

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

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Mailing Address: P.O. Box 796 • Sparks, NV 89432 Street Address: 500 Dermody Way • Sparks, NV 89431 (702) 331-7878

Mr. Ron Short AF Budge (Mining) LTD. 4301 N. 75th Street Suite 101 Scottsdale, AZ 85251

Invoice no: 89-003

Date: 5-23-89

Job: Ash Peak - Duncan, Arizona

Hole #: B-2

#### Coring:

150 200	7 - 1500 0 - 2000 0 - 2500 0 - 2564	21.00 p/ft 23.50 p/ft 26.50 p/ft 29.50 p/ft	4,893.00 11,750.00 13,250.00 1,888.00
Dem	obilization:		1,000.00
Wat	er truck: (part 3A)		375.00
Cas	ing: 20 ft x 10.00 p/ft		200.00
Cor	e boxes: 151 x 3.00 p/box		453.00
1.	Bentonite @ 3.00 p/50 lb	x 3	9.00
2.	Drilling mud @ 98.60 p/bk	t x 35	3,451.00
3.	Water truck driver @ 12.0	0 p/hr x 214	2,568.00
4.	Per diem @ 20.00 p/man p/	day x 66	1,320.00
5.	Surveying time @ 85.00 p/	hr x 2	170.00
6.	Water delay @ 85.00 p/hr water delay @ 55.00 p/hr		807.50 522.50
7.	Rod pulling @ 85.00 p/hr	x 10.5	892.50

Date	5	5	6	7	7	8	8	9	9	10	10	11	11	12	12	13	13	14	15	16	16	17	17
Shift	D	N	D	D	N	D	N	D	N	D	N	D	N	D	N	D	N	D	N	D	N	D	N
1.						1	1	1											7				
2.	1			3	3	2	2	2	2	2	2	2	1	1	2		1	2	2	2	2	1	
3.	5	2.5		11	10	7	10	11.5	12	12	12	11.5	12	12	12	5.5	12	12	12	12	12	8	
4.	3 ·	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3.	3	3	
. 5.								.5		1		.5			-							1	
6.		9.5	4.5		2	3																	
7.										5					×	5.5			1			4	5
						8													1				, , , , ,

Invoice due and payable upon receipt

Total

43,549.50

THANK YOU



Mailing Address: P.O. Box 796 • Sparks, NV 89432 Street Address: 500 Dermody Way • Sparks, NV 89431 (702) 331-7878

Mr. Ron Short AF Budge (Mining) LTD. 4301 N. 75th Street Suite 101 Scottsdale, Arizona 85251	Invoice No. 89-001 Date: 4-18-89
Job: Ash Peak - Duncan, Arizona	Hole # B-1
Coring:	
$     \begin{array}{r}       0 - 500 \\       500 - 1000 \\       1000 - 1200     \end{array} $ 18.00 21.00	9000.00 9625.00 4200.00
Mobilization:	1000.00
Water truck: (part 3 A)	375.00
Core boxes: 128 x 3.00	384.00
Hourly rates:	
<ol> <li>Drilling mud @ 98.60 p/bkt x 23 bkts</li> <li>Water truck driver @ 12.00 p/hr x 166 hrs</li> <li>Surveying time @ 85.00 p/hr x 3.5 hrs</li> <li>Rig time @ 85.00 p/hr x 11 hrs</li> <li>Per diem @ 20.00 p/man p/d x 63</li> </ol>	2267.80 1992.00 297.50 935.00 1260.00
Shift D D N D N D N D N D N D N D	11 12 13 13 14 14 15 N D D N D N D 2 2 2 2 2 2 1 6 12 7

TOTAL INVOICE 31,336.30

INVOICE DUE AND PAYABLE UPON RECEIPT - THANK YOU

RECEIVED APR 2 1



Mailing Address: P.O. Box 796 • Sparks, NV 89432 Street Address: 500 Dermody Way • Sparks, NV 89431 (702) 331-7878

Mr. Ron Short AF Budge (Mining) LTD. 4301 N. 75th Street Suite 101 Scottsdale, AZ 85251		RECEIVED MAY  Invoice no. Date:	89-002								
Job: Ash Peak - Duncan, Ar	ob: Ash Peak - Duncan, Arizona Hole										
Coring:											
0 - 500 $500 - 1000$ $1000 - 1267$	18.00 19.25 21.00	9000.00 9625.00 5607.00									
Water truck: (part 3 A) 375.00											
Core boxes: 130 x 3.00		390.00									
1. Drilling mud @ 98.60 p/	bkt x 22	2169.20									
2. Water truck driver @ 12	2.00 p/hr x 146.5	1758.00									
3. Surveying time @ 85.00	p/hr x 4.5	382.50									
4. Rig time @ 85.00 p/hr x	<b>.</b> 7	595.00									
5. Per diem @ 20.00 p/man	p/d x 42	840.00									
6. Detergent @ 25.25 p/bkt		50.50									
7. Multi-seal @ 19.75 p/ba		19.75									
DATE 21 21 22 22 23 23 24 SHIFT D N D N D N D	D N D N D	29 30 30 N D N									
1.     1     1     1       2.     9     12     11     12     11     12     10.5	1 1 2 1 2 12 12 7	2 5 5									
3. 1 1.5		7 11 .5									
4. 1		5 1									
5. 3 3 3 3 3 3	2 3 3 3 2	3 2 3									
6. 1	,										

Total Invoice 30,811.95

Invoice due and payable upon receipt - Thank You



Mailing Address: P.O. Box 796 • Sparks, NV 89432 Street Address: 500 Dermody Way • Sparks, NV 89431 (702) 331-7878

Mr. Ron Short AF Budge (Mining) LTD. 4301 N. 75th Street Suite 101 Scottsdale, AZ 85251

Invoice no: 89-003

Date: 5-23-89

Job: Ash Peak - Duncan, Arizona

Hole #: B-2

Coring:

1267 - 1500 1500 - 2000 2000 - 2500 2500 - 2564	21.00 p/ft 23.50 p/ft 26.50 p/ft 29.50 p/ft	4,893.00 11,750.00 13,250.00 1,888.00
Demobilization:	* 1	1,000.00
Water truck: (part 3A)		375.00
Casing: 20 ft x 10.00 p/ft		200.00

Core boxes: 151 x 3.00 p/box 453.00

1. Bentonite @ 3.00 p/50 lb x 3 9.00

2. Drilling mud @ 98.60 p/bkt x 35 3,451.00

3. Water truck driver @ 12.00 p/hr x 214 2,568.00

4. Per diem @ 20.00 p/man p/day x 66 1,320.00

5. Surveying time @ 85.00 p/hr x 2

6. Water delay @ 85.00 p/hr w/crew x 9.5 hrs 807.50 Water delay @ 55.00 p/hr wo/crew x 9.5 hrs 522.50

7. Rod pulling @ 85.00 p/hr x 10.5

Date	5	5	6	7	7	8	8	9	9	10	10	11	11	12	12	13	13	1.4	15	16	16	17	17
Shift	. D	N	D	D	· N	D	N	D	· N	D	N	D	N	D	N	D	N	D	N	D	N	D	N
1.						1	1	1															
2.	1			3	3	2	2	2	2	2	2	2	i	1	2		1	2	2:	2	2	1	
3.	5	2.5		11	10	7	10	11.5	12	12	12	11.5	12	12	12	5.5	12	12	12	12	12	8	
4.	3.	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3.	3	3	1
. 5.								.5	21	i		.5									2	1	
6.		9.5	4.5		2	3			1.0									-			1		
7.																5.5			i				5
																			-				-

Invoice due and payable upon receipt

Total

43,549.50

#### DECONCINI MCDONALD BRAMMER YETWIN & LACY

A PROFESSIONAL CORPORATION

ATTORNEYS AT LAW

EVO DECONCINI (1901-1986)

JOHN R. MCDONALD RICHARD M. YETWIN DINO DECONCINI DAVID C. ANSON SPENCER A. SMITH DENISE M. BAINTON DAVID F. GAONA KAREN J. NYGAARD SUSAN E. MILLER

MARK D. LAMMERS

J. WM. BRAMMER, JR. JOHN C. LACY ROBERT M. STRUSE WILLIAM B. HANSON JOHN C. RICHARDSON JAMES A. JUTRY MICHAEL R. URMAN LUIS A. OCHOA GARY F. URMAN

2525 EAST BROADWAY BOULEVARD, SUITE 200 TUCSON, ARIZONA 85716-5303 (602) 322-5000 FAX: (602) 322-5585

April 14, 1989

3030 NORTH THIRD STREET, SUITE 200 PHOENIX, ARIZONA 85012-3002 (602) 241-0100 FAX: (602) 241-8554

PLEASE REPLY TO TUCSON

Mr. W.R. Becker, Sr. President Arizona Flux Mines, Inc. 1630 South Alvernon Way 85711 Tucson, AZ

Re: Ash Peak Project, Greenlee and Graham Counties, Arizona

Dear Mr. Becker:

I have enclosed photocopies of two Short Forms of Option and Mining Venture Agreement between A.F. Budge (Mining) Ltd., and Arizona Flux Mines, Inc. One copy was recorded in Greenlee County at Docket 166, pages 579 through 589 and a second copy which was recorded in Graham County in Docket 415, pages 382 through 392.

If you have any questions please feel free to call me.

Very truly yours,

bpm

Enclosures

Carole O'Brien C:

0414891130.jcl2.890035

#### DECONCINI MCDONALD BRAMMER YETWIN & LACY

A PROFESSIONAL CORPORATION

ATTORNEYS AT LAW

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JOHN R. McDONALD J. WM. BRAMMER, JR. JOHN C. LACY ROBERT M. STRUSE WILLIAM B. HANSON JOHN C. RICHARDSON JAMES A. JUTRY MICHAEL R. URMAN LUIS A. OCHOA GARY F. URMAN

2525 EAST BROADWAY BOULEVARD, SUITE 200 TUCSON, ARIZONA 85716-5303 (602) 322-5000 FAX: (602) 322-5585

April 14, 1989

3030 NORTH THIRD STREET, SUITE 200 PHOENIX, ARIZONA 85012-3002 (602) 241-0100 FAX: (602) 241-8554

PLEASE REPLY TO TUCSON

Arizona State Office Bureau of Land Management Third Floor Siete Square Building 3707 North 7th Street Phoenix, AZ 85014

#### Gentlemen:

In accordance with the requirements of 43 C.F.R. § 3833.3, I have enclosed a copy of a Short Form Option and Mining Venture Agreement concerning unpatented mining claims in Greenlee and Graham Counties, Arizona, as specified in Exhibit A to the Short The document has been previously recorded in both Graham and Greenlee Counties, as follows: Greenlee County Docket 166, pages 579 through 589; Graham County Docket 415, pages 382 through 392.

My understanding is that the BLM does not charge a fee for the filing of this type of transfer of interest. the case, please let me know.

Very

ruly yours,

bpm

Enclosure

Carole O'Brien

0414891240.jcl2.890035



Mailing Address: P.O. Box 796 • Sparks, NV 89432 Street Address: 500 Dermody Way • Sparks, NV 89431 (702) 331-7878

March 16, 1989

Don White 521 E. Willis Street Prescott, Arizona 86301

Dear Mr. White:

Enclosed is our response to your bid request on your core drilling project near Safford, Arizona as per our telephone conversation of March 15, 1989.

We appreciate this opportunity to bid. Should you avail yourself of our services this year, we will endeavor to insure you have a successful drilling program.

Our Arizona Contractor's License number is 073813-010. Our DWR number is 410.

Sincerely,

SDS DRILLING COMPANY

Calvin R. Shatto Owner/Field Manager

CRS:1d

Encl.

Copy to Mr. Ron Short

AF Budge (Mining) LTD.

4301 N. 75th Street

Suite 101

Scottsdale, Arizona 85251

Bid request date or current date: March 16, 1989
Company AF BUDGE (MINING) LTD.
Contractor SDS DRILLING COMPANY
PART I  DESCRIPTION OF MAJOR ITEMS OF CONTRACTOR'S  EQUIPMENT TO BE FURNISHED
Drill- LY 44 truck mounted Water truck (with loading pump)- All- Casing, Drill Pipe, Core Barrels and Tools required for job All- Pumps, Mud Tanks, Storage Tanks, Labor, Fuel, Supervision, Pickup Trucks Core Boxes, Tools, Drilling Mud Additives, Lost Circulation Materials, Coment, Water Lines, Transfer Pump, Supplies, Bits and Operating Equipment necessary to complete the job.
PART II CONTRACTOR'S CREWS AND WORK SCHEDULE
Contractor will work $2$ shift(s) per day with $2$ -man crews, conducting its operations on a $5$ working days per week basis and a $10$ days on and $4$ days off schedule, and will provide an on-site supervisor if needed.
Days off are: <u>Friday thru Monday</u> Shift schedules are: lst shift: 7am to7pm 2nd shift: 7pm to7am
PART III SPECIAL ITEMS (checklist)
(NOTE: Where CE is used it means the item is to be furnished at Contractor's expense, and CR means the item is to be furnished on the basis that Contractor will be reimbursed for the actual cost of the item plus $\underline{10}$ %, and a footnote designated by letter, will be used to set out a basis other than CE or CR.
COMPENSATION BASIS WHERE CONTRACTOR COMPANY NOT

FURNISHED

X

Χ

X

X

FURNISHED

CR

CR

CR

CR

REQUIRED

FURNISHED

X

ITEM

preparation

Drilling mud

erations

2.

3.

Drill road and drill site

Drilling mud additives

5. Cement and other materials required for cementing op-

4. Lost circulation materials

		ITEM		CONTRACTOR FURNISHED	COMPENSATION BASIS WHERE CONTRACTOR FURNISHED	COMPANY FURNISHED	NOT REQUIRED
6.	req		other materials or plugging oper	X	CR	The same and the s	
7.	Dri	lling w	ater source		-	X	
8.			tion of drilling ocation	X	CR		
		Water	Truck ootnote A) Truck Driver ootnote B)	X	CR		
		NOTE:	Where water tructished, the drivion Contractor's	ing is to be	handled by cor		
9.		e Boxes e Footn		X	CR	to be a second of the second o	
0.	twe	en dril	rvice for be- ling location ontractor's nit	N/A		,	
11.	in	ing los hole e Footn	t orordered left ote D)	X	CR		
12.	Sol	uble oi	1 & rod grease	X	CR		
13.	Die flu	sel for id addi	mixing drilling tives	X	CR		
14.	req	gle sho uired e Footn	t camera, if ote E)	X	CR		
oot	note	s to Pa	rt III:				
	Α.	water	cified to be Cont trucks, with fuel t a rate of:	l, supplies,	maintenance a		
		Contra	ctor's said water	truck being	g described as	follows:	
		19	88 Ford F-700	1	500 gallon		
	В.	Company	ater truck driver y will, in compen Contractor at a r	sation for t	the services of	such drive	

С.	will sup	fied to be plyowing type:	Contractor for size; core bo	urnished, Con oxes furnishe	tractor d to be of					
	corruga	ted 175 lb.	strength was	k inside						
D.	D. List Price for Casing: <u>cost plus shipping</u>									
Ε.	E. If specified to be Contractor furnished, Contractor will supply single shot camera at a rate of:									
	\$1500 p	er month								
			PART IV S RATES AND (	CHARGES						
A. Mobiliz	zation Ra	te:\$10	00.00							
B. Demobil	lization :	Rate: \$10	00.00							
	Demobilization Rate: \$1000.00  Between Hole Moving Rate: n/c									
D. Footage Rates:										
Depth Inter	rval	Non-core Drilling		<b>1</b>						
*	-		<u>H</u>	N	B					
0 to50	00	<u>N/A</u> /ft.	1 <u>8.50</u> /ft	1 <u>8.00</u> /ft.	/ft.					
_500_to_100	00	<u>N/A</u> /ft.	1 <u>9.75</u> /ft	1 <u>9.25</u> /ft.	/ft.					
1000 to 150	00	<u>N/A</u> /ft.	2 <u>1.50</u> /ft	2 <u>1.00</u> /ft.	/ft.					
1500 to 200	00	<u>N/A</u> /ft.	2 <u>4.00</u> /ft	2 <u>3.50</u> /ft.	2 <u>3.00</u> /ft.					
2000 to 250	00	<u>N/A</u> /ft.	/ft	2 <u>6.50</u> /ft.	2 <u>6.00</u> /ft.					
3000 to 350	00	N/A /ft.	/ft	2 <u>9.50</u> /ft.	2 <u>9.00</u> /ft.					
3500 to 400	00	<u>N/A</u> /ft.	/ft	3 <u>3.00</u> /ft.	32.50/ft.					
E. Reaming	E. Reaming Footage Rate:									
F. Hourly	Rates:									
	(1) Sta	ndby Rate	\$55.00							
	(2) Cem	enting Rate	\$85.00							

(3) Waiting on Cement Rate	55.00	
(4) Drilling Out Cement Rate_	85.00	
(5) Casing Setting Rate	85.00	
(6) Surveying Time Rate	85.00	
(7) Casing Pulling Rate	85.00	
(8) Reaming Rate	85.00	
(9) Lost Circulation Rate	85.00	
(10) Hole Stabilizing Rate	85.00	
(11) Plugging Rate	85.00	
(12) Re-Entry Rate	85.00	
(13) Wedging Rate	85.00	
(14) Other Rig Time	85.00 all time not coring except	
NOTE: All of the above operation	moving & maintenance will be rig	ti

NOTE: All of the above operations require a full crew.

#### G. Other Rates:

(1) Per Diem \$20.00 per man

This bid quotation is accepted, as proposed, as a contract between SDS Drilling Company and A.F. Budge (Mining) Limited.

This contract will be for a minimum of 3,000 feet of core drilling as directed by A.F. Budge (Mining) Limited near Safford, Arizona to commence on/or about April 5, 1989.

Signed:

Ronald R. Short General Manager

A.F. Budge (Mining) Limited

### Bid request date or current date: March 16, 1989

Company	AF BUD	GE (MINI	NG) LTD	•
			,	,
Contractor	SDS	DRILLING	COMPANY	

# PART I DESCRIPTION OF MAJOR ITEMS OF CONTRACTOR'S EQUIPMENT TO BE FURNISHED

Drill- LY 44 truck mounted
Water truck (with loading pump)-
All- Casing, Drill Pipe, Core Barrels and Tools required for job
All- Pumps, Mud Tanks, Storage Tanks, Labor, Fuel, Supervision, Pickup Trucks,
Core Boxes, Tools, Drilling Mud Additives, Lost Circulation Materials, Ce-
ment, Water Lines, Transfer Pump, Supplies, Bits and Operating Equipment
necessary to complete the job.

## PART II CONTRACTOR'S CREWS AND WORK SCHEDULE

Contractor will work  $\underline{2}$  shift(s) per day with  $\underline{2}$  -man crews, conducting its operations on a  $\underline{5}$  working days per week basis and a  $\underline{10}$  days on and  $\underline{4}$  days off schedule, and will provide an on-site supervisor if needed.

Days o	off are:	Friday	tl	nru Mor	nday	
Shift	schedules					to7pm
			2nd	shift:	7pm	to7am

### PART III SPECIAL ITEMS (checklist)

(NOTE: Where CE is used it means the item is to be furnished at Contractor's expense, and CR means the item is to be furnished on the basis that Contractor will be reimbursed for the actual cost of the item plus  $\underline{10}$  %, and a footnote, designated by letter, will be used to set out a basis other than CE or CR.

	ITEM	CONTRACTOR FURNISHED	COMPENSATION BASIS WHERE CONTRACTOR FURNISHED	COMPANY FURNISHED	NOT REQUIRED
!.	Drill road and drill site preparation		***************************************	X	
2.	Drilling mud	X	CR	***********************	
3.	Drilling mud additives	X	CR	Acres with the Edward Street Street	
4.	Lost circulation materials	X	CR	*	
5.	Cement and other materials required for cementing operations	X	CR		

COMPENSATION

	ITEM	CONTRACTOR FURNISHED	BASIS WHERE CONTRACTOR FURNISHED	COMPANY FURNISHED	NOT REQUIRED
6.	Cement and other materials required for plugging oper ations		CR		
7.	Drilling water source			X	
8.	Transportation of drilling water to location	X	CR		
	(a) Water Truck (See Footnote A)	X	CR		
	(b) Water Truck Driver (See Footnote B)	X	CR		
	NOTE: Where water tru ished, the driv on Contractor's	ing is to be	handled by co		
9.	Core Boxes (See Footnote C)	X	CR	***************************************	
10.	Tractor service for between drilling location moves of Contractor's drilling unit	N/A			· \; ·
11.	Casing lost orordered left in hole (See Footnote D)	X	CR	-	
12.	Soluble oil & rod grease	X	CR		
13.	Diesel for mixing drilling fluid additives	X	CR	handened and first account or account	-
14.	Single shot camera, if required (See Footnote E)	X	CR		Long-policy Page 1997
Foot	notes to Part III:				
	A. If specified to be Con water trucks, with fue for, at a rate of:	l, supplies,	maintenance a		
	Contractor's said wate	r truck bein	g described as	follows:	
	1988 Ford F-700	1	500 gallon		
B. If a water truck driver is required to be furnished by Contracto Company will, in compensation for the services of such driver, reburse Contractor at a rate of:\$12.00 per hour					

С.	will sup		Contractor size; core				
	corruga	ted 175 lb.	. strength v	ax insid	е	***************************************	
D.	D. List Price for Casing: <u>cost plus shipping</u>						
E.	E. If specified to be Contractor furnished, Contractor will supply single shot camera at a rate of:						
Server and the server	\$1500 per month						
		• •					
PART IV CONTRACTOR'S RATES AND CHARGES							
A. Mobilization Rate: \$1000.00							
B. Demobil	ization	Rate: \$10	00.00				
C. Between	Hole Mo	ving Rate:_	n/c				
D. Footage Rates:							
Depth Inter	rval	Non-core Drilling				•	
***************************************		Account description of order order order of	Н		N	B	
0 to _50	00	<u>N/A</u> /ft.	18.50	ft. 1 <u>8.</u>	<u>00</u> /ft.	/ft.	
500 to 100	00	N/A /ft.	19.75	ft. 1 <u>9.</u>	<u>25</u> /ft.	/ft.	
1000 to 150	00	<u>N/A</u> /ft.	21.50	ft. 2 <u>1.</u>	00/ft.	/ft.	
1500 to 200	00	<u>N/A</u> /ft.	24.00	ft. 2 <u>3.</u>	<u>50</u> /ft.	2 <u>3.00</u> /ft.	
2000 to 250	00	<u>N/A</u> /ft.		ft. 2 <u>6.</u>	<u>50</u> /ft.	2 <u>6.00</u> /ft.	
3000 to 350	00	N/A_/ft.		′ft. 2 <u>9.</u>	50/ft.	2 <u>9.00</u> /ft.	
3500 to 400	00	N/A /ft.		ft. 3 <u>3.</u>	00/ft.	3 <u>2.50</u> /ft.	
E. Reaming Footage Rate:							
F. Hourly Rates:							
	(1) Sta	ndby Rate	\$55.00	)			
	(2) Cem	enting Rate	\$85.00	)			

(3)	Waiting on Cement Rate	55.00	
(4)	Drilling Out Cement Rate_	85.00	
(5)	Casing Setting Rate	85.00	
(6)	Surveying Time Rate	85.00	
(7)	Casing Pulling Rate	85.00	
(8)	Reaming Rate	85.00	
(9)	Lost Circulation Rate	85.00	
(10)	Hole Stabilizing Rate	85.00	
(11)	Plugging Rate	85.00	
(12)	Re-Entry Rate	85.00	
(13)	Wedging Rate	85.00	
(14)	Other Rig Time	85.00 all time not coring except	
	t	moving & maintenance will be rig	time

G. Other Rates:

(1) Per Diem \$20.00 per man

This bid quotation is accepted, as proposed, as a contract between SDS Drilling Company and A.F. Budge (Mining) Limited.

NOTE: All of the above operations require a full crew.

This contract will be for a minimum of 3,000 feet of core drilling as directed by A.F. Budge (Mining) Limited near Safford, Arizona to commence on/or about April 5, 1989.

Signed:

Ronald R. Short General Manager A.F. Budge (Mining) Limited