"LITTLE MARY" GROUP OF MINES
Sells, Pima County, Arizona

LOCATION:

The Little Mary group of mines is located in the Papago Indian Reservation, Pima County, Arizona, about seventy miles southwest of Tucson and two miles off the main highway between Tucson and Ajo. Sells, or Indian Oasis, is a small town or Government Station nine miles from the mine where stores, mail, telephone and telegraphic service are available.

The property is approximately 2,700 feet above sea level and climatic conditions are particularly favorable for operating the entire year.

LOCAL DESCRIPTION OF PROPERTY:

There are 21 full claims and a fraction in the entire group, or roughly 425 acres. (For legal description of property see accompanying map and copy of abstract of deed.)

FUEL AND WATER:

There is an abundance of mesquite and iron-wood on the property for all domestic use, which can be had at a cost of $5.00 per cord, cut and delivered. Gasoline, tops and crude oil are used for power as they can be delivered on the property at a very low cost on the back haul from the railroad.

The mines will have developed sufficient water for all milling purposes by the time the proposed development work has been completed. Water level in the Little Mary No. 4 is at the 100-foot level and in the Big Vein 70 feet below the surface.

GEOLOGY AND VEIN SYSTEMS:

The country rock of the district is a basic porphyritic andesite, which later has been intruded with numerous irregular bodies of rhyolite. The Comababi range of mountains -- capped by an enormous rhyolitic flow and volcanic tuffs, have their long axis running in a northwesterly and southeasterly direction for some 15 miles and rising from 500 to 1000 feet above the surrounding country. To the west the range gradually breaks into parallel ranges of low lying hills with a gradual slope to the valley some 10 miles below. The vein system lies close to the base of the range and parallel to it, with dips varying from 68 degrees to 85 degrees to the northeast, or into the range. The vein system of which 4 well defined veins have been developed sufficiently to determine their permanency and commercial value can be traced on the surface for over 5,000 feet on the Little Mary No. 4 (formerly known as the Chicago), to as much as four miles on the Big Vein.

They are ALL TRUE FISSURE VEINS, WITH PERFECT HANGING AND FOOT-WALLS, AVERAGING FROM 3 to 5 FT. IN WIDTH ON THE SURFACE and gradually INCREASING WITH DEPTH.

Several small step-faults are noticeable near the surface with displacements from 10 to 25 feet. Step-faulting is characteristic of this district as the Picacio Mine 4 miles northwest on the same vein system has been mined to the 400-foot level and encountered three step-faults showing throws from 10 to 30 feet.

The character of ore is the same in all four veins, i.e. a clean quartzose ore, highly mineralized -- the predominant minerals being argentoferpis copper and lead sulphides, together with an appreciable amount of free gold. The principal primary copper minerals are Bornite, Chalcocite and Chalcopyrite, together with secondary minerals such as Melaconite, Cuprite, Azurite and Malachite. Lead occurs almost entirely as Galena. Silver generally occurs in combination with the various copper and lead minerals where as the gold may be combined or in a free state. Very rich placer gold is found in the washes leading up to both the Little Mary No. 4 and the Big Vein outcrops.

Smelter analysis on 500 tons of roughly hand sorted ore gave us an average content of the various metals as follows:

Oz. per ton			Percentage				
Au. 0.4	Ag. 30	Pb. 30	Cu. 10	SiO_2 30	CaO 4	Fe. 6	

and only traces of zinc, arsenic, antimony and bismuth.

The gangue is almost pure quartz with a small amount of lime.

DEVELOPMENT:

LITTLE MARY No. 1: Work consists of various open cuts and trenches along the strike -- the principal one being approximately 30 feet long by 10 feet deep. The vein at this point was badly shattered due to a reverse-fault close to the surface. However, several tons of sorted ore from this cut netted over 4,000 ounces of silver per ton, and fully warrants extensive development.

LITTLE MARY No. 4: An inclined shaft has been sunk 70 feet on the vein and from the 70-foot a drift driven 150 feet to the northwest. This has developed a block of ore 60 feet high by 120 feet long, by 3 feet in width, which has been stoped out for shipment. At the bottom of the 70-foot shaft a small step-fault cut the vein off. The fault has a dip of 45 degrees to the northeast, and a rake of 20 degrees to the northwest. This fault was followed down 50 feet where the vein was again picked up, showing a width of 4 feet and carrying better values than above. The fault has had no effect on the mineralization of the vein, as the faulting is of small displacement and occurred after the vein was mineralized. At a point 120 feet northwest of the shaft on the 70-foot level a winze has been sunk 40 feet deep and two 8-foot drifts driven each way on the vein. This work is the deepest in the mine and the richest ore showing considerable free gold and native silver was taken from this level.

RED ROCK: This is a strong, well defined vein from 3 to 4 feet wide on the surface and traceable for over a mile. Whether this is a separate vein or the continuation of what is known as the Big Vein has not been fully determined.

BIG VEIN: While this vein has not the rich surface showing that the Little Mary No. 4 has, yet I believe this will eventually be the big producer of the group. The vein is traceable throughout the entire property for a distance of 7,500 feet, and adjoining property for over 4 miles. It strikes northwest and dips slightly to the east. It is one of the best examples of a true fissure vein I have ever encountered. Walls are hard and smooth and perfectly defined. The width on the surface is from 4 to 5 feet and widens rapidly with depth. A double compartment shaft 127 feet deep sunk by the Mexicans in the early days, who worked the property at that time for the free gold, has widened to 8 feet at the 100-foot present water level. The vein is highly mineralized in gold, silver, lead and copper and is identical in character to that of the Little Mary No. 4, which has been fully described,

and while not as high grade has averaged over $15.00 per ton in sorted ore across the entire width. The lower grade ore left on the dump would safely bring the total average value of the entire vein to $25.00 per ton.

DISSEMINATED COPPER DEPOSIT:

Lying adjacent and to the east of the Big Vein is apparently an enormous disseminated copper deposit varying from 300 to 500 feet in width and traceable for over 5,000 feet in length. It would necessitate drilling this ground in order to determine the actual extent of the deposit as it is covered in places by the Rhyolitic flow from above. Average surface sampling shows a copper content of 2.4%, or roughly a gross value of $5.75 per ton. With copper at 12 cents, assuming an extraction of 80% and a cost of $1.25 per ton for mining and milling, it should net better than $3.00 per ton. This deposit is so extensive and the cost of drilling and equipping so enormous that it cannot be considered at the present moment, but it is of vital importance not only to the genetic origin of the mineralization of the vein system, but to the future intrinsic value of the property.

ORE SHIPMENTS:

Between 400 and 500 tons of hand-sorted ore worth $40,000 has been shipped from the Little Mary No. 4 vein. (See map of underground works, Little Mary No. 4).

The smelter returns show this class of ore gave values ranging from $68.00 to $117.00 per ton in carload lots with a general average of $80.00 per ton for the entire shipment. Practically all this ore came from the small stops 120 feet long by 60 feet high, as only a few tons of ore were shipped from the Little Mary No. 1 and the Big Vein while doing development work. The ore remaining in the stopes from which the high grade ore has been sorted out will average $25.00 per ton, or a general average of $40.00 per ton for the entire vein.

ORE RESERVES:

The actual amount of ore blocked out is relatively small, inasmuch as the property is practically in a virgin state today. However, a few figures on the positive ore actually blocked out, in the stopes and on the dump, may be of interest.

LITTLE MARY No. 4 - POSITIVE ORE

Location	Tons	Value Per Ton	Gross Value
Block "A"	550	$40.00	$ 22,000
Upper drift to surface	300	40.00	12,000
Ore in stopes	1,200	25.00	30,000
Ore on dump	500	25.00	12,500
			76,500

PROBABLE ORE - BLOCKED 3 SIDES

Above 25' drift north	140	40.00	5,600
Below " " to fault	260	40.00	10,400
Above 30' drift south	400	40.00	16,000
Below " wouth to winze	200	40.00	8,000
			40,000

BIG VEIN - PROBABLE ORE - BLOCKED 2 SIDES

Ore developed by 127' shaft 6,000

MACHINERY & EQUIPMENT:

The property is equipped with a good substantial head-frame and ore bins. One 50 H.P. gasoline hoist, with a speed of 400 feet per minute, with one ton load. A two drill air compressor, two stoping drills, one Cochise jack-hammer, plenty of steel for the drills and everything in shape to start mining immediately.

The buildings include blacksmith shops, compressor house, bunk houses, etc.

LABOR AND GENERAL CONDITIONS:

Wages are very reasonable in this district; to wit, machine miners, $4.50 to $5.00 per day; engineers, $5.00; blacksmiths, $6.00; trammers and top men, $2.00 to $2.50 per day. This labor is done by Indians living in the district who make very good workers. Climatic conditions at the mine are ideal for development and operation the entire year.

HAULING, FREIGHT AND SMELTER CHARGES:

Hauling from the mine to Tucson by wagons has cost as much as $10.00 per ton for small lots. This price can be reduced to $3.00 per ton having our own equipment. Railroad freight to El Paso for $100.00 ore or concentrates will not exceed $8.00 per ton, and smelter charges on such ore approximately $6.00, or a total freight and smelter charge not to exceed $17.00 per ton.

METALLURGICAL TREATMENT:

The treatment of this ore is extremely simple and a very high extraction of the values can be made by simple talc concentration. Should it be found advisable to separate the copper from the lead in order to ship a clean concentrate of each metal, the addition of a small flotation plant would be necessary. (See accompanying flow-sheet of proposed mill)

MINING AND MILLING COSTS:

Owing to the fact that the veins have averaged better than 3 feet in width on the Little Mary No. 4, and over 4 feet on the Big Vein, with well defined walls within which the ore is confined, makes it possible to mine the ore very cheaply by a shrinkage system, practically no waste has to be handled and no timbering is required except a small amount in the main working shaft and in the drifts. The total mining cost including development work will not exceed $2.50 per ton.

Milling, concentration and flotation will cost from $1.00 to $1.25 per ton, or a total mining and milling cost not to exceed $4.00 per ton.

RECOMMENDATIONS:

(1) I would recommend that the incline shaft on the Little Mary No. 4 vein be deepened 100 feet below the 700foot level, and a cross-cut driven 25 feet to cut the vein. From this point a drift 200 feet along the vein would block out sufficient ore at a very small expense to further justify the erection of a mill.

(2) To sink the present shaft on the Big Vein from the present 127-foot level to the 200 and drift 200 feet south on same.

I estimate that $50,000 would be sufficient to put the two mines on a substantial operating and paying basis, provided the money be expended as follows:

To sink shaft 100 feet	$ 1,500
To drive cross-cut 25 feet	200
To drive 200 feet	1,200
Sinking 70 feet	1,400
Drifting 200 feet	2,000
Hoisting equipment	1,600
Necessary additional buildings	1,200
1 5-ton truck and trailer	6,000
To install 1 50-ton mill	25,000
	$40,100

This would leave a balance of approximately $10,000 for incidental expenses and cash to operate on until such time as the mill was in operation.

That such an expenditure is thoroughly warranted is perhaps best demonstrated by seeing what profit can reasonably be expected from mining and milling the tonnage of ore which we have definitely blocked out at the present moment, assuming a $20.00 ore -- which is lower than actually determined.

9,500 tons @ $20.00 per ton		$190,000
10% concentration & smelter loss		19,000
Net value at smelter		$171,000
Cost of mining and milling @ $4.00 per ton:	$38,000	
Concentration 5:1 equals 950 tons concentrates 950 x $17.00 freight & smelter charges:	16,150	54,150
Net profit		$116,850
Royalty to apply on purchase price 25%	42,750	
Cost of mill and equipment	40,000	82,750
Net profit to operator		$ 34,000

Similarly operating a mill of this capacity on $10.00 ore per day the net operating profit is $2,700 per month after all royalties, costs, etc., have been deducted. On $40.00 ore the net operating profit in excess of royalty paid to owners would amount to approximately $21,000 per month.

CONCLUSION:

This property has paid for itself from the start and has produced exceptionally high grade ore, but it is essentially a concentrating proposition and should be worked accordingly.

The property thoroughly warrants intensive development work and a mill commensurate with such development. A 50-ton unit has been suggested in view of the fact that it can be operated not only at a profit that will soon pay for the property, but it will obviate a high initial investment.

It is my belief that this property is not only destined to be an enormous producer but a big dividend payer for years to come, if operated along the lines suggested in this report.

Signed:

LEASE AND OPTION AGREEMENT

Lease and Option Agreement made this 19 day of January, 1965, between ARTHUR J. STEPPS, JR., residing at 716 East Culver, Phoenix, Arizona, herein referred to as Lessor, and LELAND M. WISCOMBE, RAYMOND P. DOSS, Individuals, and UNA CONSTRUCTION COMPANY, an Arizona Corporation, herein referred to as Lessees.

WITNESSETH:

Lessor hereby leases to Lessees, and Lessees hereby lease from Lessor, all of the following described unpatented lode mining claims located in Pima County, Arizona, as described by name and recorded reference as follows:

Name of Claim	Pima County Records	
	Book	Page
White Elephant No. 1	AAA	580
White Elephant No. 2	AAA	581
White Elephant No. 3	AAA	582
White Elephant No. 4	BBB	69
Little Mary No. 1	AAA	249
Little Mary No. 2	AAA	250
Little Mary No. 3	AAA	251
Little Mary No. 4	AAA	252
Little Mary No. 5	AAA	253
Sonny Boy No. 1	AAA	434
Sonny Boy No. 2	AAA	435
Sonny Boy No. 3	AAA	436
Sonny Boy No. 4	BBB	68
Red Rock No. 1	AAA	578
Red Rock No. 2	AAA	579

together with all the water rights, rights of way, improvements, tools and equipment located on said claims, for a term of Ten (10) Years, beginning February 1, 1965, subject to and in accordance with the following terms and provisions:

1. All work done upon said premises by Lessees shall be done in a good and workmanlike manner and after the manner of good mining. All works, where necessary or where directed by the State Mine Inspector or his deputy, shall be timbered properly and substantially, and with the view of development of said property into a workable mine. All mine openings shall be kept

clear of obstructions, and in a condition so that they may be entered, except such openings as are now caved in and are not necessary for future operations of the Lessees, and future openings which are caved in during the course of ordinary mining operations. The laws of the State of Arizona and all requirements of the State Mine Inspector shall be complied with promptly.

2. Lessees agree to pay to Lessor a royalty on all ores extracted from said mining property by the Lessees and shipped, smelted, or otherwise disposed of, as rental for the use and possession of said mining properties. The royalties shall be based on the net smelter returns received for said ores and as per the following schedule:

A. Average value per ton under $25.00: 3% royalty.

B. Average value per ton $25.01 to $40.00: 4% royalty.

C. Average value per ton $40.01 to $65.00: 5% royalty.

D. Average value per ton $65.00 to $100.00: 6% royalty.

E. Average value per ton $100.00 and over: 10% royalty.

Net smelter returns within the meaning of this agreement shall be the correct returns as shown by the liquidation sheets furnished by the smelter treating such ores, after such smelter shall have made its deduction for freight and switching charges, treatment, and the usual smelting deductions and other transportation charges for the transportation of ores from the property to the smelter, whether such transportation be performed by Lessees or others for Lessees. The smelter treating said ores shall be instructed, upon the written request of the Lessor, to remit to Lessor the royalties herein provided for and such remittance shall be accompanied by a duplicate copy of the settlement sheet for each lot number of shipments. During the exploratory and examination period and at such times when ore is not being produced in sufficient quantities, Lessees agree to pay as rental the following:

F. $100.00 attached hereto, receipt of which is hereby acknowledged, and $100.00 per month beginning March 1, 1965, and each and every month thereafter until February 28, 1966.

H. $300.00 per month beginning March 1, 1967, and each and every month thereafter until February 28, 1976.

I. All monies paid shall become a part of any royalties paid, and all royalties shall become a part of minimum rentals due.

3. In the event Lessors elect to exercise the purchase option contained herein, all monies paid as rental and/or royalties shall apply toward the purchase price.

4. In the event the mining claims shall be taxed or the mineral rights to said property shall be taxed, or the rights conferred in this lease shall be taxed, or any tax or taxes shall be imposed upon any gold or precious metal or minerals, or upon production thereof from said property, then in any or all of said events, Lessor shall bear that proportion of the whole of such tax which the royalty accruing in favor of Lessor during the incidence of such taxes bears to the total net returns as defined above, and Lessees shall pay the balance of such tax. All county, state or federal taxes assessed against the improvements, equipment or machinery installed by Lessees shall be wholly paid by Lessees.

5. Lessees agree to fully and properly pay for all labor and materials used in the mining of said leased property, and agree that no liens will be permitted to attach to said premises by reason of any of their acts or failures hereunder.

6. Lessors shall have the right at all reasonable times to enter into, or upon, every part of said property to inspect the workings thereon or therein and take samples of ore or gravels in any area.

7. Lessees agree that a full, true and accurate account shall be kept of all ores, concentrates, gold, silver, copper or other minerals recovered, shipped and sold from said property, and that Lessor, or its duly accredited agent, shall have the right to inspect said books and records of account.

8. If Lessees default under the terms of this lease, and this lease is terminated by reason of such default, then all machinery, equipment, facilities and improvements made or placed by Lessees on the leased premises shall become the property of the Lessor. If the Lessees duly perform the terms of this

lease, then said machinery, facilities, equipment and improvements except permanent improvements such as foundations, retaining walls, timbering, roads, tracks and buildings, may be removed at any time within ten days after the termination of this lease.

9. Lessees agree to prosecute or defend all litigation arising from any mining operations hereunder which Lessees deem necessary or advisable. Lessor agrees to defend title to said leased premises, and in this connection, Lessor agrees to furnish at its own expense an abstract of title to this property, showing, as of the date of this agreement, good and merchantable title in and to all of the mining claims herein above described, free and clear of all liens, encumbrances or claims of whatsoever character. Lessor covenants and agrees to warrant and defend the Lessees in the undisturbed use and enjoyment of said leased premises, subject to the paramount title of the United States and compliance by Lessees with the terms and conditions of this agreement.

10. Lessees may cease operations and may terminate all further liability hereunder by Thirty (30) Days' written notice to the Lessor of their intention to terminate said agreement. In the event of the termination of this agreement, Lessees shall forthwith deliver to Lessor the peaceable possession of said premises, and shall be relieved of any further liability hereunder; but in the event of the termination of this agreement, Lessees shall not be discharged from any obligation in favor of the Lessor that may have accrued under the terms herewith prior thereto.

11. It is understood and agreed that Lessees plan to form a mining corporation and intend to transfer all of their interest in this lease and option to said mining corporation. At such time as the interest of Lessees has been assigned and transferred to said mining corporation, the individual Lessees named herein shall be relieved of all liability and responsibility hereunder.

12. In the event Lessees shall make default in any of the terms and provisions contained in this lease and option agreement, then the Lessor may

lations of the terms and provisions of this agreement, on account of which such notice of default has been given, then and thereupon this agreement shall terminate, provided, however, that Lessees shall not be deemed to be in default if they commence to cure said default during said Thirty Day period and use reasonable diligence in curing said default thereafter even though the time in which said default is cured extends beyond said Thirty Day period.

13. All ore mined and placed on the dumps of the leased premises by the Lessees during the life of this agreement may be removed by the Lessees in the event of such termination of this agreement, but such ores shall be removed within Sixty (60) Days after such termination, and shall be subject to royalty payment as hereinabove provided. In the event such ores are not removed within said period as herein provided, title thereto shall thereupon vest in the Lessor, free of any claim or charge of the Lessees.

14. Any notice required to be given by either party under the provisions of this lease and option shall be transmitted to the other party by United States registered or certified mail to the following addresses:

LESSOR: Arthur J. Stepps, Jr.
716 East Culver
Phoenix, Arizona

LESSEES: Leland M. Wiscombe, Agent
Suite 204
14 East Stetson Drive
Scottsdale, Arizona

15. In the event Lessees extract 10,000 tons of ore from the properties in accordance with this agreement, then they shall have the option to renew this lease for an additional ten years upon the same terms and conditions.

16. Provided Lessees are not then in default, they shall have the exclusive right and option at any time during the term of this lease to purchase the leased premises, and all equipment and improvements thereon, for the sum of $100,000, payable in cash. If and when Lessor shall receive the written election of Lessees to exercise this option, Lessor shall execute and place in escrow in the Phoenix Title and Trust Company at Phoenix, Arizona, good and sufficient mining deeds conveying said mining property to the Lessees, free

and clear from all liens and encumbrances, together with instructions covering the delivery thereof according to the terms and conditions herein contained. In addition, Lessor shall furnish to Lessees a policy of title insurance covering said premises, the cost of which is to be paid by Lessor.

17. This agreement shall inure to the benefit of and be binding upon the parties hereto, their heirs, successors and assigns.

IN WITNESS WHEREOF, the parties have executed this agreement as of the day and year first above written through their proper officers, being first thereto duly authorized.

Arthur J. Stepps, Jr.

LESSOR

Leland M. Wiscombe

Raymond P. Doss

UMA CONSTRUCTION

President

Secretary

LESSEES

STATE OF ARIZONA)
) ss.
COUNTY OF MARICOPA)

This instrument was acknowledged before me this _____ day of January, 1965, by Arthur J. Stepps, Jr.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

_____
Notary Public

My commission expires:

STATE OF ARIZONA)
) ss.
COUNTY OF MARICOPA)

This instrument was acknowledged before me this _____ day of January, 1965, by Leland M. Wiscombe and Raymond P. Doss.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

_____
Notary Public

My commission expires:

STATE OF ARIZONA)
) ss.
COUNTY OF MARICOPA)

On this, the _____ day of January, 1965, before me, the undersigned Notary Public, personally appeared Raymond P. Doss and Major James F. Walsh, Jr., who acknowledged themselves to be the President and Secretary of Una Construction, an Arizona Corporation, and that they as such officers, being authorized to do so, executed the foregoing instrument for the purposes therein contained, by signing the name of the corporation by themselves as such officers.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

MME Form 52
Jan. 1959

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

FOR GOVERNMENT USE ONLY
Operator
Docket No. OME –
Contract No. 14-23-090 –
Contract Date

LIEN AND SUBORDINATION AGREEMENTS[1]

To the United States of America:

That certain land in the County of Pima, State of Arizona, described as follows:[2] Unpatented Mining Claims: White Elephant Nos. 1,2,3, 4; Little Mary Nos. 1,2,3,4,5; Sonny Boy Nos. 1,2,3,4; Red Rock No. 1,2. Pima County Recorder Book AAA pages 580,581,582,249,250,251,252,253, 434,435,436, 578,579; Book BBB 68,69. Comababi Mining District.

hereinafter called the "land", is the subject of a proposed exploration contract, hereinafter called the "Contract", between the United States of America, hereinafter called the "Government" and

Una Construction Co. 14 E. Stetson Drive, Scottsdale, Arizona[3]

hereinafter called the "Operator". In consideration for and as an inducement to the Government executing the Contract, the undersigned:

1. (a) Being the owner of an interest in the land, hereby grants to the Government a lien upon all of his right, title, and interest in the land and upon any production of minerals therefrom to secure the payment to the Government of the royalty on production provided for by the Contract, and agrees if the Operator's interest should be surrendered or terminated at any time prior to the expiration of the rights of the United States under said Contract to pay royalty to the Government according to the terms of said Contract; or

(b) Being the holder of a claim, lien, or encumbrance against the land, hereby subordinates his claim, lien, or encumbrance in or against the land and in any production therefrom to the rights of the Government under the Contract with respect to royalty on production and liens to secure same.[4]

2. Undertakes and agrees that property in which the Government may acquire an interest or equity under the Contract may be dismantled, severed from the land, and removed as may be provided in the Contract; and the Government's interest and equity in such property shall be prior and superior to any adverse right or claim of the undersigned.

3. Represents and undertakes that there is no claim, lien, or encumbrance upon the undersigned's right, title, claim, or interest in or against the land other than the following: (If "none" insert the word "none". Do not leave blank.)

Lease option agreement with the "operator" enclosed.

None other.

1/ Production from the land is not required, and in the absence of production there is no obligation to pay royalty to the Government.

2/ Either (a) insert the legal description of the land, or (b) strike out the words "as follows" and insert "in a lease /or contract, deed, or other document/ dated _____, and recorded in Book _____, Page ____, official records of said county". If (b) is used, the book and page of recordation must be inserted above. If the space provided is insufficient, use an Annex and refer to the Annex in the space.

3/ Insert name exactly as it appears in the Application MME Form 40.

4/ Subparagraph 1(a) does not apply to the holder of a claim, lien, or encumbrance.

4. Undertakes and agrees (a) neither to commit any act nor assert any claim in conflict with the provisions of this Agreement; and (b) to give advance notice of the Government's rights under this agreement to any subsequent transferee, mortgagee, encumbrancer, or lessee of any of the undersigned's right, title, claim, or interest in or against the land or any production therefrom, furnishing the Government with two true copies of such notice; and

5. Consents to all amendments (including an agreement of termination) and assignments of the Contract without notice thereof, and undertakes and agrees that this agreement shall extend and apply thereto.

6. Added provisions _____ (State "None" or "See Annex No. _____".)

Dated this _____ day of _____, 19____.

Arthur John Stepp Jr (Seal) 716 East Culver (Street) Phoenix Arizona (City & State)

_____ (Seal) _____ (Street) (City & State)

_____ (Seal) _____ (Street) (City & State)

_____ (Seal) _____ (Street) (City & State)

_____ (Seal) _____ (Street) (City & State)

_____ (Seal) _____ (Street) (City & State)

I, _____ (Name), certify that I am the _____ (Title—Secretary, etc.) of the corporation named herein; that _____ (Name), who signed this agreement was then _____ (Title—Pres., Vice-Pres., etc.) of said corporation; that said agreement was duly signed for and in behalf of said corporation by authority of its governing body, and was within the scope of its corporate powers.

_____ (Corporate Seal)

INT.-DUP. SEC., WASH., D.C. 21103

MME Form 52
Jan. 1959

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

FOR GOVERNMENT USE ONLY
Operator
Docket No. OME –
Contract No. 14-23-090 –
Contract Date

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None other.

1/ Production from the land is not required, and in the absence of production there is no obligation to pay royalty to the Government.

2/ Either (a) insert the legal description of the land, or (b) strike out the words "as follows" and insert "in a lease /or contract, deed, or other document/ dated_____, and recorded in Book_____, Page____, official records of said county". If (b) is used, the book and page of recordation must be inserted above. If the space provided is insufficient, use an Annex and refer to the Annex in the space.

3/ Insert name exactly as it appears in the Application MME Form 40.

4/ Subparagraph 1(a) does not apply to the holder of a claim, lien, or encumbrance.

4. Undertakes and agrees (a) neither to commit any act nor assert any claim in conflict with the provisions of this Agreement; and (b) to give advance notice of the Government's rights under this agreement to any subsequent transferee, mortgagee, encumbrancer, or lessee of any of the undersigned's right, title, claim, or interest in or against the land or any production therefrom, furnishing the Government with two true copies of such notice; and

5. Consents to all amendments (including an agreement of termination) and assignments of the Contract without notice thereof, and undertakes and agrees that this agreement shall extend and apply thereto.

6. Added provisions _____ _____(State "None" or "See Annex No._____".)

Dated this_____day of_____, 19____.

Arthur John Stepp Jr (Seal) 716 East Culver (Street) Phoenix Arizona (City & State)

_____ (Street) _____ (City & State)

_____ (Seal) _____

_____ (Street) _____ (City & State)

_____ (Seal) _____

_____ (Street) _____ (City & State)

_____ (Seal) _____

_____ (Street) _____ (City & State)

_____ (Seal) _____

_____ (Street) _____ (City & State)

_____ (Seal) _____

I,_____(Name),certify that I am the_____(Title—Secretary, etc.) of the corporation named herein; that_____(Name), who signed this agreement was then_____(Title—Pres., Vice-Pres., etc.) of said corporation; that said agreement was duly signed for and in behalf of said corporation by authority of its governing body, and was within the scope of its corporate powers.

_____
(Corporate Seal)

INT.-DUP. SEC., WASH., D.C. 21103

MME Form 52
Jan. 1959

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

FOR GOVERNMENT USE ONLY
Operator
Docket No. OME –
Contract No. 14-23-090 –
Contract Date

LIEN AND SUBORDINATION AGREEMENTS[1]

To the United States of America:

That certain land in the County of Pima, State of Arizona, described as follows:[2] Unpatented Mining Claims: White Elephant Nos. 1,2,3, 4; Little Mary Nos. 1,2,3,4,5; Sonny Boy Nos. 1,2,3,4; Red Rock No. 1,2. Pima County Recorder Book AAA pages 580,581,582,249,250,251,252,253, 434,435,436, 578,579; Book BBB 68,69. Comababi Mining District. hereinafter called the "land", is the subject of a proposed exploration contract, hereinafter called the "Contract", between the United States of America, hereinafter called the "Government" and Una Construction Co. 14 E. Stetson Drive, Scottsdale, Arizona[3] hereinafter called the "Operator". In consideration for and as an inducement to the Government executing the Contract, the undersigned:

1. (a) Being the owner of an interest in the land, hereby grants to the Government a lien upon all of his right, title, and interest in the land and upon any production of minerals therefrom to secure the payment to the Government of the royalty on production provided for by the Contract, and agrees if the Operator's interest should be surrendered or terminated at any time prior to the expiration of the rights of the United States under said Contract to pay royalty to the Government according to the terms of said Contract; or

(b) Being the holder of a claim, lien, or encumbrance against the land, hereby subordinates his claim, lien, or encumbrance in or against the land and in any production therefrom to the rights of the Government under the Contract with respect to royalty on production and liens to secure same.[4]

2. Undertakes and agrees that property in which the Government may acquire an interest or equity under the Contract may be dismantled, severed from the land, and removed as may be provided in the Contract; and the Government's interest and equity in such property shall be prior and superior to any adverse right or claim of the undersigned.

3. Represents and undertakes that there is no claim, lien, or encumbrance upon the undersigned's right, title, claim, or interest in or against the land other than the following: (If "none" insert the word "none". Do not leave blank.)

Lease option agreement with the "operator" enclosed.

None other.

1/ Production from the land is not required, and in the absence of production there is no obligation to pay royalty to the Government.

2/ Either (a) insert the legal description of the land, or (b) strike out the words "as follows" and insert "in a lease /or contract, deed, or other document/ dated _____, and recorded in Book _____, Page ____, official records of said county". If (b) is used, the book and page of recordation must be inserted above. If the space provided is insufficient, use an Annex and refer to the Annex in the space.

3/ Insert name exactly as it appears in the Application MME Form 40.

4/ Subparagraph 1(a) does not apply to the holder of a claim, lien, or encumbrance.

4. Undertakes and agrees (a) neither to commit any act nor assert any claim in conflict with the provisions of this Agreement; and (b) to give advance notice of the Government's rights under this agreement to any subsequent transferee, mortgagee, encumbrancer, or lessee of any of the undersigned's right, title, claim, or interest in or against the land or any production therefrom, furnishing the Government with two true copies of such notice; and

5. Consents to all amendments (including an agreement of termination) and assignments of the Contract without notice thereof, and undertakes and agrees that this agreement shall extend and apply thereto.

6. Added provisions _____ (State "None" or "See Annex No._____".)

Dated this _____ day of _____, 19____.

Arthur John Stepp Jr (Seal) 716 East Culver (Street) Phoenix Arizona (City & State)

_____ (Street) _____ (City & State)

_____ (Seal) _____

_____ (Street) _____ (City & State)

_____ (Seal) _____

_____ (Street) _____ (City & State)

_____ (Seal) _____

_____ (Street) _____ (City & State)

_____ (Seal) _____

_____ (Street) _____ (City & State)

_____ (Seal) _____

I, _____ (Name), certify that I am the _____ (Title—Secretary, etc.) of the corporation named herein; that _____ (Name), who signed this agreement was then _____ (Title—Pres., Vice-Pres., etc.) of said corporation; that said agreement was duly signed for and in behalf of said corporation by authority of its governing body, and was within the scope of its corporate powers.

_____ (Corporate Seal)

INT.-DUP. SEC., WASH., D.C. 21103

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
WASHINGTON 25, D. C.

GEOLOGICAL SURVEY

January 18, 1966

Memorandum

To: Mails and Records Branch

From: Chief, Office of Minerals Exploration

Subject: OME-6467 (Silver)
Uam Construction Co.
Little Mary, et al., Claims
Pima County, Arizona

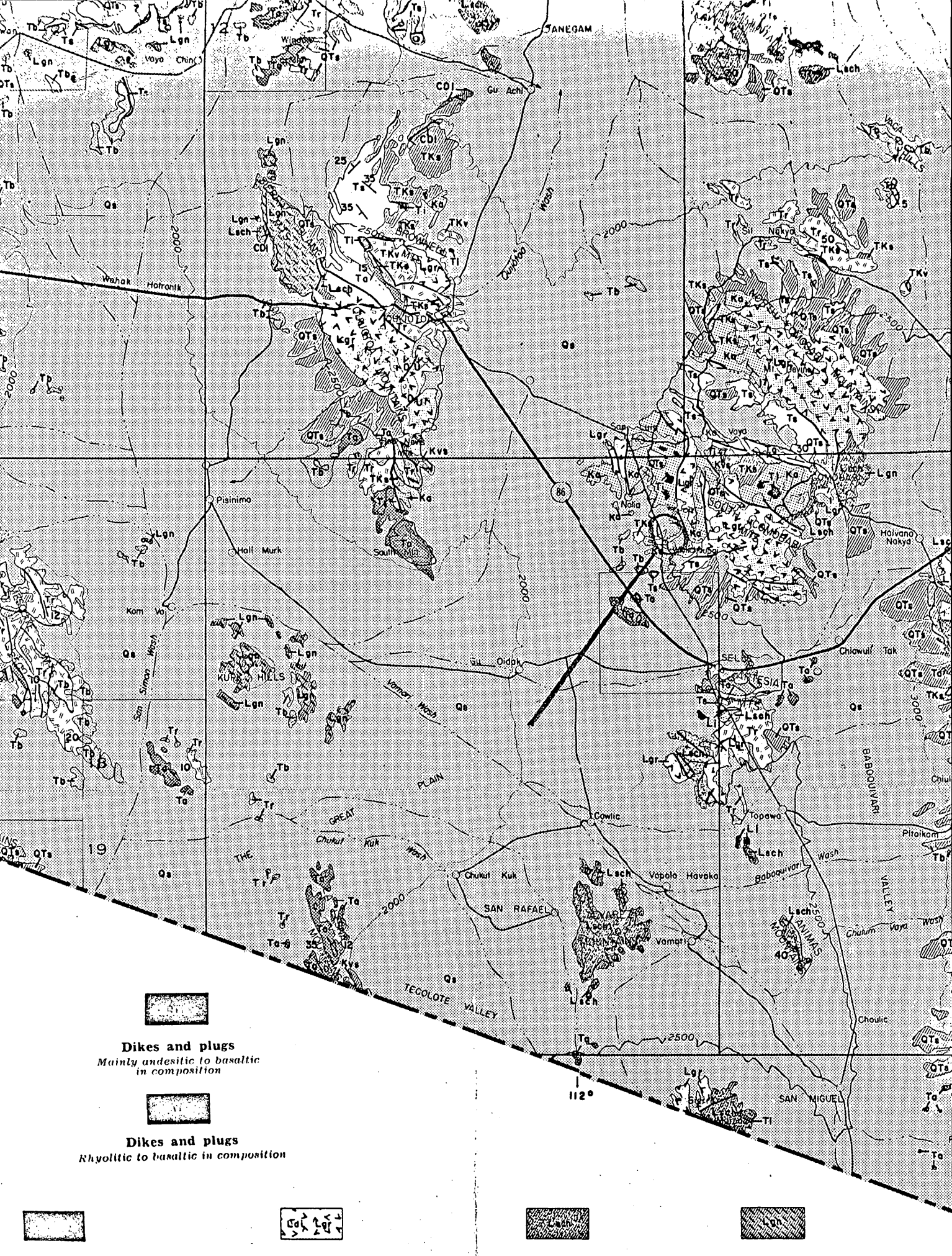
The Applicant has not replied to our letter of December 16, 1965. Accordingly, the subject docket is referred to the inactive file and considered as having been withdrawn.

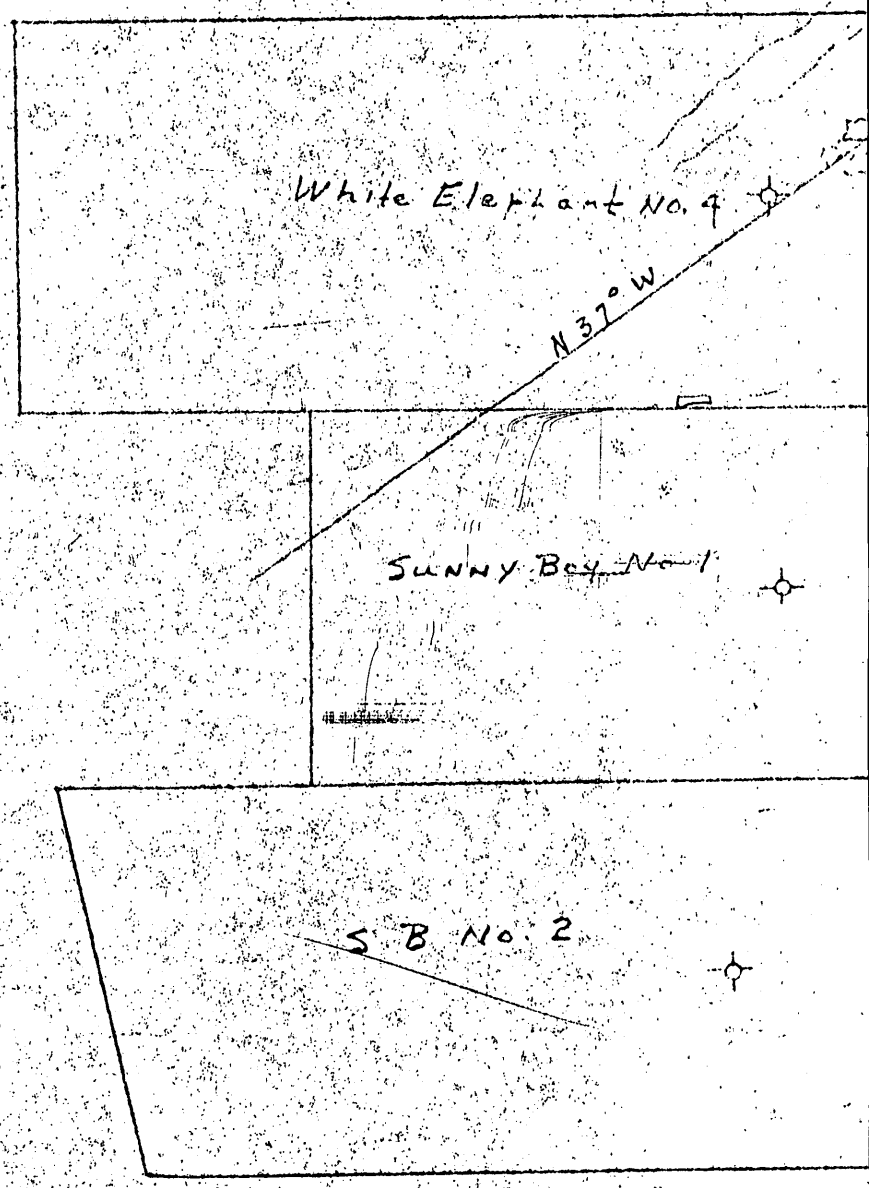
(signed) FRANK E. JOHNSON

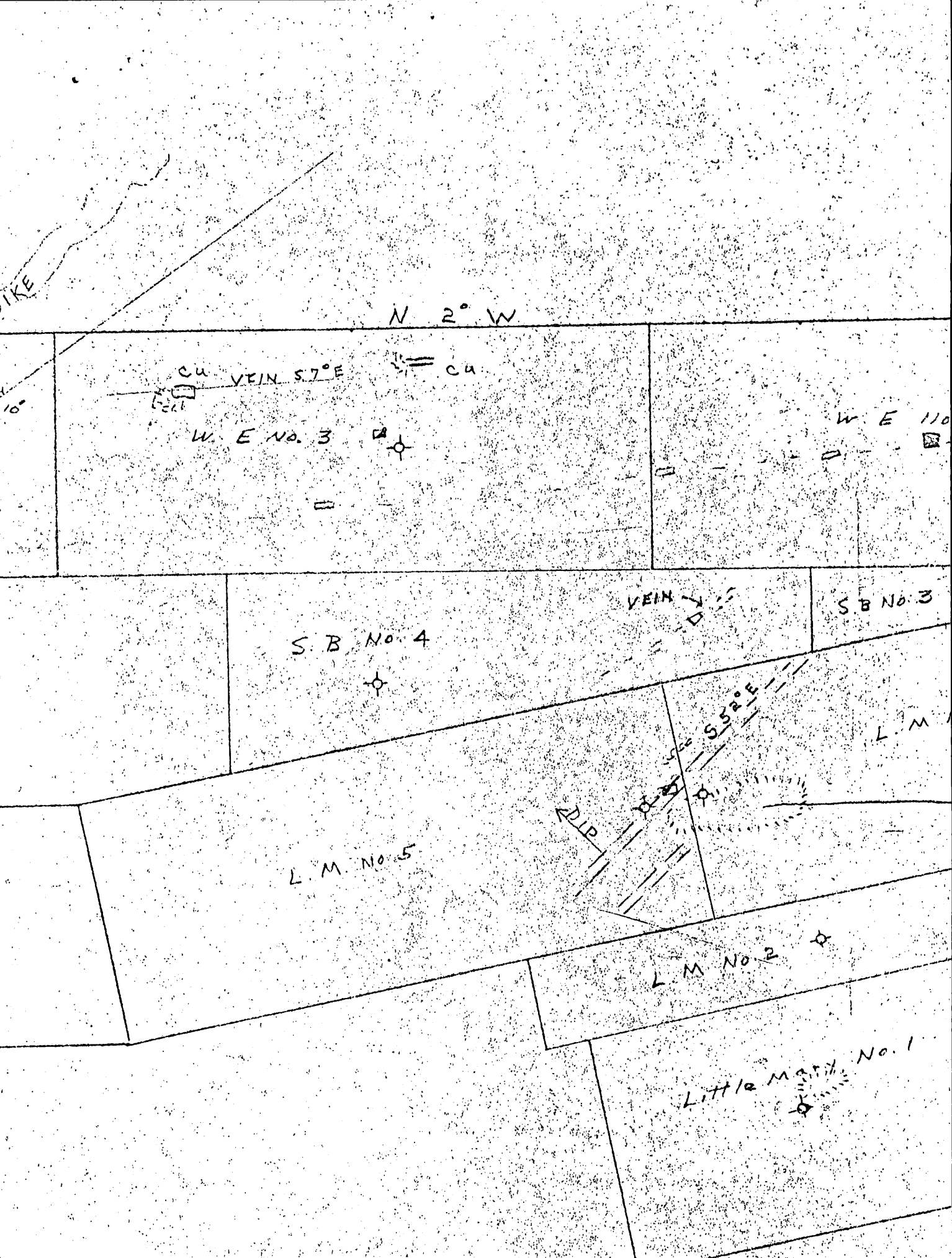
Frank E. Johnson

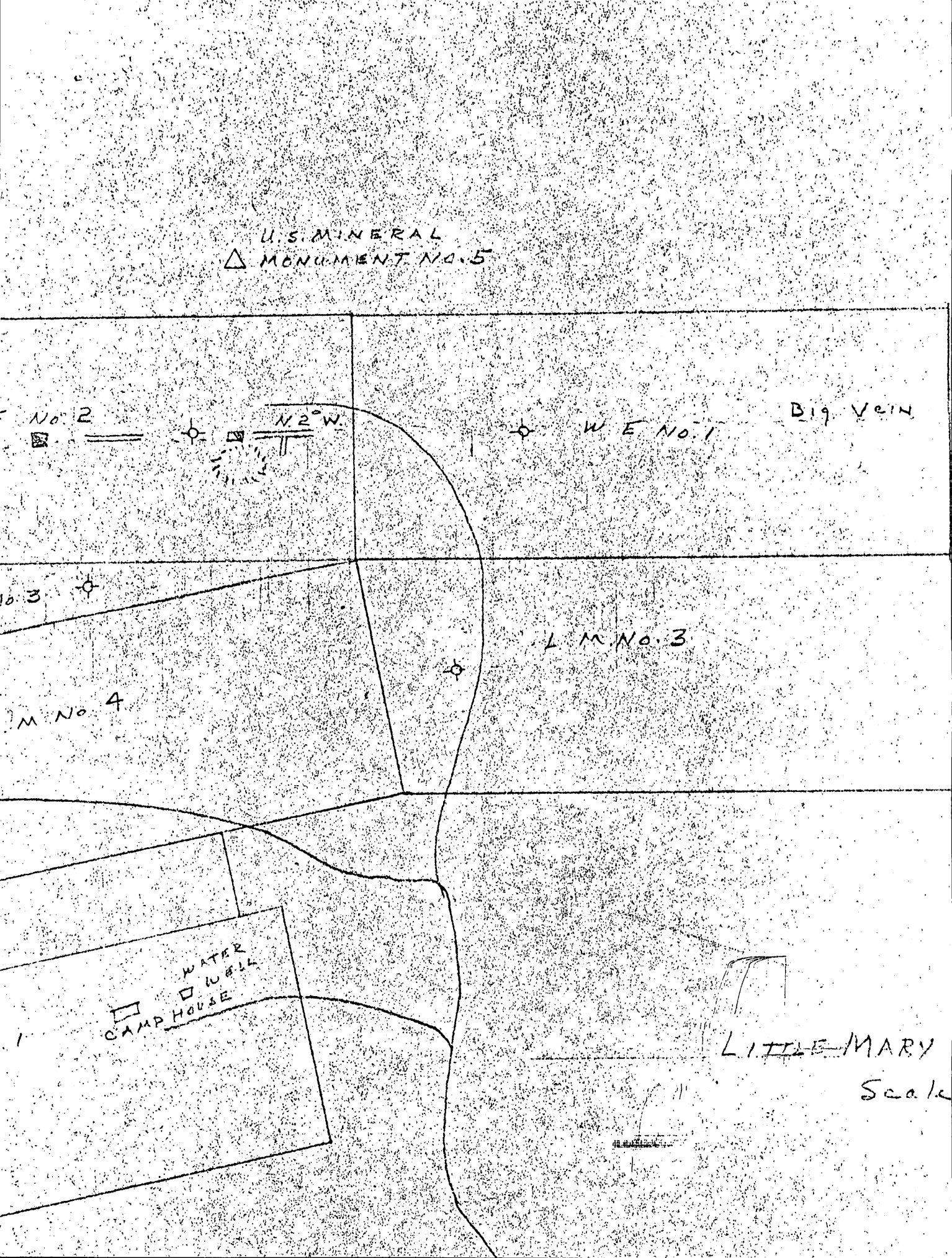
cc: Director's Reading File
Division File
Economic Geology File
OME Docket
OME Reading File
✓Region III
1204

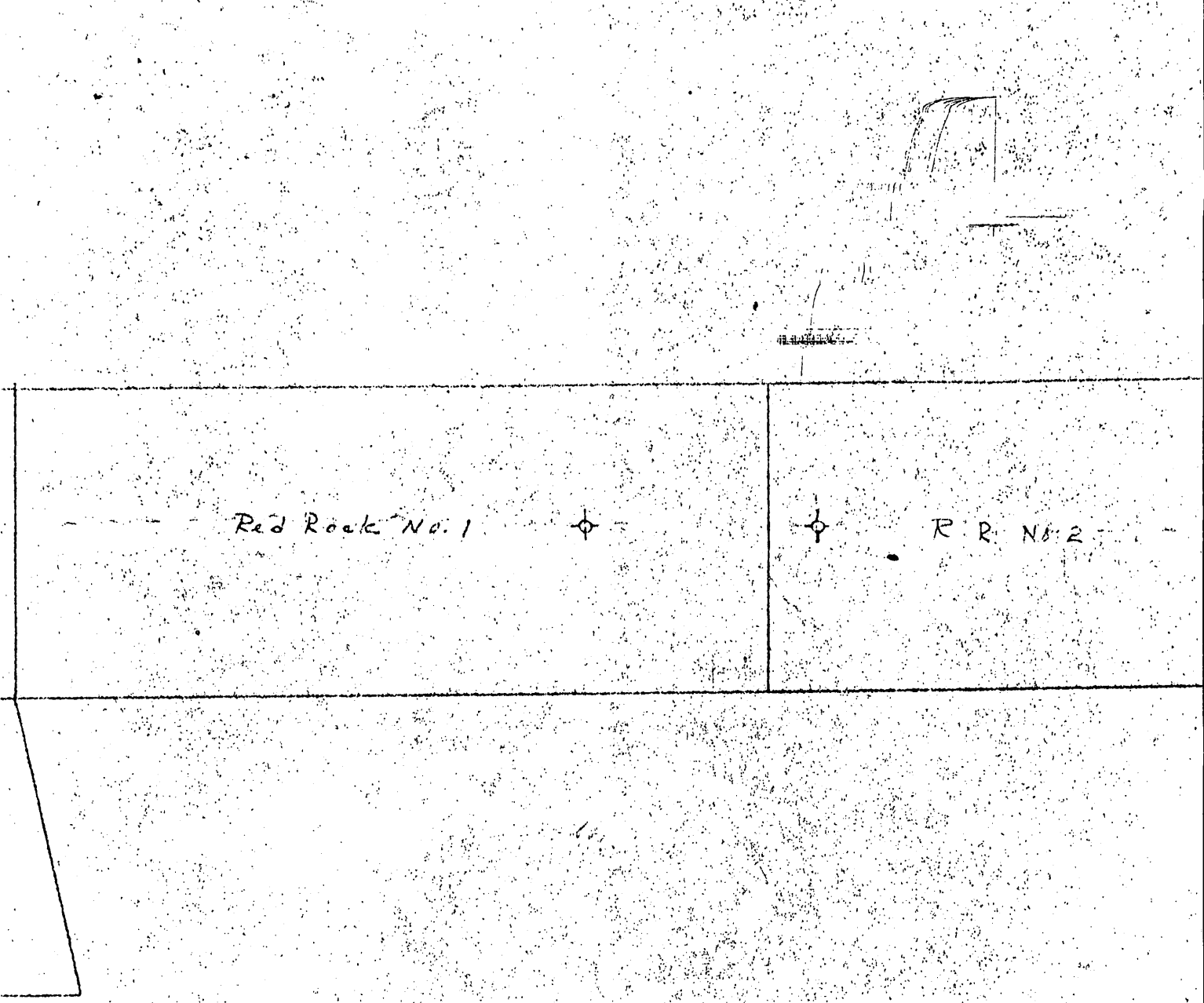
MMarrithew/mm


JANEGAM
Gu Achi
Wahak Hotrontk
Pisinimo
Hall Murk
South Mtn
Kom Vaj
San Simon Wash
KUK HILLS
Gu Oidak
Vamori Wash
GREAT PLAIN
THE
Chukut Kuk Wash
Chukut Kuk
SAN RAFAEL
TECOLOTE VALLEY
Cowlic
Vapolo Havaka
Vamori
Topawa
Baboquivari
Chiawuli Tak
Halvano Nakya
Nakya
Vaya Chin
Vaya
Chuhum Vaya Wash
Choulic
Pitoikam
BABOQUIVARI
VALLEY
SAN MIGUEL
112°
86
Dikes and plugs
Mainly andesitic to basaltic in composition
Dikes and plugs
Rhyolitic to basaltic in composition


White Elephant No. 4
N 37° W
Sunny Boy No. 1
S B No. 2


N 2° W
Cu VEIN S 7° E
Cu
W. E No. 3
W. E
VEIN
S. B No. 4
S. B No. 3
S 52° E
L. M
DIP
L. M. No. 5
L. M No. 2
Little Mary No. 1

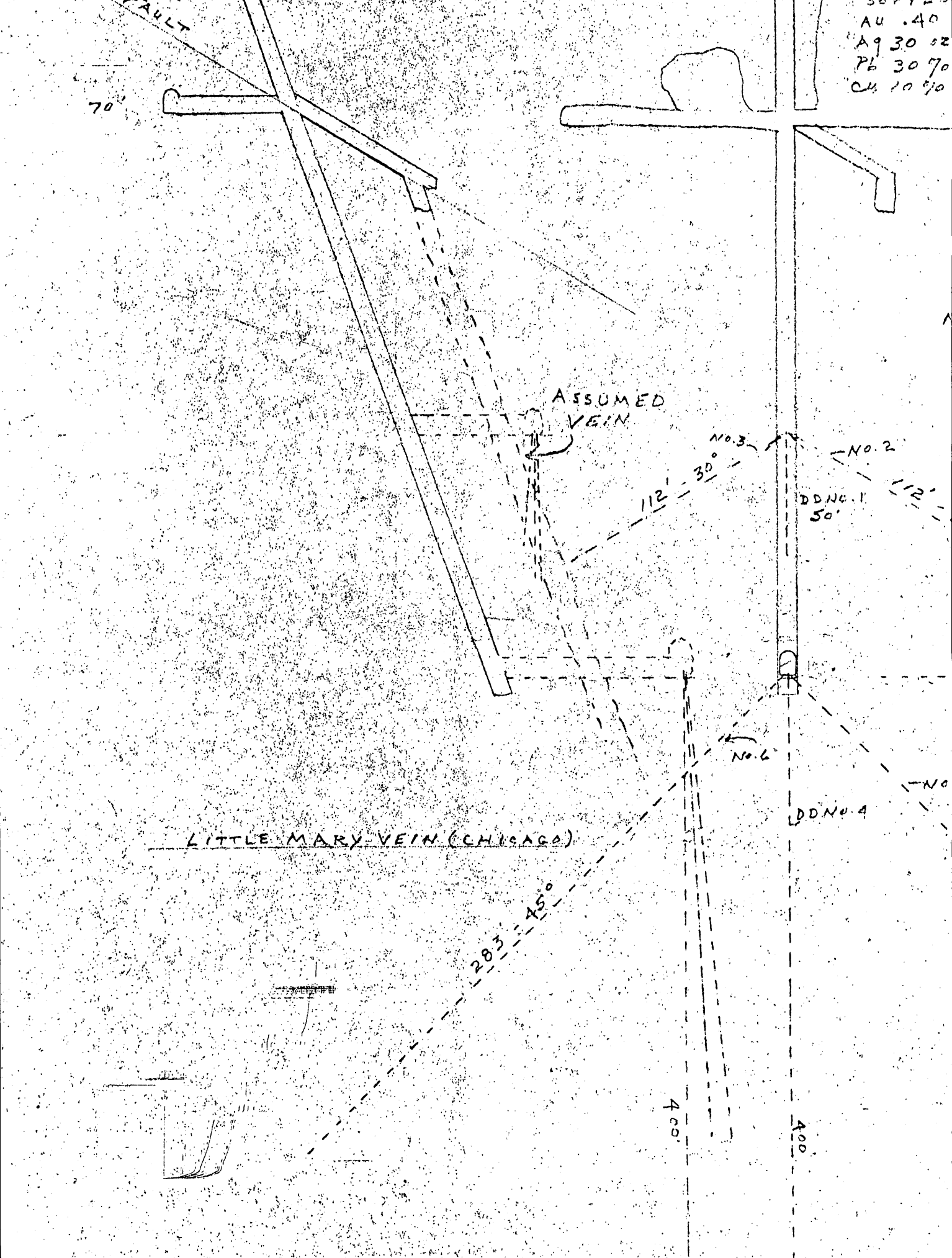

U.S. MINERAL
MONUMENT No. 5
No. 2
N 2° W.
W E No. 1
Big Vein
No. 3
L M No. 3
M No. 4
WATER
WELL
CAMP HOUSE
LITTLE MARY
Scale

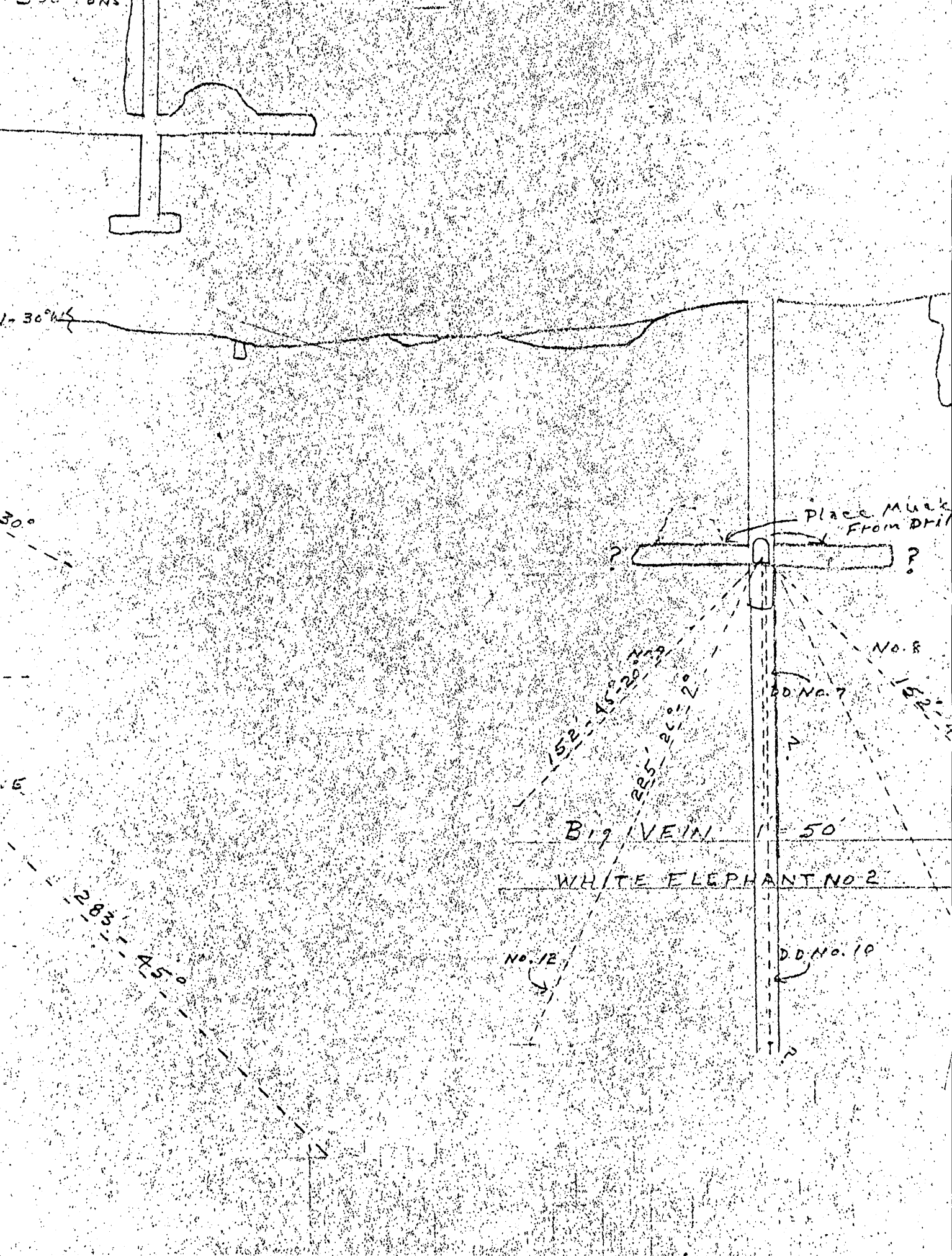


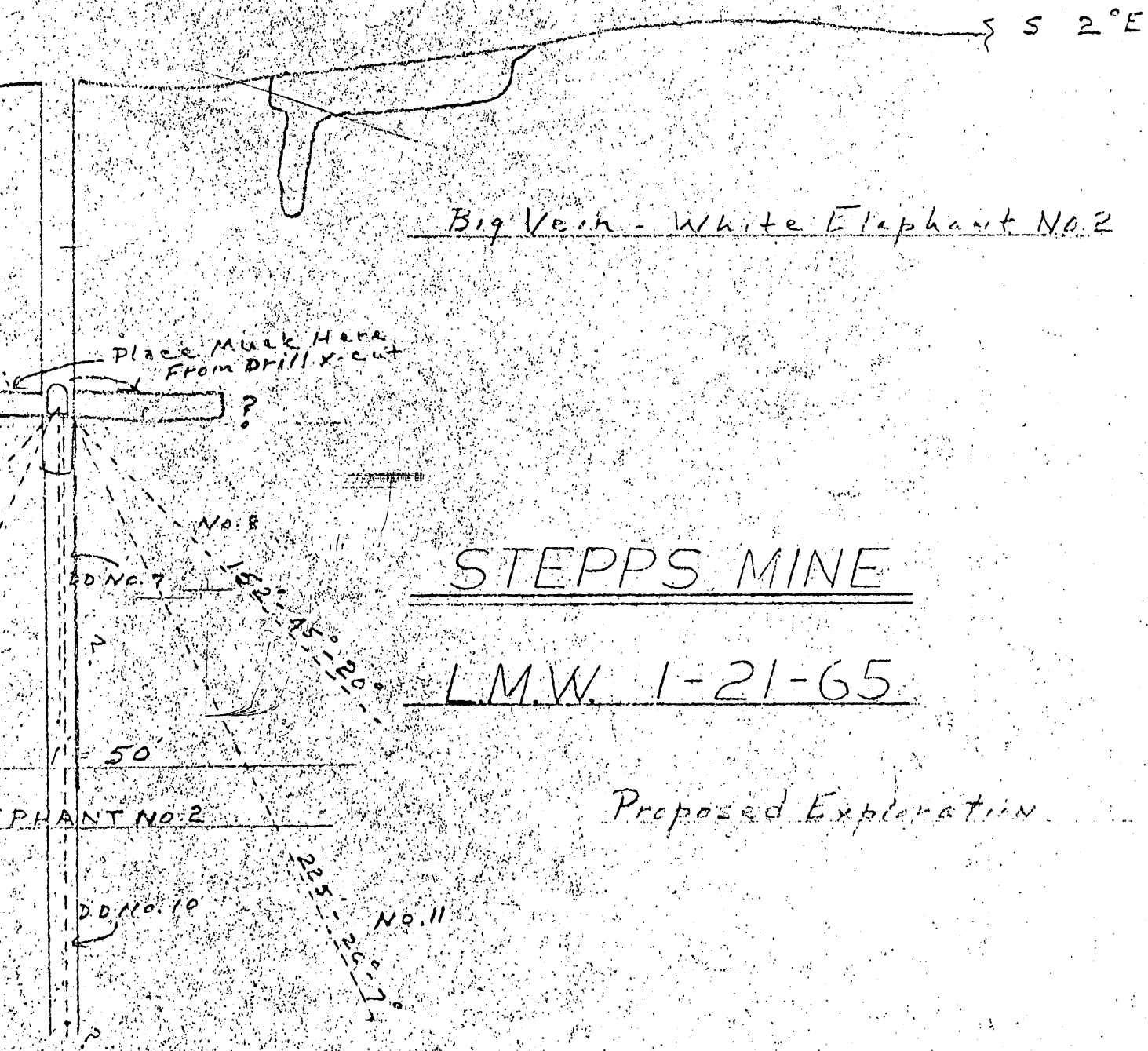
COMOBABI, MINING DISTRICT PIMA COUNTY, ARIZONA.

GROUP — STEPPS MINE L.M.W 1965

1" = 300'


AU .40
Ag 30 oz
Pb 30 %
Cu 10 %
70'
ASSUMED VEIN
No.3
No.2
112' 30°
DD No.1
50'
12'
No.6
DD No.4
LITTLE MARY VEIN (CHICAGO)
283' 45°
400'
400'

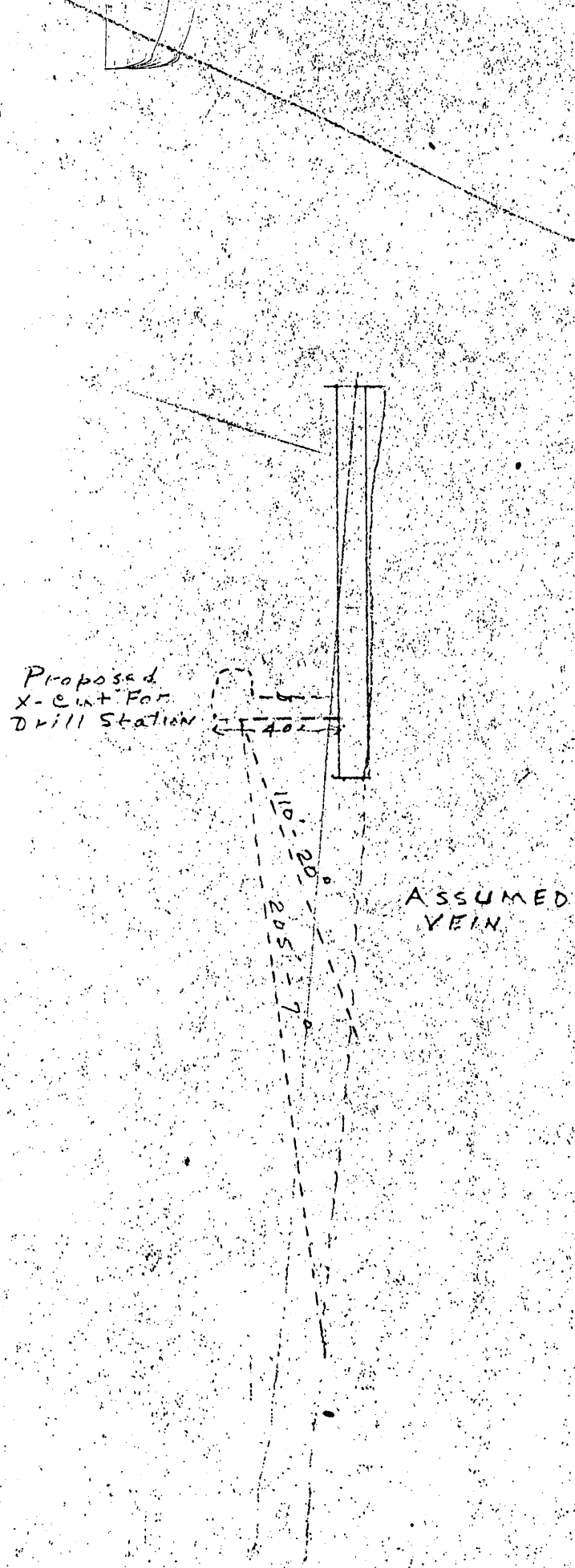

Place Muck From Drift
No. 8
D.D. No. 7
No. 9
Big VEIN 1" = 50'
WHITE ELEPHANT NO 2
D.D. No. 10
No. 12
30°
45°
20°
22.5
28.3

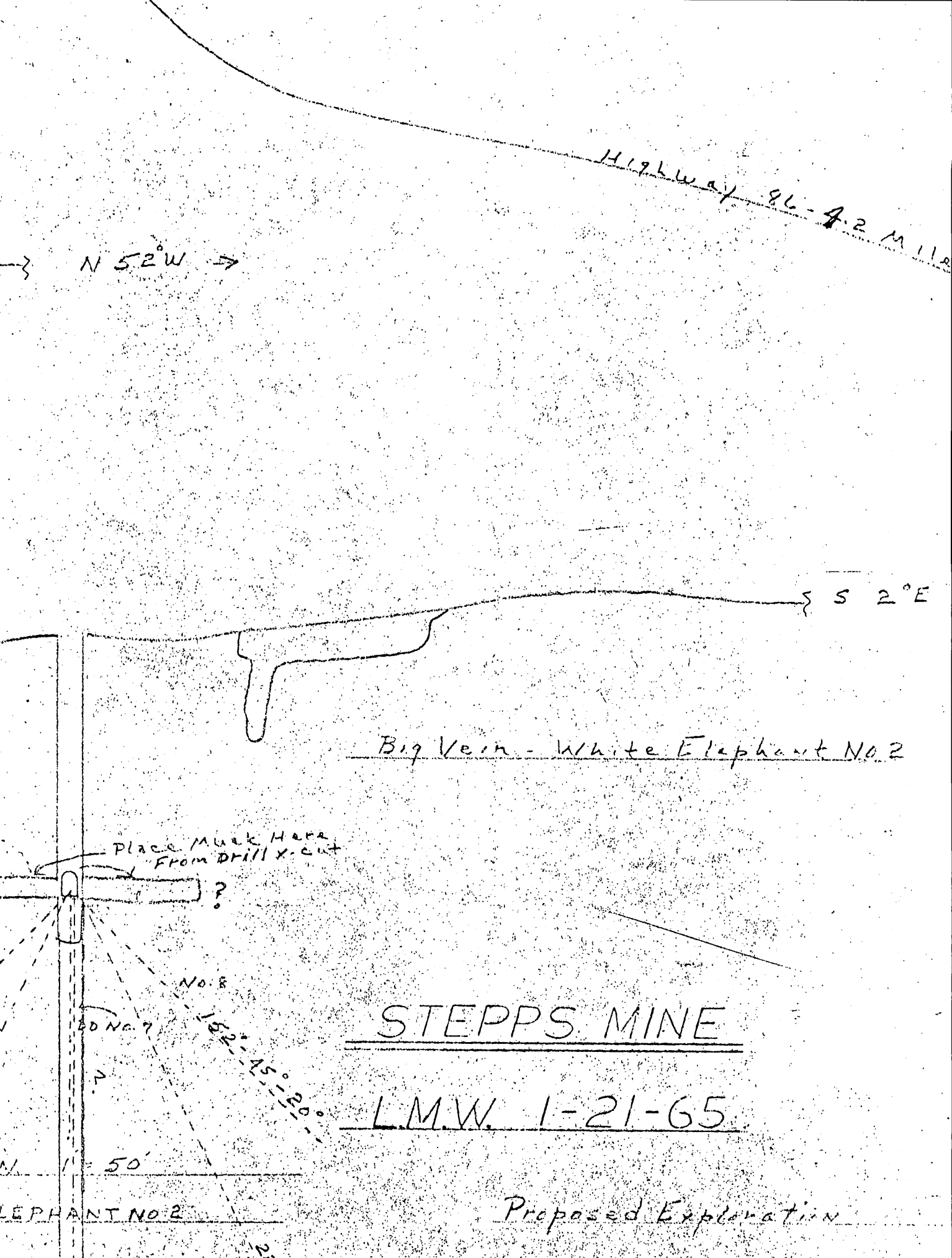


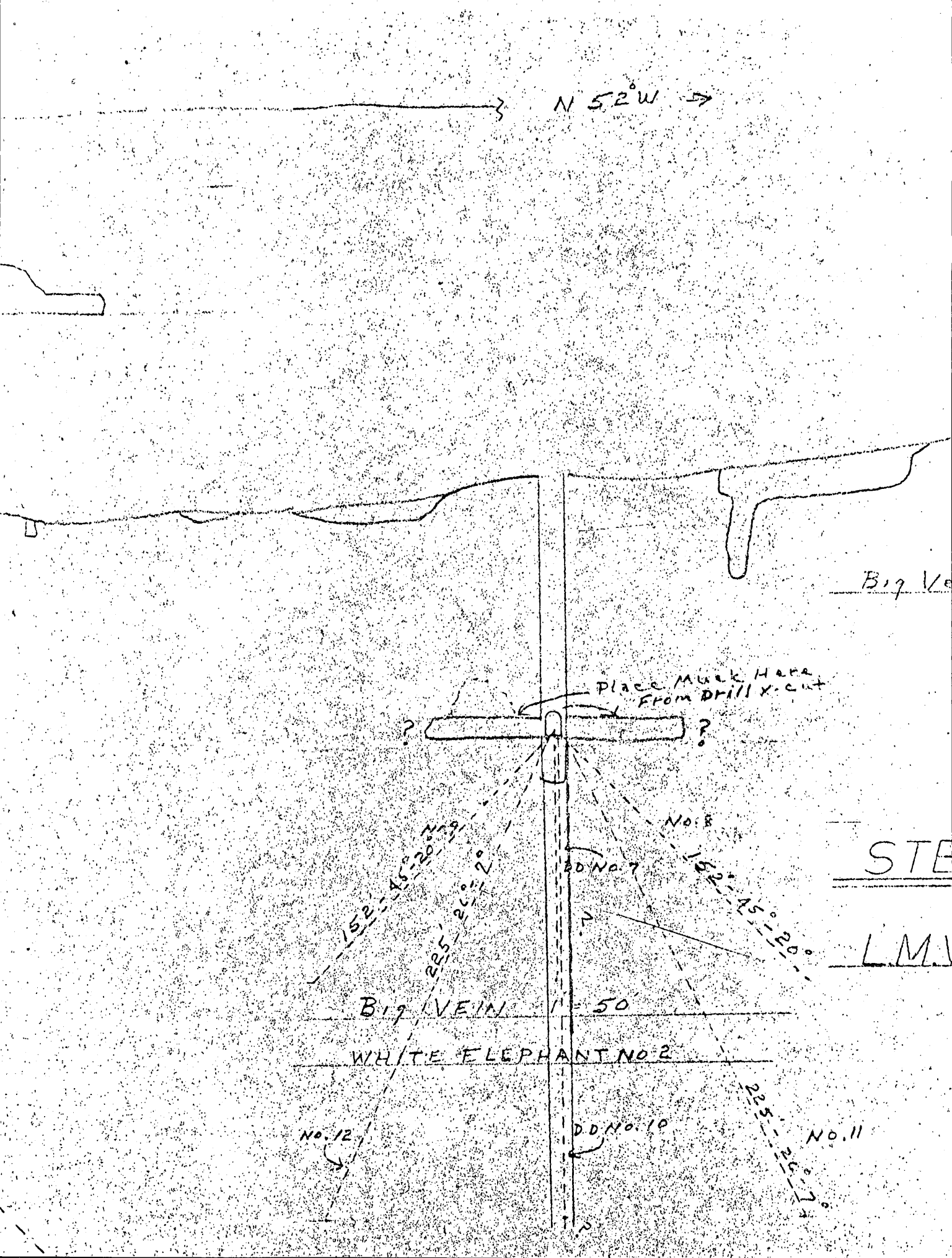
STEPPS MINE

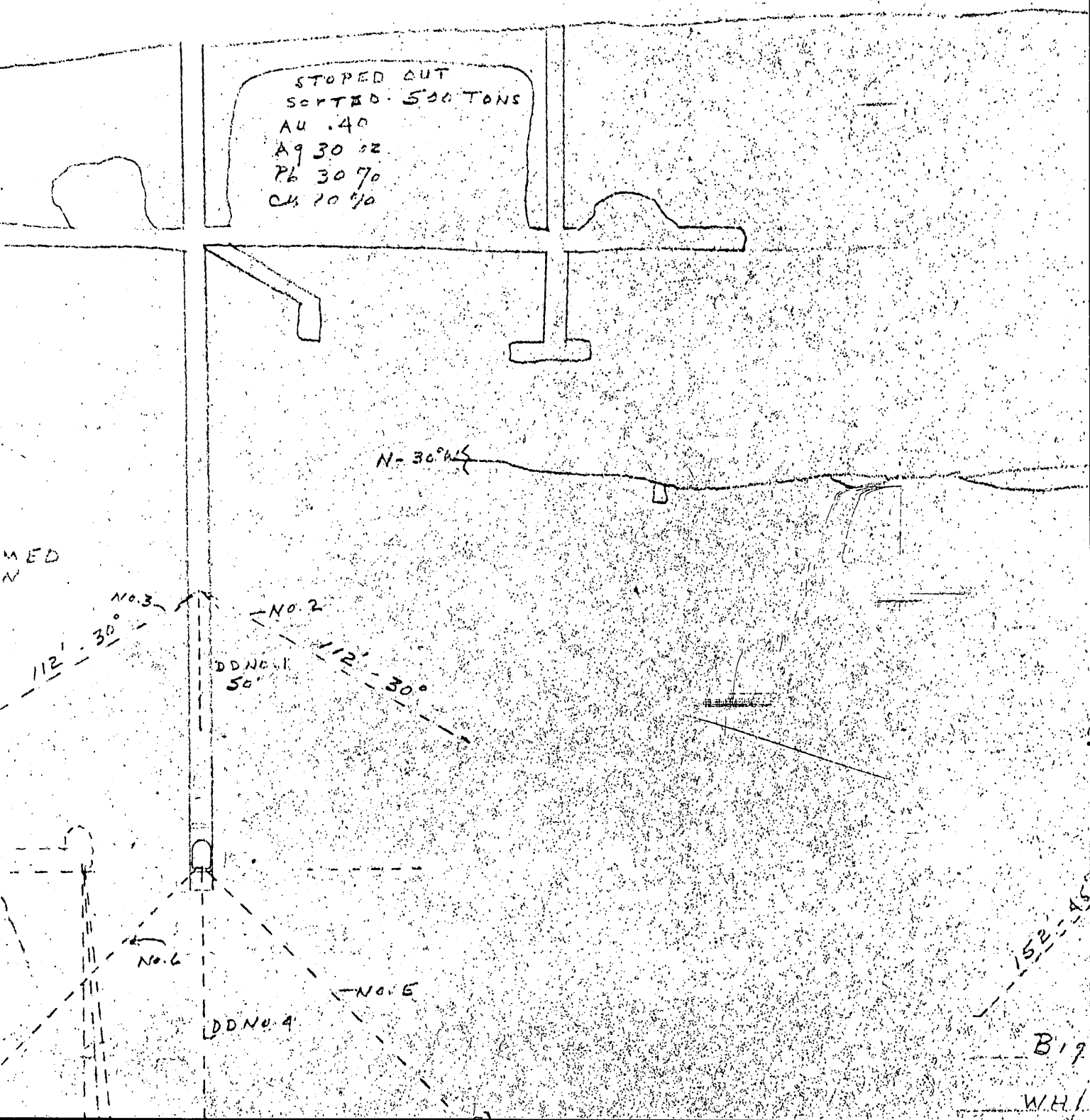
L.M.W. 1-21-65

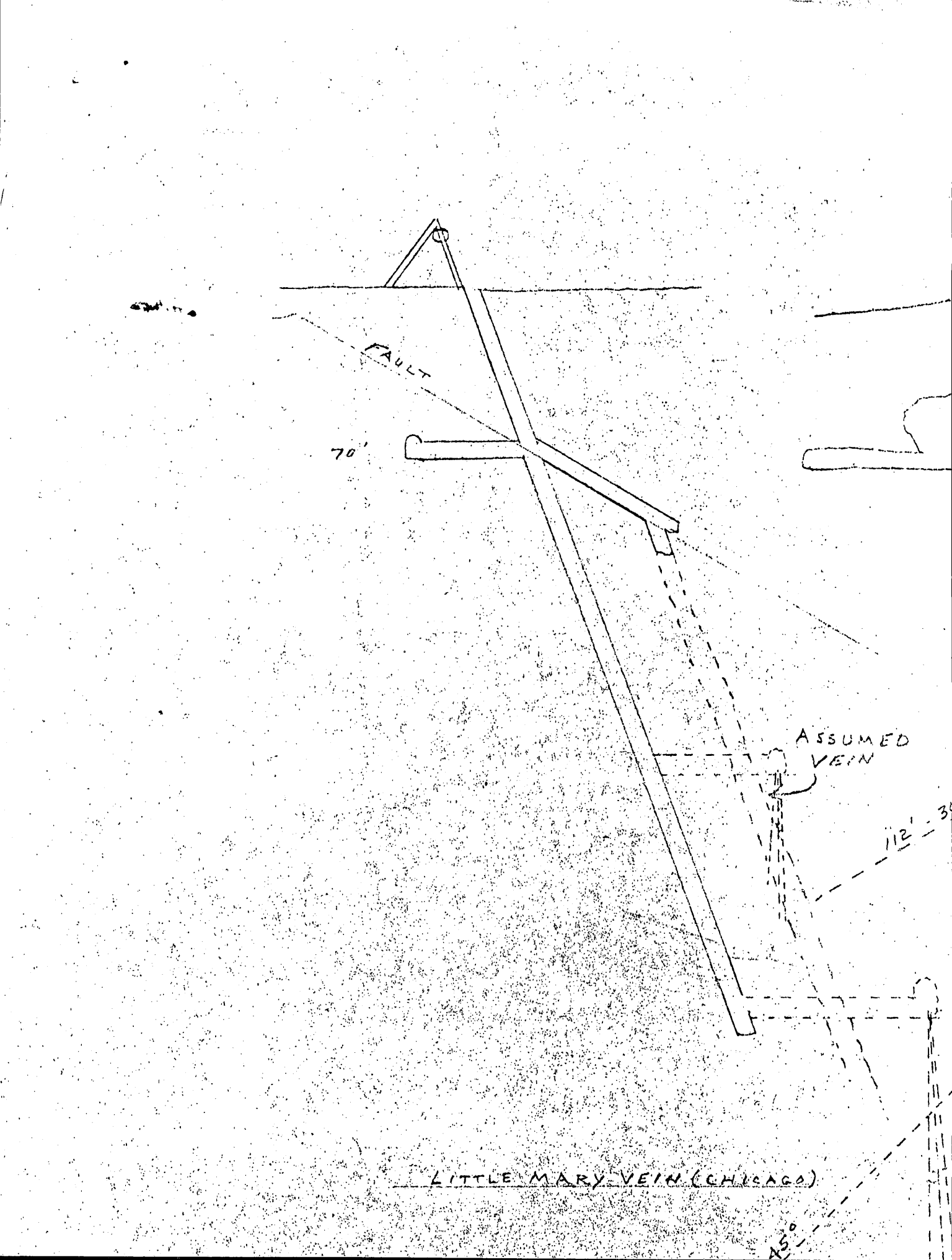
Proposed Exploration


Proposed
X-cut For
Drill Station
40
110
20
205
70
ASSUMED
VEIN

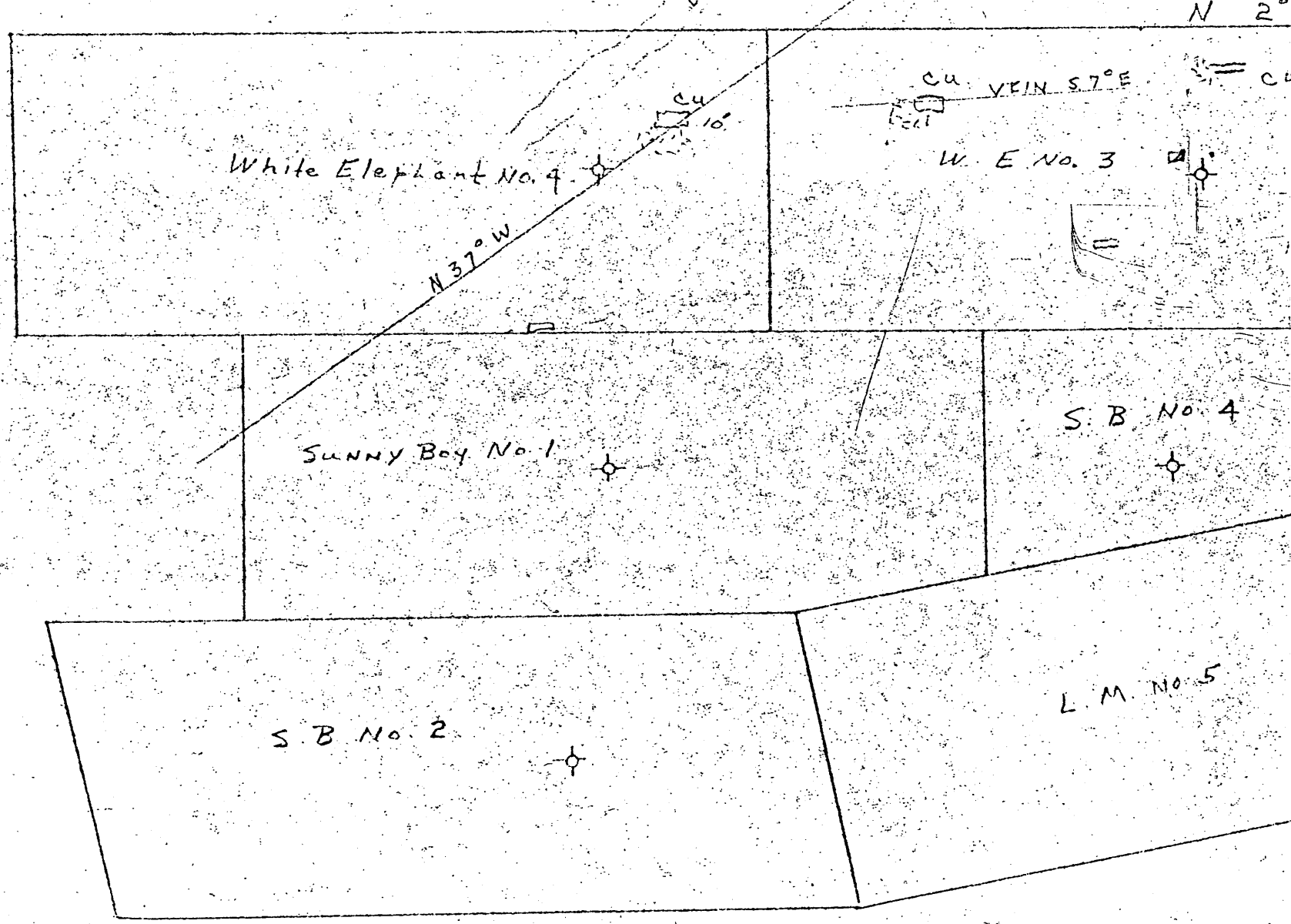

Highway 86 - 4.2 Mile
N 52° W
S 2° E
Big Vein - White Elephant No. 2
Place Muck Here From Drill x-cut
?
No. 8
No. 7
STEPPS MINE
L.M.W. 1-21-65
1" = 50'
LEPHANT NO 2
Proposed Exploration


N 52° W
Big Ve
Place Muck Here
From Drill X-cut
?
?
No. 9
No. 8
20 No. 7
52°
45°
20°
22½°
?
Big VEIN 1" = 50'
WHITE ELEPHANT NO 2
No. 12
D.D. No. 10
No. 11
STE
LM

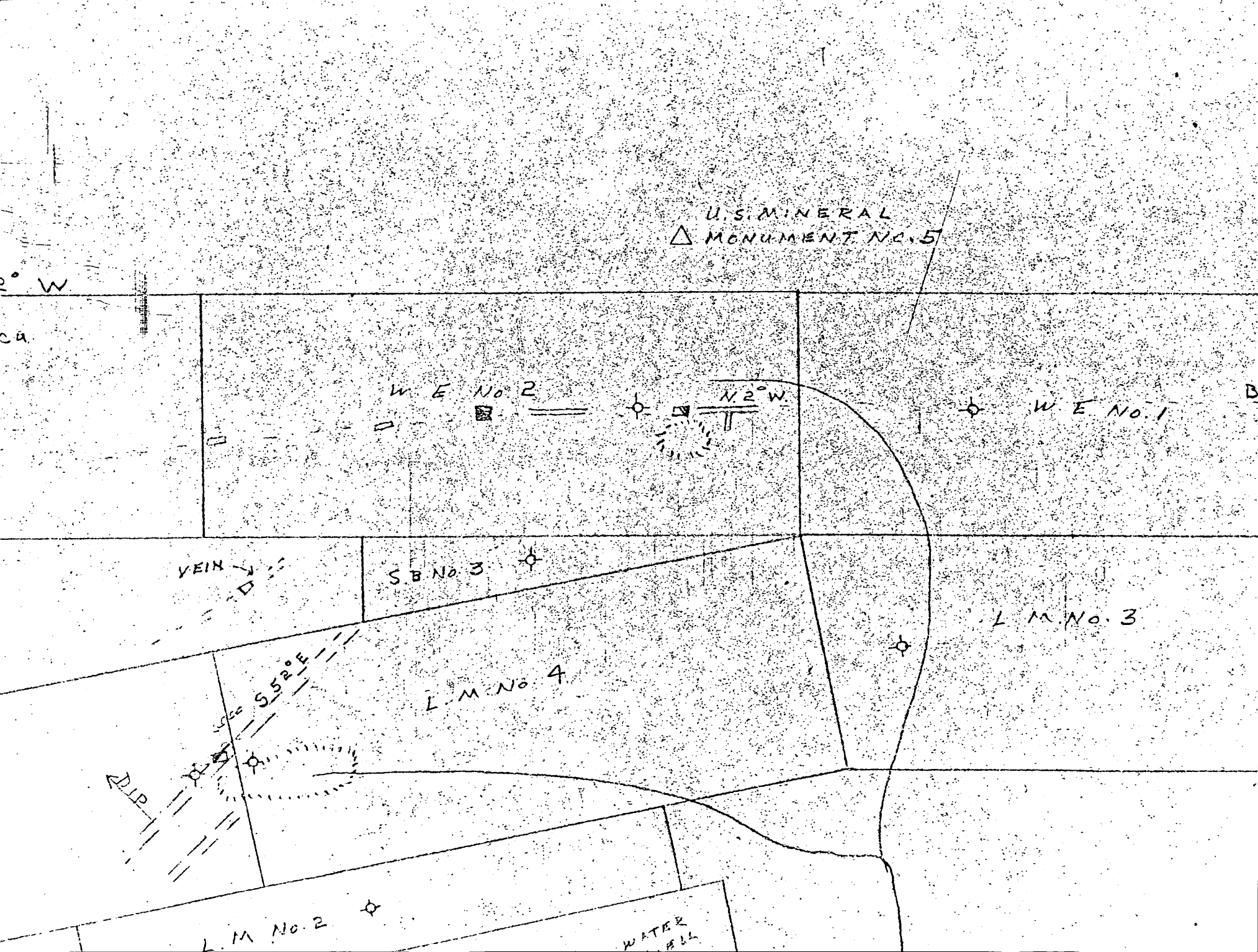

STOPED OUT
SORTED 500 TONS
Au .40
Ag 30 oz
Pb 30 %
Cu 10 %
N-30°W
NO.3
112'-30°
NO.2
DD NO.1
50°
12'-30°
NO.6
NO.5
DD NO.4
152'-45
B19
W.H.

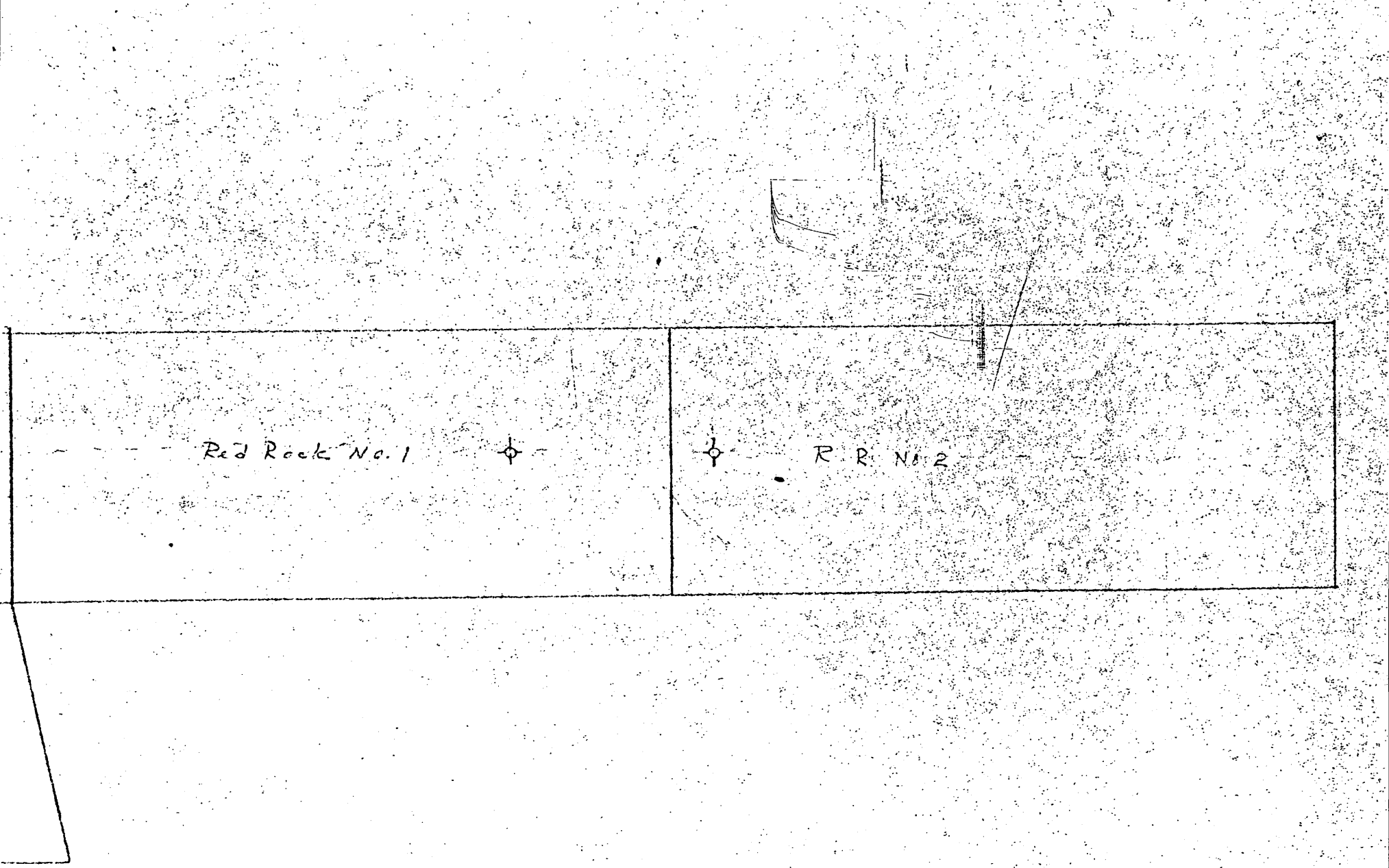


LITTLE MARY VEIN (CHICAGO)


N 2°
Cu
VEIN S 7° E
Cu
10°
White Elephant No. 4
W. E. No. 3
N 37° W
Sunny Boy No. 1
S. B. No. 4
S. B. No. 2
L. M. No. 5

W E No. 2
N 2° W.
VEIN
S B No. 3
S 52° E
L M No. 4
DIP
L M No. 2
WATER WELL
CAMP HOUSE
Little Mary No. 1
N 5


U.S. MINERAL
MONUMENT No. 5
W E No. 2
N 2° W
W E No. 1
VEIN
S B No. 3
L M No. 3
L M No. 4
S 52° E
DIP
L M No. 2
WATER



COMOBABI, MINING DISTRICT, PIMA COUNTY, ARIZONA.

STEPPS MINE
J.M.M. 1-21-65