The following file is part of the A. F. Budge Mining Ltd. Mining Collection

ACCESS STATEMENT

These digitized collections are accessible for purposes of education and research. We have indicated what we know about copyright and rights of privacy, publicity, or trademark. Due to the nature of archival collections, we are not always able to identify this information. We are eager to hear from any rights owners, so that we may obtain accurate information. Upon request, we will remove material from public view while we address a rights issue.

CONSTRAINTS STATEMENT

The Arizona Geological Survey does not claim to control all rights for all materials in its collection. These rights include, but are not limited to: copyright, privacy rights, and cultural protection rights. The User hereby assumes all responsibility for obtaining any rights to use the material in excess of “fair use.”

The Survey makes no intellectual property claims to the products created by individual authors in the manuscript collections, except when the author deeded those rights to the Survey or when those authors were employed by the State of Arizona and created intellectual products as a function of their official duties. The Survey does maintain property rights to the physical and digital representations of the works.

QUALITY STATEMENT

The Arizona Geological Survey is not responsible for the accuracy of the records, information, or opinions that may be contained in the files. The Survey collects, catalogs, and archives data on mineral properties regardless of its views of the veracity or accuracy of those data.
Chronology
Phelps Dodge, Verde Exploration & UVX

1) Wednesday, February 27: Meeting in New York with John Menke and Paul Handverger to negotiate UVX lease.

2) March 6: Letter from Stan Holmes to Paul Handverger confirming PD's offer to lease, with option to purchase, equipment to A.F. Budge (Mining) Ltd., whose local agent is Ben F. Dickerson III. Copy of this letter sent to Fred Ferguson.

3) March 22: our letter to Mr. Ferguson with copies of Budge's accounts and brochure, effectively accepting terms of lease.

4) April 1: Effective date of Lease Agreement between Verde Exploration and A.F. Budge (Mining) Ltd.


6) May 1: Draft copies of Equipment Lease received from Ferguson. Review of draft with John Lacy.

7) May 3: Conference between Lacy and Jutry (Lacy's tax man) concerning tax status of lease.

8) May 6 - 9: Discussions between Lacy and Ferguson regarding revisions in lease.

9) May 12: Revised Equipment Lease received from Ferguson; execution of lease conditional on execution of Guarantee by Budge, and opinion of tax counsel to preserve "safe harbor" tax benefits.

10) May 13 - 31: Review, discussion, research into tax
situation by Lacy, Jutry & Ferguson.

Ferguson continues to worry heavily about tax consequences to PD, under terms of their "safe harbor" tax lease, which is held by Corroon & Black in NYC. Copy of lease sent to C&B for their comments, which have been incorporated in proposed agreements.

11) June 11: Opinion letter from tax counsel prepared and sent to Ferguson, who still has questions and reservations.

12) June 17 - 20: Ferguson on vacation.

13) June 21: Call to Stan Holmes (V.P. Small Mines Division) who stated that paperwork should be cleared by Monday, June 24 or Tuesday, June 25.

14) June 24: Ferguson called Lacy, upset that Brooks Minerals was allegedly using equipment.

15) June 26: Lacy advised that final revised leases (6-25-85) received from Ferguson.

16) June 27: Leases mailed to Stan Holmes for his signature.

17) July 1: Leases signed and mailed back to Fred Ferguson.

18) July 2: Ferguson called Lacy to say signed leases arrived. Needed final opinion from tax counsel (J. Jutry) who had a phone conference with Ferguson in p.m. Ferguson states he must again discuss situation with Corroon & Black in New York (first thing in morning, July 3)

19) John Menke (Verde) informed that if leases are not signed today, letter will be sent to Holmes stating that if leases are not signed by 4:30 p.m. July 10, project will be abandoned. Chairman of Verde called G. Munroe, Chairman of PD
and left message informing him of events. Menke tried to contact
S. Holmes who was not in the office and phone busy at home (Menke
says phone off the hook).
Called J. Jutry at 10:30 a.m. and asked him to call F. Ferguson
to see if things had been resolved with Corroon & Black. Jutry
also informed that project may be abandoned.
J. Jutry called at 11:02. Matters now in the hands of Corroon &
Black who are supposed to call F. Ferguson back today re:
sufficiency of documentation.
Wed. Feb. 27 meeting in N.Y. w/ John Menke & Paul Handaver.

Wed. M. 27 F. Ferguson called (Stan, hotel in S. America till Mon Apr. 1)

April 25 sent final agreement & 25,000 check to Verde 10% J. Menke

Agreement effective April 1.

M. 6 letter to P.H. to turn

Conversation w/ F.F. on April 22

J. Gutty May 30 - June 3 Lacy on vacation

M. Brady arrived Mon. June 10

equipment " Mon. June 17

houseman " Thurs June 20

June 17 - 20 Ferguson in vac

on June 21, called S. Holmes indicated Mon. was passed due.

Mon. J. 24 F.F. upset because B&I using equipment

June 26: call from Lacy got several checks etc. from F.F. (6-26/85)

papers sent to

6-11-85 draft tax opinion letter from Gutty

Chairman of Board called Geo. M. called @ 8:50

private agreement

5%
CONDITIONS


2. Drilling of the well(s) shall be completed within one (1) year after the date of Notice.

3. Mineral exploration, geotechnical cathodic protection or grounding holes of 100 feet of depth or less do not apply to these provisions and do not require filing. However, if water is encountered during the drilling of these wells, then the well(s) must be properly abandoned in accordance with Condition 1 above.

4. More than one well may be drilled under a single notice for mineral exploration, geotechnical, cathodic protection and grounding purposes, so long as they are located within a single section.

5. A Project Completion Report (DWR-55-42-10/83) must be filed for each hole, within 30 days of completion of drilling. A Well Driller Report (DWR-55-6-Rev.) for each hole drilled, must be filed by the well driller within 30 days of completion of drilling for geotechnical, cathodic protection, and grounding wells.

6. Pump equipment may not be installed on wells drilled for mineral exploration, geotechnical, cathodic protection or grounding purposes.

7. Special construction standards required pursuant to R12-15-821: __________________
August 11, 1989

Dr. Ralph J. Roberts
Dr. Robert G. Reeves
Jon P. Broderick
Reese River Resources, Inc.
P.O. Box 796
Battle Mountain, Nevada 89820

Gentlemen,

Thank you for your recent overview of Reese River Resources, Inc. and BMR Gold Corp. exploration projects. Your personal hospitality was also appreciated. The exploration projects appear well directed and organized. However, as we discussed, such conceptual targets would be difficult for A. F. Budge (Mining) Ltd. at this stage in our evolution as a metals mining and exploration company.

The deep mineralization at the Independence Mine in the Battle Mountains is more of a defined target and of interest to our company. Unfortunately it sounds like St. George has already consumated an agreement with Noranda on the property. I passed on the limited information I have and my enthusiasm for the target to Mr. Budge and he wishes to further pursue this project if an opportunity arises. Please keep us informed of any developments. Enclosed are the 1988 statement of accounts and a 1985 company pictorial for your information.

Sincerely yours,

John W. Norby
Chief Geologist

cc. A.F. Budge
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_______N/S
   Range_______E/W
   Section_______
   In the case of a single well, list 10-acre subdivision

2. County_________
3. Applicant:
   Name__________________________
   Address__________________________
   City, State Zip__________________

4. NAME OF CONTACT PERSON
   Phone__________________________

5. Owner of well:
   Name__________________________
   Address__________________________
   City, State Zip__________________

6. Purpose of well(s) drilled pursuant to this Notice:
   Mineral Exploration__
   Geotechnical__
   Cathodic Protection__
   Grounding__

7. Number of wells__________
   (See Condition 3 on reverse)
11. Drilling firm:
   Name__________________________
   Address__________________________
   City, State Zip__________________
   DWR License Number__________________

8. Owner of land:
   Name__________________________
   Address__________________________
   City, State Zip__________________

9. DESCRIPTION OF WELL:
   Diameter_________inches
   Depth_________feet
   Type of casing_________
   (If none, so state)
13. Proposed method of abandonment of well(s) after project is completed:

10. Construction will start:
   Month______Day______Year______

12. Period well will remain in use______months.

14. Is the proposed wells site within 100 feet of a septic tank system, sewage disposal area, landfill, hazardous waste facility or storage area of hazardous materials? Yes__ No__

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

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

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

DATE__________________________

Signature of Applicant__________________________
EXPLORATION WELL(S)  
FILING FEE $10.00

DEPARTMENT OF WATER RESOURCES (DWR)  
NOTICE OF INTENTION TO DRILL

EXPLORATION WELL(S)

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

WELL/LAND LOCATION

1. Township N/S  
   Range E/W  
   Section  

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

\[ \frac{1}{4}, \frac{1}{4}, \frac{1}{4} \nn 2. County

3. Applicant:  
   Name  
   Address  
   City State Zip

4. NAME OF CONTACT PERSON  
   Phone

5. Owner of well:  
   Name  
   Address  
   City State Zip

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

7. Number of wells (See Condition 3 on reverse)  
8. Owner of land: 
   Name  
   Address  
   City State Zip

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

10. Construction will start:  
   Month Day Year

11. Drilling firm:  
   Name

12. Period well will remain in use months.

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

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

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

GENERAL INSTRUCTIONS

1. Fill out this form in duplicate and mail to Department of Water Resources, 15 South 15th Ave. Phoenix, Arizona 85007

2. Proper filing fee of $10.00 must accompany Notice.

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

DATE  
DWR 55-40-10/88 (Revised)  
Signature of Applicant

2. Drilling of the well(s) shall be completed within one (1) year after the date of Notice.

3. Mineral exploration, geotechnical cathodic protection or grounding holes of 100 feet of depth or less do not apply to these provisions and do not require filing. However, if water is encountered during the drilling of these wells, then the well(s) must be properly abandoned in accordance with Condition 1 above.

4. More than one well may be drilled under a single notice for mineral exploration, geotechnical, cathodic protection and grounding purposes, so long as they are located within a single section.

5. A Project Completion Report (DWR-55-42-10/83) must be filed for each hole, within 30 days of completion of drilling. A Well Driller Report (DWR-55-6-Rev.) for each hole drilled, must be filed by the well driller within 30 days of completion of drilling for geotechnical, cathodic protection, and grounding wells.

6. Pump equipment may not be installed on wells drilled for mineral exploration, geotechnical, cathodic protection or grounding purposes.

7. Special construction standards required pursuant to R12-15-821: ____________________________
EXPLORATION WELL(S)
FILING FEE $10.00

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

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

WELL/LAND LOCATION
1. Township_________ N/S
   Range_________ E/W
   Section______
   In the case of a single well, list 10-acre subdivision
     k, k, k
2. County_____________________
3. Applicant:
   Name_____________________
   Address_____________________
   City ______ State ______ Zip
4. NAME OF CONTACT PERSON
   Phone_____________________
5. Owner of well:
   Name_____________________
   Address_____________________
   City ______ State ______ Zip
6. Purpose of well(s) drilled pursuant to this Notice:
   Mineral Exploration
   Geotechnical
   Cathodic Protection
   Grounding
7. Number of wells_________ (See Condition 3 on reverse)
8. Owner of land:
   Name_____________________
   Address_____________________
   City ______ State ______ Zip
9. DESCRIPTION OF WELL:
   Diameter_________ inches
   Depth_________ feet
   Type of casing_________ (If none, so state)
10. Construction will start:
    Month __ Day ___ Year
11. Drilling firm:
    Name_____________________
    Address_____________________
    City ______ State ______ Zip
    DWR License Number
12. Period well will remain in use_________ months.
13. Proposed method of abandonment of well(s) after project is completed:
14. Is the proposed wellsite within 100 feet of a septic tank system, sewage disposal area, landfill, hazardous waste facility or storage area of hazardous materials? Yes____ No____
   If yes, a request for a variance must accompany this application pursuant to R12-15-820.

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

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

DATE_____________________
Signature of Applicant

DWR 55-40-10/88 (Revised)

2. Drilling of the well(s) shall be completed within one (1) year after the date of Notice.

3. Mineral exploration, geotechnical cathodic protection or grounding holes of 100 feet of depth or less do not apply to these provisions and do not require filing. However, if water is encountered during the drilling of these wells, then the well(s) must be properly abandoned in accordance with Condition 1 above.

4. More than one well may be drilled under a single notice for mineral exploration, geotechnical, cathodic protection and grounding purposes, so long as they are located within a single section.

5. A Project Completion Report (DWR-55-42-10/83) must be filed for each hole, within 30 days of completion of drilling. A Well Driller Report (DWR-55-6-Rev.) for each hole drilled, must be filed by the well driller within 30 days of completion of drilling for geotechnical, cathodic protection, and grounding wells.

6. Pump equipment may not be installed on wells drilled for mineral exploration, geotechnical, cathodic protection or grounding purposes.

7. Special construction standards required pursuant to R12-15-821:__________
CONDITIONS


2. Drilling of the well(s) shall be completed within one (1) year after the date of Notice.

3. Mineral exploration, geotechnical cathodic protection or grounding holes of 100 feet of depth or less do not apply to these provisions and do not require filing. However, if water is encountered during the drilling of these wells, then the well(s) must be properly abandoned in accordance with Condition 1 above.

4. More than one well may be drilled under a single notice for mineral exploration, geotechnical, cathodic protection and grounding purposes, so long as they are located within a single section.

5. A Project Completion Report (DWR-55-42-10/83) must be filed for each hole, within 30 days of completion of drilling. A Well Driller Report (DWR-55-6-Rev.) for each hole drilled, must be filed by the well driller within 30 days of completion of drilling for geotechnical, cathodic protection, and grounding wells.

6. Pump equipment may not be installed on wells drilled for mineral exploration, geotechnical, cathodic protection or grounding purposes.

7. Special construction standards required pursuant to R12-15-821:
CONDITIONS


2. Drilling of the well(s) shall be completed within one (1) year after the date of Notice.

3. Mineral exploration, geotechnical cathodic protection or grounding holes of 100 feet of depth or less do not apply to these provisions and do not require filing. However, if water is encountered during the drilling of these wells, then the well(s) must be properly abandoned in accordance with Condition 1 above.

4. More than one well may be drilled under a single notice for mineral exploration, geotechnical, cathodic protection and grounding purposes, so long as they are located within a single section.

5. A Project Completion Report (DWR-55-42-10/83) must be filed for each hole, within 30 days of completion of drilling. A Well Driller Report (DWR-55-6-Rev.) for each hole drilled, must be filed by the well driller within 30 days of completion of drilling for geotechnical, cathodic protection, and grounding wells.

6. Pump equipment may not be installed on wells drilled for mineral exploration, geotechnical, cathodic protection or grounding purposes.

7. Special construction standards required pursuant to R12-15-821: ____________________________
CONDITIONS


2. Drilling of the well(s) shall be completed within one (1) year after the date of Notice.

3. Mineral exploration, geotechnical cathodic protection or grounding holes of 100 feet of depth or less do not apply to these provisions and do not require filing. However, if water is encountered during the drilling of these wells, then the well(s) must be properly abandoned in accordance with Condition 1 above.

4. More than one well may be drilled under a single notice for mineral exploration, geotechnical, cathodic protection and grounding purposes, so long as they are located within a single section.

5. A Project Completion Report (DWR-55-42-10/83) must be filed for each hole, within 30 days of completion of drilling. A Well Driller Report (DWR-55-6-Rev.) for each hole drilled, must be filed by the well driller within 30 days of completion of drilling for geotechnical, cathodic protection, and grounding wells.

6. Pump equipment may not be installed on wells drilled for mineral exploration, geotechnical, cathodic protection or grounding purposes.

7. Special construction standards required pursuant to R12-15-821: ____________________________
CONDITIONS


2. Drilling of the well(s) shall be completed within one (1) year after the date of Notice.

3. Mineral exploration, geotechnical cathodic protection or grounding holes of 100 feet of depth or less do not apply to these provisions and do not require filing. However, if water is encountered during the drilling of these wells, then the well(s) must be properly abandoned in accordance with Condition 1 above.

4. More than one well may be drilled under a single notice for mineral exploration, geotechnical, cathodic protection and grounding purposes, so long as they are located within a single section.

5. A Project Completion Report (DWR-55-42-10/83) must be filed for each hole, within 30 days of completion of drilling. A Well Driller Report (DWR-55-6-Rev.) for each hole drilled, must be filed by the well driller within 30 days of completion of drilling for geotechnical, cathodic protection, and grounding wells.

6. Pump equipment may not be installed on wells drilled for mineral exploration, geotechnical, cathodic protection or grounding purposes.

7. Special construction standards required pursuant to R12-15-821:
CONDITIONS


2. Drilling of the well(s) shall be completed within one (1) year after the date of Notice.

3. Mineral exploration, geotechnical cathodic protection or grounding holes of 100 feet of depth or less do not apply to these provisions and do not require filing. However, if water is encountered during the drilling of these wells, then the well(s) must be properly abandoned in accordance with Condition 1 above.

4. More than one well may be drilled under a single notice for mineral exploration, geotechnical, cathodic protection and grounding purposes, so long as they are located within a single section.

5. A Project Completion Report (DWR-55-42-10/83) must be filed for each hole, within 30 days of completion of drilling. A Well Driller Report (DWR-55-6-Rev.) for each hole drilled, must be filed by the well driller within 30 days of completion of drilling for geotechnical, cathodic protection, and grounding wells.

6. Pump equipment may not be installed on wells drilled for mineral exploration, geotechnical, cathodic protection or grounding purposes.

7. Special construction standards required pursuant to R12-15-821:

______________________________
CONDITIONS


2. Drilling of the well(s) shall be completed within one (1) year after the date of Notice.

3. Mineral exploration, geotechnical cathodic protection or grounding holes of 100 feet of depth or less do not apply to these provisions and do not require filing. However, if water is encountered during the drilling of these wells, then the well(s) must be properly abandoned in accordance with Condition 1 above.

4. More than one well may be drilled under a single notice for mineral exploration, geotechnical, cathodic protection and grounding purposes, so long as they are located within a single section.

5. A Project Completion Report (DWR-55-42-10/83) must be filed for each hole, within 30 days of completion of drilling. A Well Driller Report (DWR-55-6-Rev.) for each hole drilled, must be filed by the well driller within 30 days of completion of drilling for geotechnical, cathodic protection, and grounding wells.

6. Pump equipment may not be installed on wells drilled for mineral exploration, geotechnical, cathodic protection or grounding purposes.

7. Special construction standards required pursuant to R12-15-821:
CONDITIONS


2. Drilling of the well(s) shall be completed within one (1) year after the date of Notice.

3. Mineral exploration, geotechnical cathodic protection or grounding holes of 100 feet of depth or less do not apply to these provisions and do not require filing. However, if water is encountered during the drilling of these wells, then the well(s) must be properly abandoned in accordance with Condition 1 above.

4. More than one well may be drilled under a single notice for mineral exploration, geotechnical, cathodic protection and grounding purposes, so long as they are located within a single section.

5. A Project Completion Report (DWR-55-42-10/83) must be filed for each hole, within 30 days of completion of drilling. A Well Driller Report (DWR-55-6-Rev.) for each hole drilled, must be filed by the well driller within 30 days of completion of drilling for geotechnical, cathodic protection, and grounding wells.

6. Pump equipment may not be installed on wells drilled for mineral exploration, geotechnical, cathodic protection or grounding purposes.

7. Special construction standards required pursuant to R12-15-821:
CONDITIONS


2. Drilling of the well(s) shall be completed within one (1) year after the date of Notice.

3. Mineral exploration, geotechnical cathodic protection or grounding holes of 100 feet of depth or less do not apply to these provisions and do not require filing. However, if water is encountered during the drilling of these wells, then the well(s) must be properly abandoned in accordance with Condition 1 above.

4. More than one well may be drilled under a single notice for mineral exploration, geotechnical, cathodic protection and grounding purposes, so long as they are located within a single section.

5. A Project Completion Report (DWR-55-42-10/83) must be filed for each hole, within 30 days of completion of drilling. A Well Driller Report (DWR-55-6-Rev.) for each hole drilled, must be filed by the well driller within 30 days of completion of drilling for geotechnical, cathodic protection, and grounding wells.

6. Pump equipment may not be installed on wells drilled for mineral exploration, geotechnical, cathodic protection or grounding purposes.

7. Special construction standards required pursuant to R12-15-821:
CONDITIONS


2. Drilling of the well(s) shall be completed within one (1) year after the date of Notice.

3. Mineral exploration, geotechnical cathodic protection or grounding holes of 100 feet of depth or less do not apply to these provisions and do not require filing. However, if water is encountered during the drilling of these wells, then the well(s) must be properly abandoned in accordance with Condition 1 above.

4. More than one well may be drilled under a single notice for mineral exploration, geotechnical, cathodic protection and grounding purposes, so long as they are located within a single section.

5. A Project Completion Report (DWR-55-42-10/83) must be filed for each hole, within 30 days of completion of drilling. A Well Driller Report (DWR-55-6-Rev.) for each hole drilled, must be filed by the well driller within 30 days of completion of drilling for geotechnical, cathodic protection, and grounding wells.

6. Pump equipment may not be installed on wells drilled for mineral exploration, geotechnical, cathodic protection or grounding purposes.

7. Special construction standards required pursuant to R12-15-821: