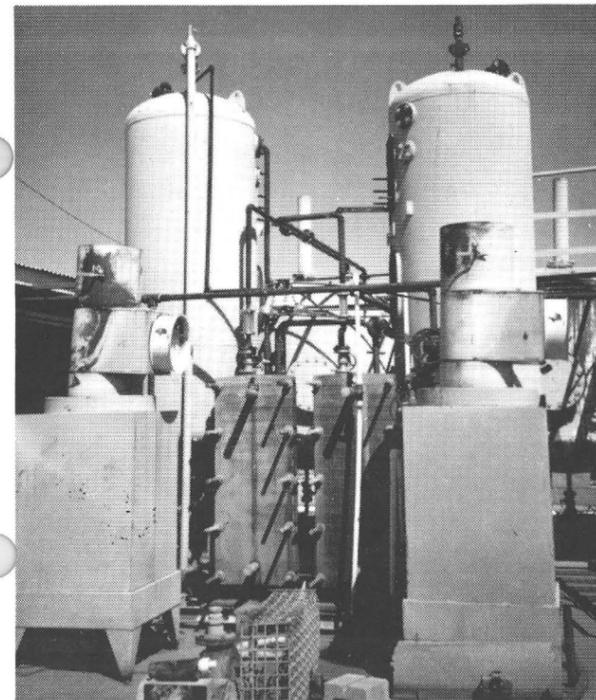
COWACHIN MINES, LTD. has commissioned HENDRIX & ASSOCIATES AUCTIONS to sell at AUCTION their surplus inventory of SILVER AND GOLD PROCESSING EQUIPMENT. Equipment has been properly maintained and was in use at time Cowachin Mines opted to change their processing method.

**10:04 A.M., THURSDAY, DECEMBER 8, 1988**

**In HISTORIC TOMBSTONE, ARIZONA**

(Half Mile Southeast of the City of Tombstone on the Old Bisbee Highway off Allen Street)

INSPECTION DAYS:  
**DECEMBER 6 AND 7**



Carbon Stripper



Carbon In Pulp/Carbon In Leach System

**TERMS OF PAYMENT:** Cash, Cashier's Check, Business Check if accompanied by Bank Letter. All sales are final. Equipment is sold AS-IS, WHERE-IS with no warranty or guarantees implied or stated.

## HENDRIX & ASSOCIATES, INC.

• AUCTIONEERS • APPRAISERS • LIQUIDATORS • CONSULTANTS

RON HENDRIX, (806) 794-9649, 5518 77th St., Lubbock, Texas 79424, TX Lic. # 6040

FOR INFORMATION: P.O. Box 370, Tombstone, Arizona, 85638, (602) 457-2282 or FAX (602) 457-3020

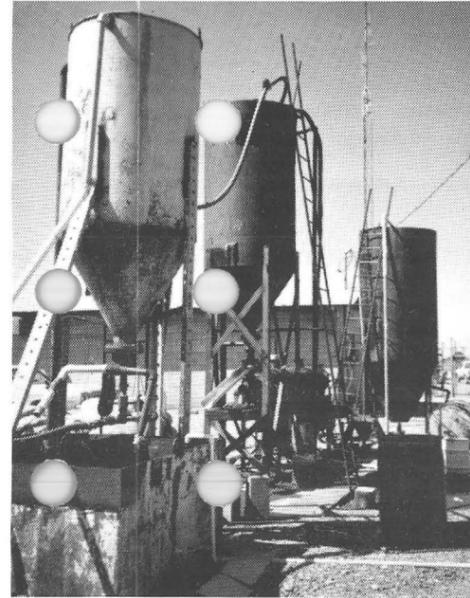
**AUCTION INCLUDES:**

- Clear Water Carbon Adsorption System: (6) 2-Ton Pressurized Towers, Rated Flow is 700-800 GPM; One 2-Ton Open Tower
- Carbon In Pulp/Carbon in Leach System: (3) 7'x9' Agitating Tanks with Lightnin Agitation and Fully Equipped with Sandpiper Transfer Pumps, Air Lines and Screens
- 20,000 Lbs. of West States 521G Carbon (Bagged)
- Carbon Stripper: (2) One-Ton Stripping Vessels Equipped with (2) Sioux D-1000 Instant Hot Water Heaters (1,000,000 BTUH) and (2) Transfer Super Chargers plus 800-Gal. Preg and 800-Gal. Barren Tanks, 10 HP Viking Positive Displacement Pump, Stainless Steel Valves And Flanges
- Zinc Precip Feeder
- Filter Press (30 Sw. Ft.) with 2 HP Teel Pump and Venturi Vacuum System also with 2 HP Teel Pump
- Carbon Acid Wash Tank
- Heat Reactivators
- Holding Tank
- Carbon Transfer Equipment
- 4'x24' Trommel w/Gear Reducer and 10 HP Motor
- Atkins Twin 48" Classifier (Sand Screw w/Electrical and 75 HP Elec. Motor and Catwalk
- Feeder: 15-Ton Bin w/Grizzly, Underflow Belt w/10 HP Motor and Gear Reducer, 18 x 100 Conveyor with Belts and Pulleys
- (3) Settling Tanks, Two 20,000-Gal. and One 12,000-Gal.
- Bolt Bin and Contents
- (4) Gate Valves
- (2) Butterfly Valves
- Jaeger Pump, 6"x6"
- Centrifugal Pump w/Motor
- Gorman Repp Pump, 3"x3"
- Worthington Pump, 4"x3"
- Denver 3"x3" Rubber Lined Pump w/Westinghouse 20 HP Motor
- ITT 1 1/4" x 2" Pump w/2 HP Motor
- UMI 1 1/4" x 1" Centrifugal Pump w/2 HP Motor
- Jet 1" x 3/4" Pump w/ 1/2 HP Motor
- 3/4"x3/4" Centrifugal Pump, 3/4 HP Motor
- Morse 87 to 1 Gear Reducer, Model 103K
- Krebbs Cyclone Separator, Model 202, 8"x6" Rated
- Gardner-Denver Compressor, 250 CFM
- Jaeger Pump w/10 HP Motor
- Pump w/15 HP Motor
- G.E. 25 HP Electric Motor
- U.S. 7 1/2 HP Electric Motor
- (4) Assorted Electric Motors
- U.S. 40 HP Electric Motor
- U.S. 30 HP Motor
- Pallets of Electrical Switch Boxes
- Assorted Flanges and Fittings
- (6) Gate Valves, 6X
- (3) Gate Valves, 3X
- Pinch Valves

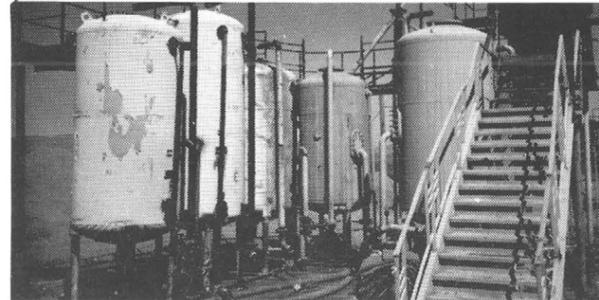
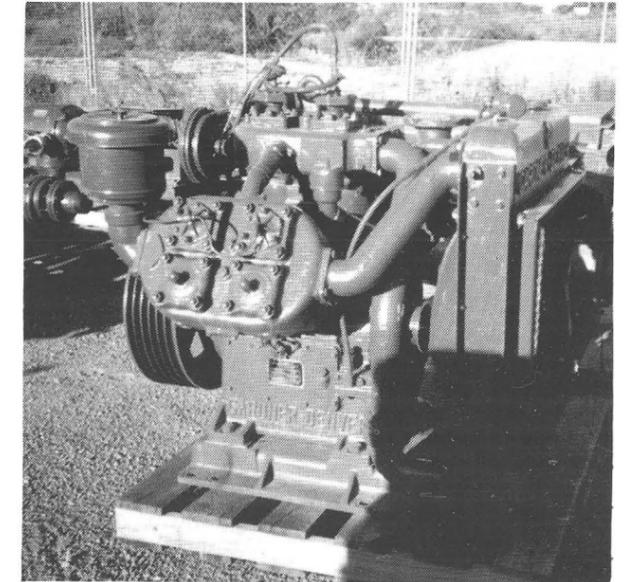
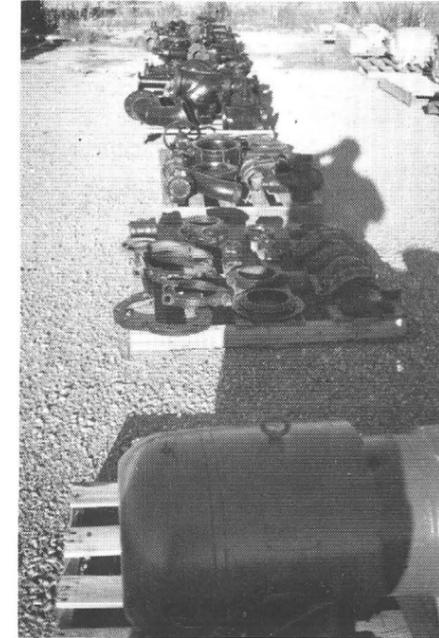
- (4) Plug Valves
- 6" Check Valves
- 4" Cross T
- Assorted Vicraulic Fittings and Clamps
- Ingersoll-Rand 5"x3" Pump w/15 HP Electric Motor
- Door-Oliver 6"x4" Rubber Lined Pump
- Falk Gear Reducer, 48 to 1
- U.S. 7 1/2 HP Elec. Motor, 3-Ph, 440
- Electric Motor, 10 HP
- G.E. 50 HP Electric Motor
- Wilfley 6"x10" Sand Pump
- Dorcco Pump, Double Daiphram, 10"x6" w/Electric Motor
- Spool of S/S Wire, Approx. 3000'
- Assorted Pump Parts
- Bauer Hydra-Sieve, Mod. 552F
- Denver SRL 3"x3" Sand Pump w/10 HP Electric Motor
- Assorted Valves
- 2KW DC Generator
- Allen Sherman Pump
- Krebb Cyclones
- 50 HP U.S. Electric Motor w/6"x4" Rubber Lined Vacsael Pump

- 4"x6" Vacsael Pump w/30 HP Motor
- 3"x3" Dual Pump w/7 1/2 HP Delco Motor
- 60' Thickner Unit w/Winn Smith Gear Reducer
- Assorted Hoses & Pulleys
- 60" Eriz Screen
- 48" Swelo Screen
- 7 1/2 HP Submergible Mud Pump
- 30 HP Self Priming Pump
- Misc. Iron and PVC
- 900-Gal. Mixing Tank w/Catwalk and Accessories
- Other Items

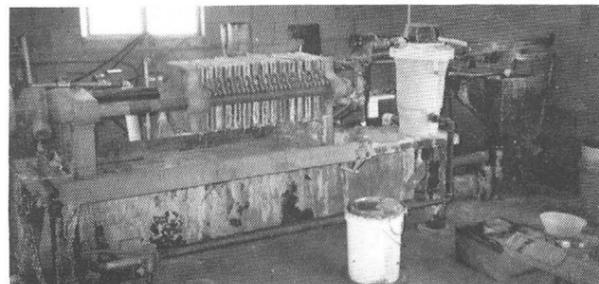
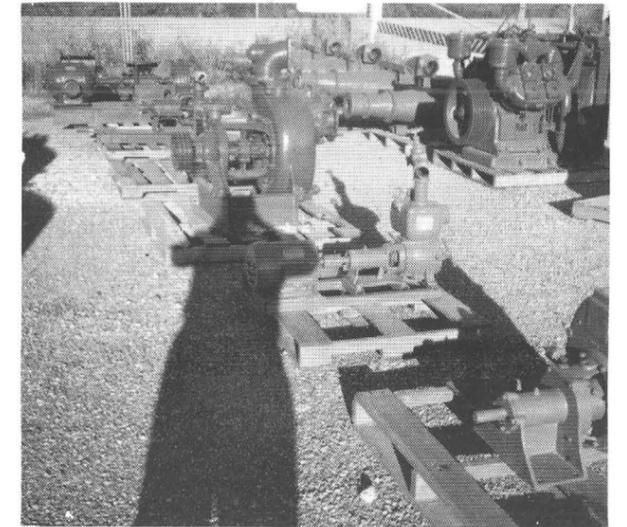
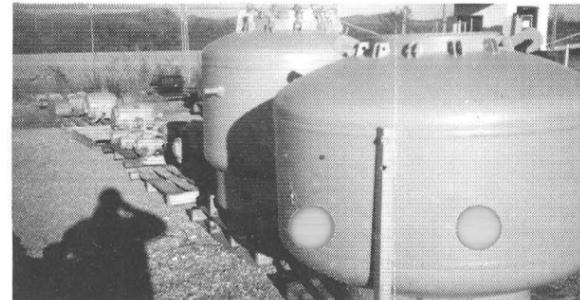
Whether you are a small or medium size operation — there will be something for you at this sale. Must see to appreciate. Please call us if you would like to come see the equipment before the designated inspection days. Our personnel will be happy to answer any and all questions. Phone: (602) 457-2282 or FAX (602) 457-3020, Tombstone, Arizona



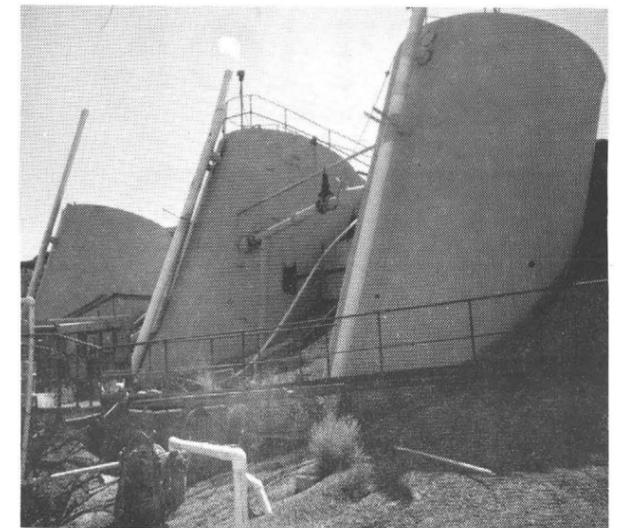
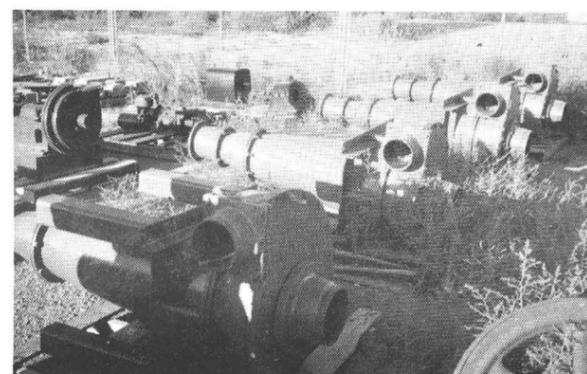
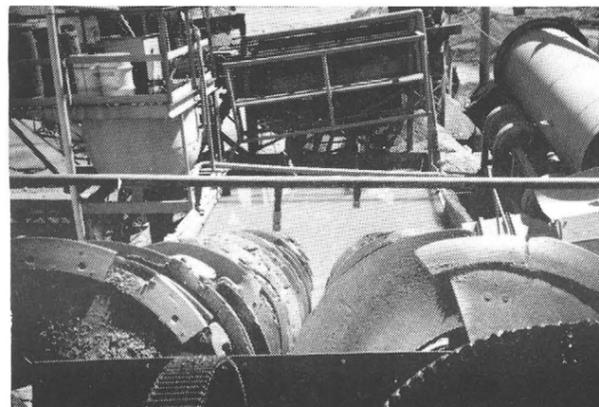
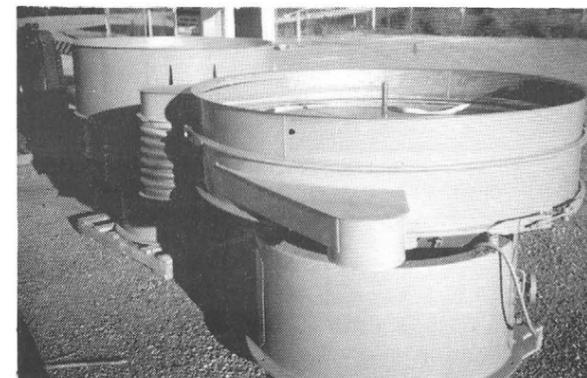
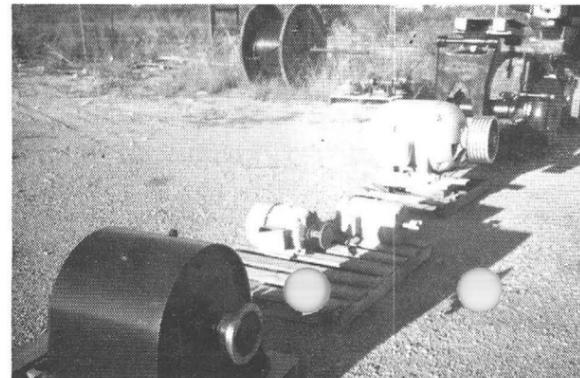
Carbon Acid Wash



Clear Water Carbon Adsorption System



Zinc Precip Feeder and Filter Press



Settling Tanks

## Santa Fe Pacific Mining, Inc.

6200 Uptown Blvd. N.E., Suite 400  
Box 27019  
Albuquerque, New Mexico 87125  
505/881-3050

December 12, 1988

Express

Mr. LaVerne Baxter, President  
Tombstone Development Company  
P. O. Box 1449  
Grand Island, Nebraska 68801

Re: First Amendment to Mining Lease dated September  
23, 1988 by and between Tombstone Development  
Company and Santa Fe Pacific Mining, Inc.  
covering land in Cochise Co., Az. 3-033-0001

Dear LaVerne:

In accordance with Section 24 of the above referenced  
Lease (Cooperation and Factual Data) attached for your review  
is the drill hole logs of the upper portion of core hole T-5.

As has been the case with other holes recently  
completed in this project, the nature of the core (lack of  
mineralization) was such that no samples were sent for assay.

This core will be available for your inspection upon  
completion of our drilling.

If you have any questions concerning this log, please  
call Duncan Riesmeyer.

Very truly yours,



Dennis Cole  
Manager-Land

DC:fy

Attachment

cc: Duncan Riesmeyer

*As Mike and I talked  
as long as this shows no  
metals why waste postage to send  
it.*





JABA INC.  
2100 N. Wilmot Rd. #218  
Tucson, AZ 85712  
(602) 885-9141  
(FAX) 721-2768

CERTIFIED MAIL # 991 413 878

December 22, 1988

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

RE: Filing and request for recording of 66 Notices of Location,  
T.S.B. lode claim group, Tombstone Mining District, Cochise  
County, Arizona.

Dear County Official:

Please find enclosed sixty-six (66) Notices of Location for  
the T.S.B. unpatented lode mining claim group.

A JABA check #8312 in the amount of \$594.00 (9.00 per  
Notice) has been included to cover recording fees. After  
recording, please return the documents in the addressed-self  
stamped envelope provided.

Thank you for your timely response to our request.

Respectfully,

A handwritten signature in cursive script that reads "Thomas E. Waldrip, Jr." The signature is written in dark ink and is positioned above the typed name.

Thomas E. Waldrip, Jr.

TEW/lc

P.O. #115  
Enclosure: 66 Notices Ck#8312  
SASE



JABA INC.  
 2100 N. Wilmot Rd. #218  
 Tucson, AZ 85712  
 (602) 885-9141  
 (FAX) 721-2768

December 27, 1988

Mr. Warren H. Hinks, Jr.  
 President WMEC  
 410 17th Street, Suite 2450  
 Denver, CO 80202

Dear Warren:

The following disc contains Word Perfect version 4.2 files of Proof of Labor and Letters dealing with the Randsburg, Crescent Peak and Swisshelm Mining district.

Proof of Labor

BDTKBGMR	PLBCNIPC
PLBDKERN	PLCLSSAN
PLCPMCRE	PLKLKKER
PLRAKSAN	PLRAKKER
SRBCNIPC	PLRAKTKB
SRBDTKDR	PLYBCSAN
SRBLUECR	SRBDKERN
SRCPMCRE	SRBLDGSB
SRRAKSAN	SRCLSSAB
SRKLKKER	SRRAKKER

Letters

LC1 To: Mrs. Grace Butler  
 LC5 To: Dr. John M. Guilbert  
 LC6 To: U.S. Dept. of Int. (Nevada State Office)  
 LC7 To: U.S. Dept. of Int. (Arizona Claims Section)  
 LC8 To: U.S. Dept. of Int. (California State Office)  
 LC9 To: Cochise County Records Office  
 LC13 To: Kern County Records Office  
 LC19 To: Clark County Records Office

If you have any questions, please feel free to call me at (602) 885-9141.

Sincerely,

*Lisa M. Canavan*  
 Lisa M. Canavan



# Southwestern Exploration Associates

COUNTY NOTEBOOK RESEARCH SYSTEM

VOL. 5

## CONSULTING SERVICES IN:

- literature research
- mineral exploration
- geothermal exploration
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4500 E. Speedway, Suite 14  
Tucson, Arizona 85712  
(602) 795-6097

## COUNTY NOTEBOOK INVENTORY LIST

### Volume 1: County Summary Material

1. Mining District index map with USGS quadrangle overlay
2. County bibliography list with explanations
3. Target listing
4. Listing of all deposits with current exploration status
5. Map indexes to various commodities and a generalized land status map
6. County report by State Bureau of Mines
7. Information on industrial mineral occurrences within the county
8. General articles filed alphabetically, preceded by bibliography list
9. Metal price list

### Volume 2: Thesis Material

1. Index map of available theses
2. Theses arranged alphabetically by author

### Volume 3: U.S.G.S. Reduced Topographic Sheets

1. Reduced A.M.S. sheets
2. Reduced 7½ and 15 minute quad sheets with list of mines located on each quad sheet

### Volume 4: U.S.G.S. Geologic, Geophysical, Geochemical and Open File Maps

1. Index to maps in Volume 4
2. Geologic maps
3. Geophysical maps
4. Geochemical maps
5. Photo index maps

### Volume 5: Mining District Notebooks

1. Mining district summary sheet
2. Mint records, mineral resources material, Weed's Copper Handbook (colored sheets separate these sections)
3. Mining district articles listed alphabetically
4. Bibliography
5. Mine summary sheets with geologic data
6. Land status